

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYNAT INC.

Applicant

and

1000602770 ONTARIO LTD.

Respondent

**MOTION RECORD
(Returnable August 21, 2025)**

August 11, 2025

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
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Lawyers for the Receiver

TO: SERVICE LIST

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

Respondent

NOTICE OF MOTION

msi Spergel Inc., in its capacity as court-appointed receiver (in such capacity, and not in its personal, corporate or any other capacity, the “**Receiver**”) of 1000602770 Ontario Ltd. (“**1006**” or the “**Debtor**”) will make a motion to a judge of the Ontario Superior Court of Justice on August 21, 2025 at 10:00 am 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 one of* on consent, unopposed *or* made without notice);
- ☐ In writing as an opposed motion under subrule 37.12.1 (4);
- ☐ In person;
- ☐ By telephone conference;
- X By video conference.

at the following location:

By Zoom details to be provided by the Court

THE MOTION IS FOR:

1. The orders substantially in the form included in the Motion Record for, *inter alia*:

- (a) approval of the Agreement of Purchase and Sale, between the Receiver, as vendor and Jaral Properties Inc. (In Trust) as Purchaser (the “**Purchaser**”), dated April 22, 2025, (the “**Sale Agreement**”) for the purchase and sale of, *inter alia*, the Real Property (as defined herein) and authorizing the Receiver to complete the transaction contemplated therein (the “**Transaction**”), and vesting all of the Debtor’s right, title and interest in and to the Real Property (as defined in the Sale Agreement) to the Purchaser free and clear of any encumbrances other than Permitted Encumbrances identified in the Sale Agreement (the “**Approval and Vesting Order**”);
- (b) approval of the First Report of the Receiver dated July 11, 2025 (“**First Report**”) and the actions of the Receiver as described therein;
- (c) sealing the Confidential Appendices (as defined in the First Report) until the closing of the Transaction or further Order of the Court;
- (d) approving the Receiver’s interim statement of receipts and disbursements for the period as of July 8, 2025;
- (e) subject to the Receiver maintaining such reserves as the Receiver deems appropriate for, *inter alia*, the administration of the receivership estate, authorizing and directing the Receiver to distribute to Roynat the net proceeds of the receivership estate, but not to exceed the amount of its secured claim;

- (f) approving the professional fees of the Receiver and its legal counsel, Aird and Berlis LLP (“**A&B**”), including the estimated fees and disbursements to complete the receivership proceedings;
- (g) discharging the Receiver and terminating the Receiver’s Charge upon completion of the Remaining Matters (defined below) and filing of a certificate certifying that the Receiver has completed all outstanding receivership matters in connection with its appointment as receiver in these receivership proceedings;
- (h) granting a release in favour of the Receiver; and
- (i) such further and other relief as to this Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

Background

2. By Order of the Honourable Justice Bordin of the Ontario Superior Court of Justice (the “**Court**”), dated August 8, 2024 (the “**Appointment Order**”), msi Spergel Inc. (“**Spergel**”) was appointed as receiver and manager (in such capacities, the “**Receiver**”) without security, of all the assets, undertakings, and properties (collectively, the “**Property**”) of 1000602770 Ontario Ltd. (the “**Debtor**”), pursuant to an Application made by Roynat Inc. (“**Roynat**”).

3. The Debtor is the registered owner of the real property municipally known as 225 Southgate Drive, Guelph, Ontario, and legally described as Lots 21 and 22, Plan 680, Guelph {PIN 71491-0161 LT and PIN 71491-0162 LT} (the “**Real Property**”). The Real Property consists of approximately 4.8 acres of vacant land within an industrial development zone.

4. The Real Property is subject to first-ranking mortgage charge granted in favour of Roynat and various notices, by-laws and easements registered on title.

5. The Appointment Order authorized Spergel to market the Real Property.

Approval of Sale of Guelph Property

6. The Receiver has entered into a Sale Agreement between the Purchaser and the Receiver.

7. The Receiver seeks approval of the Sale Agreement and the sale of the Real Property to the Purchaser.

8. The Real Property is encumbered by charge registered in favour of Roynat. The Receiver seeks an approval and vesting order to extinguish encumbrances on the Guelph Property.

9. Roynat has been consulted with respect to the Transaction and supports the completion of same, as well as the relief sought by the Receiver within this motion.

Sealing Order

10. The Receiver also seeks a sealing order with respect to the Confidential Appendices attached to the First Report. These Confidential Appendices contain confidential information of a highly sensitive commercial nature, which would likely jeopardize the value that could be generated from the Guelph Property, should the sale to the Purchaser fail to close.

11. 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

12. 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.

13. The Receiver also seeks approval of its activities as described in the First Report.

Approval of Interim Statement of Receipts and Disbursements

14. The Receiver's Interim Statement of Receipts and Disbursements as at July 8, 2025 is appended to the First Report. It is the Receiver's position that such receipts and disbursements are reasonable and should be approved.

Discharge of the Receiver

15. The Receiver also seeks an order for its discharge, subject to filing a Discharge Certificate in the form substantially as set out in the Discharge Order, certifying that the remaining matters have been completed by the Receiver.

16. As the Receiver has substantially completed its mandate, it is appropriate for the court to grant the discharge order. This avoids additional cost to the estate for the Receiver to return to court for a re-attendance.

Release in Favour of the Receiver

17. The Receiver also seeks a release from any and all liability that it now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as Receiver, save and except for any gross negligence or wilful misconduct on the part of the Receiver.

Other Grounds

18. The equitable and inherent jurisdiction of the Court;
19. 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 of the Rules of Civil Procedure (Ontario);
20. The *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
21. Sections 96 and 137(2) of the *Courts of Justice Act*;
22. The grounds as detailed in the First Report; and
23. Such further and other grounds as counsel may advise and this Court may permit.

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

24. The First Report of the Receiver dated July 11, 2025; and
25. Such further and other material as counsel may submit and this Court may permit.

August 11, 2025

AIRD & BERLIS LLP

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Lawyers for the Receiver

ROYNAT INC.
Applicant

- and -

1000602770 ONTARIO LTD.
Respondent

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceedings commenced at Toronto

NOTICE OF MOTION

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Lawyers for the Receiver

TAB 2

Court File No. CV-24-00001161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYNAT INC.

Applicant

and

1000602770 ONTARIO LTD.

Respondent

**FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
1000602770 ONTARIO LTD.**

JULY 11, 2025

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8. Redacted copy of Jaral Offer
9. Roynat Charge and General Assignment of Rents
10. PPSA Search Report as at May 30, 2025
11. Receiver's Fee Affidavit sworn May 30, 2025
12. Receiver's Counsel Fee Affidavit sworn June 23, 2025
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2. Colliers Appraisal
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4. Unredacted Copy of the Colliers International Sales and Marketing Proposal
5. Final Progress Report issued by Avison
6. Comparative Summary of Offers Received
7. Unredacted Copy of Jaral Offer

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 1000602770 Ontario Ltd. (“**1006**” or the “**Debtor**”).
2. 1006 is incorporated pursuant to the laws of the Province of Ontario having its registered office at 15 Tawse Place, Puslinch, Ontario.
3. 1006 is the owner of the real property legally described as Lots 21 and 22, Plan 680, Guelph {PIN 71491-0161 LT and PIN 71491-0162 LT} (the “**Real Property**”). The Real Property consists of approximately 4.8 acres of vacant land within an industrial development zone.
4. On July 12, 2024, Roynat Inc. (“**Roynat**” 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 Bank’s application, originally returnable on July 25, 2024, was adjourned on consent to August 8, 2024, pursuant to the endorsement of the Honourable Justice A.D. Hillard dated July 25, 2024 (the “**July 25th Endorsement**”). Attached to this First Report as **Appendix “1”** is a copy of the July 25th Endorsement.
6. At the hearing of the Bank’s application on August 8, 2024, the Honourable Justice Bordin issued an endorsement (the “**August 8th Endorsement**”) granted an Order appointing Spergel as Receiver of the Property of the Debtor (the “**Receivership Order**”). Attached to this First Report as **Appendices “2”** and “**3**”, respectively, are copies of the August 8th Endorsement and the Receivership Order.
7. The Receiver retained Aird & Berlis LLP (the “**Receiver’s Counsel**”) as its independent legal counsel.

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 to date in these proceedings and to seek Orders from the Court, including:
- a) providing the Court with an update in respect of the activities of the Receiver since the date of the Receivership Order;
 - b) 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 the First Report;
 - c) approving the Receiver's Interim Statement of Receipts and Disbursements as at July 8, 2025;
 - d) approving an agreement of purchase and sale between the Receiver, as Vendor and Jaral Properties Inc. (In Trust) as Purchaser (the "**Purchaser**") dated April 22, 2025 (the "**Sale Agreement**"), and authorizing the Receiver to complete the transaction contemplated thereby (the "**Transaction**");
 - e) 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);
 - f) sealing the Confidential Appendices (as defined herein) to the First Report until the closing of the Transaction or further Order of this Court;
 - g) approving the fees and disbursements of the Receiver to and including April 30, 2025 and payment of same;
 - h) approving the fees and disbursements of the Receiver's Counsel to and including May 31, 2025, and payment of same;
 - i) approving the Fee Accrual (as defined herein);
 - j) approving the Proposed Distribution (as defined herein);

- k) effective upon filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership of the Debtor have been completed to the satisfaction of the Receiver, discharging Spergel as Receiver and granting certain ancillary relief in relation thereto; and
- l) 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. RECEIVER'S ACTIVITIES

- 12. A copy of the Receivership Order was provided to the Debtor. 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* (Canada) and mailed same to all creditors known to the Receiver.

13. Since the effective date of its appointment on August 8, 2024, the Receiver directly or through the Receiver's Counsel attended to the following:
- a) generally managing the Real Property;
 - b) arranged for liability insurance coverage for the Real Property;
 - c) arranged for regular site inspections of the Real Property as required by the insurer;
 - d) arranged for two fair market value appraisals of the Real Property;
 - e) engaged the services of Pinchin Ltd., to complete a Phase 1 Environmental Assessment of the Real Property;
 - f) opened a dedicated trust account for the receivership entity;
 - g) filed all required reports under the *Bankruptcy and Insolvency Act* ("**BIA**")
 - h) arranged for funding from the Bank;
 - i) entered into an MLS listing agreement with Avison Young Commercial Real Estate Services LP, Brokerage (the "**Listing Broker**") and instructed the Listing Broker to commence a fulsome sales and marketing process;
 - j) requested and received sales and marketing proposals from two commercial real estate brokerages; and
 - k) entered into an Agreement of Purchase and Sale for the Real Property, conditional only upon approval of this Honourable Court.

IV. THE SALE PROCESS WITH RESPECT TO THE REAL PROPERTY

14. Pursuant to the terms of the Receivership Order, the Receiver is authorized 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. The sole asset of 1006 is the Real Property.
15. The Receiver engaged the services of Antec Appraisal Group ("**Antec**") and Colliers International ("**Colliers**") to attend at and conduct full narrative appraisals

of the Real Property. Attached to this First Report as **Confidential Appendices “1”** and **“2”**, respectively are copies of the Antec and Colliers appraisals.

16. In addition to the above-noted appraisals, the Receiver requested and obtained sales and marketing proposals from Avison Young Commercial Real Estate Services LP, Brokerage (**“Avison”**) and Colliers International (**“Colliers”**). Attached to this First Report as **Appendices “4”** and **“5”**, respectively are copies of the Avison and Colliers sales and marketing proposals with valuations redacted. Attached to this First Report as **Confidential Appendices “3”** and **“4”**, respectively are unredacted copies of the Avison and Colliers sales and marketing proposals.
17. The Receiver entered into an MLS Listing Agreement with Avison as the commission structure was commercially reasonable and the skill set of the brokerage will garner optimum recovery. Attached to the First Report as **Appendices “6”** and **“7”**, respectively are copies of the Signed Listing Agreement and MLS Data Information Form.
18. Avison Young widely marketed the Real Property to garner maximum interest and several offers to purchase. This included listing the Real Property on MLS and reaching out to over 3200 contacts. This resulted in 7 interested parties executing Confidentiality Agreements, 9 people accessing the data room for the property and a number of interested parties touring the Real Property. Attached to this First Report as **Confidential Appendix “5”** is a copy of the Final Progress Report issued by Avison Young dated May 13, 2025.
19. As a result of the marketing efforts described above, 3 offers were received. Attached to this First Report as **Confidential Appendix “6”** is a comparative summary of the offers received.
20. On the basis of the marketing efforts described above, the Receiver accepted the Offer submitted by Jaral Properties Inc. In Trust (the **“Jaral Offer”**) as being the best of the offers received.

21. The Jaral Offer is on an “as-is, where-is” basis, conditional only upon the Purchaser being able to obtain an Approval and Vesting Order issued by the Court. Attached to this First Report as **Appendix “8”** is a redacted copy of the Jaral Offer. Attached to this First Report as **Confidential Appendix “7”** is an unredacted copy of the Jaral Offer.
22. The Receiver is of the view that the sales process was one that resulted in the best price in these circumstances, considered the interests of all parties, was a fair and public process and was conducted in a commercially reasonable manner.
23. The Receiver is of the view that the market was extensively canvassed pursuant to Avison’s professional, and industry standard marketing efforts which are detailed above and are provided for in the Avison sales and marketing proposal. 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.
24. It is the opinion of the Receiver that the terms and conditions contained within the Jaral Offer are commercially reasonable in all respects and that the purchase price in the Jaral Offer is at market value for the Real Property and is the best outcome to the receivership estate in the circumstances.
25. Roynat has been consulted with respect to the Transaction and supports the completion of same as well as the relief sought by the Receiver within this motion.
26. The Receiver recommends that the Court approve the Transaction.

V. SECURED, PRIORITY AND OTHER CREDITORS

27. Roynat holds a first mortgage (the “**Roynat Mortgage**”) over the Real Property having a principal balance in the amount of \$7,000,000. Attached to this First Report as **Appendix “9”** are copies of the Roynat Mortgage and general assignment of rents.

28. As of May 9, 2024, the amount owing under the Roynat Mortgage was \$7,081,347.67 with costs and interest accruing.¹
29. Attached to this First Report as **Appendix “10”** is a copy of a search of registrations against 1006 under the *Personal Property Security Act* (“**PPSA**”) as at May 30, 2025. Roynat is the sole registrant under the PPSA.
30. As of July 10, 2025, there are outstanding realty taxes on the Real Property in the amount of \$88,000.87. If the Transaction is approved and completed, the outstanding realty taxes will be paid from the sale proceeds on closing.

VI. REQUEST FOR A SEALING ORDER

31. The Receiver is 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 a transaction would be prejudicial to the stakeholders of the Debtor’s estate. The requested sealing of the Confidential Appendices is for a temporary period, until the earlier of the completion of a transaction or further Order of this Court.

VII. PROFESSIONAL FEES AND DISBURSEMENTS

32. Attached to this First Report as **Appendix “11”** is the Affidavit of Philip Gennis sworn May 30, 2025, (the “**Receiver’s Fee Affidavit**”) which incorporates by reference a copy of the Receiver’s time dockets pertaining to the receivership of 1006 to and including April 30, 2025 in the amount of \$35,472.11 inclusive of disbursements and HST. This represents a total of 62.45 hours at an average hourly rate of \$502.66 excluding HST.
33. Attached hereto as **Appendix “12”** to this First Report is the Affidavit of Adrienne Ho sworn June 23, 2025, (the “**Receiver’s Counsel Fee Affidavit**”) which incorporates by reference a copy of the time dockets of the Receiver’s Counsel for

¹ Affidavit of Cian McDonnell filed in support of the Roynat Application for the appointment of a Receiver

the period to and including May 31, 2025, in the amount of \$14,460.42 inclusive of disbursements and HST.

34. 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.
35. Provided there is no opposition to the relief sought in this First Report and that such relief is granted, the Receiver estimates, that the professional fees to complete the Transaction, if approved, and complete the administration of the estate should not exceed \$75,000.00 plus disbursements and HST and as such the Receiver is seeking approval to hold back this sum pending completion of all matters and the Receiver's discharge (the "**Fee Accrual**").

VIII. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

36. Attached hereto as **Appendix "13"** is a copy of the Interim Statement of Receipts and Disbursements of the Receiver as of July 8, 2025.

IX. RECEIVER'S BORROWING AND PROPOSED DISTRIBUTION

37. Pursuant to Paragraph 21 of the Receivership Order, the Receiver borrowed funds from Roynat in the amount of \$30,000.00 (the "**Receiver's Borrowing**") to fund its disbursements during the receivership. Attached to this First Report as **Appendix "14"** is a copy of the Receiver's Borrowing Certificate in the amount of \$30,000.
38. Further pursuant to Paragraph 21 of the Receivership Order, the issuance of the Receiver's Certificate has the effect of creating a charge on the Property, by way of a fixed and specific charge as security for the repayment of the monies borrowed, together with interest and charges thereon, in priority to all statutory interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (as defined in the Receivership Order) over the property of the Debtors 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 (as defined in the Receivership Order) and the charges set out in subsections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

39. A title search conducted with respect to the Real Property has indicated the following registrations on title:

PIN 71491-0161 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROS223171, being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS520085Z, being a Best Cov Apl Annex registered on December 31, 1985
6. WC243602, being a Notice regarding airport zoning registered on May 4, 2009
7. WC712167, being a first mortgage in favour of Roynat Inc., registered on September 11, 2023 in the principal amount of \$7,000,000
8. WC712170, being the Notice of Assignment of Rents General registered in favour of Roynat Inc. on September 11, 2023; and
9. WC737698, being the Application Court Order appointing msi Spergel Inc. as receiver registered on August 21, 2024.

PIN 71491-0162 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROS223171, being a transfer of easement to Guelph Hydro registered on October 12, 1979

5. ROS553439Z, being a restrictive covenant application registered on June 30, 1987
6. ROS586649, being a By-Law registered on November 15, 1988
7. WC243602, being a Notice regarding airport zoning registered on May 4, 2009
8. WC712167, being a first mortgage in favour of Roynat Inc., registered on September 11, 2023 in the principal amount of \$7,000,000;
10. WC712170, being the Notice of Assignment of Rents General registered in favour of Roynat Inc. on September 11, 2023; and
9. WC737698, being the Application Court Order appointing msi Spergel Inc. as receiver registered on August 21, 2024.
40. Attached to this First Report as **Appendix “15”** are copies of the abstracts with respect to the Real Property dated May 26, 2025.
41. Attached to this First Report as **Appendix “16”** is the security opinion issued by Aird & Berlis LLP dated June 10, 2025, providing its opinion that the security comprised of the first mortgage held by Roynat is valid and enforceable in accordance with its terms, subject to the usual and customary qualifications.
42. The Receiver has concluded that the first mortgage held by Roynat is a senior charge over the Real Property subject to the claims under the Receivership Order.
43. On the basis of the foregoing, the Receiver is proposing to make a distribution (after payment of the real estate commission payable on the sale of the Real Property, the fees and disbursements of the Receiver and the Receiver’s Counsel outlined in this First Report, including the Fee Accrual as, defined therein) as follows (the “**Proposed Distribution**”):
 - a) to Roynat for repayment of the Receiver’s Borrowing in the amount of \$30,000.00 plus interest thereon in accordance with the Receiver’s Borrowing Certificate;
 - b) balance of any and all funds in the Debtor’s estate to Roynat on account of the Debtor’s secured indebtedness to Roynat. It is anticipated that Roynat will

suffer a shortfall, and accordingly there will be no funds available for distribution to any other stakeholders.

X. DISCHARGE OF THE RECEIVER

44. 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 real estate commission;
 - c. preparing and filing of the Receiver's closing certificate provided for in the Sale Approval and Vesting Order sought from this Honourable Court;
 - d. preparing and filing of final BIA notices; and
 - e. preparing and filing of the Receiver's discharge certificate provided for in the Ancillary Order sought from this Honourable Court.
45. The Receiver seeks an Order from the Court approving its activities and conduct described in this First Report and upon the Receiver filing a Certificate with the Court confirming that it has completed the administration of these receivership proceedings, that the Spergel be discharged and released from any and all liability that it has now 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 herein, save and except for any gross negligence or wilful misconduct on the Receiver's part.

XI. RECOMMENDATION

46. Based on the foregoing, the Receiver respectfully recommends that the Court make Orders granting the relief detailed in Paragraph 8 of this First Report. All of which is respectfully submitted.

Dated at Toronto, this 11th day of July 2025.

msi Spergel inc.,
solely in its capacity as Court-appointed
Receiver of 1000602770 Ontario Limited
and not in any corporate
or personal capacities

Per:



Mukul Manchanda, CPA, CIRP, LIT
Managing Partner

64909732.2

APPENDIX 1



ENDORSEMENT SHEET FOR CIVIL MOTION/APPLICATION

ACTION COMMENCED AT: Kitchener, ON

SHORT TITLE OF PROCEEDINGS: Roynat Inc v 10000602770 Ontario Ltd

COURT FILE NO.: CV-24-1161

BEFORE: A.D. Hilliard

HEARD ON: July 25, 2024

COUNSEL:
R. Danter – for the Applicant

MOVING PARTY ☒ Plaintiff/Applicant ☐ Defendant/Respondent ☐ Other

RELIEF REQUESTED: Adjournment request

☐ ORDER SIGNED

☐ ON CONSENT

☐ UNOPPOSED

☐ NO ONE APPEARED

☐ ADJOURNED TO

ENDORSEMENT:

The motion is adjourned on consent, which consent by the Applicant is premised on the motion being marked peremptory to proceed on the next date. No one appeared on behalf of the Respondent to oppose the request that the matter be marked peremptory.

1. Motion adjourned to the motions list on August 8, 2024 at 10:00 a.m. peremptory on the Respondent.

Date: July 25, 2024


Justice A.D. Hilliard

APPENDIX 2



Superior Court of Justice - Central South Region

**ENDORSEMENT SHEET FOR
CIVIL MOTION/APPLICATION**

ACTION COMMENCED AT:

Waterloo Region

SHORT TITLE OF PROCEEDINGS:

Roynat Inc. v 1000602770 Ontario Ltd.

COURT FILE NO.:

CV-24-00001161-0000

BEFORE:

The Honourable Justice Bordin

HEARD ON:

August 8, 2024

COUNSEL:

R. Danter

for the Applicant

MOVING PARTY:



Applicant



Respondent



Other

☐ **ORDER SIGNED**

☐ **ON CONSENT**

☐ **UNOPPOSED**

☐ **NO ONE APPEARED**

ENDORSEMENT:

For oral reasons given, an order shall issue in accordance with the draft order at pages A681 through A697 of the Master bundle in Casecenter.

Date: August 8, 2024

Justice Bordin

APPENDIX 3

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE

)

THURSDAY, THE 8TH

JUSTICE BORDIN

)

DAY OF AUGUST, 2024

)



ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

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 (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including the real property owned by the Debtor and described at Schedule "A" hereto (the "Real Property"), was heard this day by judicial videoconference via Zoom at the Courthouse 85 Frederick Street, Kitchener, ON N2H 0H7.

ON READING the affidavit of Cian McDonnell sworn July 9, 2024 and the Exhibits thereto, the Factum and Book of Authorities of the Receiver dated July 16, 2024, and on hearing the submissions of counsel for the Applicant, no one appearing for although duly served as appears from the affidavit of service of Emma Benaway sworn July 12, 2024 and the affidavit of service

of Lindsay Smith sworn July 15, 2024 and the affidavit of service of Samuel Petersen sworn July 16, 2024, and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

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

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

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

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

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$25,000.00, provided that the aggregate consideration for all such transactions does not exceed \$150,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this

paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without

limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed

\$200,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

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

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at [https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part III The E-Service List](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part_III_The_E-Service_List)) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on

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

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

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

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

31. THIS COURT ORDERS that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

~~Justice, Ontario Superior Court of Justice~~
Registrar, Superior Court of Justice

SCHEDULE "A"

REAL PROPERTY

MUNICIPALLY KNOWN AS: 225 Southgate Drive, Guelph, Ontario.

LEGAL DESCRIPTION:

- i. LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,
- ii. LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT).

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and including the Real Property as defined in the Order (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 __--_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

msi Spergel inc., solely in its capacity
as Receiver of the Property, and not in its
personal or corporate capacity

Per: _____

Name:

Title:

ROYNAT INC.

-and-

1000602770 ONTARIO LTD.

Applicant

Respondents

Court File No. CV-24-00001161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

ORDER

Harrison Pensa^{LLP}

Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #33653S)

Rob Danter (LSO #69806O)

Tel: (519) 679-9660

Fax: (519) 667-3362

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

Solicitors for the Applicant,
Roynat Inc.

APPENDIX 4

**AVISON
YOUNG**

Professional Listing Services Proposal

225 Southgate Drive
Guelph, Ontario



Presented to:

Phillip Gennis, J.D., CIRP, LIT
Corporate Restructuring & Insolvency



Platinum member



Points of discussion

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Executive summary

We are pleased to provide msi Spergel with our Disposition Proposal for the property at 225 Southgate Drive, Guelph, Ontario.

Valuation and Pricing Guidance

Our initial valuation of the Property is noted in the chart below, along with our suggested asking price. The Property is smaller in value and does not warrant marketing on an unpriced basis given the typical buyer profile for this type of asset.

Address	Estimated Market Value	Suggested Asking Price
225 Southgate Dr, Guelph, ON		\$4,500,000

We would market the asset extensively, including on multiple MLS boards, to generate the widest possible interest and draw from the largest pool of potential buyers and brokers. **We would also recommend (if possible) offering the parcels together, as well as separately, to appeal to the largest buyer pool possible.** Our recent efforts in marketing and selling similar, distressed sites gives us invaluable experience and insight into the current marketplace, and investor mindset, for this type of asset. The Advisory Team will run approximately a 6-week marketing program prior to entertaining bids. Given the sluggish economy, and relatively weak purchaser demand for land, we recommend entertaining offers on a "first come" basis.

Advisory Team

The Advisory Team is led by Kelly Avison, Principal; and Matt Perco. They are supported by Michael Kostka - Marketing Coordinator, Ankit Jindal – Senior Investment Associate, Kyle Chan – Investment Analyst, Patrick O’Boy – Investment Analyst, and Naomi Sanders – Client Services Coordinator. The Advisory Team (Kelly and Matt) have a great deal of experience and a solid track record of success completing distressed asset dispositions, and understand the added importance of accountability, oversight, and due process required throughout the sales process.

Proposed remuneration & reporting

We propose the following fee structure for the Property:

2.75% of purchase price. Avison Young to pay co-operating/MLS broker out of the total fee.

The Advisory Team fully understands the increased importance for diligent and comprehensive reporting as a part of a process that has multiple stakeholders. msi Spergel, will be provided with formal activity reports on a bi-weekly basis detailing all inquiries, tour activity, market feedback, and pending offers (or on an alternate schedule as needed).

We believe our proposal outlines a clear strategy that will result in a timely sale and maximized sale price for this asset. Thank you for your consideration of this proposal and we thank you for the opportunity to work with the msi Spergel Team again!



Kelly Avison, AACI
Principal



Matt Perco
Associate

Market Context

After coming out of the "shadows" of the COVID global pandemic, the Canadian economy began to slow down in late 2022 and continues into 2024, and followed the Bank of Canada rapidly raising its key interest rate multiple times starting in March-2022 (from 0.50%) to July-2023 (5.0%). The overall investment sales volume activity across the GTA/GGH region has been trending downwards the last few quarters, as many investors "hit the pause button" on new acquisitions. Although the Bank of Canada has begun to cut its key interest rate in 2024 (125 bps decrease to date), investors and buyers still remain mostly on the sidelines and await further "price discovery" in this changing market.

Marketing Initiatives & Sale Process

Based on experience, the smoothest disposition processes that results in the highest sale price are achieved by performing as much due diligence and collection of information at the outset ahead of going to market. Buyers are willing to offer the highest price when they have been presented with the most accurate and complete property information which typically lessens their due diligence review.

In this case, we recommend performing the following, or seeking out the following information, with the assistance of the Advisory Team:

- i. Download, or have web-links, to relevant zoning information via municipal websites
- ii. Gather any outstanding/required property-related documents (e.g. surveys, geotechnical and/or environmental reports, etc.)
- iii. Work with the Receiver’s legal team on a standardized APS document and/or APS Schedule.

The Advisory Team and Avison Young will undertake the following marketing initiatives if selected as the listing team:

1. Create a Data Room for buyers to access following execution of a CA / NDA that includes:
 - a) Any of the information collected as mentioned above; and
 - b) A standardized APS drafted by the Seller’s lawyers with input from the Advisory Team;
2. Upload the offering to: MLS (both TRREB and local MLS boards), Costar, Realtor.ca, a dedicated page on the AY website, and all other Internet platforms at our disposal;
3. Run two advertisements in the Globe & Mail’s real estate section (if deemed appropriate);
4. Email marketing blasts sent to Avison Young’s database of active buyers and investors across Ontario & Canada;
6. Create a marketing brochure(s) for the Property; and
7. Targeted cold calling outreach to investors and users in the market



Advisory Team & Relevant Experience

Advisory team



Kelly Avison**, AACI, Principal

Kelly Avison has been in the commercial real estate business since 1990 - all with Avison Young - and is a Principal of the organization. A designated AACI, Kelly brings exceptional valuation knowledge and sales expertise to bear on all assignments. Over the course of his career, Kelly has advised upon and completed transactions totalling several billions of dollars. In addition to his investment sales expertise, Kelly has extensive experience in marketing and advising upon Distressed Assets (Receivership, Power of Sale, etc.) and leads Avison Young's Distressed assets team in Ontario and Nationally. His area of expertise is the acquisition and disposition of investment properties, commercial and industrial (including portfolio) properties and development sites.

Direct 416.673.4030
Email kelly.avison@avisonyoung.com



Matthew Perco*

Matt Perco is a sales representative in the Southwestern Ontario Market where he specializes in the sale and leasing of Investment and industrial properties. Matt has experience working on variety of asset classes as well as advising and managing the disposition of Distressed Assets (Receivership, Power of Sale, etc.)

Prior to joining Avison Young, Matt spent over five years as an entrepreneur building a company focusing on serving property management and real estate investment clients. He takes pride in offering creative and entrepreneurial solutions to his client's real estate needs. Matt has a Bachelor of Commerce, with a major in real estate and housing from the University of Guelph where he has won various real estate case competitions.

Direct 289.439.1240
Email matt.perco@avisonyoung.com

*Sales Representative **Broker

Dedicated resources at your service



Relevant team experience

The Avison Young Team have been involved in over 29 distressed asset sales and court appointed receivership proceedings over the past five years. Their experience in the insolvency space is unmatched by their competition. These assignments have been across a range of asset classes and geographies. Despite each assignment being unique, Kelly Avison and Matt Perco thoroughly understand the process and have experience providing the level of service, reporting, and oversight required to successfully navigate a court appointed sale. The below list of organizations is a sample of the power of sale and/or insolvency and restructuring professionals the Team has worked with, all of whom are available to attest to the professionalism, strength, efficacy of the service the team will provide to msi Spergel.



HSBC

Deloitte.



BMO



pwc



Scotiabank.

Fuller
Landau



MNP

Manulife

EY Parthenon

The Avison
Young Team
has sold
\$2.5B+
in the past 24
months



Extensive experience with Court-Appointed
& Distressed Assets Sale Process.





The Location

The City of Guelph

Guelph, Ontario, is a vibrant city located about 50 kilometers west of Toronto. Guelph is renowned for its rich history, strong sense of community, and picturesque landscapes, including the Eramosa and Speed Rivers that run through the area. It was founded in 1827 and planned as a model city with a layout inspired by European architecture. Guelph consistently ranks as one of the best places to live in Canada due to its low crime rates, robust economy, and emphasis on environmental sustainability.

As of the 2023, Guelph's population stands at approximately 153,809, an 9% increase from 2017. The city is also a hub for education and innovation, with the University of Guelph playing a significant role in the local economy. The university is well-known for its programs in agriculture, veterinary medicine, and environmental studies. Guelph's unemployment rate remains relatively low at 5.4% compared to national and provincial averages, supported by industries like manufacturing, agriculture, and technology.

Guelph's demographics are diverse and evolving, with a median age of around 38 years, slightly younger than the Canadian average. The city has a significant proportion of young families, students, and working professionals. The median household income in Guelph is higher than the national average, underscoring the city's economic stability. Guelph is a well-rounded city with a mix of urban amenities, access to nature, parks and trails, and offering its residents opportunity and comfort.

23rd Highest

Population growth among Canadian Municipalities

69%

With a Postsecondary Degree (2021)

5.4%

Unemployment Rate

City of Guelph Demographics

Population (2023)	153,809
Population (2028 Projected)	171,463
Median Age (2023)	38.3
Median Age (2028 Projected)	38.4
Average Household Income (2023)	\$123,171
Average Household Income (2028 Projected)	\$143,929
Owned Dwellings (2023)	38,692
Projected Owned Dwellings (2028 Projected)	42,335





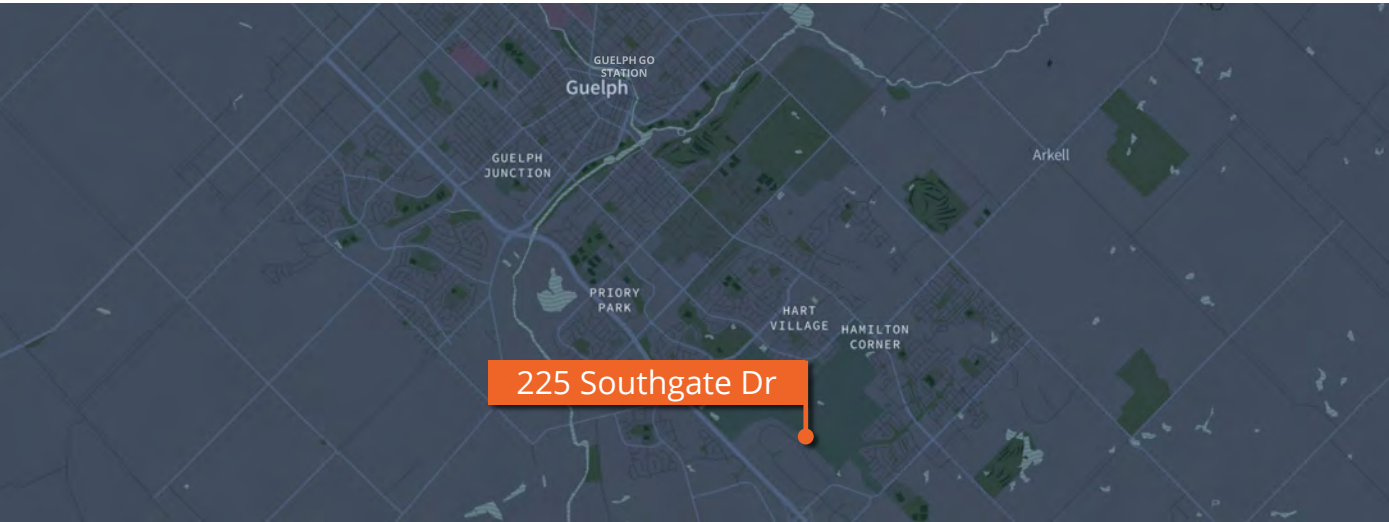
Site Overview

225 Southgate Drive, Guelph, ON

Site overview

225 Southgate Drive
Guelph, Ontario

Total Lot Size	3.5 acres (PIN# 714910161 = 2.23 AC / PIN# 714910162 = 1.27 AC)
Current Use	Undeveloped land.
Zoning	B.2 - Industrial
Official Plan	Employment - Industrial
Comments	<ul style="list-style-type: none">• Raw, relatively flat industrial land located in Guelph’s Southgate Business Park• Easy connectivity to The Hanlon Parkway (Hwy 6) and Highway 401• 225 Southgate consists of 2 separate parcels that combine for a total acreage of 3.5 acres. The Northwest lot consists of 1.269 acres, and the Southeast lot consists of 2.231 acres• Avison Young previously sold the sites (225 Southgate) along with 145 Southgate and an industrial building in August-2023, as part of a business sale. The current owner purchased the sites in September 2023.• <i>We have assumed there are no environmental issues impacting the property(ies)</i>• <i>If possible, it would be advantageous to offer both properties separately as well as together to cast the widest net possible in the market</i>



Land Use

225 Southgate Drive
Guelph, Ontario

Official Plan

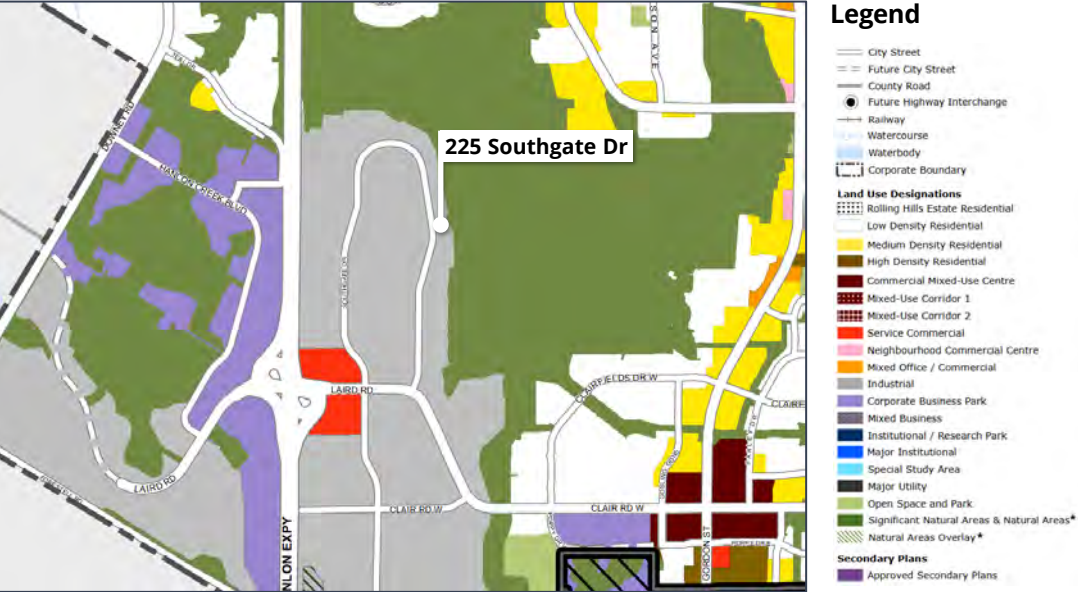
Employment - Industrial

Objectives:

- To increase the overall density of jobs and promote efficient use of land through compact built form
- To support a range and mix of employment uses that will contribute to the achievement of the density targets for employment areas.

Permitted Uses:

industrial uses, including the manufacturing, fabricating, processing, assembly and packaging of goods, foods and raw materials; warehousing and bulk storage of goods; laboratories; computer and data processing; research and development facilities; vi) printing, publishing and broadcasting facilities; repair and servicing operations; transportation terminals; contractors' yards; and complementary uses (such as corporate offices, open space and recreation facilities, restaurants, financial institutions, child care centres, public and institutional uses and utilities) which do not detract from, and are compatible with, the development and operation of industrial uses.



Zoning

B.2 - Industrial

Permitted Uses:

Catering Service, Cleaning Establishment, Commercial School, Computer Establishment, Food Vehicle in accordance with Section 4.30, Manufacturing, Print Shop, Repair Service, Research Establishment, Towing Establishment, Tradesperson's Shop, Trucking Operation, Warehouse.

Office, Factory Sales Outlet, fleet servicing area and other Accessory Uses are permitted provided that such Use is subordinate, incidental and exclusively devoted to a permitted Use listed in Section 7.1.1 and provided that such Use complies with Section 4.23.

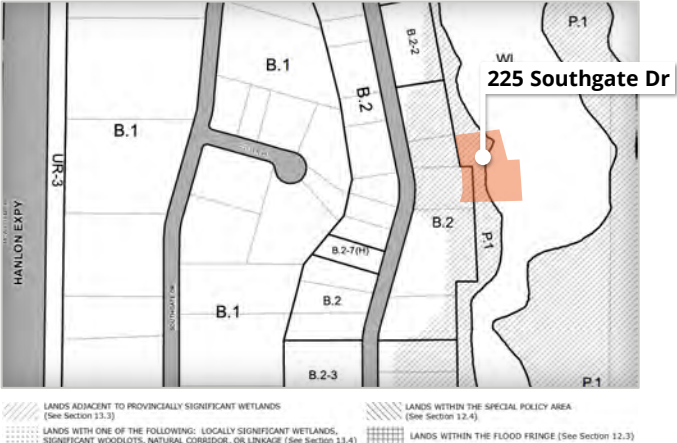
Temporary Uses including Agriculture (Vegetation Based), Outdoor Sports field Facilities and driving range.

Malls shall only be permitted in the B.2 Zone.

Prohibited Uses:

Within the Industrial (B) Zones, any trade, business, manufacturer and related uses deemed offensive or noxious by the Environmental Protection Act R.S.O. 1990, Chapter E.19, as amended from time to time or any successor thereof, shall be prohibited.

See Guelph Zoning By-law (2023) – 20790 for further details and regulations.



A photograph of a modern office interior. A group of people are seated around a long white table in a meeting room. The room has large glass windows and a white wall with a dotted line. The floor is dark and reflective. The text "Market Analysis & Valuation" is overlaid on the right side of the image.

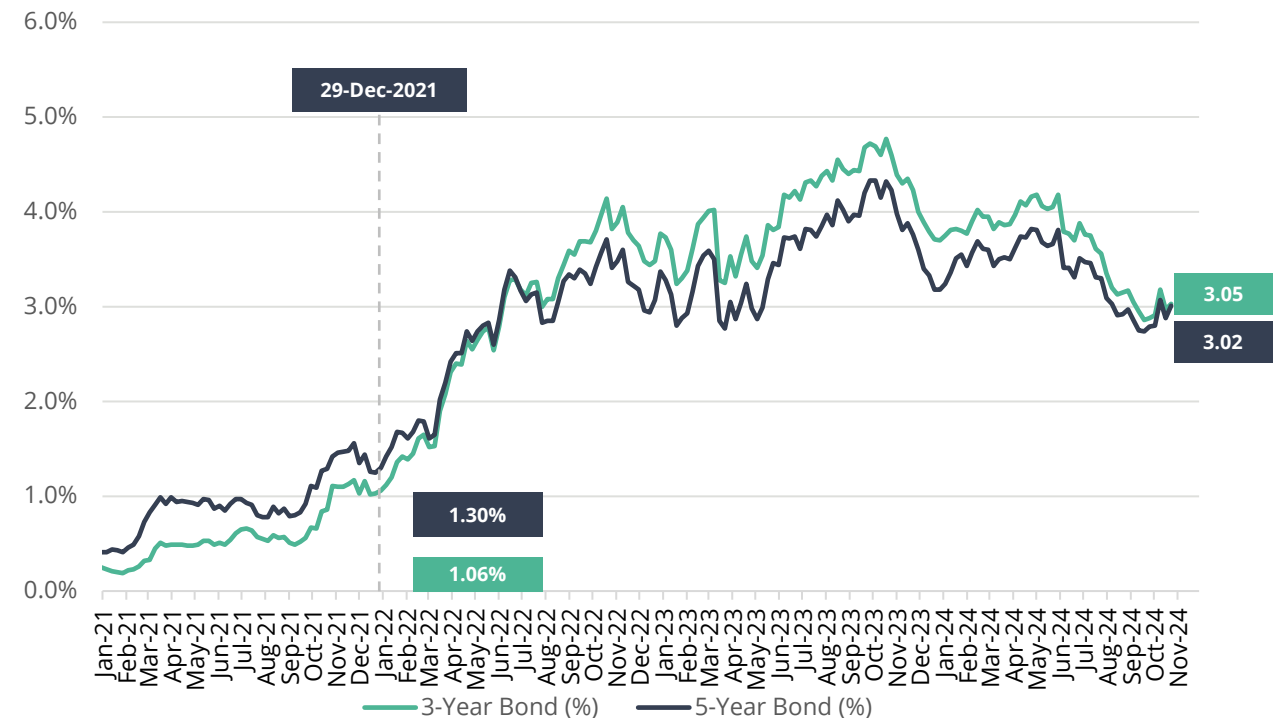
Market Analysis & Valuation

Debt Market Overview

Canadian Debt Capital Markets

- On October 23rd, 2024, the Bank of Canada reduced its target for the overnight rate by 50 bps to 3.75%. The Bank is continuing its policy of balance sheet normalization.
- During 2023 and YTD/Q3-2024, many investors have pressed the "pause button" on transactions until they feel more confident in the broader capital markets and overall economy.
- The Bank of Canada's most recent announcement(s) are a step in the right direction toward gaining further confidence in the marketplace.
- Capital from a wide array of lenders remains available for qualified assets; however, lenders are being extremely vigilant in their lending and underwriting criteria, typically preferring to fund top-tier assets.
- The Bank's preferred measures of core inflation have also slowed, and three-month measures suggest continued downward momentum. Several components of the CPI have moved down.
- Typically, there is a 175-200 basis point spread between 5-year bond yields and achievable mortgage rates.

Government Of Canada Benchmark Bond Yields



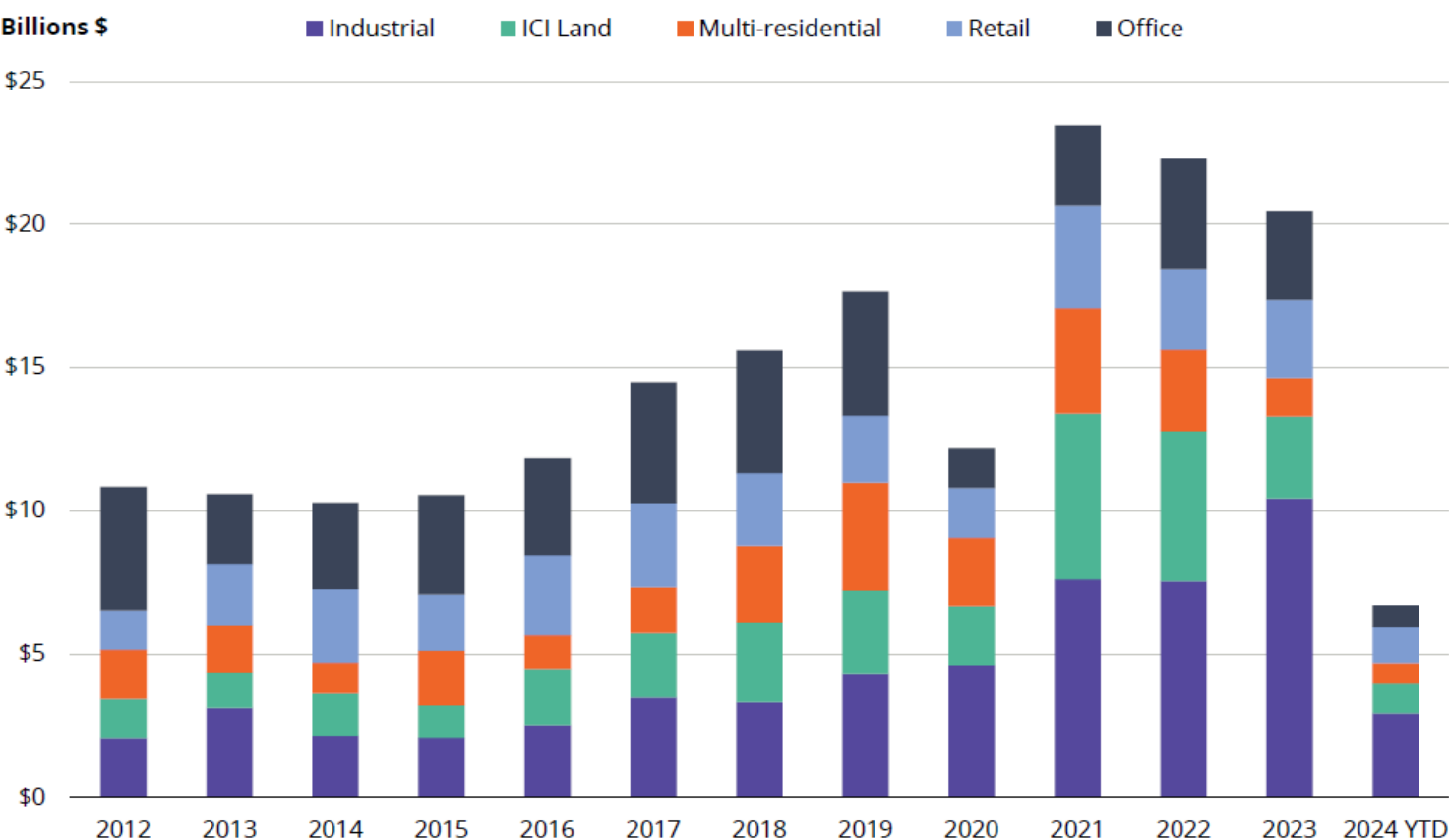
Comments from Bank of Canada latest interest rate announcement:

"With inflation now back around the 2% target, Governing Council decided to reduce the policy rate by 50 basis points to support economic growth and keep inflation close to the middle of the 1% to 3% range. If the economy evolves broadly in line with our latest forecast, we expect to reduce the policy rate further. However, the timing and pace of further reductions in the policy rate will be guided by incoming information and our assessment of its implications for the inflation outlook. We will take decisions one meeting at a time. The Bank is committed to maintaining price stability for Canadians by keeping inflation close to the 2% target."

– BoC, October 23rd, 2024.

Greater Toronto investment activity

Transaction volume by asset class



- Investment volumes remain below average as deals continue to be delayed in anticipation of further interest rate cuts.
- BoC key interest rate has dropped 1.25% from its height of 5% in early 2024. Though rates have come down, we continue to see caution from buyers waiting to see what's next.
- Demand for land has been particularly and negatively affected during the past 18 months; sale volumes have dropped significantly with the lack of demand, and more product continues to hit the market and take longer to sell.
- There have not been enough land transactions since interest rates increased (and subsequently decreased) to set the "new market" for land. Therefore, buyers are showing extreme caution and are waiting out to see more "price discovery" before deploying capital.

ICI – Industrial Land Comparables

	Date	Address	Municipality	Price	Price/acre	Land area (acres)	Notes	Purchaser profile	Vendor profile
	June-24	713 King Street	Waterloo	\$8,345,800	\$933,430	8.94	Purchased by local developer for new spec development. North Waterloo location	Private Developer	Private Investor
	June-24	2310 Townline Road	Cambridge	\$18,000,000	\$1,254,180	14.35	Purchased by local developer for new spec development. Direct access to Hwy 401 via Towline overpass	Private Developer	Private Investor
	June-24	180 Groh Avenue	Cambridge	\$17,250,000	\$1,540,591	11.20	Purchased by a national retirement living developer/operator	Private Developer	Private Investor
	Mar-24	20 Cope Court	Guelph	\$2,250,000	\$1,520,270	1.48	Graveled, graded, and fenced industrial land	Private Investor	Private Investor
	Dec-23	100 Northland Road	Waterloo	\$2,600,000	\$1,301,301	2.00	Purchased by a local user for development of their new warehousing facility	User	Private Investor
AVISON YOUNG	Aug-23	145 Southgate Drive	Guelph	\$2,810,000	\$961,340 (*allocated)	2.92	Raw industrial land on same street in very close proximity to the subject sites, and part of a business sale*.	Private Investor	Private Investor
AVISON YOUNG	Aug-23	225 Southgate Drive	Guelph	\$3,300,000	\$942,857 (*allocated)	3.50	This was a prior sale of the subject sites, along with another site and nearby building, as part of a business sale*. Sold by Avison Young	Private Investor	Private Investor
	Aug-23	600 Fountain Street N	Cambridge	\$4,300,000	\$1,421,018	3.03	Purchased by a user currently operating out of the neighbouring site. Direct Hwy 401 exposure.	User	Private Investor
	July-23	413 Pinebush Road	Cambridge	\$1,200,000	\$1,195,220	1.00	Corner site in established industrial park with easy access to Hwy 401.	Private Investor	Private Investor
	Dec-22	372 Crawley Road	Guelph	\$3,150,000	\$816,485	3.86	Raw land located within the Southgate Drive extension	User	Private Investor

Value Range

225 Southgate Drive
Guelph, Ontario

We have considered recent comparable land transactions from Guelph, as well as surrounding Waterloo Region. Waterloo region is a fairly comparable market to Guelph and has seen several industrial land transactions that illustrate the current industrial land market along the 401 Corridor west of the GTA. The comparable transactions that have occurred within the last 18 months have ranged in value from approximately \$950,000 per acre to upwards of \$1,500,000 per acre. The industrial land market has changed drastically since the BoC raised and now dropped interest rates. Industrial land transactions were setting new highs in late 2022, and now we've seen demand halt significantly and prices drop along with it. Avison Young is currently engaged on several industrial land assignments in Southwestern Ontario, one of which is located in Guelph, and our experience has shown very weak demand from buyers for this asset class.

Avison Young is very familiar with the property as we represented the previous owner (Jim Estrell) who purchased 225 Southgate along with nearby land and industrial building as part of a business purchase from Valcom. The 225 Southgate sites were subsequently sold by this party to the current owners in September 2023.

We understand the property(ies) have been on the market for sale by the current owner for several months, with an asking price of approximately \$2 million per acre, and the real estate agents reportedly received an offer recently for one of the two parcels, but we have not been provided with copies or proof of any offer.

Based off these comparable trades and our recent experiences, we are of the opinion that a market value of approximately [REDACTED] is suitable for the property. Based upon these assumptions, our estimate of value for the Property is as follows:

		[REDACTED]
	[REDACTED]	[REDACTED]
T	[REDACTED]	

In our opinion, the Property has an estimated market value between \$[REDACTED], assuming there are not any adverse environmental concerns affecting the property. Based upon our recent experience with land sales/listings, and the current (low) demand in the market, we feel that we are likely in the medium to low range of value and we would therefore recommend going to market with an asking price of \$[REDACTED] and suggest a marketing period of at least 5-6 weeks prior to considering bids/offers. In the event the sites can also be marketed individual, our suggested asking prices would be apportioned on a pro-rata basis.

Notes:

- We have been given very limited information regarding the Property and have assumed there are no environmental concerns impacting the site.



Disposition Strategy & Timeline

Disposition strategy

	Price	No Price	Bid Date	No Bid Date	Max Exposure	Min Exposure
PROS	<ul style="list-style-type: none"> - Prospects appreciate pricing guidelines - Potential to generate more offers 	<ul style="list-style-type: none"> - Eliminates risk of setting price ceiling - Ensures full market value is attained - Encourages all prospects to call and ask for the price guidance 	<ul style="list-style-type: none"> - Creates a competitive environment which encourages purchasers to stretch to gain control of the asset(s) 	<ul style="list-style-type: none"> - Purchasers appreciate no Bid Date since it tends to reduce a competitive offering environment 	<ul style="list-style-type: none"> - Ensures all qualified prospects are aware of the offering - Higher level of interest and prospective offers 	<ul style="list-style-type: none"> - Targeted approach to only qualified prospects - Creates an environment of exclusivity, which prospects appreciate
CONS	<ul style="list-style-type: none"> - Risk setting price ceiling - Risk of not having purchasers submit if the price is beyond what they can pay 	<ul style="list-style-type: none"> - Some purchasers are becoming frustrated with no pricing - Purchasers have no target/guidance 	<ul style="list-style-type: none"> - Some purchasers are becoming deterred by bid dates - Risk of not receiving as much interest 	<ul style="list-style-type: none"> - The vendor could lose out on the benefits of the competitive offering process 	<ul style="list-style-type: none"> - Doesn't provide a discreet environment to sell as the majority of the market will be aware that the property is for sale 	<ul style="list-style-type: none"> - May miss one off buyer who is willing to pay the highest amount - Lower probability of creating a competitive offering process



Recommended strategy

Upon reviewing the pros and cons of the marketing strategies listed above, and considering the current land market is relatively weak, we would recommend implementing the following Marketing Strategy:

- 1. Pricing** - We recommend going to the market with a competitive asking price of \$4,500,0000, and market the sites together and individually if possible
- 2. Offers** - Offers to be entertained after a 5-6 week marketing period to ensure the market has seen the opportunity prior to entertaining bids
- 3. Max Exposure** - List on multiple MLS boards to cast the widest net to ensure all qualified buyers and brokers are aware of the offering
- 4. Timeline** - run a 5-6 week marketing program (if court timing permits) to try and generate as much market interest as possible



Pre-marketing due diligence

Prior to marketing the Property, with AY's assistance, we would advise that the following actions be undertaken:

- Prepare a Confidentiality Agreement
- Prepare Vendor's form of APS
- Download, or have web-links, to relevant documents
- Gather any outstanding/required property-related documents (e.g., surveys, contracts, property tax bills, environmental reports, etc.)
- Walking tour of the Property and area by the Listing Team to confirm its condition and current uses



Create marketing materials

With the pre-marketing due diligence resources, the Team will assemble the following:

- Detailed Marketing Brochure for the Property
- E-mail Template
- Marketing Postcard
- Prepare all social media and related marketing materials
- Due Diligence Materials uploaded into a Secure Password Protected Data Room



Avoiding a potential price adjustment

While prospective purchasers are encouraged to 'stretch' in order to gain control of the Property and carry out their due diligence, Avison Young is experienced in ensuring that candidates do not simply offer a high price in order to gain control of a Property, and subsequently return with a price adjustment following their own due diligence.

Avison Young's knowledge of the Property ensures a high level of due diligence prior to the sale process commencing. The accuracy of information presented in each of the Property's detailed package is essential to the formulation of a supportable bid by prospective purchasers.

Disposition timeline

Our strategy is to thoroughly understand the Property, assemble due diligence materials, prepare quality marketing materials and disseminate the information to as wide an audience as possible to maximize proceeds and minimize deal risk. We will accomplish this through a methodical sale process, the key components of which are outlined below.



2-3 Weeks | Pre-Marketing

Pre-Marketing Due Diligence

Review of available documents, including:

- Environmental, Soil Geotechnical, etc., Reports
- Licensing Agreements and Leases (if applicable)
- Site Survey(s)
- Property Tax Bills
- Walking tour of the Property
- Vendor Form of Agreement of Purchase and Sale
- Title Review
- Other Sub-Consultant Reports (to be determined)

Preliminary Discussions

- Pre-market conversation with targeted investors

Finalize Marketing Material

- Detailed Investment Summary for the Property
- Online Data Room
- Finalization of Due Diligence Documentation



4-6 Weeks | Marketing

Proven 3- Staged Marketing Process

- Stage 1: Personal Introduction to target prospects
- Stage 2: Mass Marketing introduction
- Stage 3: Detailed information to qualified prospects
- Proven Process
- Confidentiality Agreement
- Access to online data room
- AY Team to meet with buyers to discuss the offering

Submission of Offers

- Offers to be entertained after an initial 5-6 weeks marketing period to ensure full market exposure
- The Property's location, size, and current use do not warrant a "bid date" process



7-8 Weeks | Negotiation/Closing

Negotiating / Due Diligence [if any] (2-4 weeks)

- Review and Summarize all offers
- Determine Short List of Proponents (if applicable)
- Set final negotiation strategy, which may include second round bids
- Assist Buyers through due diligence process (if any)

Court Approval & Closing (~5 weeks)

- Transaction management
- Assist/guide Buyer through Closing process (e.g., Court approval, Vesting Order, and Closing)
- Ensure a successful closing





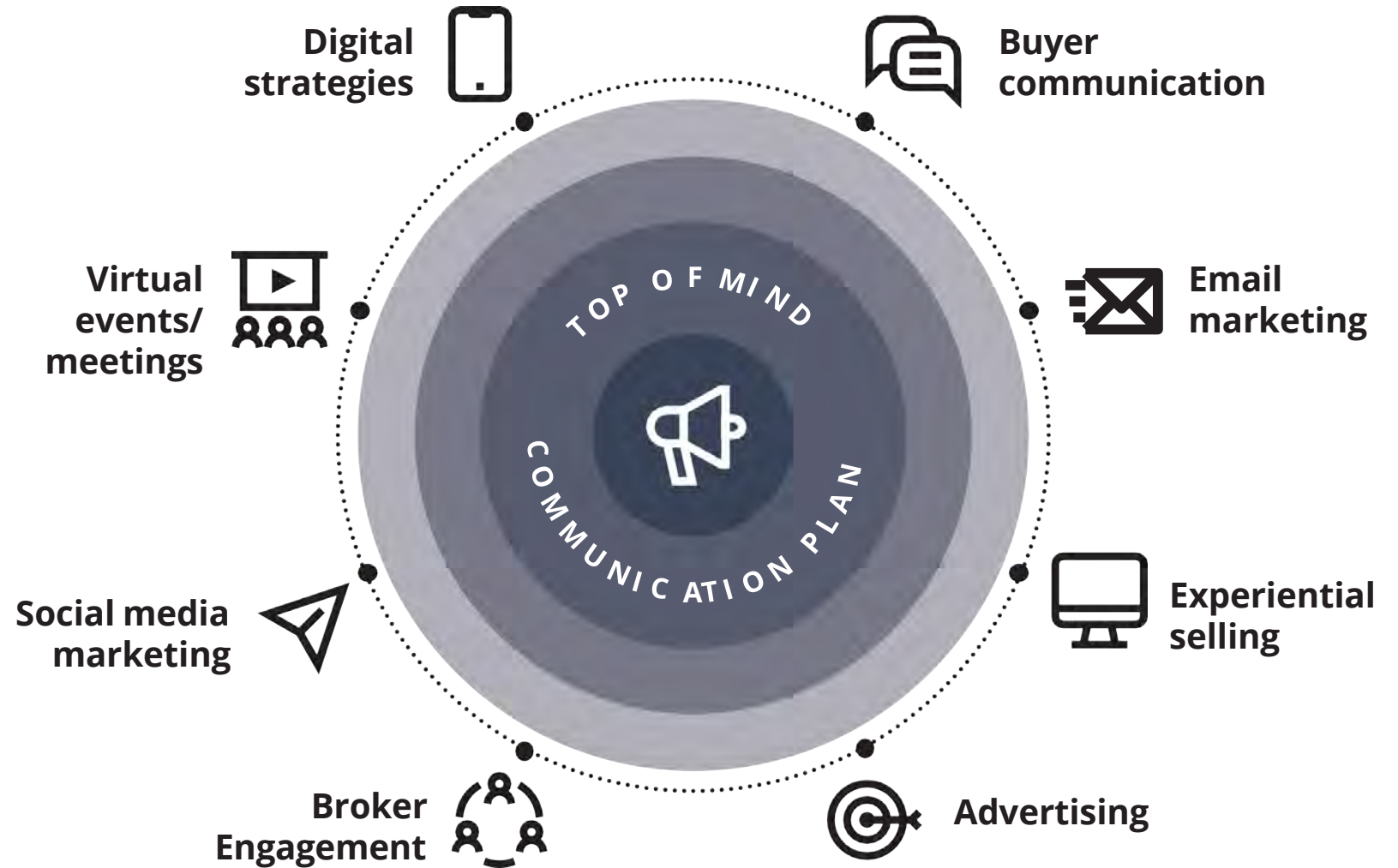
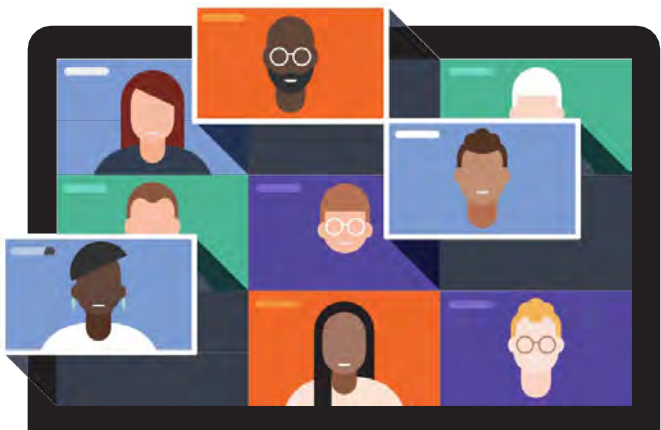
Marketing Strategy & Key Deliverables

Knowing our audience and delivering the right messaging

Our goal is to design and articulate a strategy which both maximizes the existing and potential value of the asset while mitigating additional risk or market exposure for the Receiver-Vendor, thereby establishing certainty with respect to monetization of the Property.

In order to achieve the highest possible value, our emphasis in marketing the asset will focus on:

1. How to best position the asset in order to maximize sale proceeds
2. Identify the target market
3. Create a competitive environment
4. Ensure transparency throughout the process



Print & Digital Marketing Tools

Confidential & Secured Data Room

AVISON YOUNG

Dashboard

Folders

Personal Folders

Shared Folders

Favorites

File Box

Recycle Bin

Workflows

Folder

People

Settings

225 Southgate Dr, Guelph

Items in this Folder

People on this Folder

Items

Offering Memorandum

LEASER

Enviro Report

Argus

Tax Bill

Plans

Size

Created

Owner

0 MB

6/2/21

E. Kaczynska

13 MB

6/23/21

E. Kaczynska

31 MB

6/23/21

E. Kaczynska

22 KB

6/2/21

E. Kaczynska

1 MB

6/23/21

E. Kaczynska

1 MB

6/23/21

E. Kaczynska

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Confidentiality Agreement

CONFIDENTIALITY AGREEMENT AND NON-DISCLOSURE AGREEMENT

AVISON YOUNG CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

1. PURPOSE AND SCOPE

2. DEFINITIONS

3. OBLIGATIONS OF THE PARTIES

4. CONFIDENTIALITY

5. NON-DISCLOSURE

6. TERM AND TERMINATION

7. REMEDY

8. ENTIRE AGREEMENT

9. ASSIGNMENT

10. SEVERABILITY

11. GOVERNING LAW

12. DISPUTE RESOLUTION

13. NOTICES

14. COUNTERPARTS

15. SIGNATURES

16. CONFIDENTIALITY

17. NON-DISCLOSURE

18. TERM AND TERMINATION

19. REMEDY

20. ENTIRE AGREEMENT

21. ASSIGNMENT

22. SEVERABILITY

23. GOVERNING LAW

24. DISPUTE RESOLUTION

25. NOTICES

26. COUNTERPARTS

27. SIGNATURES

28. CONFIDENTIALITY

29. NON-DISCLOSURE

30. TERM AND TERMINATION

31. REMEDY

32. ENTIRE AGREEMENT

33. ASSIGNMENT

34. SEVERABILITY

35. GOVERNING LAW

36. DISPUTE RESOLUTION

37. NOTICES

38. COUNTERPARTS

39. SIGNATURES

Brochure

AVISON YOUNG

225 Southgate Drive

Guelph, Ontario

FOR SALE

INDUSTRIAL DEVELOPMENT OPPORTUNITY

BEST MANAGED COMPANIES

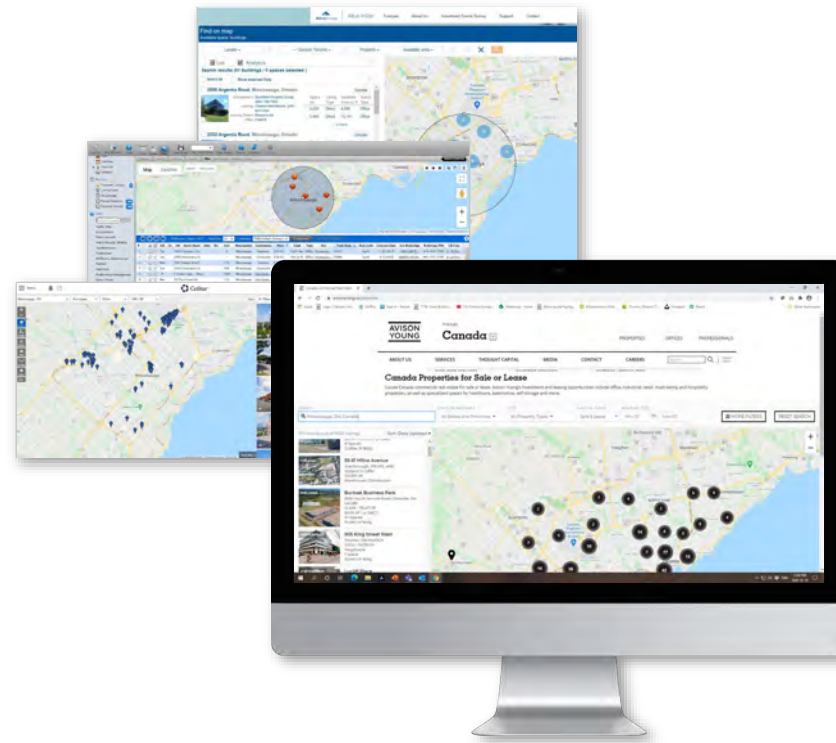
Platinum member

Database, Social Media, Email & Advertising

Listing databases

Online exposure on listing database platforms

- Property featured on multiple digital platforms (MLS, CoStar, Realtor.ca)
- Online listings on Avison Young website and central Buildout Listing Platform

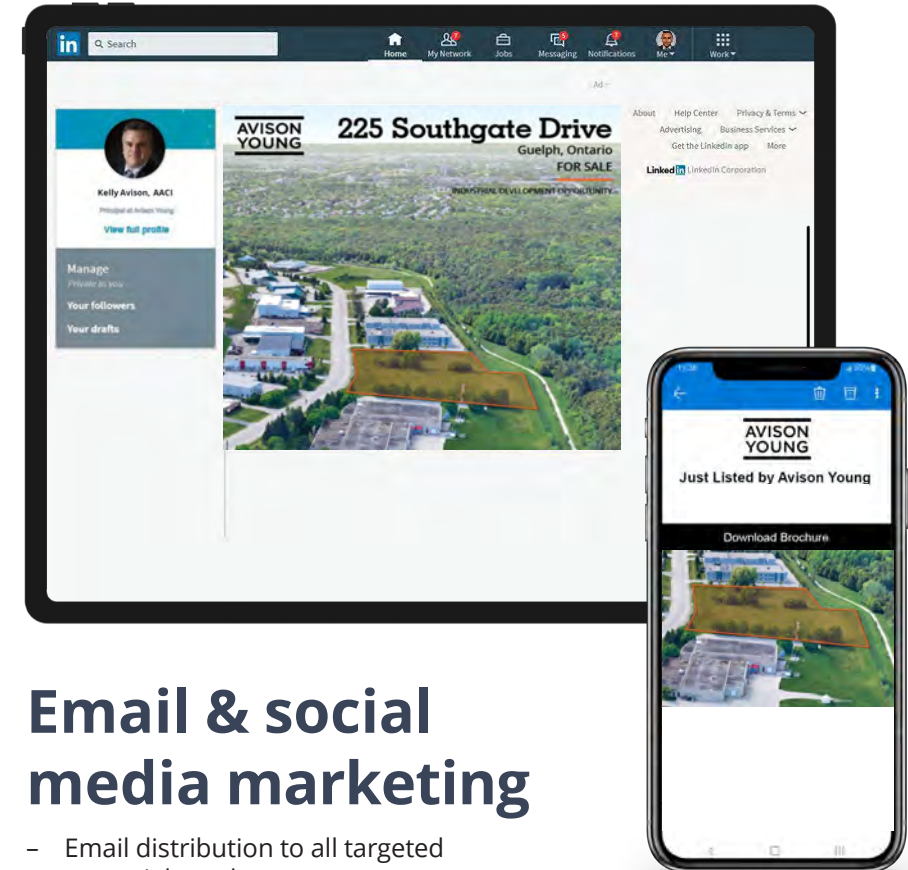


Digital & print advertising

- Online promotion across all Tier 1 markets in Canada with Global & Mail website (if deemed appropriate)
- Exposure across national portfolio and regional webpages
- Online promotion in Business in Toronto webpages



38,000
page views per month



Email & social media marketing

- Email distribution to all targeted potential purchasers
- Exposure on all Avison Young regional and broker social media channels



Demographic data & visualization

Through the technology of Avison Young's proprietary **AVANT** tool, we deliver products at the intersection of data, analytics and visualization that help make:

- Cities more transparent
- Processes more efficient
- People more productive and enabled
- Delivery more strategic
- Clients more successful; and
- Business more differentiated

AVANT Cities

AVANT Analytics

AVANT Property





Strategy & Business Terms

Strategy & business terms

Strategy

The sale of the asset will be maximized by targeting the most active and qualified buyers in the Region. Further, we will work closely with potential buyers, active Realtors and neighboring owners to ensure maximum exposure. We will target multiple buyer pools to ensure market saturation and exposure.

We suggest listing the asset with an asking price of \$4,500,000, as further noted in our Executive Summary and Valuation section. If possible, we also suggest marketing the sites together and individually.

An aggressive marketing campaign will be utilized to raise awareness and get groups excited about the offerings. Buyers to sign a Confidentiality Agreement to receive access to a secure data room which will include information on the offering, any sensitive information the Receiver wishes bidders to have. This ensures the buyer is offering on an “eyes wide open” basis which ensures they have minimal room, if any, to request a short due diligence period.

The team recommends running a 5–6-week marketing program to ensure potential bidders have enough time to perform any necessary pre-offer due diligence and investigations.



Listing period

Avison Young is committed to ensuring that the entire market sees the offering through maximum exposure using a 'no stone unturned' approach. The Team will prepare a detailed data room and start contacting purchasers immediately.

The listing will be posted on the Toronto Regional Real Estate Board (TRREB) and the local MLS boards (if available) for 6 months and 120 Holdover days.

Suggested Listing Price:

225 Southgate Drive:

\$4,500,000 (for both sites)



Proposed remuneration

e.

Avison Young to cover all marketing fees.



Reporting & transparency of process

Avison Young will prepare progress updates including information on our marketing efforts, the number of initial target purchasers, and the level of response, however we are pleased to tailor this to your requirements and preferences.

Bi-weekly written progress reports;

Regular correspondence and in-person meetings to discuss prospective purchasers and market feedback;

Feedback from the prospects who have shown interest in the opportunity and/or who we have met with personally and/or have toured the asset;

Our insights into which prospects are likely to submit an offer;

Summary analysis of offers received; and

Our recommendations on how to proceed.

A close-up photograph of a person's hands typing on a laptop keyboard. The hands are positioned over the keyboard, with fingers pressing down on the keys. The laptop is silver, and the keyboard has black keys with white lettering. In the background, another laptop screen is visible, displaying a colorful, abstract image. The overall scene is softly lit, with a warm, slightly blurred background.

Distressed Sales Experience

Distressed sales experience



9160 BAYVIEW AVE, RICHMOND HILL
\$8,100,000 (2019) & \$10,000,000 (2020)

Vendor: 9160 Bayview Inc.
Retained by BDO, the Advisory team listed and sold 9160 Bayview Avenue in Richmond Hill twice on behalf of the seller. The team found the buyer and had a conditional deal in place within two weeks of listing the property. The medical plaza was leased to 6 different tenants over 3 storeys with some vacant space in the lower level.



SUN PAC BLVD LAND, BRAMPTON
\$6,025,000

Vendor: Msi SPERGEL Inc., as Court appointed Receiver
Avison Young was retained by Msi SPERGEL Inc. (Court-appointed Receiver) to market and sell the land on Sun Pac Boulevard in Brampton. The property is a 3-acre piece of undeveloped commercial land. The marketing process resulted in 4 offers and a sale price above asking.



168 OLD KENNEDY ROAD, MARKHAM
\$7,550,000

Vendor: RSM Canada, as Court appointed Receiver
Avison Young was retained by RSM Canada as Court appointed Receiver to market and sell the land at 168 Old Kennedy Road in Markham. The property is a 1.5-acre piece of undeveloped, mixed-use land. The marketing process resulted in 7 offers and the successful sale of the property.



237A & 237B ADVANCE BOULEVARD, BRAMPTON
\$5,100,000 & \$6,888,888

Vendor: A. Farber & Partners Inc. as Court appointed Receiver
Avison Young was retained by A. Farber & Partners Inc. as Court appointed Receiver to market and sell 237A 237B Advance Boulevard in Brampton, Ontario. The properties are a 21,000 sf industrial building on 1.1 acre site and a 18,000 sf industrial building on a 0.85 acre site.



581 WELLINGTON STREET WEST, TORONTO
\$5,800,000

Avison Young was retained by RSM Canada Limited to market and sell a 6,994 sf mixed-use property under partial renovation. Property garnered much interest and several offers were received, culminating in a fully unconditional offer being negotiated in a final round of bidding. Transaction closed in late 2019.



92 DAVIDSON STREET, BARRIE
\$3,275,000

Vendor: Superior Court of Justice
Avison Young was retained by A. Farber & Partners Inc. via its receiver to market and sell 92 Davidson Street, located in Barrie, Ontario. The free standing industrial building and surplus land. Avison Young received multiple offers for the property, and successfully sold the property five months after going to market.



1450 GERRARD STREET EAST, TORONTO
\$2,305,000

Vendor: RBC (Power of Sale)
Avison Young was retained by RBC (under power of sale) to market and sell 1450 Gerrard Street East in Toronto, Ontario. Multiple offers were generated by our marketing efforts, and an unconditional offer above our asking price was completed.



38 METROPOLITAN ROAD, TORONTO
\$7,200,000

Vendor: RBC (Power of Sale)
Avison Young was retained by RBC (under power of sale) to market and sell 38 Metropolitan Rd in Toronto, Ontario. This was an extremely challenging assignment given part of the building was previously used as a commercial marijuana grow-op that caused extensive damage to the building. Our extensive experience and multifaceted marketing approach produced exceptional results including 17 offers.



25 LASKAY MILLS DRIVE
\$5,350,000

Vendor: KSV Advisory Inc. (Court-appointed Receiver)
Avison Young was retained by KSV (Receiver) to market and sell 25 Laskay Mills Drive, a 75 acre site in King City, Ontario - a long-term potential redevelopment site that also contained a large, custom-designed 1970's vintage home, old farmhouse, and barns. The buyer intended to develop their own private family compound on the site. Our marketing process resulted in multiple offers, including the successful, unconditional offer.



57 MATTHEW STREET, MARMORA
\$1,400,000

Vendor: Msi SPERGEL Inc., as Court appointed Receiver
Avison Young was retained by Msi SPERGEL Inc. via its receiver to market and sell 57 Matthew Street in Marmora, Ontario. The property is a 2,300 sf gas station and convenience store on a 1.35 acre site. The marketing process resulted in 4 offers and the successful sale of the property.

Distressed Sales Experience



2454 BAYVIEW AVENUE, TORONTO
\$7,900,000

Vendor: Superior Court of Justice
Members of the Avison Young Capital Markets Team were retained by the Superior Court of Justice as a receiver to market and sell 2454 Bayview Avenue. The school was marketed unpriced with a specific bid date scheduled 4 weeks after taking the property to market. Avison Young received multiple offers and had a second round of bids. The property was successfully sold within the price expectations.



1491 WILSON AVENUE, 143-145 ARLINGTON AVENUE & 26 GULLIVER ROAD, TORONTO
\$20,378,000 (Total Price)

Vendor: Private Family/Receiver
Members of the Avison Young Capital Markets Team retained by a receiver on behalf of a private family to market and sell three low rise apartment buildings. The properties were marketed unpriced as a portfolio and individually. The properties were marketed for 4 weeks with a set bid date. The three properties were sold to individual buyers within the pricing expectations.



6 MARCONI COURT, VAUGHAN
\$2,990,000

Vendor: Bank of Montreal (Power of Sale)
Avison Young was retained by Rosen Goldberg Inc. as a receiver to market and sell 6 Marconi Court located in Caledon Ontario. The free-standing industrial property was marketed priced with no specific bid date. 6 Marconi Court received multiple bids and was sold (firm) less than five months after going to market.



BLUE MOUNTAIN DEVELOPMENT LANDS, TOWN OF BLUE MOUNTAINS
\$2,200,000

Vendor: HSBC (Power of Sale)
Avison Young was retained by HSBC via its receiver to market and sell 23 acres of land located in The Blue Mountains Ontario. The residential development land was originally part of "The Ridge Estates" subdivision and was comprised of 29 single lots. Avison Young received multiple offers for the property, and successfully sold the property to a local development company.



4231 SHEPPARD AVENUE EAST, UNIT C-1, TORONTO
\$250,000

Vendor: Msi SPERGEL Inc., as Court appointed Receiver
Avison Young was retained by Msi SPERGEL Inc., as court-appointed receiver to market and sell 4231 Sheppard Avenue East, Unit C-1, a 960-sf commercial condo unit. The marketing process resulted in 5 offers and the successful sale of the property.

RSM PORTFOLIO

Members of the Avison Young Capital Markets Team were retained by the RSM Canada (court-appointed receiver) to market and sell five gas stations and/or car wash facilities around Ontario. The properties were marketed as a portfolio and individually. The properties were marketed for at least 4-5 weeks with a set bid date. All five of the properties were eventually sold to individual buyers, including some being unconditional offers.



SOLD & CLOSED \$3,700,000
5462 Dundas Street West, Toronto
Vendor: Superior Court of Justice
Single storey car wash facility.



SOLD & CLOSED \$2,500,000
5223 Dundas Street, Burlington
Vendor: Superior Court of Justice
Single storey car wash facility in state of partial construction.



SOLD & CLOSED \$2,500,000
591 & 595 Goderich Street, & 618 Gustavus Street, Port Elgin
Vendor: Superior Court of Justice
Vacant former Ultramar gas station, freestanding Tim Hortons pad, and 2-storey building (including 3-bedroom apartment).



SOLD & CLOSED \$850,000
633 Main Street West, Port Colborne
Vendor: Superior Court of Justice
Single storey car wash facility



SOLD & CLOSED \$1,300,000
274 Bayfield Road, Goderich
Vendor: Superior Court of Justice
Vacant former Ultramar gas station and automated car wash facility.

Distressed Sales Experience



664, 674, 692 ESSA ROAD & 320, 366 MAPLEVIEW DRIVE WEST, BARRIE

\$29,100,000

Vendor: MNP Ltd., as Court appointed Receiver
Avison Young was retained by MNP Ltd. as a receiver to market and sell a 25.4-acre development site, situated at the prominent northeast corner of Essa Road and Maplevue Drive West in Barrie. Avison Young received multiple offers and had a second round of bids. The property received 41 signed CAs and multiple bids, which included unconditional offers – one of which was accepted. The property sold above the price expectations.



8604 & 8612 HWY 25 NORTH, MILTON

Aborted Sale

Vendor: Msi Spergel Inc., as Court appointed Receiver
Avison Young was retained by msi Spergel Inc., as Court-appointed receiver, to market and sell an operating gas station, and abutting residential property, located in Milton. Multiple Offers were generated by the listing team, including final, second-round unconditional bids. Prior to receiving final court approval for the sale, the owner was able to refinance the property at the last minute which terminated the receivership and sale process.



88 MAIN ST W, GRIMSBY

\$3,000,000

Vendor: Msi Spergel Inc., as Court appointed Receiver
Avison Young was retained by msi Spergel Inc., as Court-appointed receiver, to market and sell a (vacated) gas station and convenience store with on-site fast food uses, located in Grimsby. The property has generated strong interest with 25 parties signing CAs for further information.



21 AUGUSTA ST, HAMILTON

\$1,215,000

Vendor: Msi Spergel Inc., as Court appointed Receiver
Avison Young was retained by msi Spergel Inc., as Court-appointed receiver, to market and sell a three-storey restaurant building in Hamilton. A successful marketing campaign generated plenty of interested parties and three offers.



59 Roy Blvd, Brantford

\$6,000,000

Vendor: Msi Spergel Inc., as Court appointed Receiver
Avison Young was retained by msi Spergel Inc., as Court-appointed receiver, to market and sell a 27,797 sf cannabis production facility. The marketing campaign generated 30 CAs and five offers and sold above initial valuation.



203 Highway 60, Huntsville, ON

\$4,900,000 - Closed January 2024

Vendor: Fuller Landau Group Inc., as Court appointed Receiver



Harwood Avenue Land, Ajax, ON

Offers in hand and under review

Vendor: RSM Canada Limited, as Court appointed Receiver



Lakeview Corporate Centre, Barrie, ON

\$16,250,000 – Closed March 2024

Vendor: HPI Advisory Inc, as Court-appointed Marketing & Mortgage Agent



1500 Birchmount Road, Toronto, ON

\$60,500,000 – Closed October 2024

Vendor: Ernst & Young Inc., as Court appointed Receiver



0, 227, 235 King Road, Richmond Hill, ON

\$29,500,000 – Closed May 2024

Vendor: RSM Canada Limited, as Court appointed Receiver



Appendix

About Avison Young

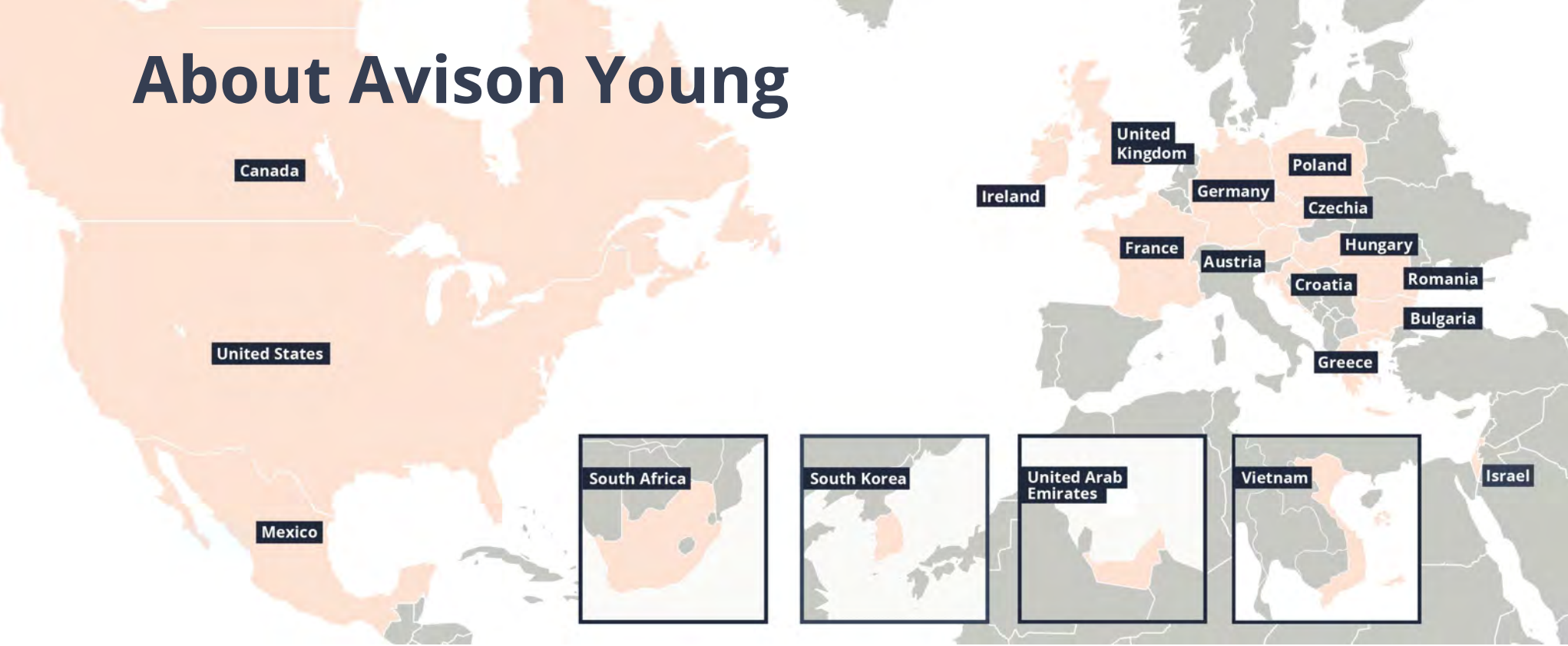
Avison Young creates real economic, social, and environmental value, powered by people.

Avison Young is built on the belief that commercial real estate isn't just about the buildings and the square footage and the occupancies. At its best it's about spaces and places that improve lives and help businesses thrive for the employees, citizens and communities that make impact matter.

Our Services



About Avison Young



Our partnership, at work for you

As a growing and innovative challenger in global commercial real estate, Avison Young attracts the best talent in our industry. But being the best isn't just about having the best; it's also about how we work together. Our longstanding culture of collaboration, and the fact we're majority owned by a broad base of principals means our clients partner with an empowered owner who is invested in—and driven by—shared success for the long-term. Our unique ownership structure creates intelligent solutions that deliver an enhanced client experience and better results. The below image is a snapshot of how we're structured around our clients.



Founded in
1978

5,000
real estate
professionals

100+
offices

20
countries

283 msf
under property
management

Thank you.



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Platinum member

AVISON YOUNG

APPENDIX 5



Go To Market Strategy

Strategic Marketing Proposal

Lot 20 & 21 225 Southgate Drive, Guelph ON

Karl Innanen*, SIOR, CCIM

Executive Vice President, Broker
+1 519 904 7005
karl.innanen@colliers.com

Ethan Tyo

Sales Representative
+1 519 570 7752
ethan.tyo@colliers.com



Prepared for:



SPERGEL
CORPORATE

Executive Summary

The industrial land sale market has cooled from its peak levels but remains a high-demand segment within the commercial real estate market.

Over recent years, industrial land prices saw dramatic increases driven by unprecedented demand from industrial, distribution, and trucking companies responding to the surge in consumer spending during the COVID-19 period. However, as inflation and interest rates rose, this demand tapered off, leading to a cooling in the industrial land market.

Situation

225 Southgate Drive, Guelph, is a 3.5-acre vacant parcel of industrial-zoned land located in a well-established industrial area in south Guelph. Notably, the property is divided into two smaller lots, offering flexibility to sell individually or as a package. On September 11, 2023, 225 Southgate Drive was acquired by 1000602770 Ontario Ltd., financed by Roynat. In the summer of 2024, Spergel was appointed as the receiver for 1000602770 Ontario Ltd. by court order and will oversee the sale of the property. This proposal provides a detailed analysis of the market, the property, and our carefully designed sale process, aimed at achieving the highest price with minimal risk, ensuring thorough third-party review.

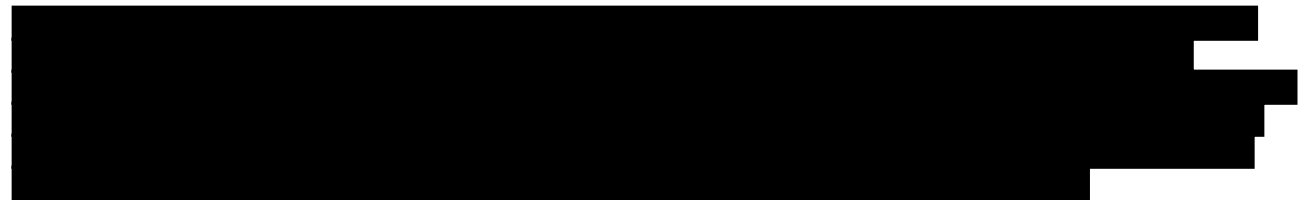
Market Overview

While the industrial real estate market remains strong, it has eased from the record highs of recent years. Guelph continues to experience low vacancy rates and serves as the first major market west of the Greater Toronto Area (GTA) along the 401 corridor, attracting industrial tenants and occupiers seeking greater affordability and availability.

Sale Strategy

Our approach is to create competitive tension among buyers, encouraging them to bid at the highest price for this property. Using industry-leading tools and Canada's top commercial real estate website, we will actively reach and engage potential buyers. A Bid Date sales process will be implemented to focus buyer attention and foster a competitive environment for offers.

Valuation



Terms

We are prepared to proceed immediately. We recommend an MLS (Local & Toronto) listing, term is six months, with a commission rate of 2.50%. Additionally, we stand behind our commitment to service quality. If you are not satisfied with our performance, you may deduct up to 15% from our commission.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karl Innanen'.

Karl Innanen

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Part 1

Property Profile



Lot 20 Highlights



Lot Area	1.269 Acres
Zoning	B2
Legal Description	LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH
Comments	<ul style="list-style-type: none">• Trucking Terminal• Warehouse• Outside Storage• Manufacturing• Close Proximity to Amenities• Direct Access to Highway 401 and 6



Lot 21 Highlights



Lot Area	2.231 Acres
Zoning	B2
Legal Description	LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH
Comments	<ul style="list-style-type: none">• Trucking Terminal• Warehouse• Outside Storage• Manufacturing• Close Proximity to Amenities• Direct Access to Highway 401 and 6



Location Overview

Guelph has one of Canada's lowest unemployment rates, strongest housing markets, most innovative municipal governments and competitive tax rates—all contributing to a strong, reliable and sustainable local economy.

More than \$14 billion is spent on research and development each year in Ontario, and Guelph is a hotspot for discovery and innovation. Guelph is home to some of the world's most innovative companies, has more than 40 research institutes, and a spirit of collaboration to help bring ideas to life.

At the heart of Ontario's innovation corridor, Guelph contains four major sectors:

- Advanced Manufacturing
- Information & Communications Technology
- Cleantech
- Agri-innovation



Major Roads

Highway 6
3 min / 1 km

Highway 401
6 min / 7.1 km



Intermodal

CN
47 min / 71.7 km

CP
1 hr 2 min / 84.5 km



U.S. Border Crossing

Niagara Falls
1 hr 30 min / 114 km

Sarnia
2 hr 03 min / 218 km



An aerial photograph of a city grid, likely New York City, viewed from a high angle. The image is overlaid with a semi-transparent blue filter. The grid of streets and buildings is clearly visible, with some larger commercial buildings and open spaces interspersed among the residential blocks.

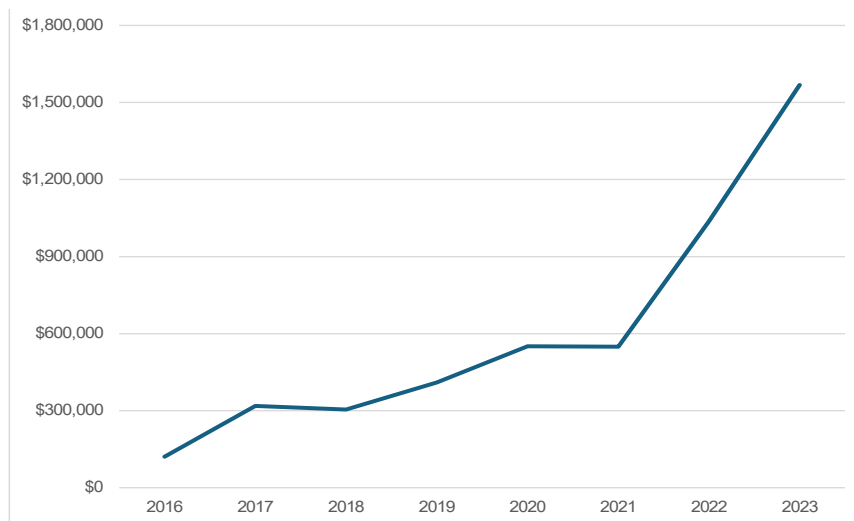
Part 2

Market Context

Guelph Industrial Market Snapshot

- Strong demand persists for industrial buildings in smaller sizes (generally under 50,000 SF), though prices have adjusted slightly from peak levels in recent years.
- The Guelph market remains active for both sales and leases. However, with demand slowing and new supply entering the market, the vacancy rate is beginning to rise, currently standing at 1.31%.
- While higher interest rates have dampened demand, ownership in Southwestern Ontario remains highly preferred. Smaller parcels of land (under 5 acres) and buildings under 50,000 SF continue to demonstrate good liquidity.
- Guelph is becoming increasingly attractive to buyers from GTA West, who are seeking opportunities that are either unavailable or cost-prohibitive in their local markets.
- 225 Southgate Drive offers a unique opportunity for buyers seeking industrial land close to the 401, with zoning that supports a wide range of uses.

Average Price Per Acre | Guelph Industrial Land



Total Inventory

26,207,473 SF

Total Vacant Space

110,712 SF

Current Vacancy Rate

1.31%

Under Construction

1,282,686 SF

Average Asking Rent

\$14.86

Current Net Absorption

-9,691 SF

Recommendations

- You will need a Phase 1 and if necessary Phase 2 environmental audit
- We will confirm the services available to the site



The background of the slide is a solid blue color with a faint, semi-transparent image of a person's hands. One hand is holding a pen and writing on a document, while the other hand is resting on the document. The document appears to have some text and a table or grid structure.

Part 3

Valuation



Valuation

In estimating the market value of the Property, Colliers used our recent experience in marketing vacant land sites of similar scale as well as our industry-leading experience in selling development sites in Southern Ontario.

In valuing the property, we used the direct comparison approach, the most common form of valuation for properties such as the subject. It is our opinion that the strong market is trending toward average sale prices as opposed to the upper end.

We employed the following methodology:

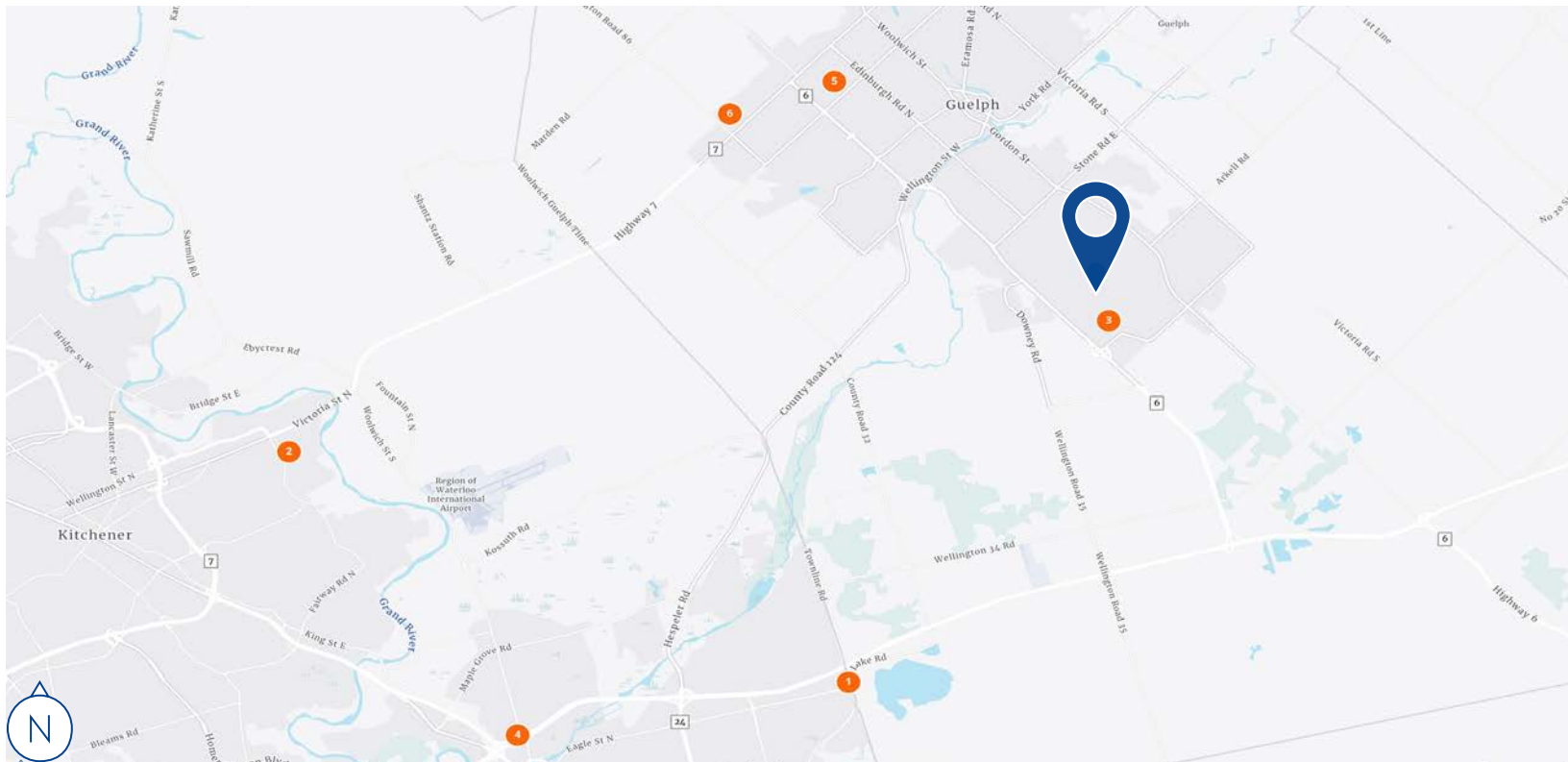
1. Took into account prevailing market and economic factors
2. Recognized the unique attributes of the property and scarcity of available industrial development properties
3. Evaluated recent comparable sale transactions, as outlined on the next page
4. Considered any alternative sale options in the direct market
5. Considered buyers that will be an ideal fit while not eliminating those that will have some compromises to move forward
6. Demand is favourable, with limited supply
7. The developable area is 3.5 acres
8. Comparable sales range from \$1,421,080 - \$2,169,894/AC and average \$1,638,567/AC

Value Range



Asking Price
Unpriced

Comparable Land Sales



	Address	Zoning	Size (AC)	Sale Price	Price Per Acre	Sale Date
1	2310 Townline Road, Cambridge	M1	11.444	\$18,000,000.00	\$1,572,876.62	06/14/2024
2	37 Forwell Road, Kitchener	M2	1.811	\$3,000,000.00	\$1,656,543.00	04/22/2024
3	145 Southgate Drive, Guelph	M1	2.923	\$6,342,600.00	\$2,169,894.00	08/31/2023
4	600 Fountain St N, Cambridge	M2	3.026	\$4,300,000.00	\$1,421,018.00	08/22/2023
5	54 Campbell Road, Guelph	M2	5.455	\$8,100,000.00	\$1,484,876.26	08/15/2022
6	10 Cope Court N, Guelph	B2	2.138	\$3,263,000.00	\$1,526,192.70	11/07/2022

A blue-tinted background image showing three business professionals in an office setting. A woman on the left is looking towards two men on the right, who are standing near a whiteboard. One man is pointing at the whiteboard while the other looks on. The scene suggests a collaborative meeting or presentation.

Part 4

Sales & Marketing **Strategy**



Sales Strategy & Disposition

Our proposed marketing campaign is specifically tailored and highly responsive to your objectives.

The first and most important aspect of the selling strategy is close consultation with the Vendor to ensure that the sale process is specifically tailored and highly responsive to the Vendor's objectives. It is our understanding that the Vendor's objectives are:

- a. To dispose of the asset at the highest achievable value within a reasonable period of time
- b. To conclude the disposition with a short due diligence and closing period with minimal risk

The strategy outlined below describes how Colliers' platform is ideally suited to achieve these objectives.



Key Selling Features

Based on the information provided to us and the research that we have concluded to-date on the Property, several features of the Property have become apparent to us, and in our view, are the Property's value drivers:

- Excellent location
- Flat and easily accessed
- Efficient shape for development
- The ability to demise into two lots and sell separately
- Desirable zoning - including trucking uses - one of the highest-demand buyer groups



Offering Strategy

The keys to the successful sale of the Property are as follows:

- Complete pre-marketing due diligence including in-depth conversation with the City of Guelph regarding development potential and current services available
- Full exposure of the opportunity with a formal sales process to all of the logical purchasers locally, regionally and nationally
- Regional and national promotion of the property through strategic marketing channels in the shortest possible period of time
- Careful management of buyer interest, creation of a competitive platform and encouragement of

Pricing and Disposition Recommendations

To maximize market exposure, we recommend that the offering be presented to the market via a formal listing process using the following key methods:

- Formally expose the Property to the marketplace using Colliers' proprietary target market database
- List the Property for sale unpriced on MLS - both the local and Toronto Real Estate boards
- Establish a pre-determined marketing timeframe to ensure that the Property is sufficiently advertised and that all likely buyers have been made aware of the opportunity
- Ensure the offering is very widely distributed to the target market and circles of influence in industry and throughout Southwestern Ontario

We anticipate our marketing approach will generate a competitive environment in which multiple bids increase the ultimate sales price. The benefits of this approach are that it will allow us to maximize exposure to the market and achieve the highest price with the shortest possible due diligence period.



Your In-House Marketing Agency

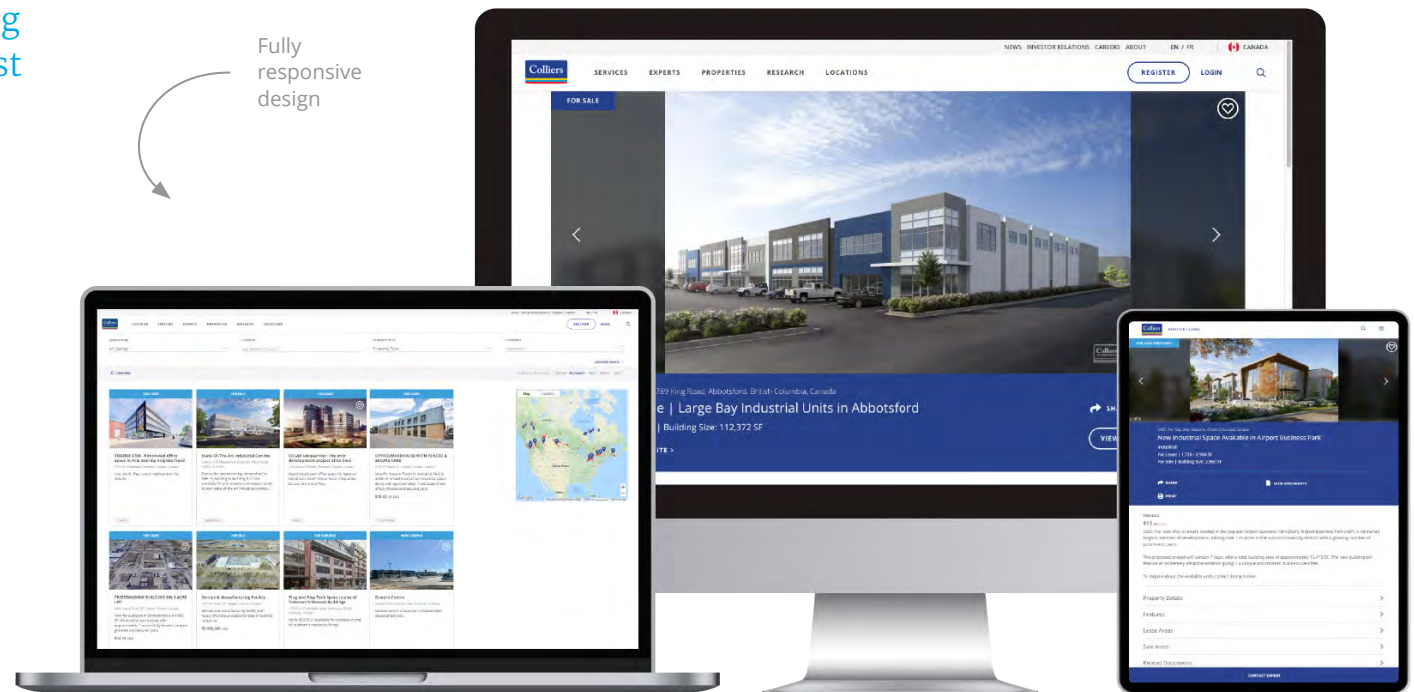
We develop bespoke marketing strategies to maximize interest and set your property apart from its competitive set.

Property marketing has changed. At Colliers, we're leading that change.

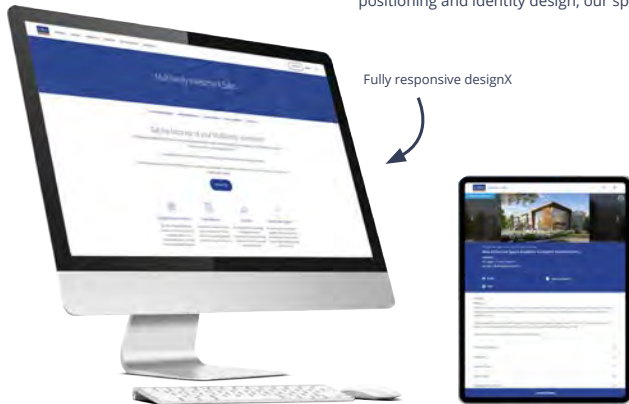
In today's world, generic is not enough. Buyers have access to an unprecedented amount of information and options - most of which are available at the click of a button. That's why we're turning up the volume on our design and strategic marketing solutions to ensure your project stands apart from the competition.

Our talented marketing, communications and design professionals are building custom marketing campaigns from the ground up. And guess what? It works. We are proud to represent some of Canada's biggest landlords and developers with award-winning, high-impact marketing campaigns that successfully position assets as clear winners among the sea of options available to tenants and buyers today.

Fully
responsive
design



From digital ad campaigns to property positioning and identity design, our specialized marketing teams are experts.



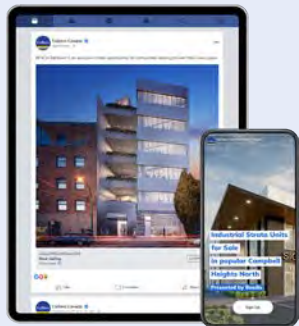
Fully responsive designX



INTERNATIONAL PROPERTY AWARDS

11x winner at the International Property Awards

Our marketing teams consist of experts in project identity creation, property positioning, digital marketing and more, ensuring strategically crafted messaging for your project reaches your target markets.



Digital Ads



Brochures



Confidential Information
Memorandum (CIM)



Property Signage



Target Market

Using Colliers' CRM+ database, we curate unique lists of qualified prospects that best align with the project branding and positioning.

Once qualified prospects have been identified using our CRM+ database, they are further segmented based on their respective awareness and interest levels as the marketing plan progresses.

Our extensive targeted list consists of the best qualified companies or individuals from each of the buyer groups listed below.

Local and GTA Owner Occupiers

Industrial and trucking companies are the highest demand sector of the market today.

Local and GTA developers and buyers

There is very little available for industrial developers.

Investors, local, GTA, and off-shore

There are many investors interested in land to hold or build on.

Institutional

Institutional buyers are searching for industrial land throughout Southwestern Ontario.

Colliers CRM+



450+

Advisors contributing market data daily



+175K

Buyers in Canada tracked

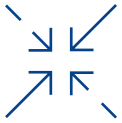


35

Dedicated data associates reviewing data daily



Colliers
CRM+



Positioning

Positioning isn't just a "marketing" conversation.
It's important our marketing message is **authentic**.

Positioning is a business and marketing strategy that aims to make a brand occupy a distinct identity, relative to competing brands, in the mind of the customer.

It is our point of differentiation - it is targeted to who we want to buy, it is the way we get a premium price in the market and it helps buyers navigate through a clutter of options and choose our project.

Positioning a property against the competition starts with identifying the aspects that make your project unique and aligning them with the needs of your target market.

01



Understand demand through research

- Supply is only half the story
- Through our CRM+ database, we know how many trucking companies are in the region and in the GTA and we can target them directly

02



Understand the competitive landscape

- This site is ready to go!
- There are no sites of this size with this zoning and ready to go in the region

03



Define how your asset will compete

- There is very little that needs to be done to put a shovel in the ground on this site
- Since there is little to do, or that presents risk for a buyer, this property should attain a premium price



Marketing Tactics

Our property marketing capability is second to none in our industry.

When you market your property with Colliers, we ensure it gets exposure via every possible medium – from print, to web, to mobile. We take your listing to where your targets are – so they get the information they need and you get the response you want.

Property Marketing Fundamentals



Collaborative
Process



MLS
Listing



Listing on
ColliersCanada.com



Cold
Calling



Local Broker
Outreach



Direct
Presentations



Property
Tours



Property
Brochure



Eye-catching
Signage

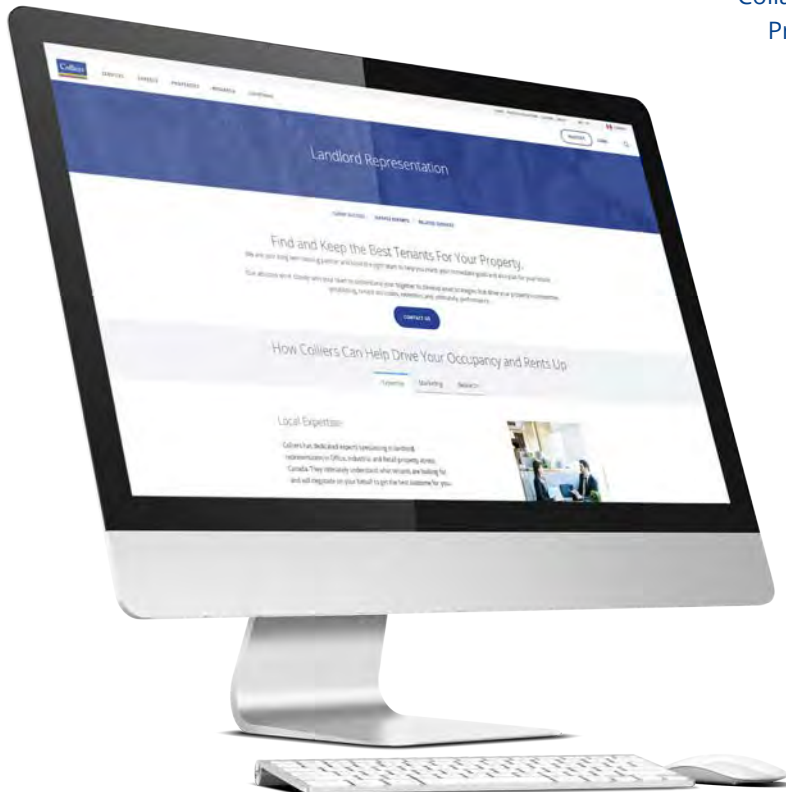


Professional
Photography



Email
Blasts

The #1 ranked CRE website in
Canada with ~250,000 visitors
per quarter and 30,000+
property searches per month



Strategic Marketing Tactics



Website Advertising

ColliersCanada.com is the #1 ranked CRE website in Canada receiving ~250,000 visitors per quarter and 30,000+ property searches per month.



Direct Marketing

A direct mail campaign in your own backyard targeting owner/occupiers in the vicinity.



Display Advertising

Online banner ads that capture your target audience's attention and drive interest to the listing page.



Renderings & Floor Plans

High-quality renderings are a powerful sales tool used throughout the marketing campaign.



Google Advertising

A digital awareness campaign about the building or property.



Social Media Advertising

LinkedIn, Facebook, WeChat and Instagram campaigns generate interest and awareness.



Drone Video

These videos give potential tenants a visual highlight of the property and the community.



Virtual Flyover

Offer a virtual, interactive tour for those who are not able to physically tour the space.



Reach More Buyers

ColliersCanada.com

Canada's #1 Commercial Real Estate Website

Source: [Alexa.com](https://www.alexa.com)

ColliersCanada.com is an award-winning commercial real estate website platform featuring properties, news and research.

The ColliersCanada.com platform allows you unlimited content on your property listing including video and other embedded content, documents, maps and photos.

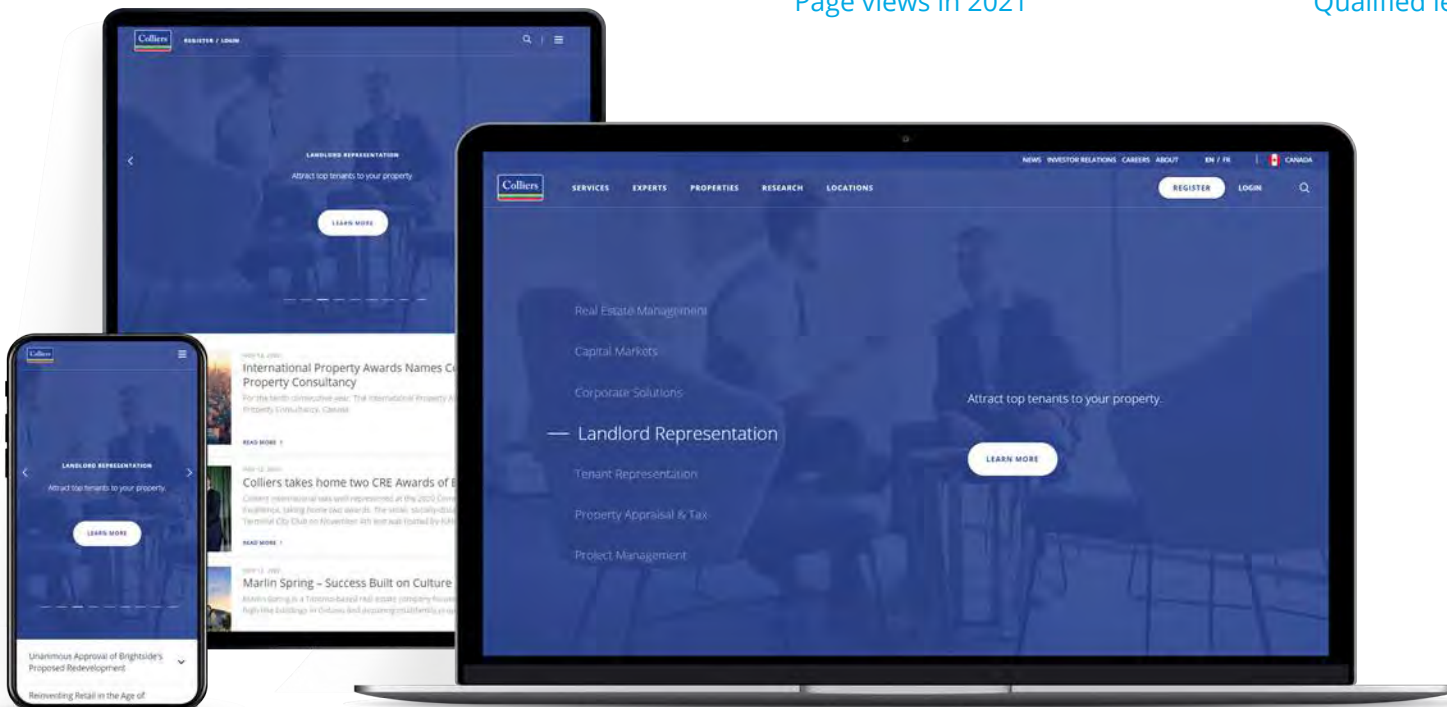
We can also cross-promote your listing to other sections of the site including the home page – a capability other firms just don't offer.

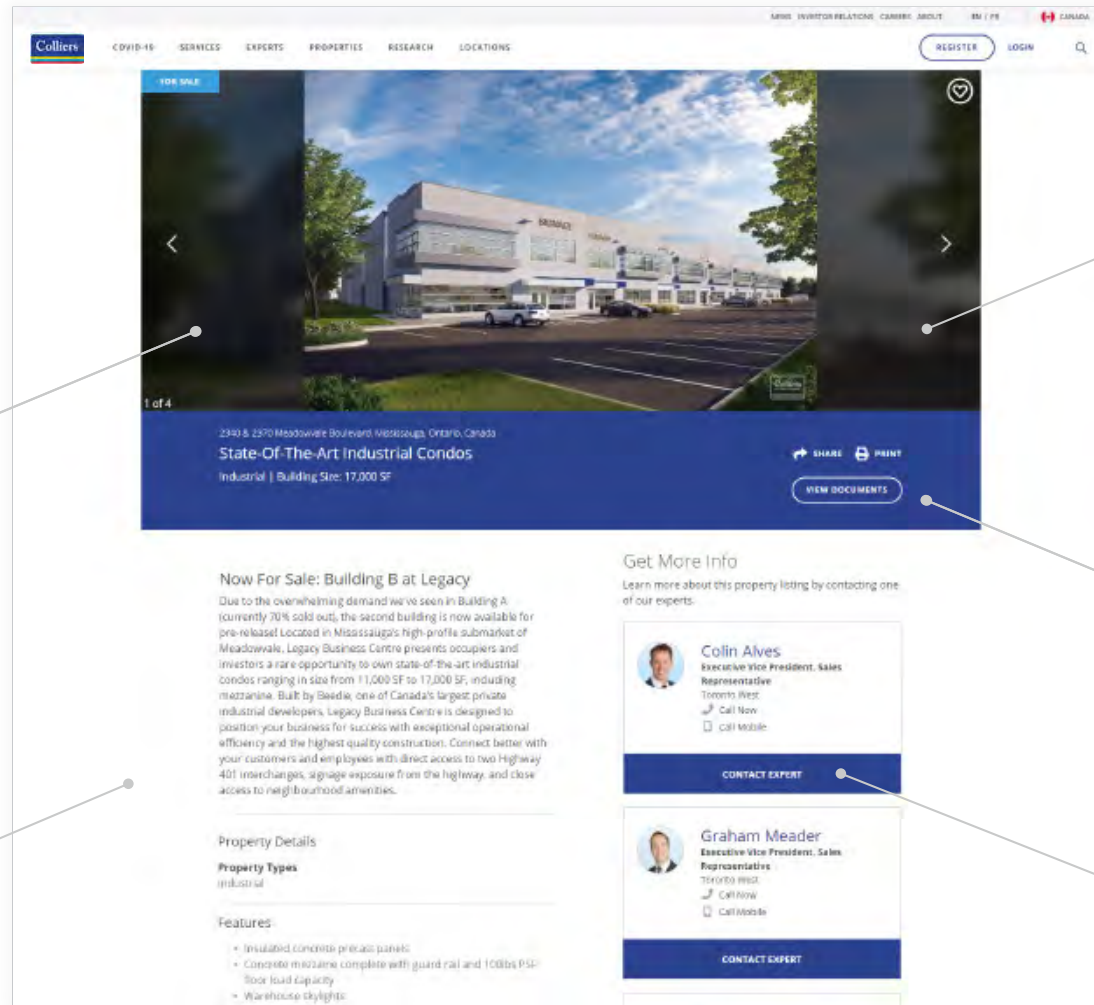
4 million

Page views in 2021

95,000

Qualified leads generated in 2021





Unlimited, full-screen, high-resolution property photos

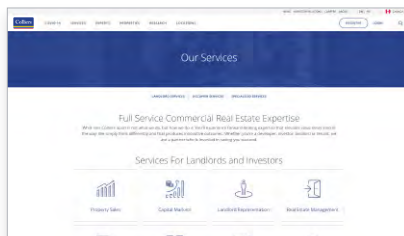
Video embedding capability on all property listing pages

Secure documents section to restrict access and monitor prospects

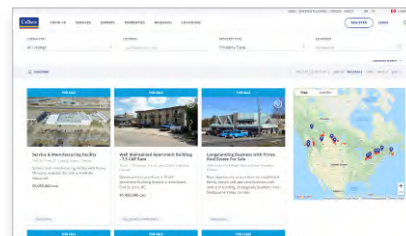
SEO tagging and optimization

Tracks calls, emails and form leads

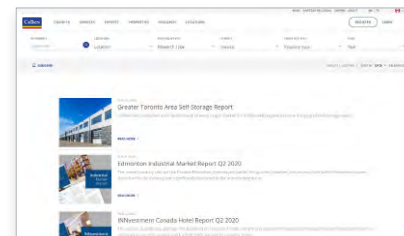
Services Page



Property Search Page



Research Publications Page



Regional Landing Pages





Digital Advertising

We put your property front and centre – for your prospects to see – and act on. The result? Increased exposure online, wider reach of potential buyers faster and the opportunity to generate more qualified leads for your property.

To successfully market and sell the Property, it is critical to identify key purchaser profiles, allowing for a highly customized and targeted marketing campaign - and connectivity with an even larger, untapped audience. Leading with the project's key attributes, desirable location and nearby amenities, we will tailor marketing packages for each target market.

The Key Benefits of Digital Campaigns



Reach a specific target audience beyond your existing contact list



Drive more qualified traffic to your specific property listing

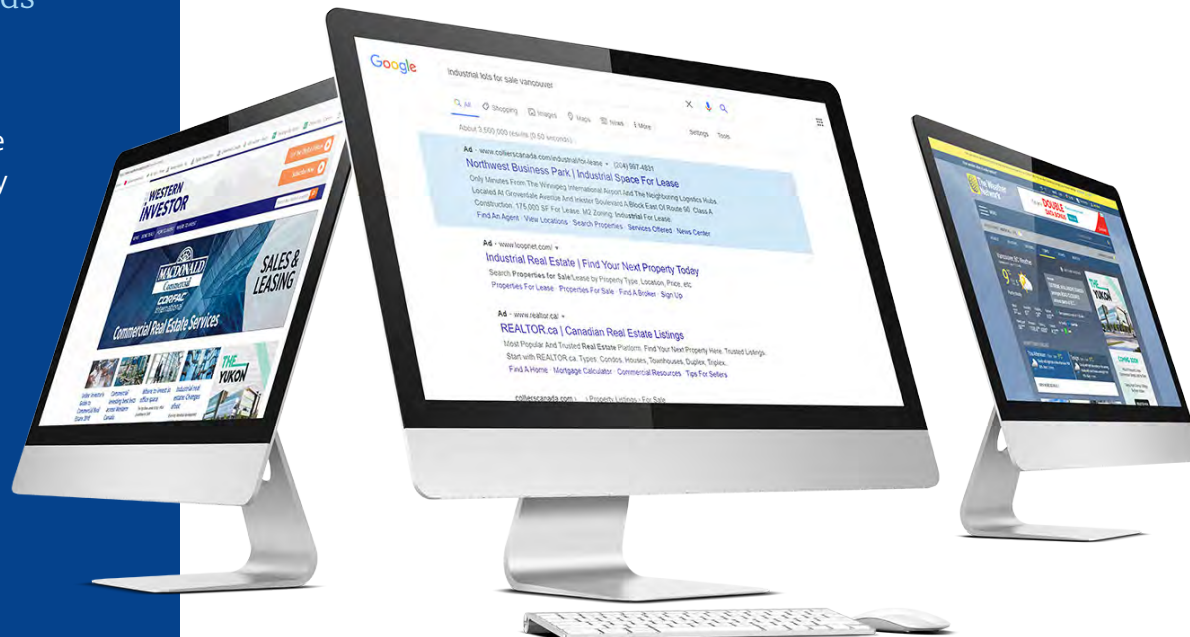


Gain measurable results for your property listing through real-time analytics

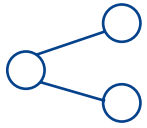


Give your listing unprecedented exposure and stand out among your competition

89% of B2B researchers use the Internet during the B2B research process.*



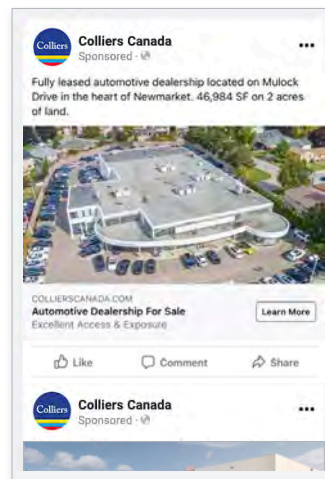
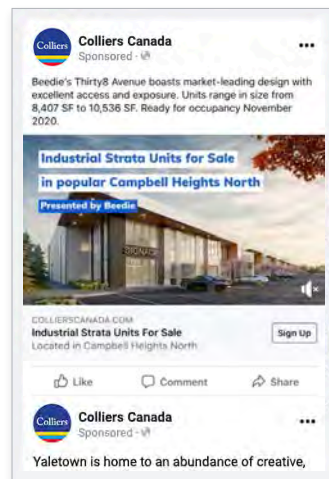
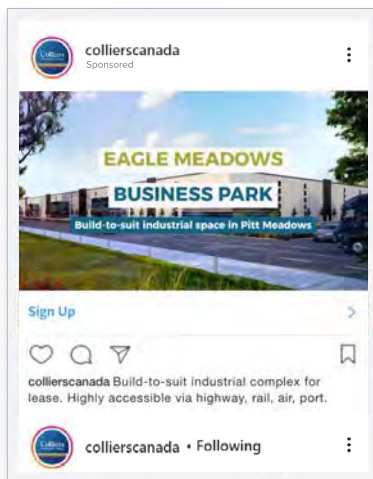
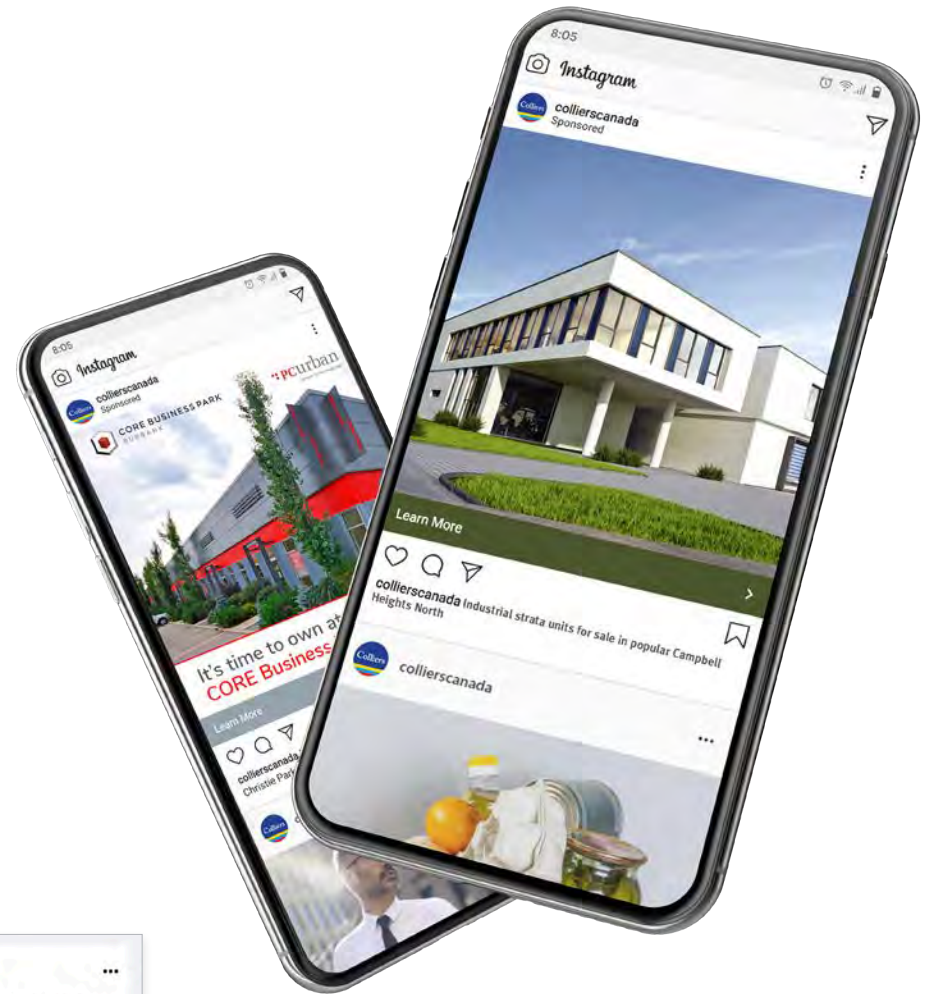
**Source: Think with Google*



Social Campaigns

We create unique social campaigns so that your property stands out.

Creating unique, targeted social campaigns is a part of our digital marketing strategy at Colliers. We use targeted keywords to ensure your property gets in front of your target market first and foremost. Tracking ad performance through analytics and data is how we make sure your property receives maximum digital exposure in a strategic, thoughtful way.



Lead generation ads allow us to pinpoint high-interest users with audience selection and optimization. We make sure to find the leads that matter.



Project Timeline

A straightforward process



A group of business professionals, including men and women, are gathered around a table in a meeting. They are looking at documents and smiling, suggesting a collaborative and positive work environment. The image is overlaid with a solid blue filter.

Part 5

The Team



Your agenda is our agenda

Consider us an extension of your team

34 years experience



**Karl
Innanen** CCIM, SIOR

Executive Vice President, Broker

Focus: Investment

Karl Innanen quickly became a “spokesman” for the investment real estate market in Southwestern Ontario. He was able to dovetail his economics education from the University of Western Ontario with the practical experiences working in the real estate brokerage field since 1990.

Karl’s expertise is in understanding and analyzing clients’ needs in relation to the dynamics of the market, and formulating strategies that will enable the client to attain their business goals.



**Ethan
Tyo**

Sales Representative

Focus: Investment

Ethan is a hardworking and passionate sales representative.

A recent graduate of the University of Guelph’s Real Estate and Housing Co-op program, Ethan has developed a strong foundation in all aspects of real estate through both academic and hands-on experiences with CLV Group and InterRent REIT, Canacre, and Guelph Campus Co-op. By leveraging his extensive network and working alongside a well-established team, Ethan is committed to delivering strategic real estate solutions and services to his clients.

Marketing & Research



Jalesa Walkes

Brokerage Operations
Specialist



Yusuf Munshi

Research
Coordinator

Testimonial

“His depth of market knowledge and contacts within the investment community resulted in a marketing strategy that assured the company of broad experience to buyers across all segments of the market; local, regional, national and international. On each assignment he created a competitive bid situation wherein the company obtained the best price and terms for the property in question, and then lead us through the due diligence process to a successful closing.”

Notable Clients



Manulife



Spear Street Capital



Sun Life

ACTIVA





Why work with us?

Consider us an extension of your team

Our integrated platform

Occupier Representation

Landlord Representation

Property Sales

Corporate Solutions

Project Management Services

Real Estate Management Services

Valuation & Advisory Services



The knowledge of the team

Our team brings unparalleled market knowledge and substantial previous successes in the area.



Unparalleled access to data

Colliers has a national and centralized Client Relationship Management (CRM+) database consisting of information on thousands of commercial properties across Canada.



Exceptional execution skills

Our talented marketing, communications and design professionals build custom marketing campaigns from the ground up.



Commitment to service excellence

At Colliers, “service” is more than just a word. Colliers’ comprehensive client service program is designed to drive customer-focused service throughout our business.



An extension of your team

Our approach is collaborative, nimble and informed by uncommon knowledge. By aligning with your core business needs, we develop and execute customized real estate solutions to support your growth strategy.



Results and process-driven

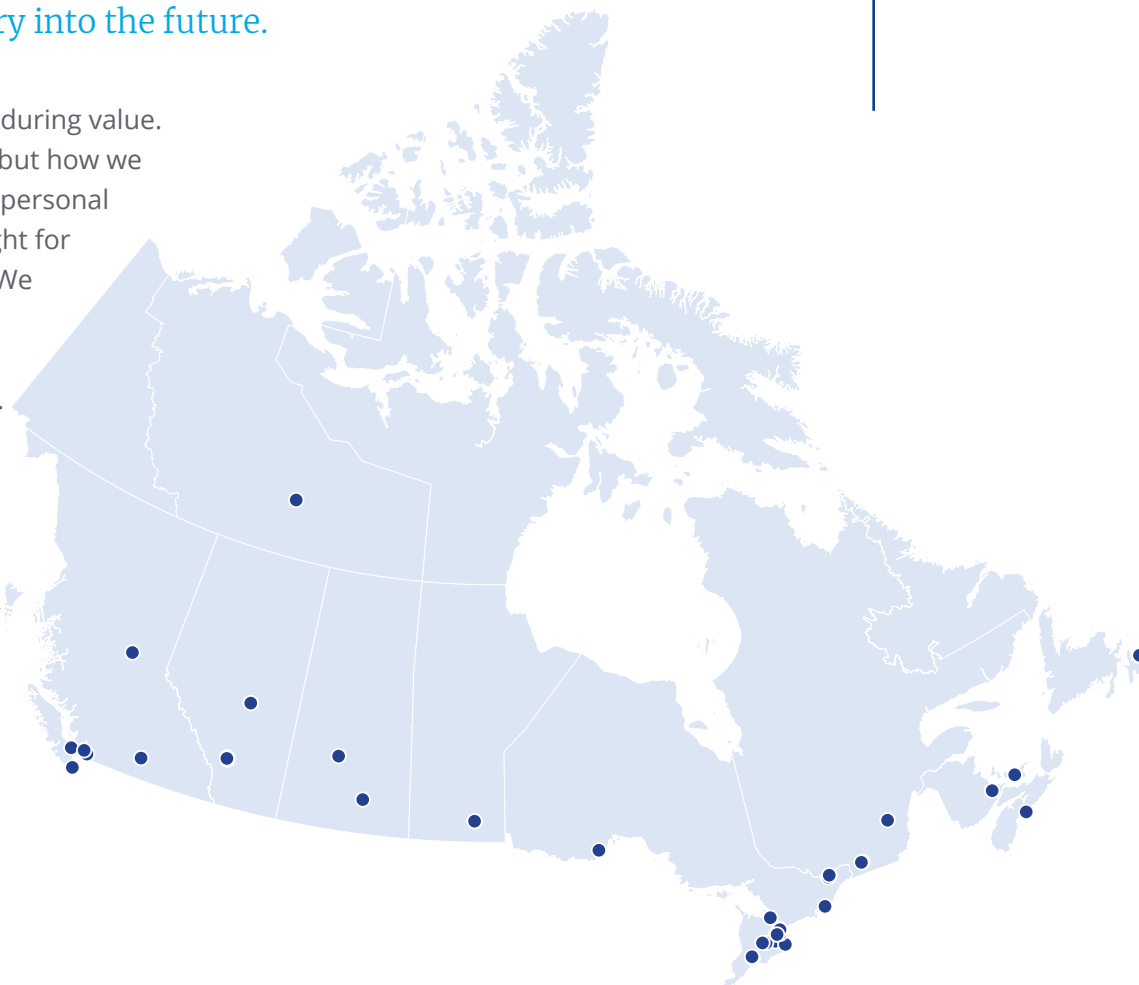
From the first handshake to the last, we understand deal structure and manage the transaction process to minimize disruption, mitigate risk and mediate competing perspectives. You can count on us to stay in the deal, from conducting a great tour to delivering the signed agreement.

At Colliers, we are enterprising.

Our expert advice to property occupiers, owners
and investors leads the industry into the future.

We invest in relationships to create enduring value. What sets us apart is not what we do, but how we do it. Our people are passionate, take personal responsibility and always do what's right for our clients, people and communities. We attract and develop industry leaders, empowering them to think and act differently to drive exceptional results. What's more, our global reach maximizes the potential of property, wherever our clients do business.

At Colliers Canada, we provide
a full suite of real estate solution
services for commercial office,
retail and industrial properties.



NASDAQ: CIGI

TSX: CIGI

Last updated:
March 2024

\$10.8B

Transaction Value (USD)

41

Offices

506

Advisors

2,224

Professionals

69M

SF Managed

Results matter, but so does **your experience.**

At Colliers, we believe delivering the best possible service experience for our clients is our most sustainable competitive advantage. We use the Net Promoter Score System (NPS) to ensure that we are held accountable for every single client engagement we undertake. The feedback we receive helps us fine-tune our service delivery and offers our clients an honest impression of what it's really like to do business with us. Colliers Canada is the only commercial real estate brokerage in Canada that employs the NPS system to ensure our employees deliver the highest quality service for our clients.

NET PROMOTER[®]
LOYALTY PARTNER

Our team score

81

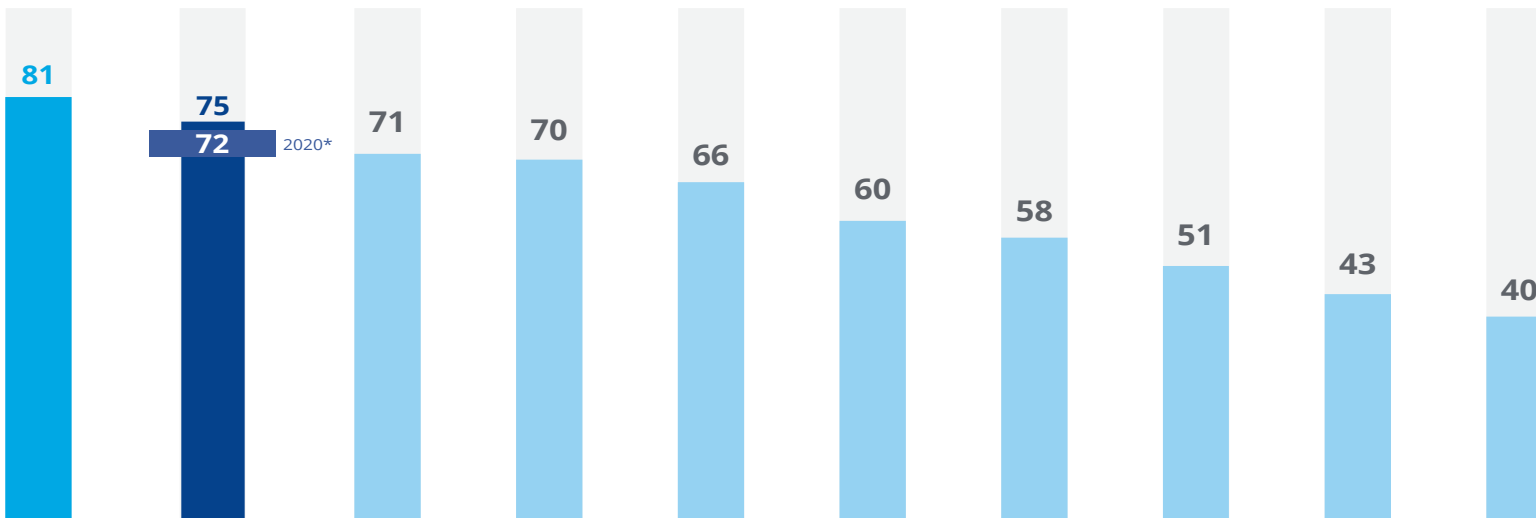
How does it work? After a project is completed, our clients are asked one question; On a scale from 1-10 how likely are you to recommend Colliers to a friend or colleague? An NPS score is then calculated by taking the percentage of customers who are promoters and subtracting the percentage who are detractors.



$$\begin{array}{c} \text{4 icons} \\ \% \text{ promoters} \end{array} - \begin{array}{c} \text{2 icons} \\ \% \text{ detractors} \end{array} = \text{Net Promoter Score}$$

Our team score

81



* Partial results available.

Case Study

Opportunity

- A family had purchased a 20-acre site beside the factory that housed their family business, it was a strategic purchase for expansion some day
- The business had changed to the point where the expansion would not be necessary
- Further, the market had grown hot enough that the family was receiving unsolicited offers

Challenges

- The land had some environmental contamination that had been identified and risk assessed through a Record of Site Condition
- Buyers were wanting smaller parcels of the land rather than the entire 20-acre site
- The value of industrial land was rising so quickly that the family didn't know the value
- The family was open to selling both the land and their building but didn't know how that might work or the value impact of doing that together

Strategy

- Used the Colliers Best Bid marketing strategy to control the property information, made sure qualified buyers were targeted and had the time and information to engage, and made the bidding process competitive
- Created a comprehensive information package so the buyers would have all of the information including environmental reports so Buyers can do their homework up front and make informed short timeframe conditional offers. The information package was available physically and on a password-protected online data room
- Had direct contact through calls and meetings with the top prospects to encourage engagement and tours of the property and market

Results

- We ended up selling both the land and the families factory together for a price of \$48M, which was higher than expected
- We received multiple offers and the price for the land was a record for that area, \$800,000/acre
- The Buyers that made offers all did their homework up front and made excellent offers with relatively short conditions
- The ultimate winning bidder/Buyer did want some further environmental studies done to confirm what had previously been done. They paid for that themselves and everything came back in line with the previous studies.
- The family was very happy with the strategy, process and execution which gave them a far higher price with less risk than any of the unsolicited offers they'd received

399 Franklin Boulevard, Cambridge

20-acre parcel of industrial-zoned land



Address	399 Franklin Boulevard, Cambridge
Site Size	20 acres
Vendor	7095163 Canada Inc.



Terms of engagement

Initial Listing Term **6 Months**

Success Fee **2.50 % of the total sale price**

The success fee is intended to align our ultimate objectives to maximize value. The commission payable to Colliers upon successful completion of a transaction will be two point five percent (2.50%) of the purchase price (plus HST).

Cooperation We recommend to proceed with a Multiple Listing Service (MLS) listing in order to increase the likelihood of a successful sale. Our goal is to find the best and most capable buyer. Colliers is fully prepared to co-operate with other licensed real estate brokers upon commencement of the Marketing Program.

Expenses Colliers will pay for the cost of design, implementation and distribution for all marketing costs.



Karl Innanen*, SIOR, CCIM

Executive Vice President, Broker
+1 519 904 7005
karl.innanen@colliers.com

Ethan Tyo

Sales Representative
+1 519 570 7752
ethan.tyo@colliers.com

Colliers Canada

305 King Street West, Suite 606,
Kitchener, ON, N2G 1B9
+1 519 570 1330

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collierscanada.com

APPENDIX 6

Listing Agreement - Commercial

Seller Representation Agreement


Authority to Offer for Sale

~~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 Court-appointed receiver of all assets, undertakings and properties of 1000602770 Ontario Ltd., and not in its personal or corporate capacity and without personal or corporate liability. (the "Seller")
In consideration of the Listing Brokerage listing the real property for sale known as **225 Southgate Drive, Guelph, ON**
[P.I.N's. # 71491-0161 LT and 71491-0162 LT] (the "Property")

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,
commencing at **10th** on the day of **February**, 20**25**
(a.m./p.m.)
and expiring at **11:59 p.m.** on the **30th** day of **July**, 20**25** (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. }  (Seller's Initials)

to offer the Property for sale at a price of: **Dollars (CDN\$) 4,500,000.00**
Four Million and Five 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.  (Seller's Initials)

Schedule A, attached hereto forms part of this Agreement, of which **Schedule A** sets out the details with respect to the services, confidentiality and representation of the Brokerage.

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.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property, the Seller agrees to pay the Listing Brokerage a commission of **2.75**% of the sale price of the Property. ~~xx~~ [See Schedule "A" for additional provisions]

~~.....~~ 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 **1.00**% 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.

~~.....~~

INITIALS OF LISTING BROKERAGE:  **INITIALS OF SELLER(S):** 

Listing Agreement - Commercial

Seller Representation Agreement

Authority to Offer for Sale

This is a Multiple Listing Service® Agreement



~~OR Exclusive Listing Agreement~~

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 Court-appointed receiver of all assets, undertakings and properties of 1000602770 Ontario Ltd., and not in its personal or corporate capacity and without personal or corporate liability. (the "Seller")

In consideration of the Listing Brokerage listing the real property for sale known as 225 Southgate Drive, Guelph, ON

[P.I.N's. # 71491-0161 LT and 71491-0162 LT] (the "Property")

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

commencing at 27th on the day of February, 2025
(a.m./p.m.)

and expiring at 11:59 p.m. on the 30th day of July, 2025 (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.

(Seller's Initials)

to offer the Property for sale at a price of:

Dollars (CDN\$) 4,500,000.00

Four Million and Five Hundred Thousand

Dollars

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(Seller's Initials)

Schedule A, attached hereto forms part of this Agreement, of which Schedule A sets out the details with respect to the services, confidentiality and representation of the Brokerage.

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.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property, the Seller agrees to pay the Listing Brokerage a commission of 2.75% of the sale price of the Property. [See Schedule "A" for additional provisions]

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 1.00% 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.

INITIALS OF LISTING BROKERAGE:

JA

INITIALS OF SELLER(S):

MM

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 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 commission becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller, plus applicable taxes on such commission. The Seller hereby agrees 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, 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 agrees 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.~~

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 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. ~~ENDING THIS THE SELLER HEREBY AGREES TO PAY THE LISTING BROKERAGE THE AMOUNT OF COMMISSION SET OUT ABOVE, PAYABLE WITHIN FIVE (5) DAYS FOLLOWING THE LISTING BROKERAGE'S WRITTEN DEMAND THEREFOR.~~

5. **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 wilful act.

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:** ~~The Seller shall hold the Listing Brokerage harmless from and against all claims, damages, losses, costs, expenses, and attorneys' fees, including reasonable legal fees, incurred by the Listing Brokerage or anyone else, in connection with the sale of the Property, whether or not such claims, damages, losses, costs, expenses, and attorneys' fees are caused or contributed to by the Listing Brokerage or anyone else.~~ 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. ~~ENTIRE AGREEMENT: THIS AGREEMENT, TOGETHER WITH THE COMMISSION TRUST AGREEMENT, SHALL CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE SELLER AND THE LISTING BROKERAGE, AND NO OTHER AGREEMENTS, ORAL OR WRITTEN, SHALL BE BINDING ON EITHER PARTY.~~

10. ~~ASSIGNMENT: THE SELLER HEREBY AGREES TO ASSIGN TO THE LISTING BROKERAGE ALL OF THE SELLER'S RIGHTS, TITLE AND INTEREST IN THE PROPERTY, INCLUDING THE RIGHT TO SELL THE PROPERTY, TO THE LISTING BROKERAGE, AND TO HOLD THE SAME FOR THE SELLER'S BENEFIT.~~

INITIALS OF LISTING BROKERAGE:

JA
CORPORAL 4972573 ALBERTA

INITIALS OF SELLER(S):

MM
CORPORAL 1700100 ALBERTA

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.

Property

12. USE AND DISTRIBUTION OF INFORMATION: The Seller consents to the collection, use and disclosure of [redacted] 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.

[redacted]
[redacted]
[redacted]

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.

[redacted]

mm
box SIGN 178KJ156-1XQX8Z7Z
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.

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.

Joe Almeida

(Authorized to bind the Listing Brokerage)

Feb 6, 2025

(Date)

Joe Almeida

(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 Court-appointed receiver of all assets, undertakings and properties of 1000602770 Ontario Ltd., and not in its personal or corporate capacity and without personal or corporate liability.

(Name of Seller)

Mukul Manchanda

(Signature of Seller/Authorized Signing Officer)

Feb 6, 2025

(Seal)

(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 and Matt Perco**

(Name of Salesperson/Broker/Broker of Record)

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

[Signature]

(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 **February 2025**

Mukul Manchanda

(Signature of Seller)

Feb 6, 2025

(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 Court-appointed receiver of all assets, undertakings and properties of **1000602770 Ontario Ltd.** (the "**Debtor**" or "**Owner**"), and not in its personal or corporate capacity and without personal or corporate liability.

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 Roynat Inc. ("**Roynat**") is transferred or sold to another party, and the Receiver's appointment is terminated; or
 - ii. in the event any of the existing Owner or Debtor successfully refinances the Property, and/or redeems the Roynat first place charge, on or before the completion date for any potential sale or transfer;

(collectively a "**Triggering Event**")

and in either Triggering Event scenario, if the Receiver's appointment is terminated, then the following sliding fee structure timeline shall apply, and shall commence on (or be anchored to) the Listing Commencement Date:

FLAT FEE

TIMELINE FOR TRIGGERING EVENT TO OCCUR

- a) \$15,000 - within the first 15 days of Listing Commencement Date;
 - b) \$30,000 - within 16-45 days of Listing Commencement Date;
 - c) \$70,000 - after 45 days of Listing Commencement Date;
 - d) Full Fee(*) - after acceptance of an unconditional offer to purchase by the Seller/Receiver, and only subject to Court approval/AVO.
- (* Full Fee is the commission noted in sub-clause 2 of the pre-printed Listing Agreement).

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. The Listing Brokerage acknowledges that the sale is taking place pursuant to the court order of The Honourable Justice Borden dated August 8th, 2024, and that further court approval of the sale ("Court Approval") is a pre-condition to completion of the transaction. The Seller

<u>Seller's Initials</u>  <small>box SIGN 17KXJ56 SXGKXZZ</small>	<u>Listing Brokerage's Initials</u>  <small>box SIGN 4P929571-4L6VZP9</small>
---	--

cannot guarantee that Court Approval will be obtained. The Listing 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 (with the exception of a Triggering Event noted in clause 1 of this Schedule) 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 Listing Brokerage shall offer the Property for sale on an "as is, where is" basis and that the Listing Brokerage 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.
4. Notwithstanding any other provision of this Agreement, the Seller 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 Seller provide the Listing Brokerage with any indemnification regarding any such matters.
5. 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.
6. Any prospective purchaser agrees to use the Seller's Form of Offer which will be provided by the Listing Brokerage to such prospective purchaser.
7. 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  <small>box SIGN 17KXJ54-1M2Q9BZ2</small>	Listing Brokerage's Initials  <small>box SIGN 4P929571-4L38Y2P9</small>
--	---

APPENDIX 7

☒ Mandatory Field All Property Types
 ☐ Optional Field All Property Types
 ☐ Initial Information Page

MLS® LISTING #

LOCATION

ASSESSMENT ROLL # (ARN)

PIN #

AREA

Wellington

MUNICIPALITY

Guelph

COMMUNITY *

Hanlon Industrial

STREET #

STREET NAME

225

Southgate

ABBREV.

Dr.

DIRECTION

☐ N ☐ E ☐ S ☐ W

APT/UNIT #

POSTAL CODE

N1G 3M5

LEGAL DESCRIPTION (LOT, PLAN, CONCESSION) (500 characters)

See Schedule "A".

PROPERTY MANAGEMENT COMPANY (60 characters)

LOT FRONT ***

428

LOT DEPTH ***

0

LOT/BUILDING/UNIT CODE ^

☒ Lot ☐ Building ☐ Unit

LOT SIZE CODE ^

☒ Feet ☐ Acres ☐ Metres

LOT IRREGULARITIES (40 characters)

LOT SHAPE (Check 1)

☐ Irregular ☐ Other ☐ Pie
☐ Rectangular ☐ Reverse Pie ☐ Square

LOT SIZE SOURCE (Check 1)

☐ GeoWarehouse ☐ MPAC
☐ Other ☐ Survey

ZONING (40 characters)

B - Industrial

DIRECTION/MAIN CROSS STREETS (250 characters)

Southgate Dr./Laird Rd.

* MANDATORY IF AVAILABLE

** NOT MANDATORY FOR COMMERCIAL CONDO

^ IF NOT APPLICABLE ENTER "0"

AMOUNTS/DATES

LIST PRICE

4,500,000

HST APPLICABLE TO SALE PRICE (Max 3)

☐ Call LBO ☐ Included ☐ No ☒ Yes

DEVELOPMENT CHARGES PAID (Max 2)

☐ Credit ☐ No ☐ Partial ☐ Unknown ☐ Yes

LIST PRICE CODE (Check one)

☒ For Sale ☐ Gross Lease ☐ Hectares ☐ Net Lease ☐ Other ☐ Per Acre
☐ Per Sq Ft ☐ Plus Stock ☐ Sq Ft Gross ☐ Sq Ft Net ☐ Sq M Gross ☐ Sq M Net

MINIMUM RENTAL TERM MONTHS

MAXIMUM RENTAL TERM MONTHS

TAXES

38,665

TAX YEAR

2024

TAX TYPE (Check one)

☒ Annual ☐ N/A ☐ T&O ☐ TMI

AMOUNTS/DATES (CONTINUED)

ASSESSMENT	ASSESSMENT YEAR	CONTRACT COMMENCEMENT	EXPIRY DATE
		02 / 27 / 2025 MM DD YYYY	07 / 30 / 2025 MM DD YYYY
POSSESSION DATE ◆ MM / DD / YYYY	POSSESSION REMARKS ◆ (14 characters) Court-directed	HOLDOVER DAYS 90	
SELLER NAME (200 characters) msi Spergel Inc., solely in its capacity as Court-appointed receiver of all assets,*			
MORTGAGE COMMENTS (140 characters)			
CONDO MAINTENANCE FEES MONTHLY ◆◆			

◆ ONE OF POSSESSION DATE OR POSSESSION REMARKS IS MANDATORY

◆◆ MANDATORY FOR COMMERCIAL & INDUSTRIAL CONDOS ONLY

DETAILS

TYPE (Check 1)	CATEGORY (Check 1)	USE (Check 1)
<input type="checkbox"/> Commercial Retail (Do not use for Sale of Business)	<input type="checkbox"/> Commercial Condo <input type="checkbox"/> Highway Commercial <input type="checkbox"/> Institutional *T1 <input type="checkbox"/> Multi-Use <input type="checkbox"/> Retail <input type="checkbox"/> Service	<input type="checkbox"/> Automotive Related <input type="checkbox"/> Bank *T1 <input type="checkbox"/> Church *T1 <input type="checkbox"/> Health & Beauty Related <input type="checkbox"/> Hospitality/Food Related <input type="checkbox"/> Other *T1 <input type="checkbox"/> Retail Store Related <input type="checkbox"/> School *T1 *T1 USE FOR "INTITUTIONAL" CATEGORY ONLY
<input type="checkbox"/> Farm	<input type="checkbox"/> Agricultural	<input type="checkbox"/> Cash Crop <input type="checkbox"/> Livestock <input type="checkbox"/> Dairy Products <input type="checkbox"/> Other <input type="checkbox"/> Hobby <input type="checkbox"/> Horse
<input type="checkbox"/> Industrial	<input type="checkbox"/> Free Standing <input type="checkbox"/> Industrial Condo <input type="checkbox"/> Multi-Unit	<input type="checkbox"/> Cooler/Freezer/Food Inspect <input type="checkbox"/> Factory/Manufacturing <input type="checkbox"/> Laboratory <input type="checkbox"/> Other <input type="checkbox"/> Transportation <input type="checkbox"/> Warehouse
<input type="checkbox"/> Investment	<input type="checkbox"/> Accomodation	<input type="checkbox"/> Bed & Breakfast <input type="checkbox"/> Other <input type="checkbox"/> Cabins/Cottages <input type="checkbox"/> Hotel/Motel/Inn
	<input type="checkbox"/> Apartment	<input type="checkbox"/> Apts - 2 to 5 Units <input type="checkbox"/> Apts - 6 to 12 Units <input type="checkbox"/> Apts - 13 to 20 Units <input type="checkbox"/> Apts - Over 20 Units <input type="checkbox"/> Other <input type="checkbox"/> Senior Residence
	<input type="checkbox"/> Industrial	
	<input type="checkbox"/> Office	<input type="checkbox"/> Medical/Dental <input type="checkbox"/> Other <input type="checkbox"/> Professional Office
	<input type="checkbox"/> Recreational	<input type="checkbox"/> Campground <input type="checkbox"/> Other <input type="checkbox"/> Golf <input type="checkbox"/> Sports/Entertainment <input type="checkbox"/> Marina
	<input type="checkbox"/> Retail	
<input checked="" type="checkbox"/> Land	<input checked="" type="checkbox"/> Designated <input type="checkbox"/> Raw (Outside Off Plan)	<input type="checkbox"/> Bush <input type="checkbox"/> Golf <input type="checkbox"/> Gravel Pit/Quarry <input type="checkbox"/> Hospitality <input checked="" type="checkbox"/> Industrial <input type="checkbox"/> Office <input type="checkbox"/> Other <input type="checkbox"/> Parking Lot <input type="checkbox"/> Recreational <input type="checkbox"/> Residential <input type="checkbox"/> Restricted <input type="checkbox"/> Retail <input type="checkbox"/> Waterfront
<input type="checkbox"/> Office	<input type="checkbox"/> Office	<input type="checkbox"/> Medical/Dental <input type="checkbox"/> Other <input type="checkbox"/> Professional Office

...▶ TYPE Option Continues on Next Page

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SELLERS
INITIALS

Page 2 of 8

DETAILS (CONTINUED)

TYPE (Check 1)	CATEGORY (Check 1)	USE (Check 1)
<input type="checkbox"/> Sale of Business a1	<input type="checkbox"/> Without Property <input type="checkbox"/> With Property	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Apparel <input type="checkbox"/> Art Gallery <input type="checkbox"/> Art Supplies <input type="checkbox"/> Automotive Related <input type="checkbox"/> Bakery <input type="checkbox"/> Banquet Hall <input type="checkbox"/> Barber/Beauty <input type="checkbox"/> Bar/Tavern/Pub <input type="checkbox"/> Beauty Salon <input type="checkbox"/> Bed & Breakfast <input type="checkbox"/> Butcher/Meat <input type="checkbox"/> Cabins/Cottages <input type="checkbox"/> Café <input type="checkbox"/> Car Wash <input type="checkbox"/> Caterer/Cafeteria <input type="checkbox"/> Coffee/Donut Shop <input type="checkbox"/> Coin Laundromat <input type="checkbox"/> Convenience/Variety <input type="checkbox"/> Copy/Printing <input type="checkbox"/> Crafts/Hobby <input type="checkbox"/> Dairy Products </div> <div style="width: 33%;"> <input type="checkbox"/> Day Care <input type="checkbox"/> Delicatessen <input type="checkbox"/> Delivery/Courier <input type="checkbox"/> Distributing <input type="checkbox"/> Drugstore/Pharmacy <input type="checkbox"/> Dry Cleaning/Laundry <input type="checkbox"/> Electronics <input type="checkbox"/> Entertainment <input type="checkbox"/> Fast Food/Takeout <input type="checkbox"/> Fitness/Training <input type="checkbox"/> Florist <input type="checkbox"/> Food Court Outlet <input type="checkbox"/> Footwear <input type="checkbox"/> Fruit/Vegetable/Market <input type="checkbox"/> Funeral Home <input type="checkbox"/> Furniture <input type="checkbox"/> Garden/Landscaping <input type="checkbox"/> Gas Station <input type="checkbox"/> Golf Course <input type="checkbox"/> Golf Driving Range </div> <div style="width: 33%;"> <input type="checkbox"/> Gravel Pit/Quarry <input type="checkbox"/> Grocery/Supermarket <input type="checkbox"/> Hair Salon <input type="checkbox"/> Hardware/Tools <input type="checkbox"/> Home Improvement <input type="checkbox"/> Hotel/Motel/Inn <input type="checkbox"/> Jewellery <input type="checkbox"/> Manufacturing <input type="checkbox"/> Marina <input type="checkbox"/> Medical/Dental <input type="checkbox"/> Other <input type="checkbox"/> Pizzeria <input type="checkbox"/> Real Estate Office <input type="checkbox"/> Restaurant <input type="checkbox"/> Self Storage <input type="checkbox"/> Service Related <input type="checkbox"/> Spa/Tanning <input type="checkbox"/> Sporting Goods <input type="checkbox"/> Sports/Entertainment <input type="checkbox"/> Travel Agency <input type="checkbox"/> Woodworking </div> </div>
<input type="checkbox"/> Store W Apt/Office	<input type="checkbox"/> Store W Apt/Office	

FREESTANDING a2 <input type="checkbox"/> Yes <input type="checkbox"/> No	TOTAL AREA a3 <div style="text-align: center; font-size: 1.2em;">3.5</div>	TOTAL AREA CODE a3 (Check 1) <input checked="" type="checkbox"/> Acres <input type="checkbox"/> Hectares <input type="checkbox"/> Square Feet <input type="checkbox"/> Sq Ft Divisible <input type="checkbox"/> Sq M Divisible <input type="checkbox"/> Square Meters
% BUILDING	OFFICE/APT AREA a4	OFFICE APARTMENT AREA CODE a4 (Check 1) <input type="checkbox"/> % <input type="checkbox"/> Sq Ft <input type="checkbox"/> Sq Ft Divisible <input type="checkbox"/> Square Meters <input type="checkbox"/> Sq M Divisible
INDUSTRIAL AREA a5		INDUSTRIAL AREA CODE a5 (Check 1) <input type="checkbox"/> % <input type="checkbox"/> Sq Ft <input type="checkbox"/> Sq Ft Divisible <input type="checkbox"/> Square Meters <input type="checkbox"/> Sq M Divisible
RETAIL AREA a6		RETAIL AREA CODE a6 (Check 1) <input type="checkbox"/> % <input type="checkbox"/> Sq Ft <input type="checkbox"/> Sq Ft Divisible <input type="checkbox"/> Square Meters <input type="checkbox"/> Sq M Divisible
APPROXIMATE AGE (Check 1) <input type="checkbox"/> New <input type="checkbox"/> 0-5 <input type="checkbox"/> 6-15 <input type="checkbox"/> 16-30 <input type="checkbox"/> 31-50 <input type="checkbox"/> 51-99 <input type="checkbox"/> 100+	AREA INFLUENCES (Max 2) <input type="checkbox"/> Greenbelt/Conservation <input type="checkbox"/> Major Highway <input type="checkbox"/> Public Transit <input type="checkbox"/> Recreation/Community Centre <input type="checkbox"/> Skiing <input type="checkbox"/> Subways	
PHYSICALLY HANDICAPPED-EQUIPPED <input type="checkbox"/> Yes <input type="checkbox"/> No	BASEMENT a7 <input type="checkbox"/> Yes <input type="checkbox"/> No	UFFI (Check 1) <input type="checkbox"/> No <input type="checkbox"/> Partially Removed <input type="checkbox"/> Removed <input type="checkbox"/> Yes
CLEAR HEIGHT a5 <div style="display: flex; justify-content: space-between;"> <div>____ Feet</div> <div>____ Inches</div> </div>	SPRINKLERS a12 <input type="checkbox"/> No <input type="checkbox"/> Partial <input type="checkbox"/> Yes	UTILITIES a3 <input checked="" type="checkbox"/> Available <input type="checkbox"/> None <input type="checkbox"/> Yes
BAY SIZE <div style="display: flex; justify-content: space-between;"> <div>____ Width Feet</div> <div>____ Width Inches</div> <div>____ Length Feet</div> <div>____ Length Inches</div> </div>		

a1 USE IS MANDATORY IF "SALE OF BUSINESS" TYPE IS CHECKED

a2 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; INDUSTRIAL; INVESTMENT; OFFICE; STORE WITH APT/OFFICE

a3 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; FARM; INDUSTRIAL; INVESTMENT; LAND; OFFICE; STORE WITH APT/OFFICE

a4 MANDATORY IF TYPE IS --> OFFICE; STORE WITH APT/OFFICE

a5 MANDATORY IF TYPE IS --> INDUSTRIAL

a6 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; STORE WITH APT/OFFICE

a7 MANDATORY IF TYPE IS --> SALE OF BUSINESS; STORE WITH APT/OFFICE

a8 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; INDUSTRIAL; INVESTMENT; OFFICE; SALE OF BUSINESS; STORE W APT/OFFICE

a9 **NOT** MANDATORY IF TYPE IS --> LAND

a10 MANDATORY IF TYPE IS --> OFFICE

a11 MANDATORY IF TYPE IS --> LAND

a12 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; INDUSTRIAL; OFFICE; STORE WITH APT/OFFICE

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**SELLERS
INITIALS**



DETAILS (CONTINUED)

AMPS	VOLTS	WATER (Check 1)	WATER SUPPLY TYPE (Check 1)		AIR CONDITIONING a8
		<input type="checkbox"/> Both <input type="checkbox"/> Other <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> Well <input type="checkbox"/> None	<input type="checkbox"/> Bored Well <input type="checkbox"/> Drilled Well <input type="checkbox"/> Shared Well <input type="checkbox"/> Cistern <input type="checkbox"/> Dug Well <input type="checkbox"/> Comm Well <input type="checkbox"/> Lake/River	<input type="checkbox"/> No <input type="checkbox"/> Partial <input type="checkbox"/> Yes	
HEAT TYPE a9 (Check 1)					WASHROOMS
<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"><input type="checkbox"/> Baseboard</div> <div style="width: 33%;"><input type="checkbox"/> Gas Forced Air Closed</div> <div style="width: 33%;"><input type="checkbox"/> Oil Forced Air</div> <div style="width: 33%;"><input type="checkbox"/> Propane Gas</div> <div style="width: 33%;"><input type="checkbox"/> Water Radiators</div> <div style="width: 33%;"><input type="checkbox"/> Electric Forced Air</div> <div style="width: 33%;"><input type="checkbox"/> Gas Forced Air Open</div> <div style="width: 33%;"><input type="checkbox"/> Oil Hot Water</div> <div style="width: 33%;"><input type="checkbox"/> Radiant</div> <div style="width: 33%;"><input type="checkbox"/> Woodburning</div> <div style="width: 33%;"><input type="checkbox"/> Electric Hot Water</div> <div style="width: 33%;"><input type="checkbox"/> Gas Hot Water</div> <div style="width: 33%;"><input type="checkbox"/> Oil Steam</div> <div style="width: 33%;"><input type="checkbox"/> Solar</div> <div style="width: 33%;"><input type="checkbox"/> Fan Coil</div> <div style="width: 33%;"><input type="checkbox"/> None</div> <div style="width: 33%;"><input type="checkbox"/> Other</div> <div style="width: 33%;"><input type="checkbox"/> Steam Radiators</div> </div>					
TRUCK LEVEL SHIPPING DOORS # a5		TRUCK LEVEL SHIPPING DOORS DIMENSIONS a5			
		<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="text-align: center; font-size: small;">Height Feet Height Inches</div> </div> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="text-align: center; font-size: small;">Width Feet Width Inches</div> </div> </div>			
DOUBLE MAN SHIPPING DOORS # a5		DOUBLE MAN SHIPPING DOORS DIMENSIONS a5			
		<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="text-align: center; font-size: small;">Height Feet Height Inches</div> </div> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="text-align: center; font-size: small;">Width Feet Width Inches</div> </div> </div>			
DRIVE-IN LEVEL SHIPPING DOORS # a5		DRIVE-IN LEVEL SHIPPING DOORS DIMENSIONS a5			
		<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="text-align: center; font-size: small;">Height Feet Height Inches</div> </div> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="text-align: center; font-size: small;">Width Feet Width Inches</div> </div> </div>			
GRADE LEVEL SHIPPING DOORS # a5		GRADE LEVEL SHIPPING DOORS DIMENSIONS a5			
		<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="text-align: center; font-size: small;">Height Feet Height Inches</div> </div> <div style="width: 45%;"> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="text-align: center; font-size: small;">Width Feet Width Inches</div> </div> </div>			
ELEVATOR a10 (Check 1)		GARAGE TYPE a8 (Check 1)			
<input type="checkbox"/> Freight+Public <input type="checkbox"/> Freight <input type="checkbox"/> None <input type="checkbox"/> Public		<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"><input type="checkbox"/> Boulevard</div> <div style="width: 33%;"><input type="checkbox"/> Lane</div> <div style="width: 33%;"><input type="checkbox"/> Pay</div> <div style="width: 33%;"><input type="checkbox"/> Single Detached</div> <div style="width: 33%;"><input type="checkbox"/> Visitor</div> <div style="width: 33%;"><input type="checkbox"/> Covered</div> <div style="width: 33%;"><input type="checkbox"/> None</div> <div style="width: 33%;"><input type="checkbox"/> Plaza</div> <div style="width: 33%;"><input type="checkbox"/> Street</div> <div style="width: 33%;"><input type="checkbox"/> Double Detached</div> <div style="width: 33%;"><input type="checkbox"/> Other</div> <div style="width: 33%;"><input type="checkbox"/> Public</div> <div style="width: 33%;"><input type="checkbox"/> Underground</div> <div style="width: 33%;"><input type="checkbox"/> In/Out</div> <div style="width: 33%;"><input type="checkbox"/> Outside/Surface</div> <div style="width: 33%;"><input type="checkbox"/> Reserved Assigned</div> <div style="width: 33%;"><input type="checkbox"/> Valet</div> </div>			
PARKING SPACES		NUMBER OF TRAILER PARKING SPOTS	OUTSIDE STORAGE	RAIL a5 (Check 1)	CRANE
			<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Available <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> Yes <input type="checkbox"/> No
SURVEY		SOIL TEST (Check 1)			
<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Construction Audit <input type="checkbox"/> Construction+Environmental <input type="checkbox"/> Environmental Audit <input type="checkbox"/> No <input type="checkbox"/> Yes			
SEWERS a11 (Check 1)					
<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"><input type="checkbox"/> None</div> <div style="width: 33%;"><input type="checkbox"/> Sanitary</div> <div style="width: 33%;"><input type="checkbox"/> Sanitary Available</div> <div style="width: 33%;"><input checked="" type="checkbox"/> Sanitary+Storm</div> <div style="width: 33%;"><input type="checkbox"/> Sanitary+Storm Available</div> <div style="width: 33%;"><input type="checkbox"/> Septic Available</div> <div style="width: 33%;"><input type="checkbox"/> Septic</div> <div style="width: 33%;"><input type="checkbox"/> Storm</div> <div style="width: 33%;"><input type="checkbox"/> Storm Available</div> </div>					

a1 USE IS MANDATORY IF "SALE OF BUSINESS" TYPE IS CHECKED

a2 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; INDUSTRIAL; INVESTMENT; OFFICE; STORE WITH APT/OFFICE

a3 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; FARM; INDUSTRIAL; INVESTMENT; LAND; OFFICE; STORE WITH APT/OFFICE

a4 MANDATORY IF TYPE IS --> OFFICE; STORE WITH APT/OFFICE

a5 MANDATORY IF TYPE IS --> INDUSTRIAL

a6 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; STORE WITH APT/OFFICE

a7 MANDATORY IF TYPE IS --> SALE OF BUSINESS; STORE WITH APT/OFFICE

a8 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; INDUSTRIAL; INVESTMENT; OFFICE; SALE OF BUSINESS; STORE W APT/OFFICE

a9 **NOT** MANDATORY IF TYPE IS --> LAND

a10 MANDATORY IF TYPE IS --> OFFICE

a11 MANDATORY IF TYPE IS --> LAND

a12 MANDATORY IF TYPE IS --> COMMERCIAL RETAIL; INDUSTRIAL; OFFICE; STORE WITH APT/OFFICE

FORM 590

REV. 08/2024



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**SELLERS
INITIALS**



COMMENTS

REMARKS FOR CLIENTS (2000 characters)

Seller name cont.*: undertakings and properties of 1000602770 Ontario Ltd., and not in its personal or corporate capacity and without personal or corporate liability.

Subject property is two adjacent, vacant industrially-zoned lots being sold by Court-appointed Receiver on an "as is, where is" basis. All offers must be on Receiver's form of APS, and all sales are subject to final Court approval. Further property information is available upon execution of LB's NDA form.

COMMENTS (CONTINUED)

EXTRAS (240 characters)

INCLUSIONS (250 characters)

EXCLUSIONS (250 characters)

RENTAL ITEMS (250 characters)

REMARKS FOR BROKERAGES (1000 characters)

Fees only paid upon successful closing, and receipt of payment from Vendor.

2nd LA: Matt Perco, matt.perco@avisonyoung.com; 289-439-1240

FINANCIAL INFORMATION

FINANCIAL STATEMENT ♦ <input type="checkbox"/> Yes <input type="checkbox"/> No		CHATELS ♦ <input type="checkbox"/> Yes <input type="checkbox"/> No		FRANCHISE ♦ <input type="checkbox"/> Yes <input type="checkbox"/> No		DAYS OPEN ♦ <input type="checkbox"/> Open 1 Day <input type="checkbox"/> Open 2 Days <input type="checkbox"/> Open 3 Days <input type="checkbox"/> Open 4 Days <input type="checkbox"/> Open 5 Days <input type="checkbox"/> Open 6 Days <input type="checkbox"/> Open 7 Days <input type="checkbox"/> Varies	
HOURS OPEN (10 characters)				EMPLOYEES ♦		SEATS ♦	
						L.L.B.O ♦ <input type="checkbox"/> Yes <input type="checkbox"/> No	
BUSINESS/BUILDING NAME (100 characters)							
TAXES EXPENSE		INSURANCE EXPENSE		MANAGEMENT EXPENSE		MAINTENANCE EXPENSE	
HEAT EXPENSE		HYDRO EXPENSE		WATER EXPENSE		OTHER EXPENSE	
GROSS INCOME/SALES		VACANCY ALLOWANCE		OPERATING EXPENSE		NET INCOME BEFORE DEBT	
ESTIMATED INVENTORY VALUE AT COST		COMMON AREA UPCHARGE		PERCENTAGE RENT		EXPENSES ACTUAL/ESTIMATED ♦♦ <input type="checkbox"/> Actual <input type="checkbox"/> Estimated	
YEAR EXPENSE ♦♦							

♦ MANDATORY IF TYPE "SALE OF BUSINESS" IS CHECKED IN DETAILS SECTION

♦♦ COMPLETE ONLY IF YOU HAVE ENTERED ANY AMOUNT(S)

OTHER

LISTING BROKERAGE Avison Young Comm. Real Estate Services		LISTING BROKERAGE PHONE 416-955-0000		LISTING BROKERAGE FAX	
SALESPERSON 1 Kelly Avison				SALESPERSON 1 PHONE 416-673-4030	
SALESPERSON 2				SALESPERSON 2 PHONE	
COMMISSION TO CO-OPERATING BROKERAGE (40 characters) 1%				SELLER PROPERTY INFO STATEMENT <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
				ENERGY CERTIFICATE <input type="checkbox"/> Yes <input type="checkbox"/> No	
CERTIFICATE LEVEL (25 characters)		GREEN PROPERTY INFO STATEMENT <input type="checkbox"/> Yes <input type="checkbox"/> No		DISTRIBUTE TO INTERNET <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
DISPLAY ADDRESS ON INTERNET <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		DISTRIBUTE TO DDF/IDX <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		PERMISSION TO CONTACT LISTING BROKER TO ADVERTISE <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
APPOINTMENTS (14 characters)		SHOWING REQUIREMENTS (Max 6) <input type="checkbox"/> Go Direct <input type="checkbox"/> Lockbox <input type="checkbox"/> See Brokerage Remarks <input type="checkbox"/> Showing System <input type="checkbox"/> List Brokerage <input checked="" type="checkbox"/> List Salesperson			
OCCUPANCY (Check 1) <input type="checkbox"/> Owner + Tenant <input type="checkbox"/> Owner <input type="checkbox"/> Partial <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant				CONTACT AFTER EXPIRED <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
VIRTUAL TOUR URL (200 characters)					

FORM 590

REV. 08/2024



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SELLERS
INITIALS



OTHER (CONTINUED)

SALES BROCHURE URL (200 characters)

ADDITIONAL PICTURES URL (200 characters)

ALTERNATE FEATURE SHEET URL (200 characters)

MAP LOCATION URL (200 characters)

SOUND BITE URL (200 characters)

SELLER HEREBY ACKNOWLEDGES HAVING RECEIVED A COPY OF PART 2 OF 2 OF THE LISTING AGREEMENT.

SIGNATURE

Mukul Manchanda
box SIGN 17KKJJ56-13Q8V7LW

DATE

Feb 24, 2025

/ /
MM DD YYYY

SIGNATURE

DATE

/ /
MM DD YYYY

APPENDIX 8

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT dated as of the 21st day of April, 2025.

BETWEEN:

MSI SPERGEL INC., solely in its capacity as Court-appointed receiver of **1000602770 Ontario Ltd.** and not in its personal or corporate capacity and without personal or corporate liability.

(the "Vendor" or "Receiver")

OF THE FIRST PART

- and -

Jaral Properties Inc. (In Trust)

(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, property, or event, all laws, by-laws, rules, regulations, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments, decrees, decisions or other requirements having the force of law relating to or applicable to such Purchased Assets, Person, property, 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) **"Building(s)"** means the buildings, improvements, installations and fixtures of every nature and kind situate in, on and/or over the Lands;
- (g) **"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;
- (h) **"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 or unsecured, matured or unmatured, disputed or undisputed, liquidated or unliquidated, or otherwise;
- (i) **"Closing"** shall have the meaning ascribed to it in Section 6 hereof;
- (j) **"Court"** means the Ontario Superior Court of Justice;
- (k) **"Court Order"** means collectively the order of the Honourable Justice M.T. Bordin dated the 8th day of August, 2024, whereby the Vendor was appointed receiver of 1000602770 Ontario Ltd., 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";
- (l) **"Data"** shall have the meaning ascribed to it in Section 5 (a) hereof;
- (m) **"Date of Closing"** shall have the meaning ascribed to it in Section 6 hereof;
- (n) **"Debtor"** shall mean 1000602770 Ontario Ltd.;
- (o) **"Deposit"** shall have the meaning ascribed to it in Section 3(a) hereof;
- (p) **"DRA"** shall have the meaning ascribed to it in Section 7(a)(i) hereof;

- (q) **"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;
- (r) **"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;
- (s) **"Excluded Assets"** All undertakings, property and assets of the Debtor other than the Purchased Assets shall be excluded from the purchase and sale of assets provided for in this Agreement, including but not limited to:
- (i) any amounts (including the Purchase Price) paid or payable pursuant to this Agreement;
 - (ii) all rights, claims or causes of action by or in the right of the Debtor against any current or former director or officer of the Debtor;
 - (iii) the Debtor's cash or cash equivalents;
 - (iv) the Debtor's accounts receivable;
 - (v) original tax records and books and records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Debtor or the Purchased Assets;
 - (vi) the benefit of any prepaid expenses or deposits with any Person (including, without limitation, the benefit of any prepaid rent), public utility or Government Authority; and
 - (vii) the benefit of any refundable Taxes payable or paid by the Debtor or paid by the Receiver in respect of the Purchased Assets and applicable to the period prior to the Closing Date net of any amounts withheld by any taxing authority, and any claim or right of the Debtor or the Receiver to any refund, rebate, or credit of Taxes for the period prior to the Closing Date.

Nothing herein will be deemed to constitute an agreement to sell, transfer, assign or convey the Excluded Assets to Purchaser.

- (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. For greater clarity, Purchased Assets shall not include Excluded Assets;
- (ff) **"Purchaser"** means Jaral Properties Inc. (In Trust)
- (gg) **"Purchaser's Solicitor"** means Scott Galajda – Galajda Law - Telephone No. (519) 767-1177, email address: sgalajda@galajdalaw.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 the Debtor, 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 1000602770 Ontario Ltd., 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 Aird & Berlis LLP, 181 Bay Street, Suite 1800, Toronto, Ontario M5J 2T9, Attention: Sanjeev Mittra Telephone: (416) 865- 3085; Email: smitra@airdberlis.com
- (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 Government 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 1000602770 Ontario Ltd., other than the Purchased Assets.

3. PURCHASE PRICE

The aggregate purchase price (the "**Purchase Price**") for the Purchased Assets shall be the sum of **██████████ (\$1,000,000) Dollars**. 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 **Four Hundred Thousand ██████████** (the "**Deposit**"), being ten (10%) percent of the purchase price 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.

If this Agreement is not completed due to the default of the Purchaser, the Deposit shall be forfeited to the Receiver.

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, any improvements on the Lands, any services to the Lands or lack thereof, the condition (including any environmental condition) of the Purchased Assets including any building or improvement thereon, the soil, the subsoil, the ground and surface water or any other environmental matters, the use to which the Purchased Assets may be put and its zoning, the discharge of any contaminants from, on, or in relation to the Purchased Assets, the existence, state, nature, identity, extent or effect of any investigations, administrative orders, control orders, stop orders compliance orders or any other proceedings or actions under any environmental laws in relation to the Purchased Assets, the condition of all chattels, equipment, furniture and fixtures, the status of any Encumbrances related to the Lands and compliance requests, the status and nature of any Permitted Encumbrances, the third party consents that may be required to complete the transaction contemplated by this Agreement (excluding for certainty the issuance by the Court of the AVO), the status and content of the Leases, 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 Buildings, 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;
 - (xii) the existence of zoning or building entitlements affecting the Lands;
 - (xiii) the existence of any Leases and occupation agreements, including without limitation with respect to:
 - (1) whether rent deposits, damage deposits or like payments have been made or not;

- (2) the correctness of the calculation, both past and present, of all rent paid or payable in respect of the Leases;
- (3) the existence of any renewal rights or the terms associated with any renewal privileges;
- (4) the absence of any ongoing disputes with the tenants with respect to any matter including the physical condition of the leased premises, any claim of set off, the existence of rent deposits or renewal privileges;
- (5) the absence of any rights conferred upon the tenants in any Lease or ancillary document granting to the tenant additional rights or privileges, including rights of first refusal, options or any exclusivity or non-competition clause; and
- (6) the absence of any commitment made by the Debtor or the Vendor or any party acting on behalf of the Debtor or the Vendor to grant additional rights or privileges to the tenants.

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.
- (d) The provisions of this Article 5 shall not merge on and shall survive the Closing and the Closing Date or any termination of this Agreement.

6. **DATE OF CLOSING**

Subject to the provisions of Sections 11 and 12 hereof, the transaction contemplated hereunder shall be completed (the moment of completion shall be referred to as "**Closing**") on the day which is 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**"), or such other date as may be agreed between the Vendor and Purchaser in writing.

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 Ontario 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 Ontario, 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 (\$250,000.00) 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 or interest, failing which, the Purchaser shall be deemed to have elected to complete the transaction in accordance with subparagraph (a) above.

If, prior to the Closing Date, all or a material part of the Lands is expropriated or a notice of expropriation or intent to expropriate all or a material part of the Lands is issued by any Government Authority, the Receiver shall immediately advise the Purchaser thereof by Notice in writing. The Purchaser shall, by Notice in writing given within three Business Days after the Purchaser receives Notice in writing from the Receiver of such expropriation, elect to either: (i) complete the Transaction contemplated herein in accordance with the terms hereof without reduction of the Purchase Price, and all compensation for expropriation shall be payable to the Purchaser and all right, title and interest of the Receiver or the Debtor to such amounts, if any, shall be assigned to the Purchaser on a without recourse basis; or (ii) terminate this Agreement and not complete the Transaction, in which case all rights and obligations of the Receiver and the Purchaser (except for those obligations which are expressly stated to survive the termination of this Agreement) shall terminate, and the Deposit shall be returned to the Purchaser forthwith.

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 1000602770 Ontario Ltd. 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, the Receiver 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) the Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property;
- (f) 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.
- (g) 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 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; and
 - (iii) **Approval and Vesting Order:** the Vendor shall have obtained the Approval and Vesting Order by no later than 90 days (of which the Purchaser may, in its sole discretion, grant consecutive extensions in 30 day increments) from the date of acceptance of this Agreement. The Vendor shall not have received notice of appeal in respect to of the Approval and Vesting Order and the Approval and Vesting Order shall not have been stayed, varied or vacated and shall be in full force and effect and no Order restraining or prohibiting Closing shall have been made by the Court.

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

- (b) The Purchaser covenants to use reasonable commercial efforts to fulfil or cause to be fulfilled the conditions contained in Subsection 12(a) (i-iii) 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 1000602770 Ontario Ltd., 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 Government Authority authorizing it to pay to the Vendor any realty tax rebate (together with interest thereon) obtained by the Vendor for the period prior to Closing. Provided that in the event the Authority does not deliver such rebate directly to the Vendor, the Purchaser hereby irrevocably undertakes to deliver any 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) **Leases and Permitted Encumbrances:** an assumption of all Leases and Permitted Encumbrances (to the extent assignable);
- (m) **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
- (n) **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. The Vendor shall not be required to make any statements contemplated under Section 50(22) of the *Planning Act* (Ontario), as amended. The Purchaser agrees to satisfy itself with respect to compliance with the *Planning Act* (Ontario)

16. **HARMONIZED GOODS AND SERVICES TAX**

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

Jaral Properties Inc.
590 Hanlon Creek Blvd, Unit #1
Guelph, ON N1C 0A5
Attention: Melissa Valentic
Email: melissa@ramargroup.ca

with a copy to the Purchaser's Solicitor at;

Galajda Law
150 Research Lane, Suite 205
Guelph, ON N1G 4T2
Attention: Scott Galajda
Email: sgajda@galajdalaw.com

and in the case of the Vendor to:

Msi Spergel Inc., in its Capacity as Court-Appointed Receiver of
1000602770 Ontario Ltd.
1100-200 Yorkland Blvd.,
Toronto, ON M2J 5C1

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

Attention: Mukul Manchanda
Email: mmanchanda@spergel.ca
Telephone/Fax: (416) 498-4314

with a copy to the Vendor's Solicitors:

Aird and Berlis LLP
181 Bay Street, Suite 1800
Toronto, Ontario, M5J2T9

Attention: Sanj Mitra / Evonne Finnegan
Email: smitra@airdberlis.com / efinnegan@airdberlis.com
Telephone: (416) 865-3085
Fax: (416) 863-1515

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 be responsible for all federal and provincial sales taxes, land transfer tax, goods and services, HST and other similar taxes and duties and all registration fees payable upon or in connection with the conveyance or transfer of the Purchased Assets to the Purchaser. If the sale of the Purchased Assets is subject to HST, then such tax shall be in addition to the Purchase Price. The Receiver will not collect HST if the Purchaser provides to the Receiver on Closing a certificate certifying that: (i) it is registered under the ETA, (ii) its registration number, (iii) its covenant to self-assess and remit the HST payable and file the prescribed form and shall indemnify the Receiver saving the Receiver harmless from liability for the payment of any HST in connection with the Transaction. The foregoing warranties shall not merge but shall survive the completion of the Transaction.

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 be entitled, at any time prior to service of motion materials by the Receiver to obtain the Approval and Vesting Order, to assign this Agreement in its entirety to a corporation and/or to direct title to a corporate nominee of its choosing; provided in each case that the Purchaser shall first deliver Notice of same to the Receiver, which Notice shall be accompanied by a customary assumption covenant from the assignee/nominee in favour of the Receiver, in a form approved by the Receiver acting reasonably, provided however, that any such assignment shall not relieve the Purchaser of its obligations hereunder.

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 Lands 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 1000602770 Ontario Ltd. 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 1000602770 Ontario Ltd. 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**

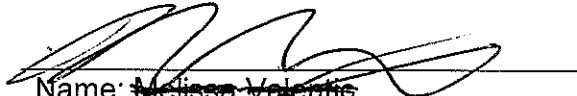
The offer to purchase comprising this Agreement shall be irrevocable by the Vendor and open for acceptance by the Purchaser until 5:00 o'clock p.m. on the **22nd day of April, 2025**, after which time, if not accepted and notice of such acceptance communicated to the Vendor, then the said offer to purchase shall be null and void and of no further force and effect.

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

DATED this 22nd day of April, 2025.

Jaral Properties Inc. (In Trust)

By:



Name: ~~Melissa Valente~~
Title: ~~CFO~~ **Ralph Marziano**
(I have authority to bind the Corporation)
President

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 21st day of April, 2025.

MSI SPERGEL INC., in its capacity as Court-Appointed Receiver of **1000602770 Ontario Ltd.** and not in its personal or corporate capacity and without personal or corporate liability

By:


~~box SIGN~~ 17KKJJ56-4PXPYW2W
Name: **Mukul Manchanda**
Title: **Managing Partner**
(I have authority to bind the Corporation)

**Schedule "A" – COURT ORDER
OF THE HONOURABLE JUSTICE BORDIN
Dated August 8, 2024**

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE

)

THURSDAY, THE 8TH

)

JUSTICE BORDIN

)

DAY OF AUGUST, 2024

ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

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 (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including the real property owned by the Debtor and described at Schedule "A" hereto (the "Real Property"), was heard this day by judicial videoconference via Zoom at the Courthouse 85 Frederick Street, Kitchener, ON N2H 0H7.

ON READING the affidavit of Cian McDonnell sworn July 9, 2024 and the Exhibits thereto, the Factum and Book of Authorities of the Receiver dated July 16, 2024, and on hearing the submissions of counsel for the Applicant, no one appearing for although duly served as appears from the affidavit of service of Emma Benaway sworn July 12, 2024 and the affidavit of service

of Lindsay Smith sworn July 15, 2024 and the affidavit of service of Samuel Petersen sworn July 16, 2024, and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

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

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

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

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

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$25,000.00, provided that the aggregate consideration for all such transactions does not exceed \$150,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this

paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without

limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed

\$200,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

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

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at [https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part III The E-Service List](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part_III_The_E-Service_List)) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on

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

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

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

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

31. THIS COURT ORDERS that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

~~Justice, Ontario Superior Court of Justice~~
Registrar, Superior Court of Justice

SCHEDULE "A"

REAL PROPERTY

MUNICIPALLY KNOWN AS: 225 Southgate Drive, Guelph, Ontario.

LEGAL DESCRIPTION:

- i. LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,
- ii. LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT).

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and including the Real Property as defined in the Order (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 ____--_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

msi Spergel inc., solely in its capacity
as Receiver of the Property, and not in its
personal or corporate capacity

Per: _____
Name:
Title:

ROYNAT INC.

-and-

1000602770 ONTARIO LTD.

Applicant

Respondents

Court File No. CV-24-00001161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

ORDER

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

Timothy C. Hogan (LSO #33653S)
Rob Danter (LSO #69806O)
Tel: (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com
rdanter@harrisonpensa.com

Solicitors for the Applicant,
Roynat Inc.

Schedule "B" – LEGAL DESCRIPTION OF PROPERTY

Municipally known as: 225 Southgate Drive, Guelph, Ontario

Legal Description:

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT).

Schedule "C" – PERMITTED ENCUMBRANCES

GENERAL

- a. any reservation or unregistered restrictions, rights of way, easements or covenants that run with the land;
- b. any registered or unregistered agreements or easements with a Governmental Authority or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
- c. any Applicable Laws and non-compliance therewith;
- d. any minor easements for the supply of utility service to the land or adjacent lands;
- e. 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;
- f. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
- g. any reservation limitations, provisos and conditions contained in the original grant from the Crown;
- h. any Land Registrar's registered orders;
- i. any deposited reference plans;
- j. any Work Orders;
- k. any subdivision agreements, site plan agreements, development agreements, and any other agreements with the City of Guelph, publicly regulated utilities or any other Governmental Authority having jurisdiction in respect of the Lands;
- l. zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations; and
- m. minor title defects.

Specific Encumbrances:

PIN 71491-0161 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROS223171, being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS520085Z, being a Best Cov Apl Annex registered on December 31, 1985
6. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

PIN 71491-0162 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROD223171 being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS553439Z, being a restrictive covenant application registered on June 30, 1987
6. ROS586649, being a By-Law registered on November 15, 1988
7. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

Schedule "D" FORM OF VESTING ORDER

63089078.3

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE)
)
JUSTICE ) DAY OF , 2024

ROYNAT INC.

Applicant


- and -

1000602770 ONTARIO LTD.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel Inc., solely in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 1000602770 Ontario Ltd.. (the "**Debtor**") for an order approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement (the "**Sale Agreement**") between the Receiver and [NAME] (the "**Purchaser**") dated [DATE] and vesting in the Purchaser all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 85 Frederick Street, Kitchener, Ontario.

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

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized

and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Bordin dated August 8, 2024; (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 including the registrations described in Schedule E hereto but only in respect of the Purchased Assets; 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 are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office (No. 61) 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.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead

of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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 Assumed Employees, if any, as defined in 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 in a manner which is in all material respects identical to the prior use of such information by the Debtor. [NTD: Is this clause needed? There is no assumed employees in the APA]

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;

8. **THIS COURT ORDERS** that the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act*

(Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. **THIS COURT 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. on the date of this Order and is enforceable without the need for entry or filing.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-24—00001161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Bordin of the Ontario Superior Court of Justice (the "Court") dated August 8, 2024, msi Spergel Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of 1000602770 Ontario Ltd. (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] (the "Sale Agreement") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of 1000602770 Ontario Ltd. and [NAME] (the "Purchaser"), and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in 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., solely in its capacity as
Receiver of the undertaking, property and
assets of 1000602770 Ontario Ltd. and not in
its personal capacity**

Per: _____

Name:

Title:

Schedule B – Purchased Assets

The Purchased Assets, as defined in the Sale Agreement including, without limitation, the Real Property described as follows:

Municipally known as: 225 Southgate Drive, Guelph, Ontario

Legal Description:

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT).

Schedule C – Claims to be Deleted and Expunged from title to Real Property

PIN 71491-0161 (LT)

1. WC712167 , being a charge in favour of Roynat Inc., registered on September 11, 2023;
2. WC712170 , being a notice of assignment of rents in favour of Roynat Inc., registered on September 11, 2023;
3. WC737698, being the application of the receivership order registered on August 21, 2024

PIN 71491-0162 (LT)

1. WC712167 , being a charge in favour of Roynat Inc., registered on September 11, 2023;
2. WC712170 , being a notice of assignment of rents in favour of Roynat Inc., registered on September 11, 2023;
3. WC737698, being the application of the receivership order registered on August 21, 2024

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

(unaffected by the Vesting Order)

General Encumbrances:

- a. any reservation or unregistered restrictions, rights of way, easements or covenants that run with the land;
- b. any registered or unregistered agreements or easements with a Governmental Authority or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
- c. any Applicable Laws and non-compliance therewith;
- d. any minor easements for the supply of utility service to the land or adjacent lands;
- e. 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;
- f. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
- g. any reservation limitations, provisos and conditions contained in the original grant from the Crown;
- h. any Land Registrar's registered orders;
- i. any deposited reference plans;
- j. any Work Orders;
- k. any subdivision agreements, site plan agreements, development agreements, and any other agreements with the City of Guelph, publicly regulated utilities or any other Governmental Authority having jurisdiction in respect of the Lands;
- l. zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations; and
- m. minor title defects.

Specific Encumbrances:

PIN 71491-0161 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROS223171, being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS520085Z, being a Best Cov Apl Annex registered on December 31, 1985
6. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

PIN 71491-0162 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROD223171 being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS553439Z, being a restrictive covenant application registered on June 30, 1987
6. ROS586649, being a By-Law registered on November 15, 1988
7. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

**Schedule “E” - PPSA (Ontario) Registrations to be Released but only in respect of the
Purchased Assets**

Date of Registration	Secured Party	File Number	Registration Number	Expiry Date
August 25, 2023	Roynat Inc.	796586265	20230825 1541 1590 7749	Aug. 25, 2031

ROYNAT INC.

v.

1000602770 ONTARIO LTD.

Applicant

Respondents

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

ORDER

AIRD AND BERLIS LLP

Barristers & Solicitors

181 Bay Street, Suite 1800

Toronto, Ontario, M5J2T9

Sanj Mitra

Tel : (416) 865-3085

Fax: (416) 863-1515

Email: smitra@airdberlis.com

Lawyers for the Receiver,
msi Spergel Inc.
63089079.3

APPENDIX 9

Properties				
PIN	71491 - 0162	LT	Interest/Estate	Fee Simple
Description	LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH			
Address	225 SOUTHGATE DRIVE GUELPH			
PIN	71491 - 0161	LT	Interest/Estate	Fee Simple
Description	LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH			
Address	225 SOUTHGATE DRIVE GUELPH			

Chargor(s)	
The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.	
Name	1000602770 ONTARIO LTD.
Address for Service	15 Tawse Pl., Puslinch, Ontario N0B2J0
A person or persons with authority to bind the corporation has/have consented to the registration of this document.	
This document is not authorized under Power of Attorney by this party.	

Chargee(s)	Capacity	Share
Name	ROYNAT INC.	
Address for Service	1235 North Service Road W, Suite 200, Oakville, Ontario L6M 2W2	

Statements
Schedule: See Schedules

Provisions			
Principal	\$7,000,000.00	Currency	CDN
Calculation Period	See Schedule		
Balance Due Date	See Schedule		
Interest Rate	See Schedule		
Payments			
Interest Adjustment Date			
Payment Date	See Schedule		
First Payment Date			
Last Payment Date			
Standard Charge Terms			
Insurance Amount	Full insurable value		
Guarantor			

Signed By				
Rosemary Martins Silva		135 Queens Plate Drive Suite 600 Etobicoke M9W 6V7	acting for Chargor(s)	Signed 2023 09 07
Tel	416-746-4710			
Fax	416-746-8319			
I have the authority to sign and register the document on behalf of the Chargor(s).				

Submitted By			
Loopstra Nixon LLP	135 Queens Plate Drive Suite 600 Etobicoke M9W 6V7	2023 09 11	
Tel	416-746-4710		

Submitted By

Fax 416-746-8319

Fees/Taxes/Payment

Statutory Registration Fee	\$69.00
Total Paid	\$69.00

File Number

Chargee Client File Number : 29947-0020 (SJN/RS)

DEBENTURE

TO: ROYNAT INC. ("Roynat")

Address: 1235 North Service Road W, Suite 200, Oakville, Ontario L6M 2W2

Email: Elaine.Broitman@roynat.com

Email: notifications@roynat.com

[Note: notices sent to Roynat by email must be sent to both email addresses above.]

FROM: 1000602770 ONTARIO LTD. (the "Debtor")

Address: 15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Fax No.: 519-836-2126

Email: dave@tristarcarrriers.net

DATE: 05 day of ~~August~~ **September**, 2023

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound by this debenture (this "**Debenture**"), the Debtor agrees as follows:

1. **Promise to Pay.** The Debtor acknowledges itself indebted and promises to pay on demand to or to the order of Roynat, at its address specified above, all amounts now or in the future owing by the Debtor to Roynat under or in connection with the Obligations (as defined below) up to the maximum principal amount of Seven Million Dollars (\$7,000,000.00) in lawful money of Canada and interest thereon at the rate of 25% per annum, calculated and accruing daily and payable monthly, not in advance, on the last day of each month, both before and after demand, default, judgment and execution, from the date hereof until payment of all amounts owing hereunder, with interest on overdue interest at the same rate.
2. **Definitions.** In this Debenture:
 - (a) **"Applicable Province"** means the Province of Ontario.
 - (b) **"Additional Property"** means, collectively, all of the undertaking, property and assets of the Debtor, of whatsoever nature and kind and wheresoever situate, now owned or hereafter acquired by or on behalf of the Debtor or in respect of which the Debtor now has, or may hereafter have, any right, title or interest including, without limitation:
 - (i) Intangibles – all intangible property of the Debtor including, without limitation, book debts and accounts, claims, choses in action, contractual rights, insurance claims, licences, computer software, warranties, ownership certificates, patents, trademarks, trade names, goodwill, copyrights and other industrial property;
 - (ii) Books and Records – all of the Debtor's manuals, publications, letters, deeds, documents, writings, notes, papers, invoices, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

- (iii) Equipment – all of the Debtor's tools, machinery, equipment, apparatus, furniture, plants, fixtures, vehicles and other tangible personal property (excluding Inventory), and all plans, diagrams, drawings, specifications and manuals relating thereto, and including, without limitation, the equipment described in Schedule "C" hereto, if any;
- (iv) Inventory – all of the Debtor's tangible personal property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in a business or profession or that are finished goods (collectively, the **"Inventory"**);
- (v) Investment Property – all of the Debtor's investment property including, without limitation, shares, stocks, warrants, bonds, debentures and debenture stock, securities (whether certificated or uncertificated), financial assets, security entitlements, securities accounts, futures contracts and futures accounts (collectively, **"Investment Property"**);
- (vi) Other Property – all of the Debtor's other property and assets including, without limitation, uncalled capital, judgments, rights, franchises, chattel paper, documents of title, goods, instruments, and money (as those terms are defined in the PPSA governing this Debenture); and
- (vii) Proceeds – all of the Debtor's property in any form derived directly or indirectly from any use or dealing with any property or assets of the Debtor or the proceeds therefrom including, without limitation, any payment representing indemnity or compensation for loss of or damage to such property or assets or the proceeds therefrom, any payment made in total or partial discharge or redemption of an intangible, chattel paper, an instrument or Investment Property, and rights arising out of, or property collected on, or distributed on account of, Investment Property (collectively, the **"Proceeds"**);

but excluding (1) any consumer goods, and (2) the last day of the term of any lease, verbal or written, or any agreement therefor, now held or hereafter held by the Debtor, but the Debtor shall stand possessed of the last day of such leasehold interest in trust for Roynat and shall assign and dispose thereof as Roynat may direct.

- (c) **"Business Day"** means any day other than a Saturday, a Sunday or any day on which commercial banks are required to be closed for business in the Applicable Province.
- (d) **"Lien"** means a security interest, mortgage, charge, lien, hypothec, assignment by way of security, claim, encumbrance, or federal or provincial government priority claim arising pursuant to statute including any deemed trust.
- (e) **"Obligations"** means, collectively, all present and future indebtedness, liabilities and obligations of the Debtor to Roynat, whether direct or indirect, absolute or contingent, matured or not, liquidated or unliquidated, of whatsoever nature or kind, and wheresoever and however incurred, and whether incurred as principal or as surety, and whether incurred alone or with others, in any currency or otherwise, and any ultimate unpaid balance thereof, and whether such indebtedness, liabilities and obligations are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether they are incurred by the Debtor under or in respect of agreements or dealings between the Debtor and Roynat or agreements or dealings between the Debtor and others by which Roynat may be or become in any manner whatsoever a creditor of the Debtor, including, without limitation, indebtedness, liabilities and obligations of the Debtor to Roynat under (i) any and all letter agreements and offers of finance or offers to lease entered into by the Debtor and Roynat from time to time (as amended, restated, modified, substituted or replaced from time to time, each, an **"Offer of Finance"**), (ii) any promissory notes, guarantees or indemnities executed by the Debtor in favour of Roynat, and (iii) this Debenture and any other security delivered to Roynat by the Debtor from time to time (the agreements and documents referred to in (i), (ii) and (iii) being collectively referred to as the **"Financing Documents"**).

- (f) **"PPSA"** means the *Personal Property Security Act* and the regulations thereunder, in effect from time to time in the Applicable Province.

3. **Security.** As security for the payment and performance of all Obligations, the Debtor:

- (a) mortgages and charges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all freehold real and immovable property described in Schedule "A" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;
- (b) mortgages and charges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all leasehold real and immovable property described in Schedule "B" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;
- (c) mortgages and charges, as and by way of a floating charge and grants a security interest to and in favour of Roynat in, all of its present and future interests in real property not referred to in Sections 3(a) and 3(b) above; and
- (d) mortgages, charges, assigns, transfers and pledges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all of its present and after-acquired personal property including, without limitation, all Additional Property, not subject to the charges and security interests in Sections 3(a), 3(b) and 3(c) above.

The security interest created by Section 3(c) above is intended as a floating charge that will attach as provided in Section 4 below. The floating charge shall become a fixed charge upon the earlier of (i) Roynat notifying the Debtor to that effect and (ii) an Event of Default occurring and continuing. And for the same consideration and purposes and subject to the same exceptions, the Debtor hereby charges as and by way of a first floating charge to and in favour of Roynat, and grants to Roynat a security interest in, the undertaking of the Debtor and all its property and assets for the time being, both present and future, and of whatsoever nature and wherever situate (other than property and assets from time to time effectively subjected to the fixed and specific mortgages and charges created hereby or by any instrument supplemental hereto).

All of the assets, property and undertaking of the Debtor subject to the charges and security interests in this Section 3 are collectively referred to herein as the **"Collateral"**.

4. **Attachment.** The Debtor acknowledges and agrees that value has been given, the Debtor has rights in all of the Collateral in which the Debtor has an interest upon the execution of this Debenture, and the Debtor will have rights in all of the Collateral in which the Debtor acquires an interest after the execution of this Debenture. The attachment of the security interest given hereunder has not been postponed and such security interest will attach, as to all Collateral in which the Debtor has an interest upon the execution of this Debenture, immediately upon the execution of this Debenture and, as to all Collateral in which the Debtor acquires an interest after the execution of this Debenture, immediately when the Debtor acquires such interest. The attachment of the floating charge has not been postponed and the floating charge shall attach to any particular Collateral intended to be subject to it as soon as the Debtor has rights in such Collateral.

5. **Representations, Warranties and Covenants.**

- (a) The Debtor represents and warrants to Roynat as follows, and acknowledges that Roynat is relying on such representations and warranties as a basis for extending and maintaining the extension of credit to the Debtor:

- (i) Incorporation and Existence – the Debtor is duly incorporated, existing and in good standing under the laws of its jurisdiction of incorporation; it has full corporate power, authority and capacity to enter into and perform its obligations hereunder; all necessary action has been taken by its directors or shareholders and otherwise to authorize the execution and delivery of this Debenture and the performance of its obligations hereunder; the Debtor has, to the extent required by law, disclosed to its shareholders all information required with respect to the delivery of this Debenture; there is no provision in any unanimous shareholder agreement which restricts or limits its powers to enter into or perform its obligations under this Debenture; and none of the execution or delivery of this Debenture, or compliance with the provisions of this Debenture conflicts with, or results in a breach of its charter documents or by-laws;
 - (ii) No Conflict – none of the execution or delivery of this Debenture, or compliance by the Debtor with the provisions of this Debenture, conflicts with or results in a breach of any agreement or instrument to which the Debtor is a party or by which the Debtor or any of the Debtor's property or assets are bound or affected, or requires the consent of any other person (other than any consents which have been obtained);
 - (iii) Ownership of Collateral – the Collateral is owned, and the Collateral acquired after the date of this Debenture shall be owned, by the Debtor free of all Liens other than those given by the Debtor to Roynat or expressly permitted under any Financing Document; and
 - (iv) Enforceability – this Debenture constitutes a valid and legally binding obligation of the Debtor enforceable against the Debtor in accordance with its terms.
- (b) The Debtor declares, covenants and agrees that it:
- (i) To Pay Rents and Taxes – shall pay all rents, taxes and assessments lawfully imposed upon all real property forming part of the Collateral or on which the Collateral is located or any part thereof when the same become due and payable, and shall provide to Roynat on request receipts for such payment;
 - (ii) Conduct of Business – shall carry on and conduct its business in a proper and efficient manner, shall not materially alter the kind of business carried on by it, shall observe and perform all of its obligations under leases, licences and other agreements to which it is a party so as to preserve and protect the Collateral and its value, and shall comply with all laws, regulations and judgments applicable to the Debtor and all of its property, assets and undertaking;
 - (iii) Not to Sell – shall not, except for Inventory sold in the ordinary course of business and except as otherwise expressly permitted in any Financing Document, remove, destroy, lease, sell or otherwise dispose or part with possession of any of the Collateral;
 - (iv) No Other Liens – shall not create, assume or suffer to exist any Lien upon any Collateral except as expressly permitted in any applicable Financing Document. No provision in this Debenture shall be construed as a subordination or postponement of the security interest created hereunder to or in favour of any other Lien, whether or not it is permitted;
 - (v) To Hold Proceeds of Unauthorized Sale in Trust – in the event the Collateral or any part thereof is sold or disposed of prior to the full discharge of this Debenture by Roynat, in any manner not authorized by this Debenture, shall hold all proceeds of such sale or disposition received by the Debtor as trustee for Roynat until the Debtor has been fully released from this Debenture by Roynat, and such proceeds shall be subject to the mortgages, charges and security interests granted under this Debenture;

- (vi) To Insure – shall keep insured the Collateral to its full insurable value or in such amounts as Roynat may reasonably require, against all risks, with insurers approved by Roynat, with loss payable to Roynat as first loss payee and additional insured, and will pay all premiums necessary for such purposes as the same shall become due. Upon request, the Debtor shall provide evidence of such insurance to Roynat;
- (vii) Inspection by Roynat – shall allow any employees, or third parties retained by Roynat, at any reasonable time to enter the premises of the Debtor or others to inspect the Collateral and to inspect the books and records of the Debtor relating to the Collateral and make extracts therefrom, and shall permit Roynat prompt access to such other persons as Roynat may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Collateral or the books and records of the Debtor relating to the Collateral, provided that any information so obtained shall be kept confidential, save as required by Roynat in exercising its rights hereunder or pursuant to any applicable law or court order. The Debtor shall pay all costs and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of third parties retained by Roynat for purposes of inspection under this Section 5(b)(vii);
- (viii) Use and Maintenance – shall cause the Collateral to be operated in accordance with any applicable manufacturer's manuals or instructions, by competent and duly qualified personnel. Any and all additions and accessions to and parts and replacements for the Collateral shall immediately become subject to the security interest created hereby. The Debtor shall not change the intended use of the Collateral without obtaining the prior written consent of Roynat which will not be unreasonably withheld or delayed;
- (ix) Possession and Control – shall, on request by Roynat, deliver to Roynat possession of all chattel paper, instruments and negotiable documents of title. The Obligor shall also take whatever steps Roynat requires to enable Roynat to obtain control of any Investment Property forming part of the Collateral in a manner satisfactory to Roynat including, without limitation, (a) arranging for any securities intermediary, futures intermediary or issuer of uncertificated securities to enter into an agreement satisfactory to Roynat to enable Roynat to obtain control of such Investment Property, (b) delivering any certificated security to Roynat with any necessary endorsement, and (c) having any security registered in the name of Roynat or its nominee;
- (x) Location of Collateral – shall keep the Collateral in the location(s) set forth in Schedule "C" hereto, except for goods in transit to such location(s), or Inventory on lease or consignment, or with the prior written consent of Roynat, and provided that the Debtor shall effect such further registrations and obtain such other consents and grant such other security, at the sole cost and expense of the Debtor, as may be required or desirable to protect or preserve the security hereby created and to maintain the priority intended to be granted to Roynat hereunder as against all others including landlords;
- (xi) No Affixation – shall not permit the Collateral to be attached to or affixed to real or other personal property without the prior written consent of Roynat which will not be unreasonably withheld or delayed. The Debtor shall obtain and deliver to Roynat such waivers as Roynat may reasonably request from any owner, landlord or mortgagee of premises on which the Collateral is located or to which the Collateral may become affixed or attached. The Debtor shall promptly do, execute and deliver all such further acts, documents, agreements or assurances as Roynat may reasonably require for giving effect to the intent of this Debenture and shall register such notice or documents against the title to such premises as Roynat may reasonably request to protect its interests hereunder and shall maintain plates or marks showing the name of Roynat upon the Collateral as requested;

- (xii) Registered Office/Jurisdiction of Incorporation – shall not change its jurisdiction of incorporation or registered office address from that listed in Schedule “C” without the prior written consent of Roynat; and
 - (xiii) General Indemnity – shall indemnify Roynat and each of its directors and officers, and save them fully harmless from and against, any and all losses, costs, damages, expenses, claims and liabilities which they may suffer or incur in connection with any failure by the Debtor to perform any of its covenants or obligations under this Debenture.
6. **Waiver of Covenants.** Roynat may waive in writing any breach by the Debtor of any of the provisions contained in this Debenture or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, provided that no such waiver or any other act, failure to act or omission by Roynat shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of Roynat resulting therefrom.
7. **Performance of Covenants by Roynat.** If the Debtor shall fail to perform any covenant on its part herein contained, Roynat may in its absolute discretion perform any such covenant capable of being performed by it, but Roynat shall be under no obligation to do so. If any such covenant requires the payment of money or if the Collateral or any part thereof shall become subject to any Lien ranking in priority to the security interest created hereby, Roynat may in its absolute discretion make such payment and/or pay or discharge such Lien, but Roynat shall be under no obligation to do so. All sums so paid by Roynat, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall be payable by the Debtor on demand and shall constitute a charge upon the Collateral. No such performance or payment shall relieve the Debtor from any default hereunder or any consequences of such default.
8. **Events of Default.** Each of the following events shall constitute an "Event of Default":
- (a) a "default", an "event of default" or similar circumstance identified in any Financing Document; or
 - (b) the failure of the Debtor to pay any of the Obligations when due; or
 - (c) any demand for payment validly made by Roynat pursuant to any Financing Document that is not met in accordance with the terms of the demand.
9. **Enforcement.** Without prejudice to any other right which Roynat may now or hereafter have to demand payment of any of the Obligations, the Obligations shall, at the option of Roynat, become payable and the security granted herein shall become enforceable upon the occurrence of any Event of Default that is continuing, and Roynat may proceed to exercise any rights, powers or remedies available to Roynat at law or in equity or under the PPSA or other applicable legislation and, in addition, may exercise one or more of the following rights, powers or remedies, which rights, powers and remedies are cumulative:
- (a) without exercising any of its other rights or remedies hereunder, give notice of the security interest in, and the assignment to, Roynat of any debt or liability forming part of the Collateral and may direct such person to make all payments on account of any such debt or liability to Roynat;
 - (b) declare the full amount of the Obligations to be immediately due and payable;
 - (c) terminate the Debtor's right to possession of the Collateral, cause the Debtor to immediately assemble and deliver the Collateral at such place or places as may be specified by Roynat, and enter upon the premises where the Collateral is located and take immediate possession thereof, whether it is affixed to the realty or not, and remove the Collateral without liability to Roynat for or by reason of such entry or taking of possession, whether for damage to property caused by taking such or otherwise;

- (d) enter upon and hold, possess, use, repair, preserve and maintain all or any part of the Collateral and make such replacements thereof and additions thereto as Roynat shall deem advisable;
- (e) sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon the whole or any part of the Collateral, whether by public or private sale, as Roynat in its absolute discretion may determine without notice to the Debtor or advertisement, and after deducting from the proceeds of sale all costs and expenses incurred in the repossession, sale, lease or other disposition of the Collateral (including complete reimbursement of all legal fees and disbursements), apply the proceeds thereof to the Obligations in the manner and order to be determined by Roynat, provided however that Roynat shall only be liable to account to the Debtor, any subsequent encumbrancers and others for moneys actually received by Roynat and provided that the Debtor shall pay any deficiency forthwith;
- (f) appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;
- (g) apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral;
- (h) have any instruments or Investment Property registered in its name or in the name of its nominee and be entitled but not required to exercise voting and other rights that the holder of such Collateral may at any time have; but Roynat shall not be responsible for any loss occasioned by the exercise of those rights or by failure to exercise them. Roynat may also enforce its rights under any agreement with any securities intermediary, futures intermediary or issuer of uncertificated securities; and
- (i) retain the Collateral in satisfaction of the Obligations.

10. **Powers of Receiver.**

- (a) Any receiver (which term includes a receiver and manager) shall have all of the powers of Roynat set forth in this Debenture and, in addition, shall have the following powers:
 - (i) to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;
 - (ii) to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to Roynat and for that purpose may take any proceedings in the name of the Debtor or otherwise; and
 - (iii) to carry on or concur in carrying on the business which the Debtor is conducting and for that purpose the receiver may borrow money on the security of the Collateral in priority to this Debenture;
- (b) Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:
 - (i) carrying on and managing the business and affairs of the Debtor, and
 - (ii) establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder and Roynat shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Debtor irrevocably authorizes Roynat to give instructions to the receiver relating to the performance of its duties as set out herein.

11. **Application of Moneys.** All moneys actually received by Roynat or by the receiver pursuant to Sections 9 and 10 of this Debenture shall be applied:
- (a) first, in payment of those claims, if any, of secured creditors of the Debtor (including any claims of the receiver pursuant to Section 10(a)), ranking in priority to the charges and security interests created by this Debenture as directed by Roynat or the receiver;
 - (b) second, in payment of all costs, charges and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of, incidental to, or which in any way relate to the appointment of, the receiver and the exercise by the receiver or Roynat of all or any of the powers granted to them under this Debenture, including the reasonable remuneration of the receiver or any agent or employee of the receiver or any agent of Roynat and all outgoings properly paid by the receiver or Roynat in exercising their powers as aforesaid;
 - (c) third, in or towards the payment to Roynat of all other Obligations due to it by the Debtor in such order as Roynat in its sole discretion may determine;
 - (d) fourth, in or towards the payment of the obligations of the Debtor to persons, if any, with charges or security interests against Collateral ranking subsequent to those in favour of Roynat; and
 - (e) fifth, subject to applicable law, any surplus shall be paid to the Debtor.
12. **Realization Costs.** The Debtor shall pay all costs and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of Roynat, and any receiver appointed by it, incidental to or which in any way relate to this Debenture or its enforcement, including, (i) taking, recovering or possessing the Collateral; (ii) taking any actions or other proceedings to enforce the remedies provided herein or otherwise in relation to this Debenture or the Collateral, or by reason of a default under any Financing Document or the non-payment of the moneys thereby secured; (iii) taking or responding to proceedings, giving notices and giving responses required under any applicable law concerning or relating to any Financing Document, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; and (iv) obtaining the advice of counsel and other advisors in relation to the foregoing. All such costs and expenses and other moneys payable hereunder, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall form part of the Obligations, shall be payable by the Debtor on demand and shall be secured hereby.
13. **Possession of Collateral.** The Debtor acknowledges that Roynat or any receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by applicable law and the Debtor agrees upon request from Roynat or any such receiver to assemble and deliver possession of the Collateral at such place or places as directed.
14. **Deficiency.** The Debtor shall remain liable to Roynat for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by Roynat and applied in accordance with the provisions of Section 11(c) hereof.
15. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Debtor, or if Roynat in good faith believes that the ability of the Debtor to pay or satisfy any of its Obligations to Roynat or to perform any other covenant contained herein has become impaired or if an Event of Default has occurred, Roynat may by written notice to the Debtor, appoint a monitor (the "**Monitor**") to investigate any or a particular aspect of the Collateral, the Debtor or its business and affairs for the purpose of reporting to Roynat. The Debtor shall give the Monitor its full co-operation, including full access to facilities, assets and records of the Debtor and to its creditors, customers,

contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Debtor nor shall it participate in the management of the Debtor's affairs and shall incur no liability in respect thereof or otherwise in connection with the Debtor, its business and affairs or the Collateral. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Debtor as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Debenture. All reasonable fees and expenses of the Monitor (including complete reimbursement of all legal fees and disbursements) shall be paid by the Debtor upon submission to it of a written invoice therefor. Roynat may at its option, upon the occurrence of an Event of Default, appoint or seek to have appointed the Monitor as receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Debtor or the Collateral or any part thereof.

16. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat may at the option of Roynat be applied to rebuilding or repairing the Collateral, or be paid to the Debtor, or any such moneys may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the Obligations or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable thereunder in inverse order of their maturity dates.
17. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Debtor to perform its obligations hereunder or to pay the Obligations hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest in effect from time to time hereunder and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Debenture or of any instruments or documents supplemental hereto shall not operate as a merger of any representation, warranty, term, condition or other provision contained in any other obligation or indebtedness of the Debtor to Roynat or under any Offer of Finance or other Financing Document.
18. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by Roynat. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the Obligations secured hereby, shall not release or affect the security created hereby.
19. **Partial Discharges.** Roynat may in its sole discretion grant partial discharges or releases of security in respect of any of the Collateral on such terms and conditions as it shall deem fit and no such partial discharges or releases shall affect the remainder of the security created hereby nor shall it alter the obligations of the Debtor under the Obligations or hereunder.
20. **Assignment.** This Debenture may be assigned by Roynat to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of Roynat hereunder, and all references herein to Roynat shall include such assignee. The Debtor may not assign this Debenture or any of its rights or obligations hereunder. This Debenture shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Debenture and the security interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against Roynat.
21. **Limited Power of Attorney [NOT APPLICABLE IF DEBENTURE REGISTERED IN THE NORTHWEST TERRITORIES].** The Debtor hereby appoints Roynat as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has agreed to execute, deliver and do hereunder, under any Offer of Finance, Financing Document or otherwise, or as may be required by Roynat or any receiver to give effect to this Debenture or in the exercise of any rights, powers or remedies hereby conferred on Roynat or any receiver, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby conferred on Roynat or any receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.

22. **Amalgamation.** The Debtor acknowledges that if it amalgamates with one or more corporations (a) the Collateral and the charges and security interests created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (b) the term "Debtor", where used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation, and (c) the term, "Obligations", where used herein shall extend to and include the Obligations of each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 22 shall be interpreted as permitting the Debtor to amalgamate in violation of any covenant of the Debtor contained herein or in any other agreement binding the Debtor.
23. **Severability.** Each of the provisions contained in this Debenture is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Debenture.
24. **Notices.** Without prejudice to any other method of giving notice, any notice, demand or other communication required or desired to be given hereunder or under any Offer of Finance or under any instrument supplemental hereto (each, a "**notice**") shall be in writing and may be given by personal delivery, by facsimile or other means of electronic communication, or by sending the same by registered mail, postage prepaid, to Roynat or to the Debtor at their respective addresses set out above and, in the case of facsimile or electronic communication, to the facsimile numbers or email addresses set out above, as applicable. Any notice personally delivered shall be conclusively deemed to have been received when personally delivered, and any notice sent by facsimile or other means of electronic transmission shall be conclusively deemed to have been received on the Business Day following the sending of the notice, and any notice sent by registered mail shall be conclusively deemed to have been received on the third Business Day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall not be given by mail. Any address for notice or payments herein referred to may be changed by notice in writing given pursuant hereto. Notwithstanding the foregoing, if the PPSA requires that notice be given in a special manner, then such notice shall be given in such manner.
25. **General.**
- (a) The Debtor authorizes Roynat to file such financing statements, notices of security interest, caveats and other documents and do such acts and things as Roynat may consider appropriate to perfect its charges and security interests in the Collateral, to protect and preserve its interest in the Collateral and to realize upon the Collateral.
 - (b) Nothing in this Debenture will in any way obligate Roynat to advance any funds, or otherwise make or cause to make credit available to the Debtor, nor will Roynat have any liability for any failure or delay in its part to exercise any rights hereunder.
 - (c) If more than one Debtor executes this Debenture, the obligations of such Debtors hereunder shall be joint and several.
 - (d) The division of this Debenture into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture.
 - (e) When the context so requires, the singular shall include the plural and vice versa and words importing gender include all genders; all rights, advantages, privileges, immunities, powers and things hereby secured to the Debtor shall be equally secured to and exercised by its successors and assigns.
 - (f) Time is of the essence in this Debenture.
 - (g) The charges and security interests created by this Debenture are continuing, to secure a current or running account, and will extend to the ultimate balance of the Obligations, regardless of any

intermediate payment or discharge of the Obligations in whole or in part. Without limiting the foregoing, the Obligations may include advances and re-advances under revolving credit facilities, which permit borrowing, repayment of all or part of the amount borrowed and re-borrowing of amounts previously paid.

- (h) This Debenture may be executed and delivered by facsimile, pdf or other similar electronic transmission by the Debtor to Roynat and such delivery will be as effective as delivery of a manually executed copy of this Debenture by the Debtor. If this Debenture is delivered by the Debtor by facsimile, pdf or other similar electronic transmission, the Debtor shall, at the request of Roynat, forthwith deliver an originally executed copy to Roynat.
 - (i) The Debtor and Roynat have expressly required that this Debenture and all documents and notices relating hereto be drafted in English. Les parties aux présentes ont expressément exigé que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais.
26. **Receipt.** The Debtor hereby acknowledges receipt of a true copy of this Debenture and, to the extent permitted by law, waives all rights to receive from Roynat a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Debenture or any supplemental or collateral security granted to Roynat.
27. **Governing Law.** This Debenture shall be governed by and construed in accordance with the laws of the Province of the Applicable Province and the laws of Canada applicable therein. Without prejudice to the right of Roynat to commence any proceedings with respect to this Debenture in any other proper jurisdiction, the Debtor hereby irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of the Applicable Province.
28. **Interest Calculations.** Notwithstanding the rate of interest stated to be payable under this Debenture, payment by the Debtor of interest on the Obligations at the rate or rate applicable to the Obligations for any period of time in accordance with the provisions of the applicable Offer of Finance shall constitute satisfaction of interest payable under this Debenture for the equivalent period of time. For the purposes of the Interest Act (Canada), the yearly rate of interest applicable to amounts owing on this Debenture shall be calculated on the basis of a 365 day year.

[FOR ALBERTA AND SASKATCHEWAN]

29. **Waiver of Certain Legislation.** The Debtor hereby declares and covenants that:
- (a) *The Land Contracts (Actions) Act, 2018* (Saskatchewan) shall have no application to any action as defined in *The Land Contracts (Actions) Act* with respect to this Debenture, any agreement renewing or extending this Debenture, any of the Collateral, or any supplemental or collateral security granted to Roynat, or to the rights, powers and remedies of Roynat under or in respect of any of the foregoing, and the Debtor waives any rights, benefits and protection that may be available to it under the said Act;
 - (b) *The Limitation of Civil Rights Act* (Saskatchewan) shall have no application to: (i) this Debenture; (ii) any indenture, instrument or agreement entered into by the Debtor, at any time hereafter, supplemental, collateral or ancillary hereto or in implementation of this Debenture or any Offer of Finance and involving the payment by the Debtor of money or the liability of the Debtor to pay money; (iii) any mortgage, charge or other security for the payment of the money made, given or created by this Debenture; (iv) any instrument or agreement entered into by the Debtor at any time hereafter, renewing or extending or collateral to this Debenture or any other security given to Roynat by the Debtor; or (v) the rights, powers or remedies of Roynat or a receiver or any other person under this Debenture or under any other security granted by the Debtor to Roynat or instrument or agreement collateral, supplemental or ancillary hereto or referred to in this Debenture; and the Debtor waives any rights, benefits and protection that may be available to it under the said Act;

- (c) to the extent permitted by law, the Debtor expressly and irrevocably waives any and all statutory provisions which may require that proceeds of insurance be used to restore or rebuild any real property or any improvements thereon including, without limitation, the *Insurance Act* (Alberta), the *Fire Prevention (Metropolis) Act*, 14 Geo. III, 1774 (Imp.), c. 78; and
- (d) to the extent that the *Expropriations Act* (Alberta) applies to the expropriation of real property interests and any restrictions imposed upon Roynat on its recovery of compensation for expropriation which is less than the Obligations at the date of any expropriation, the Debtor hereby waives the provisions of the *Expropriation Act* (Alberta) insofar as they relate to such restriction and further waives any provisions which may be enacted and in force from time to time in replacement or in addition to such provisions of the *Expropriation Act* (Alberta): and

[FOR BRITISH COLUMBIA]

30. Right of Consolidation.

- (a) The right of consolidation shall apply to this Debenture notwithstanding Section 31 of the *Property Law Act* (British Columbia) or any similar statutory provision in force from time to time.
- (b) For the purposes of Section 203 of the *Land Title Act* (British Columbia), the floating charge hereby created over the Debtor's real and immovable property, both freehold and leasehold, shall become a fixed charge thereon upon the earlier of (i) the occurrence of an Event of Default, or (ii) Roynat taking any actions pursuant to this Debenture to enforce and realize on the security hereby constituted.

[FOR ONTARIO]

- 31. **Waiver of Deemed Covenants.** The covenants deemed to be included in a charge/mortgage of land by subsection 7(1) of the *Land Registration Reform Act* (Ontario) are expressly excluded from this Debenture.

[signature page follows]

IN WITNESS WHEREOF the Debtor has executed this Debenture as of the date first written above.

1000602770 ONTARIO LTD.

Per: 

Name: Panveer Singh Dania

Title: President

I have authority to bind the Corporation.

SCHEDULE "A"

FREEHOLD PROPERTY

FIRSTLY:

PIN 71491 – 0162(LT)

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS INROS223171; GUELPH

SECONDLY:

PIN 71491 – 0161(LT)

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH

AND MUNICIPALLY KNOWN AS 225 SOUTHGATE DRIVE, GUELPH, ONTARIO

SCHEDULE "B"
LEASEHOLD PROPERTY

All Leaseholds included.

[TO BE LISTED, IF ANY]

SCHEDULE "C"

LOCATION AND DESCRIPTION OF COLLATERAL

Jurisdiction of Incorporation of Debtor:

Ontario

Registered Office Address of Debtor:

15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Location(s) of Collateral:

225 Southgate Drive, Guelph, ON N1G 3M5

15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Description of Collateral:

(Include equipment by item or kind and, where applicable, the make, model and serial number and, in the case of motor vehicles, the Vehicle Identification Numbers.)

Properties		
PIN	71491 - 0162 LT	
Description	LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH	
Address	225 SOUTHGATE DRIVE GUELPH	
PIN	71491 - 0161 LT	
Description	LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH	
Address	225 SOUTHGATE DRIVE GUELPH	

Applicant(s)	
The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.	
Name	1000602770 ONTARIO LTD.
Address for Service	15 Tawse Pl., Puslinch, Ontario N0B2J0
A person or persons with authority to bind the corporation has/have consented to the registration of this document.	
This document is not authorized under Power of Attorney by this party.	

Party To(s)	Capacity	Share
Name	ROYNAT INC.	
Address for Service	1235 North Service Road W, Suite 200, Oakville, Ontario L6M 2W2	

Statements	
The applicant applies for the entry of a notice of general assignment of rents.	
This notice may be deleted by the Land Registrar when the registered instrument, WC712167 registered on 2023/09/11 to which this notice relates is deleted	
Schedule: See Schedules	

Signed By					
Rosemary Martins Silva		135 Queens Plate Drive Suite 600 Etobicoke M9W 6V7	acting for Applicant(s)	Signed	2023 09 11
Tel	416-746-4710				
Fax	416-746-8319				
I have the authority to sign and register the document on behalf of all parties to the document.					
Rosemary Martins Silva		135 Queens Plate Drive Suite 600 Etobicoke M9W 6V7	acting for Party To(s)	Signed	2023 09 11
Tel	416-746-4710				
Fax	416-746-8319				
I have the authority to sign and register the document on behalf of all parties to the document.					

Submitted By		
Loopstra Nixon LLP		135 Queens Plate Drive Suite 600 Etobicoke M9W 6V7
		2023 09 11
Tel	416-746-4710	
Fax	416-746-8319	

Fees/Taxes/Payment	
Statutory Registration Fee	\$69.00
Total Paid	\$69.00

File Number

Party To Client File Number :

29947-0020 (SJN/RS)

GENERAL ASSIGNMENT OF LEASES AND RENTS

THIS INDENTURE dated this 05 day of ~~August~~, 2023.
September

B E T W E E N:

1000602770 ONTARIO LTD., a corporation incorporated under the laws of the Province of Ontario and having its chief executive office at 15 Tawse Pl., Puslinch, Ontario N0B2J0

(hereinafter called the "Company"),

OF THE FIRST PART;

-and-

ROYNAT INC., a corporation incorporated under the laws of Canada and having an office at 1235 North Service Road W, Suite 200, Oakville, Ontario L6M 2W2

(hereinafter called "Roynat"),

OF THE SECOND PART.

September

WHEREAS by a certain debenture (the "Debenture") dated the ⁰⁵~~01~~ day of ~~August~~, 2023, in the face amount of Seven Million Dollars (\$7,000,000.00), which debenture was registered in the Land Registry Office for the Land Registry Division of Wellington (#61), as Instrument No. WC712167, the Company granted, mortgaged and charged to Roynat the lands and premises described therein, including those described in Schedule "A" annexed hereto (the said lands and premises together with the buildings, improvements and fixtures situate thereon being hereinafter referred to as the "Premises") to secure the payment to Roynat of the principal of, interest on and all other moneys which may become owing on or pursuant to the Debenture (whenever in this Indenture reference is made to the Debenture, it shall be deemed to include any renewals or extensions thereof and any debentures or mortgages taken in substitution therefor either in whole or in part); and

WHEREAS as security for the due performance by the Company of all the covenants contained in the Debenture, the Company has agreed to assign, transfer and set over unto Roynat all the Company's right, title and interest in any and all leases or agreements to lease (the "Leases"), now or hereafter existing, of any and all portions of the Premises, including the leases set forth in Schedule "B" hereto, and all rents, charges and other monies (the "Rents") now due and payable or hereafter to become due and payable under the Leases.

NOW THIS INDENTURE WITNESSETH that in consideration of the premises and other good and valuable consideration the Company represents, covenants and agrees with Roynat as follows:

1. **Assignment.** The Company hereby irrevocably assigns, transfers and sets over unto Roynat, subject to no prior claim or assignment, the Leases and the Rents and all benefits and advantages to be derived therefrom, including any guarantees given to the Company in respect of the Leases and Rents, to hold and receive the same unto Roynat, its successors and assigns, with full power and authority to demand, collect, sue for, recover, receive receipts for the Rents and to enforce payment of the same in the name of the Company.
2. **Where Company not in Default.** Until the Company defaults under the covenants, terms and conditions contained in this Indenture or an event of default occurs under the Debenture the Company may demand, receive, collect and enjoy the Rents only as the same fall due and payable and not in advance, but nothing shall permit or authorize the Company to collect or receive Rents contrary to the covenants contained herein.
3. **Remedies.** The Company, in the event of a default hereunder or under the Debenture, hereby authorizes Roynat, at its option and in addition to any other rights it may have hereunder or under any other agreement or at common law or in equity, to deliver to any or all of the tenants, licencees or occupiers of the Premises notices to pay all Rents to Roynat and to collect such Rents and, in addition, enter upon the Premises by its officers, agents or employees for the purpose of collecting the Rents and/or operating and maintaining the Premises. The Company hereby authorizes Roynat generally to perform all such acts, including any acts by way of enforcement of the covenants and exercise of the rights contained in the Leases or otherwise, as may in the opinion of Roynat be necessary or desirable for the proper operation and maintenance of the Premises, which acts may be performed in the name of the Company or in the name of Roynat as in the absolute discretion of Roynat may seem proper or advisable. Roynat shall, after deduction of all collection charges and all expenses, which Roynat in its absolute discretion shall deem advisable to pay for the proper operation and maintenance of the Premises, credit the remainder of the moneys which it may receive in connection with the Premises on account of any amount or amounts

due to Roynat from the Company in such manner as Roynat shall in its sole discretion determine. Notwithstanding anything herein, Roynat shall be liable to account only for such monies as shall actually come into its hands.

4. Liability of Roynat. In the exercise of the powers herein granted to Roynat, no liability shall be asserted or enforced against Roynat, all such liability being hereby expressly waived and released by the Company. Roynat shall not be obligated to perform or discharge any obligation, duty or liability under the Leases, or under or by reason of this assignment, and the Company shall and does hereby agree to indemnify Roynat for and to hold it harmless of and from any and all liability, loss or damage which it may or might incur under the Leases or under or by reason of this assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of agreements contained in the Leases. Should Roynat incur any such liability, loss or damage under the Leases or by reason of this assignment, or the defence of any such claims or demands, the amount thereof, including costs, expenses and all legal fees and disbursements, shall be secured hereby, and the Company shall reimburse Roynat therefore immediately upon demand.

5. Receipts by Roynat. The Company hereby agrees that all receipts given by Roynat to any lessee under the Leases on account of any Rents paid to Roynat in accordance with the terms of this Indenture shall constitute a good and valid discharge therefor to each lessee.

6. Not Mortgagee in Possession. Nothing herein contained shall be deemed to have the effect of making Roynat responsible for the collection of the Rents or any part thereof for the performance of any covenants, terms or conditions either by the lessor or any lessee contained in the Leases and Roynat shall not by virtue of this Indenture be deemed a mortgagee in possession of the Premises.

7. Perform Covenants of Landlord. The Company shall at all times perform all of the lessor's covenants and obligations contained in the Leases and any failure on the part of the Company thereunder shall constitute a default hereunder and shall be deemed to be default under the Debenture. If so requested by Roynat, the Company will enforce the Leases and all remedies available to the Company against the lessees, in case of default under the Leases, or any of them, by the lessees.

8. Valid Leases. The Company hereby covenants with Roynat notwithstanding any act of the Company that the leases contained in Schedule "B" hereto are good, valid and subsisting leases and that the Company now has good right, full power and absolute authority to assign each such lease according to the true intent and meaning of this Indenture.

9. No Prepayment of Rents. The Company will not accept payment from any lessee in advance and will not cause payment to be made in advance on its direction for a period longer than provided in the respective lease and breach of this covenant shall be deemed to be default under the Debenture.

10. Covenants. The Company shall not without the written approval of Roynat first had and obtained:

- (a) do or omit to do any act having the effect of terminating, cancelling or accepting the surrender of the Leases or any of them;
- (b) amend, alter or vary the terms and conditions of the Leases or any of them;
- (c) waive, reduce or abate any of its rights or remedies under the Leases or the obligations of any other parties thereunder or in respect thereof;
- (d) permit any material default or breach of covenant by any lessee under the Leases; and
- (e) enter into any Leases for any part of the Premises that are not bona fide leases with lessees with whom the Company deals at arm's length. The terms of any future leases must be approved by Roynat prior to execution (such consent not to be unreasonably withheld or delayed) and shall be at rental rates and terms consistent with comparable space in the area of the Premises.

11. Waiver of Covenants. Roynat may waive any default or breach of covenant and shall not be bound to serve any notice upon any lessee under the Leases upon the happening of any default or breach of covenant, but any such waiver shall not extend to any subsequent default or breach of covenant.

12. Further Assurances. The Company covenants and agrees from time to time and at all times hereafter at the request of Roynat to execute and deliver at the expense of the Company such further assurances for better and more perfectly assigning to Roynat any Leases whether presently existing or hereafter created and the Rents payable thereunder in the manner aforesaid as Roynat may require and to execute, deliver and register, at the expense of the Company, all such documents as may be required to preserve, perfect and protect the security constituted hereby including all such renewals as may be required by relevant legislation, including the *Personal Property Security Act*.

13. Re-assignment. The assignment, transfer and setting over herein provided shall not be revoked or rescinded by any variation of the terms of the Debenture or any extension of time for payment or otherwise but shall remain in full force and effect until the Company shall have performed all of its obligations under the Debenture. A discharge of the Debenture executed by Roynat shall operate as a re-assignment of the Leases and Rents without the need for any further conveyance, but Roynat shall, at the request and at the expense of the Company, execute and deliver a full re-assignment to the Company of the Leases and Rents and its all right, title and interest therein.

14. Binding Effect and Governing Law. This Indenture shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Indenture shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Indenture.

1000602770 ONTARIO LTD.

DocuSigned by:
Per Panveer Singh Dania
9F9F41729B84486
Name: Panveer Singh Dania
Title: President

I have authority to bind the Corporation.

SCHEDULE "A"
DESCRIPTION OF PROPERTY

FIRSTLY:

PIN 71491 – 0162(LT)

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS INROS223171; GUELPH

SECONDLY:

PIN 71491 – 0161(LT)

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH

AND MUNICIPALLY KNOWN AS 225 SOUTHGATE DRIVE, GUELPH, ONTARIO

SCHEDULE "B"
LEASES

A lease dated , 20 between and , notice of which was registered in the Land Registry Office for the Registry
Division of on the day of , 20 as Instrument No. .

N/A

APPENDIX 10

RUN NUMBER : 147
RUN DATE : 2025/05/27
ID : 20250527172932.45

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(2830)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : 1000602770 ONTARIO LTD.

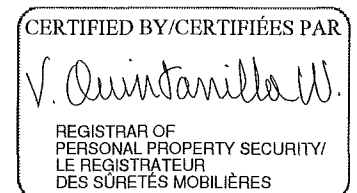
FILE CURRENCY : 26MAY 2025

ENQUIRY NUMBER 20250527172932.45 CONTAINS 3 PAGE(S), 1 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

AIRD & BERLIS LLP
ATTN: ELLI SHAHRAMI
HOLD FOR PICKUP
TORONTO ON M5J2T9

CONTINUED... 2



(crj6 05/2022)



RUN NUMBER : 147
RUN DATE : 2025/05/27
ID : 20250527172932.45

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(2831)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000602770 ONTARIO LTD.
FILE CURRENCY : 26MAY 2025

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
796586265

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20230825 1541 1590 7749	P PPSA	8

DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
---------------	------------------	---------	---------

DEBTOR
NAME

BUSINESS NAME 1000602770 ONTARIO LTD.

ADDRESS 15 TAWSE PL. PUSLINCH

ONTARIO CORPORATION NO.
ON N0B 2J0

DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
---------------	------------------	---------	---------

DEBTOR
NAME

BUSINESS NAME 1000602770 ONTARIO LTD.

ADDRESS 225 SOUTHGATE DRIVE GUELPH

ONTARIO CORPORATION NO.
ON N1G 3M5

SECURED PARTY /
LIEN CLAIMANT ROYNAT INC.

ADDRESS 1235 NORTH SERVICE ROAD W, SUITE 200 OAKVILLE ON L6M 2W2

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNT'S	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
X	X	X	X	X	X				

YEAR	MAKE	MODEL	V.I.N.
------	------	-------	--------

MOTOR
VEHICLE

GENERAL
COLLATERAL
DESCRIPTION

REGISTERING
AGENT LOOPSTRA NIXON LLP (29947-0020-SJN/RMS)

ADDRESS 600-135 QUEENS PLATE DRIVE ETOBICOKE ON M9W 6V7

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario 

RUN NUMBER : 147
RUN DATE : 2025/05/27
ID : 20250527172932.45

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(2832)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000602770 ONTARIO LTD.
FILE CURRENCY : 26MAY 2025

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
796586265	20230825	1541	1590	7749

1 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



(crfj6 05/2022)

APPENDIX 11

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

ROYNAT INC.

Applicants

- and -

1000602770 ONTARIO LTD.

Respondents

AFFIDAVIT OF PHILIP GENNIS
(sworn May 30, 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 1000602770 Ontario Ltd. ("**1006**") 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 Debtor by Order of the Honourable Mr. Justice Bordin of the Ontario Superior Court of Justice (Commercial List) made August 8, 2024.
3. In connection with the receivership of 1006 for the period up to and including April 30, 2025 fees of \$35,472.11 (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 62.45 hours at an effective rate of \$502.66 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 30th day of May 2025.



A Commissioner, etc.

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



PHILIP GENNIS

**This is Exhibit “1” of the Affidavit of
PHILIP GENNIS
Sworn before me on this 30th day of May 2025**



A Commissioner, Etc.

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

May 28, 2025

DRAFT

Invoice #: 1197

1000602770 ONTARIO LTD.

INVOICE

RE: 1000602770 ONTARIO LTD.

FOR PROFESSIONAL SERVICES RENDERED in the period up to and including April 30, 2025, in connection with the Court-appointed receivership proceedings.

Professional Services	Hours	Hourly Rate	Total
Mukul Manchanda, CPA, CIRP, LIT	27.60	\$556.52	\$15,360.00
Philip H. Gennis, LL.B., CIRP, LIT	26.95	\$525.00	\$14,148.75
Gillian Goldblatt, CPA, CA, CIRP, LIT	0.40	\$425.00	\$170.00
Paula Amaral	2.30	\$346.74	\$797.50
Eileen Sturge	1.00	\$250.00	\$250.00
Manocher Sarabi	3.20	\$175.00	\$560.00
Lindsay Lesmeister	0.50	\$110.00	\$55.00
Cassandra Glover	0.50	\$100.00	\$50.00
Total Professional Services	62.45	\$502.66	\$31,391.25
HST			\$4,080.86

Total

\$35,472.11

HST Registration #R103478103

(AA1006-R)

**SPERGEL**

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

May 28, 2025

DRAFT**Invoice #: 1197**

1000602770 ONTARIO LTD.

INVOICE**INVOICE RECONCILIATION PAGE**

Date	Staff	Memo	Hours	B-Rate	Amount
Professional Services					
2024-07-12	MMA	Reviewed draft order to appoint receiver. Signed consent to act as receiver and returned to R. Danter. Received and reviewed applicant record of Roynat.	0.70	\$525.00	\$367.50
2024-07-16	MMA	Received and reviewed book of authorities of Roynat and factum of Roynat.	0.40	\$525.00	\$210.00
2024-07-17	MMA	Received and reviewed application confirmation of Roynat.	0.20	\$525.00	\$105.00
2024-07-22	MMA	Email exchange with R. Danter regarding adjourning for two weeks.	0.20	\$525.00	\$105.00
2024-07-25	MMA	Received and reviewed endorsement dated July 25.	0.20	\$525.00	\$105.00
2024-07-31	MMA	Received and reviewed application confirmation of Roynat dated July 31.	0.20	\$525.00	\$105.00
2024-08-08	MMA	Attended court via Zoom conference.	0.50	\$525.00	\$262.50
2024-08-09	MMA	Received email from R. Danter advising that the order was issued and we are just waiting for the order from the courts. Email exchange with C. McDonnell to set up a meeting to discuss the go forward plan.	0.40	\$525.00	\$210.00
2024-08-14	PGE	Receipt of email from Counsel for Bank enclosing prior environmental reports done by Pinchin; review of reports;	0.50	\$525.00	\$262.50
2024-08-14	MMA	Received and reviewed environmental reports on property.	0.50	\$525.00	\$262.50
2024-08-14	MSR	Preparing, Reviewing, Printing and mailout notice and statement of receivership.	3.00	\$175.00	\$525.00
2024-08-15	PGE	Email to Frank Schlaefli at Pinchin requesting updated Phase 2 report; email to Receiver's Counsel requesting registration of Receivership Order on title; review of Endorsement and Order; brief review of application record for background to engagement;	0.50	\$525.00	\$262.50
2024-08-15	MMA	Served and reviewed endorsement and order. Email exchange with P. Gennis and S. Mitra regarding registering the receivership order on the title of the property. Requested R. Tuzi to inspect the land. Received and reviewed images of subject property from R. Tuzi. Reviewed and executed statement and notice of receiver.	0.70	\$525.00	\$367.50

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

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2024-08-15	PAM	Discuss receivership with Lockit and coordinate site visit to take possession weekly visits.	0.20	\$325.00	\$65.00
2024-08-16	PGE	Telephone discussion and email exchange with Tim Mansfield at Pinchin regarding update to Phase 2; email from Receiver's Counsel confirming intention to register Order on Title;	0.30	\$525.00	\$157.50
2024-08-16	MMA	Time spent prior to the appointment but recorded including calls with C. McDonnell, review of materials and calls with T. Hogan. Email exchange with S. Mitra and P. Gennis advising of title being registered. Provided update to C. McDonnell on file. Email exchange with R. Danter and C. McDonnell regarding receipt of receivership order. INstructed staff to commence the mandate and take possession of the property.	2.20	\$525.00	\$1,155.00
2024-08-19	EST	Enter into Ascend; order and install license; requisition for banking	0.50	\$250.00	\$125.00
2024-08-19	PGE	telephone discussion with Pinchin Environmental regarding Phase 1 assessment; email exchange with Pinchin in this regard; email from Receiver's Counsel enclosing documents pertinent to registration of Order on title to the p[roperty];	0.50	\$525.00	\$262.50
2024-08-19	MMA	Received and reviewed recommendation on phase one environmental. Received and reviewed receivership certificate. Received update on the registration of order on title.	0.40	\$525.00	\$210.00
2024-08-20	PGE	Email exchange with Receiver's Counsel;	0.10	\$525.00	\$52.50
2024-08-20	MMA	Follow up email received from A. Ho regarding the execution of the A&D. Reviewed and executed A&D, returned to A. Ho. Travel to the premises and attended meeting with the property manager to view the property. Travel back.	2.30	\$525.00	\$1,207.50
2024-08-28	MMA	Lengthy call from the city regarding status of the proceedings and the upkeep of the land. Call with the property manager regarding same. Call with K. Avison regarding potential value of the property.	1.20	\$525.00	\$630.00
2024-08-30	PGE	Email exchange with Receiver's Counsel regarding registration on title and obtaining of tax certificate;	0.25	\$525.00	\$131.25
2024-08-30	MMA	Received confirmation from A. Ho that the order had been registered on title.	0.10	\$525.00	\$52.50
2024-09-06	PAM	Email exchange between legal team and bank regarding status of information and next steps.	0.10	\$325.00	\$32.50
2024-09-06	LLE	Posted file and documents to corporate website.	0.50	\$110.00	\$55.00

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2024-09-12	MMA	<i>Received and reviewed post-registration PINs from A. Ho. Travel to the premises for the purposes of taking possession. Travel back.</i>	2.40	\$575.00	\$1,380.00
2024-09-13	PGE	<i>Email from Receiver's Counsel enclosing post-registration parcel registers;</i>	0.10	\$525.00	\$52.50
2024-09-23	EST	<i>Aug 19 24 - Order and install license; prepare requisition for banking</i>	0.20	\$250.00	\$50.00
2024-10-02	MMA	<i>Telephone discussion with Rocco regarding inspection of the property. Attended and responded to various calls from interested parties. Received and reviewed invoice from C. Doyle. Discussion with S. Mitra regarding same.</i>	1.20	\$575.00	\$690.00
2024-10-03	MMA	<i>Email exchanges and calls regarding Phase I, appraisals and ancillary matters.</i>	0.60	\$575.00	\$345.00
2024-10-06	PGE	<i>Email to MM regarding Pinchin proposed Phase 1 assessment; emails to two appraisers requesting quotes for appraisals;</i>	0.25	\$525.00	\$131.25
2024-10-06	MMA	<i>Email exchange with P. Gennis regarding phase 1 environmental.</i>	0.20	\$575.00	\$115.00
2024-10-07	PGE	<i>Email exchanges with Antec Appraisers regarding nature of engagement; email exchange with Pinchin requesting LOE for Phase 1 Environmental Assessment; receipt and review of LOE from Pinchin; execution and transmittal of LOE; receipt and review of email from Antec regarding fee for appraisal; telephone discussion with David DeVries of Antec regarding nature of appraisal with two values requested, specifically severed and not;</i>	1.00	\$525.00	\$525.00
2024-10-08	PGE	<i>Email exchange with appraiser regarding access to premises ;email exchange with Receiver's Counsel regarding process for selling real property; email exchange with appraiser in response to fee quote;</i>	0.40	\$525.00	\$210.00
2024-10-08	MMA	<i>Received and reviewed tax certificates as received from A. Ho. Response sent to A. Ho requesting estimate of cost of a severance application. Calls with certain appraisers and environmental consultants.</i>	0.80	\$575.00	\$460.00
2024-10-09	PGE	<i>Receipt and review of proposed appraisal LOE from Wagner Kovacs;</i>	0.10	\$525.00	\$52.50
2024-10-10	PGE	<i>Email to Sid Durani requesting LOE for appraisal on property in Guelph; email to David Devries of Antec Appraisers regarding signed LOE;</i>	0.20	\$525.00	\$105.00

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2024-10-11	PGE	Email exchange with Antec appraisers regarding errors in LOE; execution and transmittal of corrected LOE from Antec; email to Colliers requesting LOE for second appraisal; email from Colliers in this regard;	0.50	\$525.00	\$262.50
2024-10-11	MMA	Travel to the premises to attend meeting with a listing agent and the property manager regarding operation issues. Travel back	1.80	\$575.00	\$1,035.00
2024-10-15	PGE	Review and approve payable;	0.10	\$525.00	\$52.50
2024-10-16	PGE	Email exchange with Pinchin regarding Phase 1 Assessment; telephone discussion with Colliers Appraiser;	0.50	\$525.00	\$262.50
2024-10-17	PGE	Finalize LOE with Colliers Appraisals;	0.25	\$525.00	\$131.25
2024-10-18	PGE	Receipt and review of Phase 1 Environmental Report from Pinchin;	0.25	\$525.00	\$131.25
2024-10-21	PGE	Internal email exchange with MM regarding Phase 1 Report and appraisals; email exchange with appraiser;	0.25	\$525.00	\$131.25
2024-10-21	MMA	Email received from C. McDonnell looking for update on phase one. Advised phase one came back clean and advised we are awaiting appraisals.	0.20	\$575.00	\$115.00
2024-10-23	MMA	Lengthy discussions with the appraisers. Telephone call from the City regarding property taxes.	1.00	\$575.00	\$575.00
2024-10-28	PGE	Email requests for Listing Proposals from two commercial realtors; email exchange with Antec Appraisers;	0.25	\$525.00	\$131.25
2024-10-29	PGE	Email from Kelly Avison confirming request for listing proposal and advising of current listing still on MLS;	0.10	\$525.00	\$52.50
2024-10-30	PGE	Review of draft appraisal prepared by Antec appraisers;	0.50	\$525.00	\$262.50
2024-10-31	PGE	Email exchange with Colliers regarding listing proposal; email from Kelly Avison regarding listing proposal amnd current listing needing to be terminated;	0.25	\$525.00	\$131.25
2024-11-01	PGE	Receipt and review of invoice from Pinchin for Phase 1 Report on ppty and forwarding same for payment; receipt and review of Sales and Marketing Proposal from Colliers;	0.50	\$525.00	\$262.50
2024-11-04	PGE	Email exchange with Kelly Avison regarding existing live listing of ppty;	0.25	\$525.00	\$131.25
2024-11-05	PGE	Email exchange with Kelly Avison seeking update on his listing proposal; email exchange with Colliers regarding their listing proposal;	0.25	\$525.00	\$131.25

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2024-11-06	PGE	Receipt and review of draft appraisal from Colliers; telephone discssion with Rob Purdy on the appraisal;	0.25	\$525.00	\$131.25
2024-11-08	PGE	Receipt and review of final Antec appraisal; telephone discussions with appraisers to better understand appraisal values; review of draft appraisal submitted by Colliers; telephone discussion with Rob Purdy from Colliers;	0.75	\$525.00	\$393.75
2024-11-11	PGE	Receipt and review of revised appraisal from Rob Purdy at Colliers;	0.50	\$525.00	\$262.50
2024-11-12	PGE	Prepare appraisal and listing proposal summary and transmittal of same to MM for review with Bank;	0.50	\$525.00	\$262.50
2024-11-12	MMA	Received appraisal and listing proposal as received from P. Gennis.	0.30	\$575.00	\$172.50
2024-11-13	PGE	Receipt and review of final appraisal from Colliers; email exchange with Colliers agent regarding his listing proposal;	0.30	\$525.00	\$157.50
2024-11-14	PGE	Transmittal of email from Kelly Avison to MM for review;	0.10	\$525.00	\$52.50
2024-11-18	PGE	Preparation of sale documents and related schedules;	3.50	\$525.00	\$1,837.50
2024-11-20	PGE	Email to MM enclosing appraisals and listing proposal /appraisal summary for discussion with Roynat;	0.10	\$525.00	\$52.50
2024-11-25	PGE	Email to Chad Lawrie regarding insurance coverage; receipt and review of insurance quotation and proposed coverages; email enclosing signed application and confirming acceptance of quote; email exchange with Receiver's Counsel	0.75	\$525.00	\$393.75
2024-11-26	PGE	Email from Chad Brownlee at Lawrie Insurance confirming insurance coverage; receipt and review of coverage document;	0.20	\$525.00	\$105.00
2024-12-03	PGE	Internal emails with respect to budget for disbursements; email from Counsel with respect to Planning Act;	0.50	\$525.00	\$262.50
2024-12-05	PAM	Prepare budget and Receiver Certificate for borrowing of funds.	0.50	\$350.00	\$175.00
2024-12-05	PAM	Prepare budget and Receiver Borrowing certificate and submit for review.	0.50	\$350.00	\$175.00
2024-12-05	PGE	Internal email exchange regarding funding of receivership;	0.10	\$525.00	\$52.50
2024-12-09	PGE	Email exchange and telephone discussion with prospective listing broker;	0.20	\$525.00	\$105.00
2024-12-29	PGE	Email to Avison Young requesting Listing Agreement;	0.10	\$525.00	\$52.50
2024-12-30	PGE	Email exchange with Kelly Avison regarding Listing Agreement;	0.10	\$525.00	\$52.50

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2025-01-06	PGE	Receipt and review of listing agreement for Trafalgar Rd., property; forwarding same to MMA for discussion with Bank and execution;	0.50	\$525.00	\$262.50
2025-01-07	GGO	Receive and review bank reconciliation	0.10	\$425.00	\$42.50
2025-01-13	PGE	Email exchange with Receiver's Counsel; email from MMA to Listing Broker; receipt and review of draft listing agreement and forwarding same to MMA for discussion with the Bank; Email from Pinchin regarding outstanding invoice;	0.40	\$525.00	\$210.00
2025-01-13	MMA	Email exchanges with K. Avison regarding the listing agreement.	0.20	\$575.00	\$115.00
2025-01-14	PGE	Email exchange with MMA regarding listing proposals; prepare revised appraisal and listing proposal summary for discussion with Roynet; email exchange with Counsel regarding review of sale documents;	0.30	\$525.00	\$157.50
2025-01-14	MMA	Receipt and review of an email containing summary of appraisals and listing proposals with respect to the land. Forwarded same to Roynet. Discussion with C. McDonnell regarding same.	0.70	\$575.00	\$402.50
2025-01-21	PGE	Email from Colliers requesting update on selection of Listing Broker;	0.10	\$525.00	\$52.50
2025-01-23	PGE	Email from Receiver's Counsel with revised sale docs; implementing proposed revisions;	0.75	\$525.00	\$393.75
2025-01-30	MMA	Review of monthly budget and certificate (Roynet Inc.).	0.20	\$575.00	\$115.00
2025-01-30	PAM	Update projected budget and borrowing certificate and submit for processing.	0.30	\$350.00	\$105.00
2025-01-31	PGE	Email exchange with Lawrie Insurance; receipt and review of insurance policy documents;	0.30	\$525.00	\$157.50
2025-01-31	MMA	Lengthy call with K. Avison regarding progress report and interest in the property.	0.80	\$575.00	\$460.00
2025-02-03	PGE	Email from Receiver's Counsel with proposed revisions to Listing Agreement; email to Listing Broker outlining proposed revisions to Listing Agreement; telephone discussion with Kelly Avison regarding Listing Agreement;	0.50	\$525.00	\$262.50
2025-02-03	MMA	Receipt and review of an email from A. Ho containing comments regarding the listing agreement. Revised same and forwarded to K. Avison.	0.60	\$575.00	\$345.00

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2025-02-04	PGE	Email exchange with Listing Broker regarding revisions to Listing Agreement proposed by Receiver's Counsel; review of p[roposed revisions; telephone discussion with Listing Broker in this regard;	0.60	\$525.00	\$315.00
2025-02-04	MMA	Email exchanges with C. McDonnell regarding listing the property with Avison Young. Review of the appraisals and listing proposal summary. Instructed K. Avison to prepare a listing agreement. Receipt, review and provided comments regarding the amended agreement. Telephone call with K. Avison.	1.10	\$575.00	\$632.50
2025-02-06	PGE	Receipt and review of fully executed Listing Agreement;	0.10	\$525.00	\$52.50
2025-02-07	PGE	Email exchange with real estate broker from Colliers;	0.10	\$525.00	\$52.50
2025-02-10	GGO	Receive and review bank reconciliation.	0.10	\$425.00	\$42.50
2025-02-11	PAM	Receive email from Lockit with update on site visit and save to drive.	0.10	\$350.00	\$35.00
2025-02-14	PGE	Email exchange with Receiver's Counsel;	0.25	\$525.00	\$131.25
2025-02-14	MMA	Email exchanges with A. Ho regarding the listing agreement.	0.20	\$575.00	\$115.00
2025-02-18	PGE	Email exchange regarding appraisal invoice;	0.10	\$525.00	\$52.50
2025-02-19	PGE	Email exchange with Listing Broker; receipt and review of proposed marketing materials for real property; telephone discussion with Listing Broker;	0.50	\$525.00	\$262.50
2025-02-21	PAM	Assemble documents required for Vesting Order.	0.10	\$350.00	\$35.00
2025-02-21	PGE	Email from Lawrie Insurance confirming coverage;	0.10	\$525.00	\$52.50
2025-02-25	PGE	Email exchange with Listing Broker requesting confirmation as to the listing having gone live; t/c with Cian McDonnell and ; email confirmation regarding listing;	0.20	\$525.00	\$105.00
2025-02-27	MMA	Attended and responded to calls from interested parties. Call with K. Avison regarding the status of the real property.	0.60	\$575.00	\$345.00
2025-03-06	GGO	Receive and review bank reconciliation.	0.10	\$425.00	\$42.50
2025-03-07	PAM	Review and update budget and receiver borrowing certificate.	0.30	\$350.00	\$105.00
2025-03-07	MMA	Call with K. Avison regarding listing and sale of property. Email sent to Roynat providing projected budget and other documents. Attended and responded to calls from other stakeholders including the city and CRA.	1.20	\$575.00	\$690.00

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2025-03-10	PGE	Email exchange with Colliers regarding outstanding invoice for appraisal;	0.10	\$525.00	\$52.50
2025-03-11	PGE	Email from Chad Brownlee at Lawrie Insurance;	0.10	\$525.00	\$52.50
2025-03-20	MMA	Email exchange with C. McDonnell, Scotiabank, to follow up on processing the payment request.	0.20	\$575.00	\$115.00
2025-03-20	PGE	Email exchange with listing broker enclosing APS for single lot;	0.25	\$525.00	\$131.25
2025-03-24	PGE	Telephone discussion and email exchange with Chad Brownlee of Lawrie Insurance;	0.25	\$525.00	\$131.25
2025-03-25	MMA	Discussion with P. Amaral regarding incoming funds from Roynat and review of project monthly budget for January-June 2025 and the Receiver's Certificate.	0.30	\$575.00	\$172.50
2025-03-26	PGE	Email exchange with Tim Mansfield at Pinchin regarding updated Phase 1 to include second lot; email exchange with listing broker; receipt and review of offers submitted;	0.50	\$525.00	\$262.50
2025-03-27	CGL	Admin work including processing payment with respect to the receivership from Pinchin Ltd. and confirm receipt for reimbursement purposes.	0.20	\$100.00	\$20.00
2025-03-27	MMA	Email exchange with C. McDonnell, Scotiabank, regarding an offer on the property and responding purchase price. Telephone call with C. McDonnell regarding same.	0.50	\$575.00	\$287.50
2025-03-28	PGE	Email from listing broker with clean and redline version of APS from Indraj; review of APS as submitted;	0.50	\$525.00	\$262.50
2025-03-29	PGE	Email exchange with Listing Broker	0.10	\$525.00	\$52.50
2025-03-31	PGE	Email from Colliers Valuations; email exchange with Pinchin regarding updated report; email exchange with Listing Broker regarding execution of Indraj APS;	0.25	\$525.00	\$131.25
2025-03-31	PAM	Receive emails from insurance provider regarding policy. Request status of funding and submit invoice for payment.	0.20	\$350.00	\$70.00
2025-04-01	MMA	Receipt and review of email from P. Gennis to K. Avison & G. White (Avison Young) including the Phase 1 for 225 Southgate property.	0.50	\$575.00	\$287.50
2025-04-01	PGE	Receipt and review of updated Phase 1 Assessment from Pinchin and transmittal of same to Listing Broker for inclusion in Data Room;	0.50	\$525.00	\$262.50

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2025-04-04	PGE	Receipt and review of signback from prospective purchaser and transmittal of same to MMA for review and comment;	0.30	\$525.00	\$157.50
2025-04-07	GGO	Receive and review bank reconciliation.	0.10	\$425.00	\$42.50
2025-04-07	PGE	Email exchange between MMA, PGE and listing broker regarding response to sign back offer just received;	0.10	\$525.00	\$52.50
2025-04-09	MMA	Email exchange with P. Amaral regarding funds and payables.	0.20	\$575.00	\$115.00
2025-04-09	PGE	Email from Lawrie Insurance;	0.10	\$525.00	\$52.50
2025-04-10	MMA	Lengthy call with K. Avison regarding the sale of property. Email exchange with C. McDonnel (Scotiabank) regarding next steps on sale of property. Telephone call regarding same.	0.70	\$575.00	\$402.50
2025-04-10	PGE	Email from Kelly Avison with offers attached and recommendations relative to responding thereto; review of offers and recommendations; return email approving suggested course of action;	0.50	\$525.00	\$262.50
2025-04-11	PGE	Follow up email from Lawrie Insurance; email from Colliers;	0.20	\$525.00	\$105.00
2025-04-14	PGE	further email from Lawrie Insurance regarding outstanding premium; internal email requesting immediate payment;	0.10	\$525.00	\$52.50
2025-04-16	MMA	Receipt and review of bids on property provided by Avison Young, forward of same to counsel. discussion with K. Avison regarding same.	0.50	\$575.00	\$287.50
2025-04-16	PGE	Lengthy email from Kelly Avison with responses to outreach to prospective purchasers and recommendations in this regard; email exchange with Kelly Avison regarding Receiver's position on pricing;	0.60	\$525.00	\$315.00
2025-04-17	PGE	Further email exchange with Avison confirming acceptance of their recommendation regarding dealing with offer;	0.20	\$525.00	\$105.00
2025-04-18	EST	Prepare 246(2) report; fax to OSB	0.30	\$250.00	\$75.00
2025-04-20	PGE	Email from Kelly Avison with amended APS from Jalal Properties; review of amended APS; email exchange with Kelly Avison regarding timing of motion for AVO;	0.30	\$525.00	\$157.50
2025-04-21	PGE	Email from Kelly Avison with another offer from CBRE; email exchange with Kelly Avison regarding decision to proceed with Jalal sign-back; receipt of fully executed Jalal APS; email exchange and telephone discussion with Receiver's Counsel;	0.30	\$525.00	\$157.50
2025-04-22	MMA	Email exchange with Scotiabank confirming sale deal for property.	0.20	\$575.00	\$115.00

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2025-04-22	PGE	Email exchange with Kelly Avison regarding payment of deposit by Jalal and providing wire transfer coordinates therefor;	0.20	\$525.00	\$105.00
2025-04-23	PGE	Further email exchange with Kelly Avison regarding payment of deposit;	0.20	\$525.00	\$105.00
2025-04-24	PGE	Email exchange with Receiver's Counsel;	0.20	\$525.00	\$105.00
2025-04-25	MSR	received and reviewed emails.	0.20	\$175.00	\$35.00
2025-04-28	MMA	Email exchange with Scotiabank regarding buyer and APS document.	0.20	\$575.00	\$115.00
2025-04-28	PGE	Internal email to MMA regarding contents of Court Report; email to Kelly Avison requesting final progress report and offer summary;	0.20	\$525.00	\$105.00
2025-04-28	CGL	Facilitated payment of invoice for environmental assessment via phone with Pinchin Ltd.	0.30	\$100.00	\$30.00
Professional Services Total:			62.45		\$31,391.25

APPENDIX 12

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

B E T W E E N:

ROYNAT INC.

Applicant

and

1000602770 ONTARIO LTD.

Respondent

**AFFIDAVIT OF ADRIENNE HO
(Sworn June 23, 2025)**

I, **ADRIENNE HO**, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY AS FOLLOWS:**

1. I am an associate at Aird & Berlis LLP and, as such, I have knowledge of the matters to which I hereinafter depose. Aird & Berlis LLP has acted and is acting as counsel for msi Spergel inc., in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) of 1000602770 Ontario Limited.

2. Aird & Berlis LLP has prepared statements of account in connection with its mandate as counsel to the Receiver, detailing its services rendered and disbursements incurred, namely:

- (a) an account dated September 16, 2024 in the amount of \$1,744.10 in respect of the period from August 15, 2024 to August 31, 2024;
- (b) an account dated November 13, 2024 in the amount of \$1,108.97 in respect of the period from September 1, 2024 to October 31, 2024;
- (c) an account dated December 16, 2024 in the amount of \$1,096.67 in respect of the period from November 1, 2024 to November 30, 2024;

(d) an account dated February 13, 2025 in the amount of \$6,276.62 in the respect of the period from December 1, 2024 to January 31, 2025;

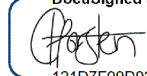
(e) an account dated June 11, 2025 in the amount of \$4,234.06 in the respect of the period from February 1, 2025 to May 31, 2025;

(the “Statements of Account”). Attached hereto and marked as Exhibit “A” to this Affidavit are copies of the Statements of Account. The average hourly rate of Aird & Berlis LLP is \$602.93.

3. Attached hereto and marked as Exhibit “B” to this Affidavit is a chart detailing the lawyers, law clerks and articling students who have worked on this matter.

4. This Affidavit is made in support of a motion to, inter alia, approve the attached accounts of Aird & Berlis LLP and the fees and disbursements detailed therein, and for no improper purpose whatsoever.

SWORN before me via videoconference with)
ADRIENNE HO located at the City of Toronto)
in the Province of Ontario before me at Prince)
Edward County in the Province of Ontario this)
23rd day of June, 2025, in accordance with O.)
Reg 431/20, Administering Oath or Declaration)
remotely.)

DocuSigned by:

121D7F09D92B40E...

A Commissioner, etc.
Calvin Horsten (LSO# 90418I)

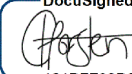
DocuSigned by:

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ADRIENNE HO

This is Exhibit “A” referred to in the Affidavit of Adrienne Ho
sworn by Adrienne Ho located in the City of Toronto in the Province of Ontario
before me at Prince Edward County , in the Province of Ontario
this 23rd day of June, 2025 in accordance with O. Reg. 431/20

Administering Oath or Declaration Remotely

DocuSigned by:

121D7F09D92B40E...

A Commissioner, etc.

Calvin Horsten (LSO# 90418I)

AIRD BERLIS

Sanjeev P. Mitra
Direct: 416-865-3085
E-mail: smitra@airdberlis.com

September 16, 2024

Mr. Mukul Manchanda
msi Spergel inc.
200 Yorkland Blvd., Suite 1100
Toronto, ON
M2J 5C1 Canada

Dear Mr. Manchanda:

RE: Receivership of 1000602770 Ontario Ltd.
Our Matter No: 322258

Enclosed please find our invoice # 1401165 for services rendered to August 31, 2024. The balance due is \$1,744.10 CAD. Please include our invoice number in the payment detail section of your wire transfer.

I trust the foregoing is satisfactory. Please do not hesitate to call me if you have any questions.

Yours very truly,

AIRD & BERLIS LLP



Sanjeev P. Mitra

SPM/pao

Encl.



Aird & Berlis LLP
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181 Bay Street
Toronto, Ontario M5J 2T9 Canada

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F 416 863 1515
airdberlis.com

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

September 16, 2024

Attention: Mr. Mukul Manchanda

Invoice No: 1401165

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending August 31, 2024

Total Fees	\$1,400.00
Total Disbursements	151.50
Total Taxes	192.60
Amount Due	\$1,744.10 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com

Bill.Com Payment Network ID: c114483219512158

*** Aird & Berlis LLP does not accept interac/email transfers ***

Payment is due on receipt.

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.



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September 16, 2024

Attention: Mr. Mukul Manchanda

Invoice No: 1401165

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending August 31, 2024

MEMBER	DATE	HOURS	VALUE	DESCRIPTION
AH	08/15/2024	0.10	59.50	Emails with M. Manchanda regarding receivership order
SPM	08/15/2024	0.40	340.00	Email exchange with client and arrange for registration of order on title
AH	08/16/2024	0.10	59.50	Review emails from S. Mitra and P. Gennis regarding registration of order
SPM	08/16/2024	0.20	170.00	Email exchange with client
AH	08/19/2024	0.10	59.50	Email M. Cappabianca regarding registration of order
AH	08/19/2024	0.10	59.50	Email M. Manchanda regarding order registration
MAC	08/19/2024	0.50	230.00	Draft Acknowledgement & Direction re notice of court order; Internal correspondence
AH	08/20/2024	0.10	59.50	Review email from M. Manchanda with acknowledgement for registration
AH	08/21/2024	0.10	59.50	Review email from M. Cappabianca regarding registered order
MAC	08/21/2024	0.20	92.00	Register application re court order
AH	08/30/2024	0.10	59.50	Email M. Manchanda regarding registration of order and next steps
AH	08/31/2024	0.10	59.50	Review email from M. Cappabianca and post-registration parcel search
MAC	08/31/2024	0.20	92.00	Conduct post-registration title search
TOTAL:		2.30	\$1,400.00	

Name	Title	Hours	Rate	Value
Cappabianca, Michael Anthony (MAC)	Associate	0.90	\$460.00	\$414.00
Ho, Adrienne (AH)	Associate	0.80	\$595.00	\$476.00
Mitra, Sanjeev P. (SPM)	Partner	0.60	\$850.00	\$510.00

OUR FEE	\$1,400.00
HST @ 13%	182.00

DISBURSEMENTS

Non-Taxable Disbursements

Teranet	69.95
Total Non-Taxable Disbursements	\$69.95

Taxable Disbursements

Service Fee Teranet	11.65
Teraview Search	69.90
Total Taxable Disbursements	\$81.55
HST @ 13%	10.60

AMOUNT DUE

\$1,744.10 CAD

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AIRD & BERLIS LLP



Sanjeev P. Mitra

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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September 16, 2024

Attention: Mr. Mukul Manchanda

Invoice No: 1401165

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

REMITTANCE SLIP

Total Fees	\$1,400.00
Total Non-Taxable Disbursements	69.95
Total Taxable Disbursements	81.55
Total Taxes	192.60

AMOUNT DUE

\$1,744.10 CAD

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AIRD BERLIS

Sanjeev P. Mitra
Direct: 416-865-3085
E-mail: smitra@airdberlis.com

November 13, 2024

Mr. Mukul Manchanda
msi Spergel inc.
200 Yorkland Blvd., Suite 1100
Toronto, Ontario
M2J 5C1 Canada

Dear Mr. Manchanda:

RE: Receivership of 1000602770 Ontario Ltd.
Our Matter No: 322258

Enclosed please find our invoice # 1409319 for services rendered to October 31, 2024. The balance due is \$1,108.97 CAD. Please include our invoice number in the payment detail section of your wire transfer.

I trust the foregoing is satisfactory. Please do not hesitate to call me if you have any questions.

Yours very truly,

AIRD & BERLIS LLP



Sanjeev P. Mitra

SPM/pao

Encl.



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M2J 5C1 Canada

November 13, 2024

Attention: Mr. Mukul Manchanda

Invoice No: 1409319

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending October 31, 2024

Total Fees	\$857.50
Total Disbursements	123.89
Total Taxes	127.58
Amount Due	\$1,108.97 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
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TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
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Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending October 31, 2024

MEMBER	DATE	HOURS	VALUE	DESCRIPTION
AH	09/12/2024	0.10	59.50	Email client team title search
AH	09/12/2024	0.10	59.50	Email C. Casasola regarding tax and utility certificates
AH	09/13/2024	0.50	297.50	Reviewing initial receivership application record
AH	09/18/2024	0.10	59.50	Email C. Casasola regarding tax certificate
CEC	09/19/2024	0.70	262.50	Receipt of email from A. Ho and review of court record and PINs for subject properties; Telephone call to City of Guelph to determine additional roll numbers; Request of tax certificates from City of Guelph; Receipt and review of tax certificates and draft of summary thereof to A. Ho;
AH	10/08/2024	0.10	59.50	Email P. Gennis regarding tax certificates
AH	10/08/2024	0.10	59.50	Review email from P. Gennis regarding next steps
TOTAL:		1.70	\$857.50	

Name	Title	Hours	Rate	Value
Casasola, Carlos E. (CEC)	Law Clerk	0.70	\$375.00	\$262.50
Ho, Adrienne (AH)	Associate	1.00	\$595.00	\$595.00

OUR FEE	\$857.50
HST @ 13%	111.47

DISBURSEMENTS

Taxable Disbursements

Searches	123.89	
Total Taxable Disbursements		\$123.89
HST @ 13%		16.11

AMOUNT DUE

\$1,108.97 CAD

THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP



Sanjeev P. Mitra

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
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November 13, 2024

Attention: Mr. Mukul Manchanda

Invoice No: 1409319

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

REMITTANCE SLIP

Total Fees	\$857.50
Total Taxable Disbursements	123.89
Total Taxes	127.58

AMOUNT DUE

\$1,108.97 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
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AIRD BERLIS

Sanjeev P. Mitra
Direct: 416-865-3085
E-mail: smitra@airdberlis.com

December 16, 2024

Mr. Mukul Manchanda
msi Spergel inc.
200 Yorkland Blvd., Suite 1100
Toronto, Ontario
M2J 5C1 Canada

Dear Mr. Manchanda:

RE: Receivership of 1000602770 Ontario Ltd.
Our Matter No: 322258

Enclosed please find our invoice # 1415575 for services rendered to November 30, 2024. The balance due is \$1,096.67 CAD. Please include our invoice number in the payment detail section of your wire transfer.

I trust the foregoing is satisfactory. Please do not hesitate to call me if you have any questions.

Yours very truly,

AIRD & BERLIS LLP



Sanjeev P. Mitra

SPM/pao

Encl.



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December 16, 2024

Attention: Mr. Mukul Manchanda

Invoice No: 1415575

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending November 30, 2024

Total Fees	\$970.50
Total Taxes	126.17
Amount Due	\$1,096.67 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
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Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending November 30, 2024

MEMBER	DATE	HOURS	VALUE	DESCRIPTION
AH	11/19/2024	0.20	119.00	Emails with D. Neligan regarding severance
DPN	11/19/2024	1.00	660.00	Review motion record re: parcel abstracts; Respond to A. Ho re: requirements to sever the lot;
AH	11/25/2024	0.10	59.50	Emails with P. Gennis regarding sale of real property
DPN	11/25/2024	0.20	132.00	Emails with A. Ho and P. Gennis re: severance
TOTAL:		1.50	\$970.50	

Name	Title	Hours	Rate	Value
Ho, Adrienne (AH)	Associate	0.30	\$595.00	\$178.50
Neligan, David P (DPN)	Partner	1.20	\$660.00	\$792.00

OUR FEE	\$970.50
HST @ 13%	126.17

AMOUNT DUE	\$1,096.67 CAD
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Sanjeev P. Mitra

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Attention: Mr. Mukul Manchanda

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Client No: 013225
Matter No: 322258

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Total Fees	\$970.50
Total Taxes	126.17

AMOUNT DUE	<u>\$1,096.67 CAD</u>
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AIRD BERLIS

Sanjeev P. Mitra
Direct: 416-865-3085
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February 13, 2025

Mr. Mukul Manchanda
msi Spergel inc.
200 Yorkland Blvd., Suite 1100
Toronto, Ontario
M2J 5C1 Canada

Dear Mr. Manchanda:

RE: Receivership of 1000602770 Ontario Ltd.
Our Matter No: 322258

Enclosed please find our invoice # 1422548 for services rendered to January 31, 2025. The balance due is \$6,276.62 CAD. Please include our invoice number in the payment detail section of your wire transfer.

I trust the foregoing is satisfactory. Please do not hesitate to call me if you have any questions.

Yours very truly,

AIRD & BERLIS LLP



Sanjeev P. Mitra

SPM/pao

Encl.



Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
F 416 863 1515
airdberlis.com

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

February 13, 2025

Attention: Mr. Mukul Manchanda

Invoice No: 1422548

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending January 31, 2025

Total Fees	\$5,431.00
Total Disbursements	124.45
Total Taxes	721.17
Amount Due	\$6,276.62 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com

Bill.Com Payment Network ID: c114483219512158

*** Aird & Berlis LLP does not accept interac/email transfers ***

Payment is due on receipt.

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.



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February 13, 2025

Attention: Mr. Mukul Manchanda

Invoice No: 1422548

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending January 31, 2025

MEMBER	DATE	HOURS	VALUE	DESCRIPTION
AH	12/03/2024	0.10	59.50	Email D. Neligan regarding sale
DPN	12/03/2024	0.50	330.00	Email with A. Ho re: merger in title when acquiring adjacent properties and exemptions under s. 50(3) of Planning Act
AH	12/24/2024	0.10	59.50	Emails with P. Gennis regarding next steps
AH	01/10/2025	0.20	132.00	Call with E. Finnegan and S. Mitra regarding next steps
EF	01/10/2025	0.50	362.50	Call S. Mitra re APS drafting
SPM	01/10/2025	0.50	447.50	Provide instructions on review of draft listing and other agreements
EF	01/14/2025	0.50	362.50	Review of APS
AH	01/15/2025	0.10	66.00	Review PPSA search; emails with J. McLean regarding the same
EF	01/15/2025	0.50	362.50	Review and amendment of AVO
JEM	01/15/2025	0.10	41.50	Order, review and report on PPSA search
AH	01/19/2025	0.60	396.00	Review draft asset purchase agreement
AH	01/22/2025	1.70	1,122.00	Revise draft asset purchase agreement, approval and vesting order, and email E. Finnegan comments;
AH	01/23/2025	1.20	792.00	Review disclaimer and non-disclosure agreement; emails with E. Finnegan regarding sale documents; revise sale documents; email K. Smith regarding title search; review updated title search; email P. Gennis comments on sale documents
EF	01/23/2025	0.70	507.50	Review of APS amendments, review Wnda Disclaimer, email A. Ho

MEMBER	DATE	HOURS	VALUE	DESCRIPTION
KS	01/23/2025	0.30	106.50	Subsearch; Email to A. Ho
AH	01/30/2025	0.10	66.00	Review email from E. Finnegan regarding comments on listing agreement
EF	01/30/2025	0.30	217.50	Review APS
TOTAL:		8.00	\$5,431.00	

Name	Title	Hours	Rate	Value
Finnegan, Evonne (EF)	Partner	2.50	\$725.00	\$1,812.50
Ho, Adrienne (AH)	Associate	4.10	\$656.83	\$2,693.00
McLean, Jenaya E. (JEM)	Law Clerk	0.10	\$415.00	\$41.50
Mitra, Sanjeev P. (SPM)	Partner	0.50	\$895.00	\$447.50
Neligan, David P (DPN)	Partner	0.50	\$660.00	\$330.00
Smith, Kelley (KS)	Law Clerk	0.30	\$355.00	\$106.50

OUR FEE	\$5,431.00
HST @ 13%	706.03

DISBURSEMENTS

Non-Taxable Disbursements

Search Under P.P.S.A.	8.00
Total Non-Taxable Disbursements	\$8.00

Taxable Disbursements

Service Provider Fee	5.15
Teraview Search	111.30
Total Taxable Disbursements	\$116.45
HST @ 13%	15.14

AMOUNT DUE

\$6,276.62 CAD

THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP



Sanjeev P. Mitra

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com Bill.Com Payment Network ID: c114483219512158

*** Aird & Berlis LLP does not accept interac/email transfers ***

Payment is due on receipt.

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.



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200 Yorkland Blvd., Suite 1100
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M2J 5C1 Canada

February 13, 2025

Attention: Mr. Mukul Manchanda

Invoice No: 1422548

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

REMITTANCE SLIP

Total Fees	\$5,431.00
Total Non-Taxable Disbursements	8.00
Total Taxable Disbursements	116.45
Total Taxes	721.17

AMOUNT DUE

\$6,276.62 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
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AIRD BERLIS

Sanjeev P. Mitra
Direct: 416-865-3085
E-mail: smitra@airdberlis.com

June 11, 2025

Mr. Mukul Manchanda
msi Spergel inc.
200 Yorkland Blvd., Suite 1100
Toronto, ON
M2J 5C1 Canada

Dear Mr. Manchanda:

RE: Receivership of 1000602770 Ontario Ltd.
Our Matter No: 322258

Enclosed please find our invoice # 1438715 for services rendered to May 31, 2025. The balance due is \$4,234.06 CAD. Please include our invoice number in the payment detail section of your wire transfer.

I trust the foregoing is satisfactory. Please do not hesitate to call me if you have any questions.

Yours very truly,

AIRD & BERLIS LLP



Sanjeev P. Mitra

SPM/pao

Encl.



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June 11, 2025

Attention: Mr. Mukul Manchanda

Invoice No: 1438715

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending May 31, 2025

Total Fees	\$3,580.50
Total Disbursements	168.30
Total Taxes	485.26
Amount Due	\$4,234.06 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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June 11, 2025

Attention: Mr. Mukul Manchanda

Invoice No: 1438715

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending May 31, 2025

MEMBER	DATE	HOURS	VALUE	DESCRIPTION
AH	02/03/2025	0.60	396.00	Review listing agreement; review E. Finnegan's comments to listing agreement and email P. Gennis regarding the same
AH	02/14/2025	0.10	66.00	Email P. Gennis regarding next steps
AH	02/16/2025	0.10	66.00	Review email from P. Gennis regarding status
AH	04/21/2025	0.10	66.00	Email P. Gennis regarding property and status
AH	04/24/2025	0.10	66.00	Email and call with P. Gennis regarding property
AH	05/02/2025	0.10	66.00	Call with P. Gennis regarding next steps
AH	05/09/2025	0.10	66.00	Review email from P. Gennis regarding next steps
AH	05/12/2025	0.10	66.00	Email P. Gennis regarding next steps on report
AH	05/12/2025	0.10	66.00	Review emails from P. Gennis regarding report and APS
AH	05/22/2025	0.10	66.00	Email E. Shahrami regarding security opinion
ROM	05/22/2025	0.70	276.50	Review application record, locate Debenture, charge and assignment of rents in favour of Roynat Inc.; Conduct searches with respect to Guelph properties and review same
AH	05/26/2025	0.10	66.00	Email S. Mitra regarding security opinion
ELS	05/26/2025	1.40	462.00	Draft opinion
ROM	05/26/2025	0.70	276.50	Review and revise draft security opinion to receiver
SS	05/26/2025	0.30	97.50	Conduct teraview searches; Correspondence re same
AH	05/29/2025	0.80	528.00	Review security opinion and email S. Mitra and E. Shahrami regarding the same

MEMBER	DATE	HOURS	VALUE	DESCRIPTION
AH	05/29/2025	0.90	594.00	Review report and email P. Gennis regarding the same; email E. Finnegan regarding registrations on title; email S. Mitra regarding report
EF	05/29/2025	0.40	290.00	review real estaet docs for A Ho
TOTAL:		6.80	\$3,580.50	

Name	Title	Hours	Rate	Value
Finnegan, Evonne (EF)	Partner	0.40	\$725.00	\$290.00
Ho, Adrienne (AH)	Associate	3.30	\$660.00	\$2,178.00
Manea, Roxana (ROM)	Law Clerk	1.40	\$395.00	\$553.00
Saint-Louis, Sabine (SS)	Law Clerk	0.30	\$325.00	\$97.50
Shahrami, Elli (ELS)	Law Clerk	1.40	\$330.00	\$462.00

OUR FEE	\$3,580.50
HST @ 13%	465.46

DISBURSEMENTS

Non-Taxable Disbursements

Search Under P.P.S.A.	16.00
Total Non-Taxable Disbursements	\$16.00

Taxable Disbursements

Service Provider Fee	10.30
Teraview Search	142.00
Total Taxable Disbursements	\$152.30
HST @ 13%	19.80

AMOUNT DUE	\$4,234.06 CAD
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AIRD & BERLIS LLP



Sanjeev P. Mitra

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
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June 11, 2025

Attention: Mr. Mukul Manchanda

Invoice No: 1438715

Re: Receivership of 1000602770 Ontario Ltd.

Client No: 013225
Matter No: 322258

REMITTANCE SLIP

Total Fees	\$3,580.50
Total Non-Taxable Disbursements	16.00
Total Taxable Disbursements	152.30
Total Taxes	485.26

AMOUNT DUE

\$4,234.06 CAD

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
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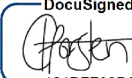
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This is Exhibit “B” referred to in the Affidavit of Adrienne Ho
sworn by Adrienne Ho located in the City of Toronto in the Province of Ontario
before me at Prince Edward County in the Province of Ontario
this 23rd day of June, 2025 in accordance with O. Reg. 431/20

Administering Oath or Declaration Remotely

DocuSigned by:

121D7F09D92B40E...

A Commissioner, etc.

Calvin Horsten (LSO# 90418I)

STATEMENT OF RESPONSIBLE INDIVIDUALS

Aird & Berlis LLP's professional fees herein are made with respect to the following individuals

Lawyer	Call to Bar	Avg Hrly Rate	Total Time	Value
S. Mitra	1996	\$870.45	1.10	\$957.50
A. Ho	2015	\$644.26	9.50	\$6,120.50
M. Cappabianca	2021	\$460.00	0.90	\$414.00
D. Neligan	2015	\$660.00	1.70	\$1,122.00
E. Finnegan	2007	\$725.00	2.90	\$2,102.50
Clerk/Student	Call to Bar	Avg Hrly Rate	Total Time	Value
C. Casasola	N/A	\$375.00	0.70	\$262.50
J. McLean	N/A	\$415.00	0.10	\$41.50
K. Smith	N/A	\$355.00	0.30	\$106.50
R. Manea	N/A	\$395.00	1.40	\$553.00
S. Saint-Louis	N/A	\$325.00	0.30	\$97.50
E. Shahrami	N/A	\$330.00	1.40	\$462.00

**Standard hourly rates listed. However, in certain circumstances adjustments to the account may have been made.*

ROYNAT INC.
Applicant

- and -

1000602770 ONTARIO LTD.
Respondent

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

**PROCEEDING COMMENCED
AT KITCHENER, ONTARIO**

**AFFIDAVIT OF ADRIENNE HO
(Sworn June 23, 2025)**

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Sanjeev Mitra (LSO# 37934U)

Tel: 416-865-3085

Email: smitra@airdberlis.com

Adrienne Ho (LSO# 68439N)

Tel: 416-637-7980

Email: aho@airdberlis.com

Lawyers for the Receiver

APPENDIX 13

District of
Division No. 35 - London
Court No. 35-124730
Estate No. 35-124730

**In the matter of the Receivership of
1000602770 Ontario Inc.
of the City of Puslinch, in the Province of Ontario**

Receiver's Statement of Receipts and Disbursements
As at July 8, 2025

RECEIPTS

1	Receiver's Borrowing	\$	30,000.00
2	Interest	\$	87.16

TOTAL RECEIPTS			\$ 30,087.16
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DISBURSEMENTS

2.	Federal and Provincial taxes		
	HST on Ascend License Fee	\$	42.25
	HST paid on disbursements	\$	868.11
		\$	910.36

3.	Miscellaneous		
	Ascend License Fee	\$	325.00
	Appraisal fees	\$	6,677.77
	Filing Fees Paid to Official Receiver	\$	80.42
		\$	7,083.19

TOTAL DISBURSEMENTS			\$ 7,993.55
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Net Receipts over Disbursements			\$ 22,093.61
			E&OE

APPENDIX 14

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO: 001

AMOUNT: \$30,000.00

1. **THIS IS TO CERTIFY** that msi Spergel inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of 1000602770 Ontario Ltd. (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 8th day of August, 2024 (the "**Order**") made in an action having court file number CV-24-00001161-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$30,000.00, being part of the total principal sum of \$200,000.00 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 Roynat Inc. 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 1st day of March, 2025.

msi Spergel inc., solely in its capacity as
Receiver of 1000602770 Ontario Ltd., and not
in its corporate or personal capacity.

Per:



Name: Mukul Manchanda, CPA, CIRP, LIT

Title: Managing Partner

APPENDIX 15

LAND
REGISTRY
OFFICE #61

71491-0161 (LT)

PAGE 1 OF 2
PREPARED FOR ROSE1234
ON 2025/05/26 AT 09:23:25

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

PROPERTY DESCRIPTION: LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 71491-0012

PIN CREATION DATE:

2005/11/07

OWNERS' NAMES

1000602770 ONTARIO LTD.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2005/11/07 **						
**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: 1998/02/09 **						
MS57023	1966/07/08	BYLAW				C
MS59544	1966/10/20	BYLAW				C
61R2072	1979/09/13	PLAN REFERENCE				C
ROS223171	1979/10/12	TRANSFER EASEMENT			THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH, OPERATING AS GUELPH HYDRO	C
ROS520085	1985/12/31	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	VALCOM LIMITED	
ROS520085Z	1985/12/31	REST COV APL ANNEX				C
ROS599132	1989/05/26	CHARGE		*** DELETED AGAINST THIS PROPERTY ***	NATIONAL TRUST COMPANY	
LT12520	1999/02/25	TRANSFER OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** NATIONAL TRUST COMPANY	THE BANK OF NOVA SCOTIA	
REMARKS: ROS599132						

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.

LAND
REGISTRY
OFFICE #61

71491-0161 (LT)

PAGE 2 OF 2
PREPARED FOR ROSE1234
ON 2025/05/26 AT 09:23:25

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WC114581	2005/09/30	APL CH NAME OWNER		*** DELETED AGAINST THIS PROPERTY *** VALCOM LIMITED	PAUL MACPHERSON AND ASSOCIATES LIMITED	
WC243602	2009/05/04	NOTICE <i>REMARKS: AIRPORT ZONING</i>		HER MAJESTY THE QUEEN IN RIGHT OF CANADA		C
WC678467	2022/07/07	DISCH OF CHARGE <i>REMARKS: ROS599132.</i>		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
WC682388	2022/08/17	TRANSFER		*** COMPLETELY DELETED *** PAUL MACPHERSON AND ASSOCIATES LIMITED	2630432 ONTARIO INC.	
WC710041	2023/08/17	TRANSFER		*** COMPLETELY DELETED *** 2630432 ONTARIO INC.	DANBY PRODUCTS LIMITED	
WC712166	2023/09/11	TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS.</i>	\$7,700,000	DANBY PRODUCTS LIMITED	1000602770 ONTARIO LTD.	C
WC712167	2023/09/11	CHARGE	\$7,000,000	1000602770 ONTARIO LTD.	ROYNAT INC.	C
WC712170	2023/09/11	NO ASSGN RENT GEN <i>REMARKS: WC712167</i>		1000602770 ONTARIO LTD.	ROYNAT INC.	C
WC737698	2024/08/21	APL COURT ORDER <i>REMARKS: APPOINTS MSI SPERGEL INC. AS RECEIVER</i>		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.

PROPERTY DESCRIPTION: LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 71491-0012

PIN CREATION DATE:

2005/11/07

OWNERS' NAMES

1000602770 ONTARIO LTD.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2005/11/07 **						
**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: 1998/02/09 **						
MS57023	1966/07/08	BYLAW				C
MS59544	1966/10/20	BYLAW				C
61R2072	1979/09/13	PLAN REFERENCE				C
ROS223171	1979/10/12	TRANSFER EASEMENT			THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH, OPERATING AS GUELPH HYDRO	C
ROS553439	1987/06/30	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	VALCOM LIMITED	
ROS553439Z	1987/06/30	REST COV APL ANNEX				C
ROS586649	1988/11/15	BYLAW				C
ROS599132	1989/05/26	CHARGE		*** DELETED AGAINST THIS PROPERTY ***	NATIONAL TRUST COMPANY	
LT12520	1999/02/25	TRANSFER OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** NATIONAL TRUST COMPANY	THE BANK OF NOVA SCOTIA	

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.

LAND
REGISTRY
OFFICE #61

71491-0162 (LT)

PAGE 2 OF 2
PREPARED FOR ROSE1234
ON 2025/05/26 AT 09:22:41

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
		REMARKS: ROS599132				
WC114581	2005/09/30	APL CH NAME OWNER		*** DELETED AGAINST THIS PROPERTY *** VALCOM LIMITED	PAUL MACPHERSON AND ASSOCIATES LIMITED	
WC243602	2009/05/04	NOTICE REMARKS: AIRPORT ZONING		HER MAJESTY THE QUEEN IN RIGHT OF CANADA		C
WC678467	2022/07/07	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
		REMARKS: ROS599132.				
WC682387	2022/08/17	TRANSFER	\$1,142,308	PAUL MACPHERSON AND ASSOCIATES LIMITED	2630432 ONTARIO INC.	C
WC710041	2023/08/17	TRANSFER		*** COMPLETELY DELETED *** 2630432 ONTARIO INC.	DANBY PRODUCTS LIMITED	
WC712166	2023/09/11	TRANSFER REMARKS: PLANNING ACT STATEMENTS.	\$7,700,000	DANBY PRODUCTS LIMITED	1000602770 ONTARIO LTD.	C
WC712167	2023/09/11	CHARGE	\$7,000,000	1000602770 ONTARIO LTD.	ROYNAT INC.	C
WC712170	2023/09/11	NO ASSGN RENT GEN REMARKS: WC712167		1000602770 ONTARIO LTD.	ROYNAT INC.	C
WC737698	2024/08/21	APL COURT ORDER REMARKS: APPOINTS MSI SPERGEL INC.	AS RECEIVER	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.
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APPENDIX 16

June 10, 2025

VIA EMAIL

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

Attention: Mukul Manchanda and Phil Gennis

Dear Sirs:

Re: Receivership of 1000602770 Ontario Ltd.

msi Spergel Inc., in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the “**Debtor**”) acquired for, or used in relation to, the business carried on by the Debtor, including the Real Property (as defined herein), has requested our opinion concerning the perfection of the security documents herein discussed granted to Roynat Inc. (the “**Secured Creditor**”) by the Debtor.

We confirm that we have received and reviewed the security documents granted by the Debtor in favour of the Secured Creditor described herein, and hereby provide you with our opinion concerning the validity and enforceability of same.

A. DOCUMENTS EXAMINED AND SEARCHES CONDUCTED

In connection with the opinions contained in this letter, we have examined copies of:

1. the Debenture dated September 5, 2023 granted by the Debtor to the Secured Creditor (the “**Debenture**”);
2. the Charge/Mortgage registered on title to the properties municipally known as 225 Southgate Drive, Guelph, Ontario, and legally described in PIN 71491-0161 (LT), and PIN 71491-0162 (LT) (collectively, the “**Real Property**”), on September 11, 2023 as Instrument Number WC712167, granted by the Debtor to the Secured Creditor (the “**Charge**”); and
3. the Notice of Assignment of Rents-General registered on title to the Real Property on September 11, 2023 as Instrument Number WC712170, granted by the Debtor to the Secured Creditor (the “**Assignment of Rents**”),

(collectively, the “**Security**”).

In addition, in connection with the opinions contained in this letter, we have conducted the following searches:

4. certified search from the Ontario Personal Property Registration System against the Debtor current as at May 26, 2025 (the “**PPSA Search**”); and
5. a review of the parcel abstracts for the Real Property current as at May 26, 2025.

We have conducted no further searches in connection with the delivery of this opinion.

B. OPINIONS

Debenture

We have reviewed the Debenture and note that it appears to have been properly executed and delivered on behalf of the Debtor by Panveer Singh Dania in his capacity as President.

Based on the PPSA Search, a registration under the *Personal Property Security Act* (Ontario) (the “**PPSA**”) in respect of the Debenture was made on August 25, 2023 against the Debtor, under Reference File No. 796586265 and Registration No. 20230825 1541 1590 7749 (the “**PPSA Registration**”). The PPSA Registration covers collateral classifications “Inventory”, “Equipment”, “Accounts”, “Other” and “Motor Vehicle”. The PPSA Registration is currently set to expire on August 25, 2031.

Based on, limited by and subject to the assumptions and qualifications contained below, we are of the opinion that the security interests in the Additional Property created by the Debenture, as the term “Additional Property” is defined and described in the Debenture, have been properly perfected under the PPSA Registration (to the extent required) and rank in priority to the interest of a “would be appointed” trustee in bankruptcy in the Debtor’s Collateral described in the Debenture and located in the Province of Ontario, or, in the case of accounts, where the party obligated to pay an account is a resident of the Province of Ontario.

Charge

The Charge was registered as Instrument No. WC712167 against title to the Real Property on September 11, 2023. The Charge secures repayment of all principal, interest and costs of the Secured Creditor. Based on, limited by and subject to the assumptions and qualifications contained below, we are of the opinion that the Charge constitutes a valid and enforceable Charge/Mortgage in favour of the Secured Creditor in accordance with its terms.

Assignment of Rents

The Assignment of Rents was registered as Instrument No. WC712170 against title to the Real Property on September 11, 2023. Based on, limited by and subject to the assumptions and qualifications contained below, we are of the opinion that the Assignment of Rents constitutes a valid and enforceable Notice of Assignment of Rents-General in favour of the Secured Creditor in accordance with its terms

C. OTHER PPSA REGISTRATIONS

We note that the PPSA Search revealed no other registrations made against the Debtor.

D. OTHER REGISTRATIONS ON TITLE

We note that there are currently no other charge or assignment of rents registrations on title to the Real Property in favour of other secured parties other than the Secured Creditor.

In connection with the opinions contained in this letter, we have assumed the following:

1. The entering into, execution and delivery of the Security to the Secured Creditor has been duly authorized by all necessary resolutions and other corporate actions on the part of the Debtor.
2. The Security has been executed and delivered to the Secured Creditor by a director and/or officer of the Debtor duly authorized to execute and deliver those documents, and the signatures on the copies of the Security examined by us is that of the duly authorized director and/or officer of the Debtor.
3. The Security constitutes valid and enforceable obligations of the Debtor to the Secured Creditor as security for the Debtor's obligations to the Secured Creditor, subject to the requirements of the PPSA, the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"), the *Mortgages Act* (Ontario) and the *Planning Act* (Ontario).
4. The Security has been unconditionally delivered by the Debtor to the Secured Creditor.
5. The Security has not been assigned, released, discharged or otherwise impaired, either in whole or in part.
6. The financing statement(s) filed under the PPSA in respect of the Security, if any, were completed in compliance with the regulations under the PPSA and copies thereof were delivered to the Debtor in accordance with the provisions of the PPSA.
7. The Debtor is indebted to the Secured Creditor and received adequate consideration for the grant of the Security.
8. The genuineness of the signatures and the conformity to authentic original documents of the documents submitted to us as photocopies, electronic copies or fax copies, and that all documents were fully completed prior to signature.
9. The Debtor was a valid and subsisting corporation at the time of execution and delivery of the Security.
10. The copy of the PPSA Search examined by us in connection with the opinions given herein was complete and accurate when examined and continues to reflect registrations against the Debtor as of the date hereof.

11. The Debtor and the Secured Creditor intended the security interests created by the Security to attach, value has been given and the Debtor obtained rights in the collateral secured by the Security.
12. All facts set forth in official public records and other documents supplied by public officials or otherwise conveyed to us by public officials are complete, true and accurate.

E. QUALIFICATIONS

The opinions that we have expressed in this letter are further subject to the following qualifications:

1. We express no opinion as to the right, title or interest of the Debtor in or to the Real Property or any of the assets, undertakings and properties of the Debtor.
2. We express no opinion on whether any secured party may have a perfected purchase money security interest which may exist in respect of any of the assets, undertakings and properties of the Debtor.
3. We express no opinion 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;
 - (c) federal crown debts; and
 - (d) any real property or interest therein.
4. We have made no searches under applicable statutes, including the *Copyright Act* (Canada), the *Patent Act* (Canada) and the *Trademarks Act* (Canada), to confirm that the Secured Creditor has made registrations that may be necessary to perfect its security interests, if any, in intellectual property.
5. We express no opinion as to the ranking or priority of any of the Security in relation to the security interests, liens (including construction liens and any holdbacks required to be maintained pursuant to the *Construction Act* (Ontario)) or trust claims of any other party, if any.
6. The validity, binding effect and enforceability of the Security may be limited by applicable bankruptcy, insolvency, reorganization, arrangement, winding-up, moratorium, or other similar laws affecting the enforceability of creditors' rights generally.
7. The rights and remedies of the Secured Creditor contained in the Security may be subject to and affected by general principles of equity.

8. No opinion is expressed as to the enforceability of any provision in the Security which suggests that modifications, amendments or waivers of or with respect to any of the Security that are not in writing will not be effective.
9. No opinion is given 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.
10. We express no opinion 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.
11. Enforcement of the Security may be affected or limited by any collateral agreements or arrangements relating thereto entered into between the parties thereto, of which we are not aware.
12. 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.
13. 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.
14. We express no opinion as to the enforceability of any provision of the Security which may be characterized by a court as an unenforceable penalty and not as a genuine pre-estimate of damages.
15. We express no opinion as to the application of the *Securities Act* (Ontario).
16. 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 Debtor's liability or any party thereto;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Secured Creditor, its agents or any receiver, manager 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.
17. We express no opinion as to any provision of the Security which states that any failure to exercise, or any delay in exercising, any right or remedy shall not operate as a waiver thereof.
18. We have not explored and express no opinion as to whether the Security may be successfully attacked as a preference under section 95 of the BIA or any similar provincial legislation.

19. A waiver of a provision of applicable law may not be effective.
20. Any provision which is considered to offend public policy or to contravene laws of public order may not be enforceable.
21. 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.
22. No fine, penalty or rate of interest may be extracted on any arrears of principal or interest secured by a mortgage on real property that has the effect of increasing the charge on the arrears beyond the rate of interest payable on principal money not in arrears.
23. No opinion is given as to security interests which are not registered on title to the Real Property.
24. The enforceability of the Charge and the Assignment of Rents may be subject to the terms of any instruments or encumbrances registered on title to the Real Property in priority to the Charge and the Assignment of Rents or any instruments or encumbrances to which the Secured Creditor has agreed to postpone, registered on title to the Real Property subsequent to the Charge and the Assignment of Rents.
25. We have not conducted any title or off-title searches in connection with the Real Property other than a review of the parcel pages. Without limiting the generality of the foregoing, we have not conducted any searches for compliance of the Charge, the Assignment of Rents or the Debtor's title to the Real Property with the terms of the *Planning Act* (Ontario).

The opinions that we have expressed in this letter are limited to the laws of the Province of Ontario and the federal laws of Canada applicable in Ontario. We trust that the foregoing opinions are satisfactory for your purposes. Should you have any questions or require further clarification in any respect, please do not hesitate to contact us.

Yours very truly,

Aird & Berlis LLP

AIRD & BERLIS LLP

ROYNAT INC.
Applicant

- and -

1000602770 ONTARIO LTD.
Respondent

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

**PROCEEDING COMMENCED
AT KITCHENER, ONTARIO**

**FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS COURT-APPOINTED
RECEIVER OF 1000602770 ONTARIO LTD.**

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Sanjeev Mitra (LSO# 37934U)

Tel: 416-865-3085

Email: smitra@airdberlis.com

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Tel: 416-637-7980

Email: aho@airdberlis.com

Lawyers for the Receiver

ROYNAT INC.
Applicant

- and -

1000602770 ONTARIO LTD.
Respondent

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

FIRST REPORT OF THE RECEIVER

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Sanjeev Mitra (LSO# 37934U)

Tel: 416-865-3085

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Adrienne Ho (LSO# 68439N)

Tel: 416-637-7980

Email: aho@airdberlis.com

Lawyers for the Receiver

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

THURSDAY, THE 21st

JUSTICE <*>

)

DAY OF AUGUST, 2025

)

ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel Inc., solely in its capacity as the Court-appointed receiver (the "**Receiver**") of the assets, undertakings and properties of 1000602770 Ontario Ltd.. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Sale Agreement**") between the Receiver and Jaral Properties Inc. (in trust) dated April 21, 2025 and vesting in the Jaral Properties Inc. (the "**Purchaser**") all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 85 Frederick Street, Kitchener, Ontario.

ON READING the First Report of the Receiver dated July 11, 2025 and Appendices thereto and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Daisy Jin sworn August 8, 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 Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Bordin dated August 8, 2024; (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 including the registrations described in Schedule E hereto but only in respect of the Purchased Assets; 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 are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office (No. 61) 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.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

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

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

may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

8. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-24—00001161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Bordin of the Ontario Superior Court of Justice (the "**Court**") dated August 8, 2024, msi Spergel Inc. was appointed as the receiver (the "**Receiver**") of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "**Debtor**").

B. Pursuant to an Order of the Court dated <*>, the Court approved the agreement of purchase and sale made as of April 21, 2025 (the "**Sale Agreement**") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of 1000602770 Ontario Ltd. and Jaral Properties Inc. (in trust) and provided for the vesting in Jaral Properties Inc. (the "**Purchaser**") of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in 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., solely in its capacity as
Receiver of the undertaking, property and
assets of 1000602770 Ontario Ltd. and not in
its personal, corporate or any other capacity**

Per: _____

Name:

Title:

Schedule B – Purchased Assets

The Purchased Assets, as defined in the Sale Agreement including, without limitation, the Real Property described as follows:

Municipally known as: 225 Southgate Drive, Guelph, Ontario

Legal Description:

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT).

Schedule C – Claims to be Deleted and Expunged from title to Real Property

PIN 71491-0161 (LT)

1. WC712167 , being a charge in favour of Roynat Inc., registered on September 11, 2023;
2. WC712170, being a notice of assignment of rents in favour of Roynat Inc., registered on September 11, 2023;
3. WC737698, being the application of the receivership order registered on August 21, 2024

PIN 71491-0162 (LT)

1. WC712167 , being a charge in favour of Roynat Inc., registered on September 11, 2023;
2. WC712170 , being a notice of assignment of rents in favour of Roynat Inc., registered on September 11, 2023;
3. WC737698, being the application of the receivership order registered on August 21, 2024

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

(unaffected by the Vesting Order)

General Encumbrances:

- a. any reservation or unregistered restrictions, rights of way, easements or covenants that run with the land;
- b. any registered or unregistered agreements or easements with a Governmental Authority or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
- c. any Applicable Laws and non-compliance therewith;
- d. any minor easements for the supply of utility service to the land or adjacent lands;
- e. 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;
- f. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
- g. any reservation limitations, provisos and conditions contained in the original grant from the Crown;
- h. any Land Registrar's registered orders;
- i. any deposited reference plans;
- j. any Work Orders;
- k. any subdivision agreements, site plan agreements, development agreements, and any other agreements with the City of Guelph, publicly regulated utilities or any other Governmental Authority having jurisdiction in respect of the Lands;
- l. zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations; and
- m. minor title defects.

Specific Encumbrances:

PIN 71491-0161 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROS223171, being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS520085Z, being a Best Cov Apl Annex registered on December 31, 1985
6. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

PIN 71491-0162 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROS223171 being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS553439Z, being a restrictive covenant application registered on June 30, 1987
6. ROS586649, being a By-Law registered on November 15, 1988
7. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

**Schedule “E” - PPSA (Ontario) Registrations to be Released but only in respect of the
Purchased Assets**

Date of Registration	Secured Party	File Number	Registration Number	Expiry Date
August 25, 2023	Roynat Inc.	796586265	20230825 1541 1590 7749	Aug. 25, 2031

ROYNAT INC.
Applicant

v.

1000602770 ONTARIO LTD.
Respondents

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

ORDER

AIRD AND BERLIS LLP

181 Bay Street, Suite 1800
Toronto, Ontario, M5J2T9

Sanj Mitra (LSO# 37934U)

Tel : (416) 865-3085

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Email: smitra@airdberlis.com

Adrienne Ho (LSO# 68439N)

Tel: 416-637-7980

Email: aho@airdberlis.com

Lawyers for the Receiver,
msi Spergel Inc.

TAB 4

Court File No. — CV-24-000011161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE —) ~~WEEKDAY~~ THURSDAY, THE #21st
)
JUSTICE — ) DAY OF ~~MONTH~~ AUGUST, ~~20YR~~ 2025

BETWEEN:—

ROYNAT INC.

Applicant

~~PLAINTIFF~~

Plaintiff

- and -

~~DEFENDANT~~

1000602770 ONTARIO LTD.

Respondent

Defendant

APPROVAL AND VESTING ORDER

THIS MOTION, made by ~~[RECEIVER'S NAME]~~ msi Spergel Inc., solely in its capacity as the Court-appointed receiver (the "**Receiver**") of the ~~undertaking, property and assets of~~ ~~[DEBTOR]~~ assets, undertakings and properties of 1000602770 Ontario Ltd. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement ~~of purchase and sale~~ (the "**Sale Agreement**") between the Receiver and ~~[NAME OF PURCHASER]~~ (the "**Purchaser**") ~~dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report")~~, Jaral Properties Inc. (in trust) dated April 21, 2025 and vesting in the Jaral Properties Inc. (the "Purchaser") all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**") and referenced in Schedule "B" hereto, was heard this day ~~at 330 University Avenue, Toronto~~ by judicial videoconference via Zoom at 85 Frederick Street, Kitchener, Ontario.

ON READING the First Report of the Receiver dated July 11, 2025 and Appendices thereto 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]~~ Daisy Jin sworn ~~[DATE]~~ August 8, 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 to the Purchaser.

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

~~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.~~

~~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 generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice ~~[NAME]~~Bordin dated ~~[DATE]~~August 8, 2024; (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 including the registrations described in Schedule E hereto but only in respect of the Purchased Assets; 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 are hereby expunged and discharged as against the Purchased Assets.

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}](No. 61)] 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 directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the

~~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).~~

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".~~

sale⁸, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

6. ~~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 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

~~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.~~

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).~~

7. ~~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.

8. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-24-00001161-0000

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

~~BETWEEN:~~

ROYNAT INC.
~~**PLAINTIFF**~~

~~Plaintiff~~

Applicant

- and -

~~DEFENDANT~~


1000602770 ONTARIO LTD.

Defendant
Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Justice Bordin of the Ontario Superior Court of Justice (the "Court") dated ~~[DATE OF ORDER]~~, ~~[NAME OF RECEIVER]~~ August 8, 2024, msi Spergel Inc. was appointed as the receiver (the "Receiver") of the ~~undertaking, property and assets of [DEBTOR]~~ assets, undertakings and properties of 1000602770 Ontario Ltd. (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]~~ April 21, 2025 (the "Sale Agreement") between the Receiver ~~[Debtor] and [NAME OF PURCHASER]~~ (the "Purchaser", solely in its capacity as court-appointed receiver of all of the property and assets of 1000602770 Ontario Ltd. and Jaral Properties Inc. (in trust)) and provided for the vesting in Jaral Properties Inc. (the "Purchaser") of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in ~~section 1.1~~ of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in ~~section • 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 Spergel Inc.,
solely in its capacity as Receiver of the
undertaking, property and assets of
~~{DEBTOR}~~, 1000602770 Ontario Ltd. and not
in its personal, corporate or any other
capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

The Purchased Assets, as defined in the Sale Agreement including, without limitation, the Real Property described as follows:

Municipally known as: 225 Southgate Drive, Guelph, Ontario

Legal Description:

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT).

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

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1. WC712167 , being a charge in favour of Roynat Inc., registered on September 11, 2023;
2. WC712170, being a notice of assignment of rents in favour of Roynat Inc., registered on September 11, 2023;
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related to the Real Property**

(unaffected by the Vesting Order)

General Encumbrances:

- a. any reservation or unregistered restrictions, rights of way, easements or covenants that run with the land;
- b. any registered or unregistered agreements or easements with a Governmental Authority or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
- c. any Applicable Laws and non-compliance therewith;
- d. any minor easements for the supply of utility service to the land or adjacent lands;
- e. 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;
- f. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
- g. any reservation limitations, provisos and conditions contained in the original grant from the Crown;
- h. any Land Registrar's registered orders;
- i. any deposited reference plans;
- j. any Work Orders;
- k. any subdivision agreements, site plan agreements, development agreements, and any other agreements with the City of Guelph, publicly regulated utilities or any other Governmental Authority having jurisdiction in respect of the Lands;
- l. zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations; and
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3. 61R2072, being a reference plan registered on September 13, 1979
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6. ROS586649, being a By-Law registered on November 15, 1988
7. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

Schedule “E” - PPSA (Ontario) Registrations to be Released but only in respect of the Purchased Assets

<u>Date of Registration</u>	<u>Secured Party</u>	<u>File Number</u>	<u>Registration Number</u>	<u>Expiry Date</u>
<u>August 25, 2023</u>	<u>Roynat Inc.</u>	<u>796586265</u>	<u>20230825 1541</u> <u>1590 7749</u>	<u>Aug. 25,</u> <u>2031</u>

ROYNAT INC. v. 1000602770 ONTARIO LTD.
Applicant Respondents

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

ORDER

AIRD AND BERLIS LLP

181 Bay Street, Suite 1800
Toronto, Ontario, M5J2T9

Sanj Mitra (LSO# 37934U)

Tel : (416) 865-3085
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Email: smitra@airdberlis.com

Adrienne Ho (LSO# 68439N)

Tel: 416-637-7980
Email: aho@airdberlis.com

Lawyers for the Receiver,
[msi Spergel Inc.](#)

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Summary report: Litera Compare for Word 11.9.1.1 Document comparison done on 2025-08-08 2:34:57 PM	
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Intelligent Table Comparison: Active	
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Modified DMS: iw://cloudimanager.com/CM/65390172/1	
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<u>Move To</u>	0
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Table moves from	0
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Embedded Excel	0
Format changes	0
Total Changes:	227

TAB 5

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)	THURSDAY, THE 21 st
)	
JUSTICE _____)	DAY OF AUGUST, 2025

B E T W E E N :

ROYNAT INC.

Applicant

and

1000602770 ONTARIO LTD.

Respondent

DISCHARGE ORDER

THIS MOTION, made by msi Spergel Inc. ("**Spergel**"), in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, for an order, *inter alia*, (i) authorizing and directing the Receiver to make the Distribution (as defined herein) in accordance with the First Report of the Receiver dated July 11, 2025 (the "**First Report**") (ii) approving the First Report and the Receiver's activities described therein, (iii) approving the fees and disbursements of the Receiver and its legal counsel, Aird & Berlis LLP ("**A&B**"), as set out in the First Report, together with the Fee Accrual (as set out in the First Report) to completion of the receivership proceedings, and (iv) discharging Spergel as Receiver of the assets, undertakings and property of the Debtor, effective upon the filing of a certificate by the Receiver, substantially in the form attached hereto as **Schedule "A"** (the "**Discharge Certificate**"), certifying that all matters to be attended to in connection with the receivership proceedings have been completed to the satisfaction of the

Receiver, and other relief, was heard this day by judicial videoconference via judicial videoconference via Zoom at the Courthouse 85 Frederick Street, Kitchener, ON N2H 0H7.

ON READING the First Report, the fee affidavits of the Receiver and A&B, and on hearing the submissions of counsel for the Receiver and such other parties as were present and listed on the Counsel Slip, and no one else appearing although properly served as evidenced by the Affidavit of Service of Daisy Jin sworn August 8, 2025, filed,

SERVICE

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

APPROVAL OF THE RECEIVER'S FIRST REPORT AND ACTIVITIES

2. **THIS COURT ORDERS** that the First Report and the conduct and activities of the Receiver as set out 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, in any way, such approvals.

APPROVAL OF RECEIPTS AND DISBURSEMENTS

3. **THIS COURT ORDERS** the Receiver's Statement of Receipts and Disbursements of the period of as of July 8, 2025, as attached as Appendix 13 to the First Report, be and is hereby approved.

APPROVAL OF FEES AND DISBURSEMENTS

4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver, being fees and disbursements totalling \$35,472.11 (inclusive of HST) are hereby approved.
5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's legal counsel, A&B, being fees and disbursements totalling \$14,460.42 (inclusive of HST), are hereby approved.

6. **THIS COURT ORDERS** that the Fee Accrual in the applicable amount of \$75,000 plus disbursements and HST to the completion of these proceedings, as set out in paragraph 35 of the First Report are hereby approved.

SEALING OF CONFIDENTIAL APPENDICES

7. **THIS COURT ORDERS** that the Confidential Appendices to the First Report shall be and are hereby sealed, kept confidential and shall not form part of the public record until the earlier of (a) the closing of the proposed transaction as defined in the First Report; and (b) further Order of the Court sought on not less than seven (7) days notice to counsel to the Receiver and, provided it has not been discharged, the Receiver.

FINAL DISTRIBUTIONS

8. **THIS COURT ORDERS** that subject to the Receiver maintaining such reserves as the Receiver deems appropriate for the proper administration of the receivership estate, and the payment by the Receiver of the amounts secured under the Receiver's Borrowings Charge (as defined in the Receivership Order), the fees of the Receiver and its legal counsel, A&B, including the Fee Accrual, the Receiver be and is hereby authorized and directed to distribute Roynat Inc, in respect of its secured claim, the net proceeds of realization in these receivership proceedings, but not to exceed the amount of its secured claim (the “**Roynat Distribution**”).
9. **THIS COURT ORDERS** that the Receiver or any other person facilitating payments and distributions pursuant to this Order shall be entitled to deduct and withhold from any such payment or distribution such amounts as may be required to be deducted or withheld under any applicable law and to remit such amounts to the appropriate governmental authority or other person entitled thereto as may be required by such law. To the extent that amounts are so withheld or deducted and remitted to the appropriate governmental authority or other person entitled thereto, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order.

10. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these proceedings and receivership proceedings in respect of the Debtor;

(b) any applications for a bankruptcy order issued pursuant to the *Bankruptcy and Insolvency Act* in respect of the Debtor and any bankruptcy order issued pursuant to any such application;

(c) any assignment in bankruptcy made in respect of the Debtor; and

(d) any provisions of any federal or provincial legislation,

any payment or distributions made pursuant to this Order shall be made free and clear of any and all security interests (whether contractual, statutory or otherwise), 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, and shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of the Debtor and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

DISCHARGE OF THE RECEIVER AND TERMINATION

11. **THIS COURT ORDERS** that upon the Receiver filing with this Court the Discharge Certificate certifying that the Receiver has completed all outstanding receivership matters in connection with its appointment as Receiver in these proceedings, the Receiver shall be unconditionally and absolutely discharged as Receiver, provided, however, that notwithstanding its discharge as Receiver herein, (a) Spergel 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 these proceedings, including all approvals, protections and stays of proceedings in favour of Spergel in its capacity as Receiver.

12. **THIS COURT FURTHER ORDERS AND DECLARES** that, upon the Receiver filing the Discharge Certificate, Spergel is hereby released and discharged from any and all liability that Spergel now 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 herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Spergel 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.
13. **THIS COURT ORDERS** that upon the filing of the Receiver's Discharge Certificate, these proceedings shall be terminated without the need for any further authorization or approval.

GENERAL

14. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any other foreign jurisdiction 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.
 15. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.
-

Schedule A – Form of Receiver’s Discharge Certificate

Court File No. CV-24-00001161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

ROYNAT INC.

Applicant

and

1000602770 ONTARIO LTD.

Respondent

RECEIVER’S DISCHARGE CERTIFICATE

A. By Order of the Ontario Superior Court of Justice dated August 8, 2024 (the “**Receivership Order**”), msi Spergel Inc. (“**Spergel**”) was appointed as the receiver (the “**Receiver**”), without security, of all of the assets, undertakings and properties of 10000602770 Ontario Ltd. (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor.

B. Pursuant to an Order of the Court dated <*> (the “**Discharge Order**”), the Court provided for the discharge of the Receiver upon the Receiver filing this certificate with the Court certifying that the Receiver has, to its knowledge, completed all outstanding receivership matters in connection with its appointment as Receiver in these proceedings (the “**Outstanding Matters**”).

1. **THE RECEIVER CERTIFIES** the following:

- (a) all matters to be attended to in connection with the receivership proceedings of the Debtor, including the payment of the Roynat Distribution in accordance with

paragraph 7 of the Discharge Order, have been completed to the satisfaction of the Receiver; and

- (b) this Certificate was filed by the Receiver with the Court on the _____ day of _____, 20____.

msi Spergel Inc., solely in its capacity as court-appointed receiver of the assets, undertakings and properties of 1000602770 Ontario Ltd, and not in its personal, corporate, or any other capacity

Per: _____

Name:

Title:

ROYNAT INC.

Applicant

and

1000602770 ONTARIO LTD.

Respondent

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT KITCHENER,
ONTARIO

RECEIVER'S DISCHARGE CERTIFICATE

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Sanjeev Mitra (LSO# 37934U)

Tel: 416-865-3085

Email: smitra@airdberlis.com

Adrienne Ho (LSO# 68439N)

Tel: 416-637-7980

Email: aho@airdberlis.com

Lawyers for the Receiver

ROYNAT INC.

and

1000602770 ONTARIO LTD.

Applicant

Respondent

Court File No. CV-24-00001161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT KITCHENER,
ONTARIO

DISCHARGE ORDER

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Sanjeev Mitra (LSO# 37934U)

Tel: 416-865-3085

Email: smitra@airdberlis.com

Adrienne Ho (LSO# 68439N)

Tel: 416-637-7980

Email: aho@airdberlis.com

Lawyers for the Receiver

TAB 6

Court File No. ~~—~~CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
~~COMMERCIAL LIST~~

THE HONOURABLE ~~—~~) ~~WEEKDAY~~THURSDAY, THE #21st
JUSTICE ~~—~~) DAY OF ~~MONTH~~AUGUST, ~~20YR~~2025
_____)

B E T W E E N :

ROYNAT INC.

~~PLAINTIFF~~ Applicant

~~Plaintiff~~

~~—and—~~

~~DEFENDANT~~

1000602770 ONTARIO LTD.

Respondent

~~Defendant~~

DISCHARGE ORDER

THIS MOTION, made by ~~[RECEIVER'S NAME]~~msi Spergel Inc. ("Spergel"), in its capacity as the Court-appointed receiver (~~the "Receiver"~~) ~~of the undertaking, property and assets of [DEBTOR] (the "Debtor"), for an order:-~~

~~1.~~in such capacity, the "Receiver", without security, of all of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, for an order, *inter alia*, (i) authorizing and directing the Receiver to make the Distribution (as defined herein) in accordance with the First Report of the Receiver dated July 11, 2025 (the "First Report") (ii) approving the First Report and the Receiver's activities described

~~therein, (iii) approving the activities of the Receiver as set out in the report of the Receiver dated [DATE] (the "Report");~~

~~2. approving the fees and disbursements of the Receiver and its ~~counsel~~; legal counsel, Aird & Berlis LLP ("A&B"), as set out in the First Report, together with the Fee Accrual (as set out in the First Report) to completion of the receivership proceedings, and (iv) discharging Spergel as Receiver of the assets, undertakings and property of the Debtor, effective upon the filing of a certificate by the Receiver, substantially in the form attached hereto as Schedule "A" (the "Discharge Certificate"), certifying that all matters to be attended to in connection with the receivership proceedings have been completed to the satisfaction of the Receiver, and other relief, was heard this day by judicial videoconference via judicial videoconference via Zoom at the Courthouse 85 Frederick Street, Kitchener, ON N2H 0H7.~~

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

~~4. discharging [RECEIVER'S NAME] as Receiver of the undertaking, property and assets of the Debtor; and~~

~~5. releasing [RECEIVER'S NAME] from any and all liability, as set out in paragraph 5 of this Order¹;~~

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

ON READING the First Report, the fee affidavits of the Receiver and ~~its counsel as to fees~~ (the "Fee Affidavits") A&B, and on hearing the submissions of counsel for the Receiver, ~~and such~~ other parties as were present and listed on the Counsel Slip, and no one else appearing although properly served as evidenced by the Affidavit of ~~[NAME]~~ Service of Daisy Jin sworn ~~[DATE]~~ August 8, 2025, filed²; ~~2~~

SERVICE

¹ If this relief is being sought, stakeholders should be specifically advised, and given ample notice. See also Note 4, below.

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

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

APPROVAL OF THE RECEIVER'S FIRST REPORT AND ACTIVITIES

2. ~~1.~~ THIS COURT ORDERS that the First Report and the conduct and activities of the Receiver, ~~as set out in the Report,~~ 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, in any way, such approvals.

APPROVAL OF RECEIPTS AND DISBURSEMENTS

3. THIS COURT ORDERS the Receiver's Statement of Receipts and Disbursements of the period of as of July 8, 2025, as attached as Appendix 13 to the First Report, be and is hereby approved.

APPROVAL OF FEES AND DISBURSEMENTS

4. ~~2.~~ THIS COURT ORDERS that the fees and disbursements of the Receiver ~~and its counsel, as set out in the Report and the Fee Affidavits,~~ being fees and disbursements totalling \$35,472.11 (inclusive of HST) are hereby approved.
5. ~~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~~ of the Receiver's legal counsel, A&B, being fees and disbursements totalling \$14,460.42 (inclusive of HST), are hereby approved.
6. THIS COURT ORDERS that the Fee Accrual in the applicable amount of \$75,000 plus disbursements and HST to the completion of these proceedings, as set out in paragraph 35 of the First Report are hereby approved.

SEALING OF CONFIDENTIAL APPENDICES

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

7. **THIS COURT ORDERS** that the Confidential Appendices to the First Report shall be and are hereby sealed, kept confidential and shall not form part of the public record until the earlier of (a) the closing of the proposed transaction as defined in the First Report; and (b) further Order of the Court sought on not less than seven (7) days notice to counsel to the Receiver and, provided it has not been discharged, the Receiver.

FINAL DISTRIBUTIONS

8. **THIS COURT ORDERS** that subject to the Receiver maintaining such reserves as the Receiver deems appropriate for the proper administration of the receivership estate, and the payment by the Receiver of the amounts secured under the Receiver's Borrowings Charge (as defined in the Receivership Order), the fees of the Receiver and its legal counsel, A&B, including the Fee Accrual, the Receiver be and is hereby authorized and directed to distribute Roynat Inc, in respect of its secured claim, the net proceeds of realization in these receivership proceedings, but not to exceed the amount of its secured claim (the "**Royrat Distribution**").
9. **THIS COURT ORDERS** that the Receiver or any other person facilitating payments and distributions pursuant to this Order shall be entitled to deduct and withhold from any such payment or distribution such amounts as may be required to be deducted or withheld under any applicable law and to remit such amounts to the appropriate governmental authority or other person entitled thereto as may be required by such law. To the extent that amounts are so withheld or deducted and remitted to the appropriate governmental authority or other person entitled thereto, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order.
10. **THIS COURT ORDERS** that, notwithstanding:
- (a) the pendency of these proceedings and receivership proceedings in respect of the Debtor;

(b) any applications for a bankruptcy order issued pursuant to the *Bankruptcy and Insolvency Act* in respect of the Debtor and any bankruptcy order issued pursuant to any such application;

(c) any assignment in bankruptcy made in respect of the Debtor; and

(d) any provisions of any federal or provincial legislation,

any payment or distributions made pursuant to this Order shall be made free and clear of any and all security interests (whether contractual, statutory or otherwise), 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, and shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of the Debtor and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

DISCHARGE OF THE RECEIVER AND TERMINATION

11. ~~4. THIS COURT ORDERS~~ that upon ~~payment of the amounts set out in paragraph 3 hereof [and upon~~ the Receiver filing ~~a certificate~~ with this Court the Discharge Certificate certifying that ~~the Receiver~~ the Receiver has completed ~~the other activities described in the Report]~~ all outstanding receivership matters in connection with its appointment as Receiver in these proceedings, the Receiver shall be unconditionally and absolutely discharged as Receiver ~~of the undertaking, property and assets of the Debtor~~, provided, however, that notwithstanding its discharge as Receiver herein, (a) ~~the Receiver~~ Spergel 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~~ these proceedings, including all approvals,

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

12. ~~5. [THIS COURT FURTHER ORDERS AND DECLARES that [RECEIVER'S NAME], upon the Receiver filing the Discharge Certificate, Spergel~~ is hereby released and discharged from any and all liability that ~~[RECEIVER'S NAME]~~Spergel now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of ~~[RECEIVER'S NAME]~~Spergel 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] is~~Spergel 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

13. THIS COURT ORDERS that upon the filing of the Receiver's Discharge Certificate, these proceedings shall be terminated without the need for any further authorization or approval.

GENERAL

14. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any other foreign jurisdiction 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.

⁴The 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.

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

Schedule A – Form of Receiver’s Discharge Certificate

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N :

ROYNAT INC.

Applicant

and

1000602770 ONTARIO LTD.

Respondent

RECEIVER’S DISCHARGE CERTIFICATE

A. By Order of the Ontario Superior Court of Justice dated August 8, 2024 (the “Receivership Order”), msi Spergel Inc. (“Spergel”) was appointed as the receiver (the “Receiver”), without security, of all of the assets, undertakings and properties of 10000602770 Ontario Ltd. (the “Debtor”) acquired for, or used in relation to a business carried on by the Debtor.

B. Pursuant to an Order of the Court dated <*> (the “Discharge Order”), the Court provided for the discharge of the Receiver upon the Receiver filing this certificate with the Court certifying that the Receiver has, to its knowledge, completed all outstanding receivership matters in connection with its appointment as Receiver in these proceedings (the “Outstanding Matters”).

1. THE RECEIVER CERTIFIES the following:

- (a) all matters to be attended to in connection with the receivership proceedings of the Debtor, including the payment of the Roynat Distribution in accordance with

paragraph 7 of the Discharge Order, have been completed to the satisfaction of the Receiver; and

(b) this Certificate was filed by the Receiver with the Court on the _____ day of _____, 20____.

msi Spergel Inc., solely in its capacity as court-appointed receiver of the assets, undertakings and properties of 1000602770 Ontario Ltd, and not in its personal, corporate, or any other capacity

Per: _____

Name:

Title:

ROYNAT INC.

and

1000602770 ONTARIO LTD.

Applicant

Respondent

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT KITCHENER,
ONTARIO

RECEIVER'S DISCHARGE CERTIFICATE

AIRD & BERLIS LLP

Brookfield Place

181 Bay Street, Suite 1800

Toronto, ON M5J 2T9

Sanjeev Mitra (LSO# 37934U)

Tel: 416-865-3085

Email: smitra@airdberlis.com

Adrienne Ho (LSO# 68439N)

Tel: 416-637-7980

Email: aho@airdberlis.com

Lawyers for the Receiver

<u>ROYNAT INC.</u>	<u>and</u>	<u>1000602770 ONTARIO LTD.</u>
<u>Applicant</u>		<u>Respondent</u>
		<u>Court File No. CV-24-00001161-0000</u>
		<u>ONTARIO</u> <u>SUPERIOR COURT OF JUSTICE</u> <u>PROCEEDING COMMENCED AT KITCHENER,</u> <u>ONTARIO</u>
		<u>DISCHARGE ORDER</u>
		<u>AIRD & BERLIS LLP</u> <u>Brookfield Place</u> <u>181 Bay Street, Suite 1800</u> <u>Toronto, ON M5J 2T9</u> <u>Sanjeev Mitra (LSO# 37934U)</u> <u>Tel: 416-865-3085</u> <u>Email: smitra@airdberlis.com</u> <u>Adrienne Ho (LSO# 68439N)</u> <u>Tel: 416-637-7980</u> <u>Email: aho@airdberlis.com</u> <u>Lawyers for the Receiver</u>

Summary report: Litera Compare for Word 11.9.1.1 Document comparison done on 2025-08-08 2:29:20 PM	
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<u>Table Insert</u>	3
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
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Embedded Excel	0
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TAB 7

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ROYNAT INC.

Applicant

and

1000602770 ONTARIO INC.

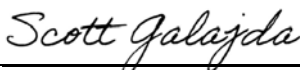
Respondent

CONSENT

The undersigned purchaser, by its lawyer, hereby approves the order in the form attached hereto as **Schedule “A”**.

The lawyers for the parties certify that the order being consented to does not affect the rights of any person under disability.

Date: August 8, 2025



Scott Galajda
Galajda Law
Lawyer for Jaral Properties
Inc., the proposed Purchaser

Schedule "A"

Court File No. CV-24-000011161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

THURSDAY, THE 21ST

JUSTICE <*>

)

DAY OF AUGUST, 2025

)

ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel Inc., solely in its capacity as the Court-appointed receiver (the "**Receiver**") of the assets, undertakings and properties of 1000602770 Ontario Ltd.. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Sale Agreement**") between the Receiver and Jaral Properties Inc. (in trust) dated April 21, 2025 and vesting in the Jaral Properties Inc. (the "**Purchaser**") all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 85 Frederick Street, Kitchener, Ontario.

ON READING the First Report of the Receiver dated July 11, 2025 and Appendices thereto and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Daisy Jin sworn August 8, 2025.

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 Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Bordin dated August 8, 2024; (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 including the registrations described in Schedule E hereto but only in respect of the Purchased Assets; 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 are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office (No. 61) 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.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

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

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

may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

8. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-24—00001161-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Bordin of the Ontario Superior Court of Justice (the "**Court**") dated August 8, 2024, msi Spergel Inc. was appointed as the receiver (the "**Receiver**") of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "**Debtor**").

B. Pursuant to an Order of the Court dated <*>, the Court approved the agreement of purchase and sale made as of April 21, 2025 (the "**Sale Agreement**") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of 1000602770 Ontario Ltd. and Jaral Properties Inc. (in trust) and provided for the vesting in Jaral Properties Inc. (the "**Purchaser**") of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in 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., solely in its capacity as
Receiver of the undertaking, property and
assets of 1000602770 Ontario Ltd. and not in
its personal, corporate or any other capacity**

Per: _____

Name:

Title:

Schedule B – Purchased Assets

The Purchased Assets, as defined in the Sale Agreement including, without limitation, the Real Property described as follows:

Municipally known as: 225 Southgate Drive, Guelph, Ontario

Legal Description:

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT).

Schedule C – Claims to be Deleted and Expunged from title to Real Property

PIN 71491-0161 (LT)

1. WC712167 , being a charge in favour of Roynat Inc., registered on September 11, 2023;
2. WC712170, being a notice of assignment of rents in favour of Roynat Inc., registered on September 11, 2023;
3. WC737698, being the application of the receivership order registered on August 21, 2024

PIN 71491-0162 (LT)

1. WC712167 , being a charge in favour of Roynat Inc., registered on September 11, 2023;
2. WC712170 , being a notice of assignment of rents in favour of Roynat Inc., registered on September 11, 2023;
3. WC737698, being the application of the receivership order registered on August 21, 2024

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

(unaffected by the Vesting Order)

General Encumbrances:

- a. any reservation or unregistered restrictions, rights of way, easements or covenants that run with the land;
- b. any registered or unregistered agreements or easements with a Governmental Authority or a supplier of utility services including without limitation, electricity, water, sewage, gas, telephone or cable television or any other telecommunication service;
- c. any Applicable Laws and non-compliance therewith;
- d. any minor easements for the supply of utility service to the land or adjacent lands;
- e. 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;
- f. any exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
- g. any reservation limitations, provisos and conditions contained in the original grant from the Crown;
- h. any Land Registrar's registered orders;
- i. any deposited reference plans;
- j. any Work Orders;
- k. any subdivision agreements, site plan agreements, development agreements, and any other agreements with the City of Guelph, publicly regulated utilities or any other Governmental Authority having jurisdiction in respect of the Lands;
- l. zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations; and
- m. minor title defects.

Specific Encumbrances:

PIN 71491-0161 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROS223171, being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS520085Z, being a Best Cov Apl Annex registered on December 31, 1985
6. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

PIN 71491-0162 (LT)

1. MS57023, being a By-Law registered on July 8, 1966
2. MS59544, being a By-Law registered on October 20, 1966
3. 61R2072, being a reference plan registered on September 13, 1979
4. ROS223171 being a transfer of easement to Guelph Hydro registered on October 12, 1979
5. ROS553439Z, being a restrictive covenant application registered on June 30, 1987
6. ROS586649, being a By-Law registered on November 15, 1988
7. WC243602 being a Notice regarding airport zoning registered on May 4, 2009

**Schedule “E” - PPSA (Ontario) Registrations to be Released but only in respect of the
Purchased Assets**

Date of Registration	Secured Party	File Number	Registration Number	Expiry Date
August 25, 2023	Roynat Inc.	796586265	20230825 1541 1590 7749	Aug. 25, 2031

ROYNAT INC.
Applicant

v.

1000602770 ONTARIO LTD.
Respondents

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

ORDER

AIRD AND BERLIS LLP
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Lawyers for the Receiver,
msi Spergel Inc.

ROYNAT INC.

Applicant

-and-

1000602770 ONTARIO INC.

Respondent

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

CONSENT

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Lawyers for the Receiver,
msi Spergel Inc.

TAB 8

**SERVICE LIST
(CURRENT AS OF AUGUST 7, 2025)**

TO:	<p>HARRISON PENZA LLP Barristers & Solicitors 130 Dufferin Avenue, Suite 1101 London, ON N6A 5R2</p> <p>Timothy C. Hogan Email: thogan@harrisonpensa.com</p> <p>Robert Danter Email: rdanter@harrisonpensa.com</p> <p>Tel: (519) 679-9660 Fax: (519) 667-3362</p> <p><i>Lawyers for the Applicant, Roynat Inc.</i></p>
AND TO:	<p>1000602770 ONTARIO LTD. 15 Tawse Place Puslinch, ON N0B 2J0</p> <p><i>Respondent</i></p>
AND TO:	<p>TRISTAR CARRIERS LTD. 15 Tawse Pl. Puslinch, ON N0B 2J0</p> <p>Email: charnjit@tristarcarrriers.net; dave@tristarcarrriers.net; dani@tristarcarrriers.net; parminder@tristarcarrriers.net</p> <p><i>Guarantor</i></p>
AND TO:	<p>MSI SPERGEL INC. 505 Consumers Road, Suite 200 Toronto, ON M2J 4V8</p> <p>Mukul Manchanda Tel: (416) 498-4314 Fax: (416) 498-4314 Email: mmanchanda@spergel.ca</p> <p><i>Receiver</i></p>

AND TO:	AIRD & BERLIS LLP Brookfield Place 181 Bay Street, Suite 1800 Toronto, ON M5J 2T9 Sanjeev Mitra Tel: 416-865-3085 Email: smitra@airdberlis.com Adrienne Ho Tel: 416-637-7980 Email: aho@airdberlis.com <i>Lawyers for the Receiver</i>
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AND TO:	PARMINDER SINGH GREWAL 13 Ochs Drive Morriston, ON N0B 2C0 Email: parminder@tristarcarrriers.net
AND TO:	CANADA REVENUE AGENCY c/o Department of Justice Ontario Regional Office 120 Adelaide St. W., Suite 400 Toronto, ON M5H 1T1 Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca

AND TO:	HIS MAJESTY THE KING IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTRY OF FINANCE Revenue Collections Branch – Insolvency Unit 33 King Street W., P.O. Box 627 Oshawa, ON L1H 8H5 Email: insolvency.unit@ontario.ca
AND TO:	CITY OF GUELPH 1 Carden Street Guelph, ON N1H 3A1 Email: tax@guelph.ca

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ROYNAT INC.
Applicant

- and -

1000602770 ONTARIO LTD.
Respondent

Court File No. CV-24-00001161-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

MOTION RECORD
(Returnable August 21, 2025)

AIRD & BERLIS LLP

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