

ONTARIO

SUPERIOR COURT OF JUSTICE

B E T W E E N :

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

2203824 ONTARIO INC.

Respondent

**MOTION RECORD
(returnable May 16, 2018)**

DEVRY SMITH FRANK *LLP*
Lawyers & Mediators
95 Barber Greene Road, Suite 100
Toronto, ON M3C 3E9

LAWRENCE HANSEN
LSUC No. 41098W

SARA MOSADEQ
LSUC No. 67864K

Tel.: 416-449-1400
Fax: 416- 449-7071

Lawyers for the receiver msi Spergel Inc.

TO: SERVICE LIST (see attached)

SERVICE LIST

<p>MOLDAVER BARRISTERS 365 Bloor Street East, Suite 1608 Toronto, Ontario M4W 3L4</p> <p>BRETT MOLDAVER Tel.: 416-238-4123 Fax: 416-929-9604 Email: brett@moldaverbarristers.com</p> <p>Lawyers for the respondent 2203284 Ontario Inc. Luigi Santaguida and Mary Lou Santaguida (Forth and Fifth Mortgagee)</p>	<p>TORYS LLP 79 Wellington Street West, Suite 3000 Toronto, Ontario M5K 1N2</p> <p>ADAM SLAVENS Tel.: 416-865-7333 Fax: 416-865-7380 Email: aslavens@torys.com</p> <p>Lawyers for Taron Warranty Corporation</p>
<p>DEVRY SMITH FRANK LLP Lawyers & Mediators 95 Barber Greene Road, Suite 100 Toronto, Ontario M3C 3E9</p> <p>LAWRENCE HANSEN Tel.: 416-449-1400 Fax: 416- 449-7071 Email: lawrence.hansen@devrylaw.ca</p> <p>Lawyers for the receiver msi Spergel Inc.</p>	<p>BORDEN LADNER GERVAIS LLP Barristers & Solicitors Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, Ontario MH 4E3</p> <p>ALEX MACFARLANE Tel.: 416-367-6305 Fax: 416-367-6749 amacfarlane@blg.com</p> <p>Lawyers for the Second Mortgagee The Guarantee Company of North America</p>
<p>ROBINS APPLEBY 120 Adelaide Street West, Suite 2600 Toronto, Ontario M5H 1T1</p> <p>DOMINIQUE MICHAUD Tel.: 416-360-3795 Fax: 416-868-0306 Email: dmichaud@robapp.com</p> <p>Lawyers for Diversified Capital Inc. (Third Mortgagee)</p>	<p>1220356 ONTARIO LIMITED and TARAGAR HOLDINGS LIMITED c/o AVENUE CAPITAL MORTGAGE ADMINISTRATION INC. 480 Lawrence Street West, 4th Floor Toronto, Ontario M5M 1C4</p> <p>Tel.: 416-225-0555 Fax: 647-438-2006</p>
<p>HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTRY OF FINANCE 33 King Street West, 6th Floor Oshawa, Ontario L1H 1A1</p>	<p>CANADA REVENUE AGENCY c/o DEPARTMENT OF JUSTICE 130 King Street West, Suite 3400 Toronto, Ontario M5X 1K6</p> <p>RAHKEE BHANDARI</p>

<p>KEVIN J. O'HARA Tel.: 905-433-6934 Fax: 905-436-4510 Email: kevin.ohara@ontario.ca</p>	<p>Tel.: 416-973-3172 Fax: 416-973-0810 Email: rahkee.bhandari@justice.gc.ca</p>
<p>ATKINSON LAW PROFESSIONAL CORPORATION 100 King Street West, Suite 5700 Toronto, Ontario M5X 1C7</p> <p>RYAN ATKINSON Tel.: 416-275-9702 Fax: 416-516-2208 Email: ryan@atkinsonlaw.ca</p> <p>Lawyers for CORFinancial Corp.</p>	<p>DESJARDINS FINANCIAL SECURITY C/O AVISON YOUNG PROPERTY MANAGEMENT SERVICES ONTARIO INC.</p> <p>ELIZABETH MCKINLAY 6200 Dixie Road, Suite 204 Mississauga, Ontario L5T 2E1</p>
<p>SIMPSON WIGLE LAW LLP 1 Hunter Street East, Suite 200 P.O. Box 990 Hamilton, Ontario L8N 3R1</p> <p>DAVID JACKSON Tel.: 905-528-8411 Fax: 905-528-9008 Email: jacksond@simpsonwigle.com</p> <p>Lawyers for Duca Financial Services Credit Union Ltd.</p>	<p>ZIMMERMAN ASSOCIATES Barristers and Solicitors 3338 Dufferin Street Toronto, Ontario M6A 3A4</p> <p>LAWRENCE ZIMMERMAN</p> <p>Tel.: 416-489-9222 Fax: 416-486-6222 Email: larry@zimlaw.ca</p>
<p>SCHNEIDER RUGGIERO LAW 120 Adelaide Street West, Suite 1000 Toronto, Ontario M5H 3V1</p> <p>GEORGE RUGGIERO</p> <p>Tel.: 416-363-2212 Fax: 416-363-0645 Email: gruggiero@srlawpractice.com</p>	<p>ROSS & McBRIDE LLP Law Firm 1 King Street West – 10th Floor Hamilton, Ontario L8P 1A4</p> <p>RENATA KIS</p> <p>Tel.: 905-526-9800 Fax: 905-526-0732 rkis@rossmcbride.com</p> <p>Lawyers for McCallum Sather Architects Inc.</p>

INDEX

ONTARIO

SUPERIOR COURT OF JUSTICE

B E T W E E N :

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

2203284 ONTARIO INC.

Respondent

INDEX

TAB	DOCUMENT	PAGE NO.
1	Notice of motion (returnable May 16, 2018)	
2	First Report of the Receiver dated May 3, 2018	
A	Appendix A - Order of Madam Justice Conway	
B	Appendix B - Notice of Motion and Affidavit of Deborah Hornbostel sworn July 17, 2017 (excluding exhibits)	
C	Appendix C - Court Order dated July 21, 2017 issued by the Honourable Madam Justice Conway	
D	Appendix D - General Ledger Account of Santerra Asset Management and Development Inc. (" Santerra ")	
E	Appendix E - Corporate Profile Search of Santerra	
F	Appendix F - Correspondence to Marylou Santaguida dated October 26, 2017	
G	Appendix G - Cheque to Zimmerman and Bank Reconciliations dated June 30, 2017 and July 25, 2017	
H	Appendix H - Correspondence to Zimmerman dated August 23, 2017	

I	Appendix I -	Correspondence to B. Moldaver dated April 23, 2018
J	Appendix J -	Statement of Account dated April 17, 2018 from the City of Hamilton Regarding Property Taxes
K	Appendix K -	MLS Listing as at August 1, 2017
L	Appendix L -	CBRE Marketing Report dated September 7, 2017
M	Appendix M -	Redacted Executed Agreement of Purchase & Sale with Hue Developments & Investments Canada Inc.
N	Appendix N -	Correspondence dated December 20, 2017 to Unit Purchasers Pursuant to Prebuild Agreements
O	Appendix O -	Correspondence dated March 6, 2018 to Unit Purchasers Pursuant to Prebuild Agreements
P	Appendix P	Deposit Claims Procedure Order
Q	Appendix Q -	Parcel Register dated May 3, 2018
R	Appendix R -	Independent Legal Opinion on DUCA's Mortgage Security
S	Appendix S -	Correspondence dated November 6, 2017 to Ross & McBride LLP
T	Appendix T -	Person Property Security Search dated June 21, 2017
U	Appendix U -	Statement of Account from DUCA dated April 13, 2018
V	Appendix V -	Receiver's Notice and Statement of The Receiver (section 245 notice)
W	Appendix W -	Interim Statement of Receipts & Disbursements as at April 30, 2018
X	Appendix X -	Affidavit of Deborah Hornbostel dated May 3, 2018 regarding Receiver's Fees
Y	Appendix Y -	Affidavit of Sara Mosadeq dated May 3, 2018 regarding Receiver's Counsel's Fees and Disbursements

LIST OF CONFIDENTIAL APPENDICES

- A** Appendix A - Opinion of Value Letter from CBRE dated July 14, 2017
- B** Appendix B - Summary of Marketing Proposals
- C** Appendix C - Summary of Offers Received
- D** Appendix D - Executed Agreement of Purchase and Sale with Hue Developments & Investments Canada Inc.
- E** Appendix E - Appraisal by Cushman Wakefield Ltd. dated August 22, 2017
- F** Appendix F - Appraisal by Antec Appraisal Group Inc. dated August 4, 2017

TAB 1

ONTARIO

SUPERIOR COURT OF JUSTICE

B E T W E E N :

DUCA FINANCIAL SERVICES CREDIT LTD.

Applicant

- and -

2203824 ONTARIO INC.

Respondent

NOTICE OF MOTION

msi Spergel Inc., in its capacity as court appointed receiver (the “Receiver”) of the assets, undertakings and properties of 2203824 Ontario Inc. (the “Debtor”), will make a motion to a Judge presiding over the Ontario Superior Court of Justice (Commercial List) on Thursday, May 16, 2018 at 10:00 a.m. or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: Orally.

THE MOTION IS FOR:

1. An Order, if necessary, abridging the time for service and filing of the Notice of Motion and the materials which accompany it herein, or in the alternative, dispensing with same;
2. An Order approving and authorizing the Receiver to complete the sale of the property known municipally as 98 James Street South, Hamilton, Ontario (the “Property”) to the proposed purchaser, Hue Developments & Investments Canada Inc. (“Hue”) pursuant to the Agreement of Purchase and Sale dated February 12, 2018 (the “Transaction”);

3. An Order, substantially in the form of the model approval and vesting order, vesting in Hue, or as it may direct, all right, title and interest in and to the Property, free and clear of any claims and encumbrances;
4. An Order sealing:
 - (a) Opinion of Value Letter from CBRE dated July 14, 2017;
 - (b) Summary of Marketing Proposals;
 - (c) Summary of Offers received;
 - (d) Executed Agreement of Purchase and Sale with Hue;
 - (e) Appraisal Report by Cushman Wakefield Ltd. dated August 22, 2017; and
 - (f) Appraisal by Antec Appraisal Group Inc.(collectively the “Confidential Appendices”).
5. An Order authorizing and approving the distribution by the Receiver to DUCA Financial Services Credit Ltd. (“DUCA”), to fully retire its mortgage debts from the anticipated sale proceeds upon completion of the Transaction;
6. An Order discharging the Construction Lien and Certificate registered by McCallum Sather Architects Inc., as instrument no. WE1231330 and instrument no. WE1242330 respectively;
7. An Order requiring Schneider Ruggiero LLP (“SR Law”) to pay to the Receiver all funds held in trust for the Debtor;
8. An Order authorizing and approving a Deposit Claims Procedure subject to the completion of the transaction;
9. An Order authorizing and directing the Receiver to make distributions to unit purchasers in respect of their proven deposit claims;

10. An Order approving and authorizing the Deposit Payment Protocol which forms part of the Deposit Claims Procedure Order;
11. An Order requiring Lawrence Zimmerman, aka Larry Zimmerman and Zimmerman Associates to pay \$10,500 to the Receiver with respect to funds received from the Debtor subsequent to the issuance of the Receivership Order;
12. An Order requiring Luigi Santaguida also known as Louie Santaguida ("Mr. Santaguida"), the sole director/officer of the Debtor, to attend an examination before the Receiver;
13. An Order requiring Marylou Santaguida ("Ms. Santaguida"), the sole director/officer of Santerra Asset Management and Development Inc. ("Santerra"), to attend an examination before the Receiver and to provide the Receiver with a complete explanation and accounting of all funds received by Santerra from the Debtor including supporting documentation to substantiate the value of services and work performed by Santerra, if any;
14. An Order approving the actions and activities of the Receiver as set out in the First Report of the Receiver dated May 4, 2018;
15. An Order approving the Receiver's Interim Statement of Receipts and Disbursements set out in the First Report;
16. An Order approving the Fees and Disbursements of counsel for the Receiver, Devry Smith Frank LLP, as set out in the First Report; and
17. Such further and other relief as counsel for the Receiver may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. Upon its appointment, the Receiver commenced dealing with the transition as quickly and effectively as possible in order to ensure that the process was completed in a timely manner.
2. The Receiver has dealt with issues in relation to:
 - a) Securing access to the Property and arranging for regular site inspections and property maintenance;
 - b) Obtaining insurance for the Property;
 - c) Retrieving the pre-build purchase agreements from the Debtor's office premises;
 - d) Reviewing the financial transactions of the Debtor following the advance made by DUCA;
 - e) Sent correspondence to Ms. Santaguida with respect to the fourth and fifth mortgages registered against the Property;
 - f) Obtained from the Debtor's bookkeeper, accounting information consisting of Quick Books, bank reconciliations and financial statements;
 - g) Sent correspondence to Lawrence Zimmerman with respect to the return of \$10,500 paid by the Debtor to Mr. Zimmerman on July 25, 2017;
 - h) Met with the City of Hamilton to discuss the status of the site plan approval;
 - i) Obtained a detailed accounting of all deposits received by SR Law in relation to deposits paid by purchasers pursuant to the pre-build purchase agreements;
 - j) Negotiating and arranging for the sale of the Property;
 - k) Negotiating and entering into a marketing agreement with CBRE;
 - l) To work with CBRE to develop a marketing plan for the sale of the Property;
 - m) To review the offers to purchase received by CBRE;
 - n) To negotiate the terms of the agreement of purchase and sale with Lifestyle Custom Homes Inc., and to deal with the termination of the sale transaction;
 - o) To negotiate the terms of the agreement of purchase and sale with Hue; and
 - p) To review the issue in relation to property tax arrears.

all of which are set out in detail in the First Report of the Receiver dated May 3, 2018;

3. The sale to Hue is in the Receiver's view, commercially reasonable and represents a viable recovery method for the stakeholders of the Debtor;
4. Given the commercial sensitivity of the Confidential Appendices, they ought to be sealed pending the completion of the sale transaction to Hue;
5. DUCA is the first mortgagee with respect to the Property and there is no dispute as to the priority of DUCA's first mortgage. The Receiver has vetted DUCA's mortgage debt and has approved the full amount owing to DUCA as of June 5, 2018 in the amount of \$5,590,401.19;
6. The Construction Lien and Certificate registered by McCallum Sather Architects Inc., against the Property was not perfected in accordance with the *Construction Lien Act*, and accordingly ought to be discharged from title to the Property;
7. SR Law holds deposits in trust for the Debtor, which ought to be delivered to the Receiver so that the Receiver may process the return of the deposits pursuant to a Deposit Claims Procedure. To date, SR Law has refused to deliver the deposits to the Receiver on the basis of unpaid legal accounts;
8. Lawrence Zimmerman aka Larry Zimmerman and Zimmerman Associates received a cheque in the amount of \$10,500 from the Debtor subsequent to the issuance of the Receivership Order and has refused to deliver same to the Receiver;
9. The Receiver has attempted to obtain information and documents from Mr. Santaguida, the sole director/officer of the Debtor, but to date Mr. Santaguida has been uncooperative;

10. Following the receipt of mortgage funds from DUCA, the Debtor transferred \$3,457,025.19 to Santerra. The sole director/officer of Santerra is Ms. Santaguida, the wife of Mr. Santaguida. Ms. Santaguida is also the fourth and fifth mortgagee on the Property. The Receiver has attempted to contact Santerra and Ms. Santaguida to obtain information with respect to the advances made by the Debtor to Santerra and the mortgages held by Ms. Santaguida, but to date, the Receiver has not received a response.
11. Section 100 and 137(2) the *Courts of Justice Act*;
12. Section 31, 37, and 45 of the *Construction Lien Act*;
13. Rules 1.04, 1.05, 3.02(1), and 3.02(2), 16.04, and 37 of the *Rules of Civil Procedure*; and,
14. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

1. The First Report to Court of the Receiver and the appendices attached thereto; and,
2. Such further and other evidence as counsel may advise and this Honourable Court may permit.

May 3, 2018

DEVRY SMITH FRANK *LLP*
Lawyers & Mediators
95 Barber Greene Road, Suite 100
Toronto, ON M3C 3E9

LAWRENCE HANSEN
LSUC #41098W

Tel.: 416-449-1400

Fax: 416- 449-7071

Lawyers for the Receiver
msi Spergel Inc.

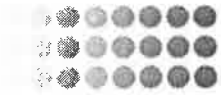
TO: THE SERVICE LIST
(see attached)

SERVICE LIST

<p>MOLDAVER BARRISTERS 365 Bloor Street East, Suite 1608 Toronto, Ontario M4W 3L4</p> <p>BRETT MOLDAVER Tel.: 416-238-4123 Fax: 416-929-9604 Email: brett@moldaverbarristers.com</p> <p>Lawyers for the respondent 2203284 Ontario Inc. Luigi Santaguida and Mary Lou Santaguida (Forth and Fifth Mortgagee)</p>	<p>TORYS LLP 79 Wellington Street West, Suite 3000 Toronto, Ontario M5K 1N2</p> <p>ADAM SLAVENS Tel.: 416-865-7333 Fax: 416-865-7380 Email: aslavens@torys.com</p> <p>Lawyers for Tarion Warranty Corporation</p>
<p>DEVRY SMITH FRANK LLP Lawyers & Mediators 95 Barber Greene Road, Suite 100 Toronto, Ontario M3C 3E9</p> <p>LAWRENCE HANSEN Tel.: 416-449-1400 Fax: 416-449-7071 Email: lawrence.hansen@devrylaw.ca</p> <p>Lawyers for the receiver msi Spergel Inc.</p>	<p>BORDEN LADNER GERVAIS LLP Barristers & Solicitors Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, Ontario MH 4E3</p> <p>ALEX MACFARLANE Tel.: 416-367-6305 Fax: 416-367-6749 amacfarlane@blg.com</p> <p>Lawyers for the Second Mortgagee The Guarantee Company of North America</p>
<p>ROBINS APPLEBY 120 Adelaide Street West, Suite 2600 Toronto, Ontario M5H 1T1</p> <p>DOMINIQUE MICHAUD Tel.: 416-360-3795 Fax: 416-868-0306 Email: dmichaud@robapp.com</p> <p>Lawyers for Diversified Capital Inc. (Third Mortgagee)</p>	<p>1220356 ONTARIO LIMITED and TARAGAR HOLDINGS LIMITED c/o AVENUE CAPITAL MORTGAGE ADMINISTRATION INC. 480 Lawrence Street West, 4th Floor Toronto, Ontario M5M 1C4</p> <p>Tel.: 416-225-0555 Fax: 647-438-2006</p>
<p>HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTRY OF FINANCE 33 King Street West, 6th Floor Oshawa, Ontario L1H 1A1</p>	<p>CANADA REVENUE AGENCY c/o DEPARTMENT OF JUSTICE 130 King Street West, Suite 3400 Toronto, Ontario M5X 1K6</p> <p>RAHKEE BHANDARI</p>

<p>KEVIN J. O'HARA Tel.: 905-433-6934 Fax: 905-436-4510 Email: kevin.ohara@ontario.ca</p>	<p>Tel.: 416-973-3172 Fax: 416-973-0810 Email: rahkee.bhandari@justice.gc.ca</p>
<p>ATKINSON LAW PROFESSIONAL CORPORATION 100 King Street West, Suite 5700 Toronto, Ontario M5X 1C7</p> <p>RYAN ATKINSON Tel.: 416-275-9702 Fax: 416-516-2208 Email: ryan@atkinsonlaw.ca</p> <p>Lawyers for CORFinancial Corp.</p>	<p>DESJARDINS FINANCIAL SECURITY C/O AVISON YOUNG PROPERTY MANAGEMENT SERVICES ONTARIO INC.</p> <p>ELIZABETH MCKINLAY 6200 Dixie Road, Suite 204 Mississauga, Ontario L5T 2E1</p>
<p>SIMPSON WIGLE LAW LLP 1 Hunter Street East, Suite 200 P.O. Box 990 Hamilton, Ontario L8N 3R1</p> <p>DAVID JACKSON Tel.: 905-528-8411 Fax: 905-528-9008 Email: jacksond@simpsonwisle.com</p> <p>Lawyers for Duca Financial Services Credit Union Ltd.</p>	<p>ZIMMERMAN ASSOCIATES Barristers and Solicitors 3338 Dufferin Street Toronto, Ontario M6A 3A4</p> <p>LAWRENCE ZIMMERMAN</p> <p>Tel.: 416-489-9222 Fax: 416-486-6222 Email: larry@zimlaw.ca</p>
<p>SCHNEIDER RUGGIERO LAW 120 Adelaide Street West, Suite 1000 Toronto, Ontario M5H 3V1</p> <p>GEORGE RUGGIERO</p> <p>Tel.: 416-363-2212 Fax: 416-363-0645 Email: gruggiero@srlawpractice.com</p>	<p>ROSS & McBRIDE LLP Law Firm 1 King Street West – 10th Floor Hamilton, Ontario L8P 1A4</p> <p>RENATA KIS</p> <p>Tel.: 905-526-9800 Fax: 905-526-0732 rkis@rossmcbride.com</p> <p>Lawyers for McCallum Sather Architects Inc.</p>

TAB 2



SPERGEL

Court File. No. CV-17-11827-00CL

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

BETWEEN

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

-AND-

2203284 ONTARIO INC.

Respondent

FIRST REPORT OF THE RECEIVER

May 4, 2018

TABLE OF CONTENTS

Page

I.	Introduction and Background	
II.	Purpose of the Report	
III.	Disclaimer	
IV.	Taking Possession	
V.	Review of Books & Records	
VI.	Sales Process	
VII.	Receiver's View of the Marketing Process and the HUE APS	
VIII.	Prebuild Agreements and Related Deposits	
IX.	Deposit Claims Procedure	
X.	Secured Creditors	
XI.	Interim Distribution	
XII.	Administrative Matters	
XIII.	Receipts and Disbursements	
XIV.	Fees and Disbursements	
XV.	Conclusions and Recommendations	

LIST OF APPENDICES

- A. Receivership Order issued by the Honourable Madam Justice Conway on June 22, 2017**
- B. Notice of Motion and Affidavit of Deborah Hornbostel sworn July 17, 2017 (excluding exhibits)**
- C. Court Order dated July 21, 2017 issued by the Honourable Madam Justice Conway**
- D. General Ledger Account of Santerra Asset Management and Development Inc. ("Santerra")**
- E. Corporate Profile Search of Santerra**
- F. Correspondence to Marylou Santaguida dated October 26, 2017**
- G. Cheque to Zimmerman and Bank Reconciliations dated June 30, 2017 and July 25, 2017**
- H. Correspondence to Zimmerman dated August 23, 2017**
- I. Correspondence to B. Moldaver dated April 23, 2018**
- J. Statement of Account dated April 17, 2018 from the City of Hamilton Regarding Property Taxes**
- K. MLS Listing as at August 1, 2017**
- L. CBRE Marketing Report dated September 7, 2017**
- M. Redacted Executed Agreement of Purchase & Sale with Hue Developments & Investments Canada Inc.**
- N. Correspondence dated December 20, 2017 to Unit Purchasers Pursuant to Prebuild Agreements**
- O. Correspondence dated March 6, 2018 to Unit Purchasers Pursuant to Prebuild Agreements**
- P. Deposit Claims Procedure Order**
- Q. Parcel Register dated May 3, 2018**
- R. Independent Legal Opinion on DUCA's Mortgage Security**
- S. Correspondence dated November 6, 2017 to Ross & McBride LLP**
- T. Personal Property Security Search dated June 21, 2017**
- U. Statement of Account from DUCA dated April 13, 2018**

- V. Receiver's Notice and Statement of The Receiver (Section 245 notice)**
- W. Interim Statement of Receipts & Disbursements as at April 30, 2018**
- X. Affidavit of Deborah Hornbostel dated May 3, 2018 regarding Receiver's Fees**
- Y. Affidavit of Sara Mosadeq dated May 3, 2018 regarding Receiver's Counsel's Fees and Disbursements**

LIST OF CONFIDENTIAL APPENDICES

- A. Opinion of Value Letter from CBRE dated July 14, 2017**
- B. Summary of Marketing Proposals**
- C. Summary of Offers Received**
- D. Executed Agreement of Purchase and Sale with Hue Developments & Investments Canada Inc.**
- E. Appraisal by Cushman Wakefield Ltd. dated August 22, 2017**
- F. Appraisal by Antec Appraisal Group Inc. dated August 4, 2017**

I. INTRODUCTION AND BACKGROUND

1. This Report is filed by msi Spergel Inc. ("**Spergel**") in its capacity as receiver (the "**Receiver**") appointed pursuant to an order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice dated June 22, 2017 (the "**Receivership Order**"), of all of the assets, undertakings and properties of 2203284 Ontario Inc. (the "**Debtor**"). A copy of the Receivership Order is attached hereto as **Appendix "A"**.

2. Application for the Receivership Order was made by DUCA Financial Services Credit Union Ltd. ("**DUCA**"), the operating lender of the Debtor who was owed \$5,189,742.47 as at June 6, 2017.

3. The Debtor appears to be a single purpose entity incorporated for the purpose of developing a condominium project located municipally as 98 James Street South, Hamilton, Ontario and more particularly described as:

PIN: 17171-0009LT

Description: PT LT 75 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON;
PT LT 76 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON
(BTN HUNTER ST. MACNAB ST. JACKSON ST & JAMES ST) AS IN HA59712;
CITY OF HAMILTON

Hereinafter referred to as the "**Property**".

4. The Corporate Profile Report and the books and records of the Debtor disclose that Luigi Santaguida, also known as Louie Santaguida ("**Santaguida**"), is the sole director, President and Secretary of the Debtor. To the best of the Receiver's knowledge, the Debtor has no other employees. Cooperation from Santaguida has been minimal.

5. The Property was acquired by the Debtor on June 4, 2013, at which time it consisted of a historical church. The Debtor subsequently demolished the church, with the exception of its façade and obtained conditional site plan approval from the City of Hamilton to construct a 30

storey residential condominium project consisting of 259 units, known as *The Connolly* (the "**Project**"). Construction of the Project has not commenced.

6. Sales to unit purchasers of the Project commenced in November, 2014. At the date of the Receivership Order, 185 of the units were sold pursuant to Agreements of Purchase and Sale (the "**Prebuild Agreements**"). The deposits paid with respect to those Prebuild Agreements are held in trust by the law firm Schneider Ruggiero LLP ("**SR Law**"), (the "**Deposits**").
7. The registered office address of the Debtor is 93 Skyway Avenue, Unit 210, Toronto, M9W 6N6, (the "**Office Premises**").

II. PURPOSE OF THIS REPORT

8. The purpose of this Report dated May 3 2018 (the "**First Report**") is to provide information to the Court with respect to:
 - i. background information in respect of the Debtor;
 - ii. the Receiver's activities since the issuance of the Receivership Order;
 - iii. the sales process conducted by the Receiver with respect to the Property;
 - iv. the agreement of purchase and sale dated February 12, 2018, entered into by Hue Developments & Investments Canada Inc. ("**Hue**") and the Receiver with respect to the Property (the "**Hue APS**");
 - v. the Receiver's proposed deposit claims procedure with respect to the return of the Deposits (the "**Deposit Claims Procedure Order**", including the protocol for the issuance of the payment of the Deposits (the "**Deposit Payment Protocol**"));
 - vi. the Receiver's receipts and disbursements;
 - vii. the Receiver's fees and disbursements and those of its counsel; and,
 - viii. the Receiver's motion for Orders of this Court:

- (a) approving and authorizing a sale of the Property by the Receiver to Hue pursuant to the Hue APS (the **"Transaction"**);
- (b) vesting the Debtor's right, title and interest, if any, in and to the Property free and clear of all encumbrances, subject to the terms of the Hue APS (the **"Approval and Vesting Order"**);
- (c) sealing all Confidential Appendices to this report until completion of the Transaction;
- (d) authorizing and approving a distribution by the Receiver to DUCA to fully retire its mortgage debt from the anticipated sale proceeds upon the completion of the Transaction;
- (e) discharging the construction lien and certificate registered by McCallum Sather Architects Inc. (**"McCallum"**) against the Property;
- (f) requiring the turnover of all funds held in trust by SR Law to the Receiver;
- (g) authorizing and approving a claims procedure and payment process with respect to the return of deposits from unit purchasers (the **"Deposit Claims Procedure"**) upon completion of the Transaction;
- (h) authorizing and directing the Receiver to make distributions to unit purchasers in respect of their proven deposit claims;
- (i) authorizing and approving the Deposit Payment Protocol which forms part of the Deposit Claims Procedure Order

- (j) requiring Zimmerman & Associates Inc. (**"Zimmerman"**) to pay \$10,500 to the Receiver with respect to funds received from the Debtor subsequent to the issuance of the Receivership Order;
- (k) requiring Santaguida to attend an examination by the Receiver;
- (l) requiring Marylou Santaguida, the sole director of Santerra Asset Management and Development Inc. (**"Santerra"**), to attend an examination by the Receiver and to provide the Receiver with a

complete explanation and accounting for all funds received by Santerra from the Debtor, including supporting documentation to substantiate the value of the services and work performed by Santerra, if any;

(m) approving the activities and conduct of the Receiver as described in this First Report; approving the Receiver's Interim Statement of Receipts and Disbursements set out in the First Report; and

(n) approving and authorizing payment of the fees and disbursements of the Receiver and its legal counsel, Devry Smith Frank LLP ("DSF") as set out in this First Report.

III. Disclaimer

9. This First Report is prepared solely for the use of the Court for the purpose of assisting the Court in making a determination whether to: (i) approve and authorize the Hue APS Transaction and a distribution to DUCA (ii) order the turnover of trust funds from SR Law to the Receiver (iii) approve and authorize the proposed Deposit Claims Procedure (iv) approve the actions and conduct of the Receiver as set out in this First Report, (v) approve and authorize payment of the Receiver's fees and disbursements and those of its legal counsel, and (vi) grant other ancillary relief being sought.

10. Except as otherwise described in this report:

(a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and,

- (b) The Receiver has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

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

IV. Taking Possession

12. On the date of the Receivership Order, the Receiver attended at the Property in Hamilton, Ontario to inspect the site. The Receiver ensured that access to the Property was restricted by a locked chain linked fence surrounding the Property and arranged for a change of locks to the Church door. It also ensured that all window access was blocked off and posted notices on the Property with respect to its appointment as Receiver. The Receiver also arranged for liability insurance for the Property. Regular site inspections and property maintenance have been undertaken by the Receiver.

13. The Receiver attended at the Office Premises in order to retrieve the books and records of the Debtor but found no one present. Over the course of the next few weeks following its appointment, the Receiver re-attended at the Debtor's office several times but found nobody there. Phone calls and emails to Santaguida were not responded to. The Receiver attempted to reach Santaguida through his lawyer, Zimmerman, which also proved unsuccessful.

14. The Receiver contacted the landlord of the Office Premises to arrange for access but was advised that the tenant of those premises was actually another company, Terrasan 327 Royal York Rd. Limited (the "Tenant" and "Terrasan Royal York") and therefore the landlord could not provide access to the Receiver. The Receiver notes that Terrasan Royal York is also subject to ongoing receivership proceedings pursuant to a receivership order dated February 24, 2017, issued by the Honourable Mr. Justice Wilton-Siegel.

15. The Receiver approached SR Law with respect to obtaining access to the records in its possession relating to the Prebuild Agreements but was informed by SR Law that it was not prepared to release documents to the Receiver until its outstanding accounts were paid.

16. As a result of the foregoing issues with Santaguida, the landlord and SR Law, the Receiver made a motion to the Court to seek directions. Attached as **Appendix "B"** is the Notice of Motion and the related Affidavit of Deborah Hornbostel sworn July 17, 2017, excluding exhibits, providing further details with respect to the foregoing issues.

17. On July 21, 2017, the Honourable Madam Justice Conway issued an Order (the "**July 21 Order**"), attached hereto as **Appendix "C"**, which among other items provided for the following:

- That the Tenant, landlord and property manager, provide the Receiver with access to the Office Premises;
- That Santaguida, Zimmerman, George Ruggiero and SR Law comply with the Receivership Order and in particular forthwith:
 - i. advise the Receiver of the existence and location of all property and information it has in respect of the Debtor
 - ii. provide full access to property within their possession, power or control; and
 - iii. permit the Receiver to remove property or, at its option and where possible, to make copies thereof.
- George Ruggiero and SR Law were also ordered to forthwith provide detailed information in electronic form on the deposits held by SR Law in respect of the condominium project.
- Santaguida, Zimmerman and SR Law were each order to pay costs to the Receiver in the sum of \$1,000 within 30 days.

18. The Receiver notes that Zimmerman and SR Law have complied with the cost order but Santaguida has yet to pay any funds to the Receiver in accordance with the July 21 Order.

19. On July 21, 2017, the Receiver discovered that there had been a break-in at the church on the Property through two of the boarded up windows. The Receiver inspected the premises to ensure there were no intruders present and arranged for the re-boarding of the windows. There

have been several minor intrusions and vandalism issues at the Property since then which the Receiver has attended to and rectified.

V. Review of Books & Records

20. On July 24, 2017, the Receiver attended at the Office Premises and retrieved several boxes containing the Prebuild Agreements. On July 25, 2017, the Debtor's bookkeeper contacted the Receiver and provided certain accounting information consisting of Quick Books, bank reconciliations and financial statements. No supporting documentation for any of the financial transactions was provided, nor was any information relating to the development of the Project provided. The Receiver had no information relating to the status of the site plan approval, the designs relating to the building or any other reports. No further cooperation was received from Santaguida.

21. The Receiver has minimal knowledge of the Debtor's financial accounts due to the lack of cooperation from Santaguida. According to the trial balance of the Debtor as at July 25, 2017, the following amounts are due to the Debtor:

Due From	Amount
Santerra	3,457,025.19
Security Deposits	42,800.00
2415118 Ontario Inc.	16,000.00
Terrasan 744 Dundas Street London	7,500.00
Prepaid Commissions	4,950.00

22. The Receiver notes that corporate profile searches on 2415118 Ontario Inc. ("245 Co.") and Terrasan 744 Dundas Street London ("Terrasan London") indicate that Santaguida is the sole Director and Officer for both 245 Co. and Terrasan London.

23. Details in the general ledger indicate that the security deposits were actually fees paid to the City of Hamilton with respect to site plan and zoning by-law amendment applications.

Santerra & Marylou Santaguida

24. On July 8, 2015, DUCA advanced \$5,000,000 to the Debtor pursuant to its secured mortgage over the Property. During a review of the Debtor's limited financial information, the Receiver discovered that immediately upon receipt of those funds, the Debtor transferred \$2,581,543.11 to Santerra. The transaction was recorded on the Debtor's general ledger as an Inter-Company transaction. On September 30, 2015, the Debtor issued a cheque in the amount of \$1,130,000 to Santerra. There were several other transactions posted subsequently resulting in a total balance due from Santerra to the Debtor in the amount of \$3,457,025.19. A copy of the general ledger inter-company account of Santerra is attached hereto at **Appendix "D"**.

25. The Receiver conducted a corporate profile search on Santerra, attached hereto at **Appendix "E"**, and discovered that the sole director of Santerra is Marylou Santaguida, the wife of Santaguida.

26. On August 4, 2017, the Receiver wrote to Santerra at its registered office address of 93 Skyway Avenue, Suite 104, Toronto, to request an accounting for the funds received from the Debtor, but no response was received. The Receiver subsequently attended at those premises and found that they were occupied by another tenant who had been there for many years and had never heard of Santerra. The Receiver therefore left a copy of the August 4, 2017, correspondence at the Office Premises.

27. Marylou Santaguida has also registered fourth and fifth position mortgages against the Property in the amounts of \$1,500,000 and \$701,583 respectively. Neither of these mortgage liabilities was reflected in the financial records provided by the Debtor to the Receiver at July 25, 2017.

28. On October 26, 2017 the Receiver sent a copy of its August 4, 2017, correspondence issued to Santerra to Marylou Santaguida's registered residence, as well as a request for documentation in support of her mortgages registered against the Property. A copy of that correspondence is attached hereto as **Appendix "F"**. To date, no response has been received.

29. There is a preponderance of missing financial documentation of the Debtor and a lack of cooperation from Santaguida and his spouse. The Receiver requests that the Court order both Santaguida and Marylou Santaguida to attend examinations to address the concerns of the Receiver.

Bank of Montreal

30. The July 25, 2017, bank reconciliation indicated that there was \$11,164.54 held in an account at the Bank of Montreal. In order to expedite the turnover of funds, the Receiver requested the bookkeeper to issue a cheque to the Receiver for the funds on hand. The bookkeeper undertook to promptly obtain a cheque signed by Santaguida for the account balance and to inform the Receiver once that was done.

31. Despite several subsequent follow up requests to the bookkeeper to obtain the cheque, no response was received, so a few days later the Receiver contacted the Bank of Montreal and requested that the account be frozen and the funds on hand be remitted to the Receiver. The Receiver attended at the Bank of Montreal branch in person and was assured that the funds were in the account and that it would receive the funds in due course.

32. Over the course of the next few weeks the Receiver attempted to follow up with the Bank of Montreal, which proved to be very unresponsive. On August 21, 2017, the Receiver received a bank draft dated August 4, 2017, in the amount of only \$644.54.

Zimmerman

33. Upon further enquiry with the Bank of Montreal, the Receiver discovered that a cheque had been written to Zimmerman in the amount of \$10,500 and had been deposited by Zimmerman on July 25, 2017, well after Mr. Zimmerman had been made aware of the receivership proceedings. The cheque was dated June 15, 2017 but had not been listed as an outstanding cheque on either the June 30, 2017 or July 25, 2017 bank reconciliations that had been provided by the bookkeeper to the Receiver. Attached as **Appendix "G"** are copies of the cashed cheque and the June 30, 2017 and July 25, 2017 bank reconciliations provided by the bookkeeper.

34. On August 23, 2017, the Receiver wrote to Zimmerman to request the return of the funds that were property of the Receiver. A copy of that correspondence is attached as **Appendix "H"**. To date, Zimmerman has not returned the funds.

35. On April 23, 2018, the Receiver repeated its request for information from Santaguida and Marylou Santaguida by way of a letter from its lawyers to their lawyer; no response has yet been received. A copy of that correspondence is attached hereto as **Appendix "I"**.

36. The Receiver seeks an Order from the Court requiring Zimmerman to pay \$10,500 to the Receiver, as Zimmerman was fully aware that the cashing of the cheque subsequent to the date of the Receivership was tantamount to removing property of the Debtor and in contravention to both the Receivership Order and the July 21 Order. The Receiver also request that the Court award costs to the Receiver against Zimmerman with respect to this matter.

Project Development & Site Plan Status

37. The Receiver contacted the City of Hamilton to advise it of the Receivership Order and arrange for a status report with respect to the Project and more particularly, the status of the site plan approval. The Receiver initially experienced difficulty in obtaining any response from the City

of Hamilton but eventually arranged a meeting with the planning department of the City of Hamilton for August 9, 2017. Following that meeting, the City of Hamilton provided the Receiver with copies of several reports and a copy of the May 25, 2015, conditional approval letter in response to the Debtor's site plan application (the "**Conditional Site Plan**").

38. The Receiver also reviewed the Debtor's financial records to ascertain potential leads as to which companies had done work on the project with the hope of being able to obtain copies of reports that had previously been prepared for the Debtor. The Receiver was successful in obtaining several reports from service providers.

39. On May 23, 2017, in response to a request by the Debtor, The City of Hamilton extended the Conditional Site Plan Approval date to May 25, 2018. On March 13, 2018, the Receiver advised the City of Hamilton that it had entered into the Hue APS and submitted a request for a further one year extension of the Conditional Site Plan. The Receiver is currently awaiting approval from the City of Hamilton. Time is of the essence to find a purchaser who can fulfill the Conditional Site Plan requirements and the Receiver is hopeful that the City of Hamilton will extend the date in consideration of the pending Transaction.

40. The Receiver also contacted the City of Hamilton to obtain a statement of account regarding the property taxes. Attached as **Appendix "J"** is a copy of the statement of account as at April 17, 2018, indicating an outstanding property tax balance of \$60,954.13 as well as an estimated balance owing of \$62,347.76 as at June 1, 2018.

Prebuild Agreements and Deposits

41. In response to the July 21 Order, SR Law worked with the Receiver to provide detailed information on the Prebuild Agreements and the Deposits that it was holding in trust. The Receiver conducted a thorough review of each Prebuild Agreement and reconciled the deposit requirements to the Deposits held in trust by SR Law. As at April 30, 2018, the balance of the funds held in trust by SR Law was \$6,314,885.81, including interest.

VI. Sales Process

42. The Receiver requested marketing proposals from Colliers International (“Colliers”) and CBRE Limited’s Land Services Group (“CBRE”). Both companies submitted proposals in early July 2017. The Receiver also requested CBRE to provide it with an opinion of estimated market value. Attached as **Confidential Appendix “A”** is a copy of the requested opinion letter dated July 14, 2017. A summary of the key terms of the marketing proposals, including projected sales prices, is attached as **Confidential Appendix “B”**.

43. The CBRE listing proposal offered a transparent process consisting of a modified tender process with a set bid date, unpriced offering to the market, exceptional international marketing exposure, a higher anticipated sales price and a more favourable compensation structure. On July 31, 2017, the Receiver listed the Property for sale with CBRE for a six month period ending January 31, 2018. On August 1, 2017, the Property was posted for sale on the Toronto Real Estate Board’s multiple listing service (“MLS”). A copy of the MLS listing is attached hereto as **Appendix “K”**.

44. The Receiver, in consultation with DSF, prepared a proposed Agreement of Purchase and Sale (“APS”) for use by prospective purchasers and provided all available information and reports on the Property to CBRE for posting to CBRE’s virtual data room. CBRE and the Receiver jointly prepared the confidential information memorandum. All prospective purchasers were vetted by CBRE and were required to sign confidentiality agreements prior to accessing the virtual data room. The sales process had a deadline for the submission of offers of noon on September 15, 2017.

45. Weekly marketing reporting letters were provided by CBRE to the Receiver. Attached as **Appendix “L”** is a copy of the CBRE marketing report dated September 7, 2017, prepared prior to the deadline for offers. Salient points from that report are as follows:

- CBRE installed three large “For Sale” signs on the Property on August 3, 2017;
- The property was featured on CBRE’s website;
- An advertisement was featured on August 16, 2017, in the Greater Toronto Edition of *Novae Res Urbis*;
- Coloured advertisements appeared in *The Globe and Mail* on August 24, 2017, and August 29, 2017;
- An advertisement was featured on August 28, 2017, in the *Hamilton Spectator*;
- Personalized letters containing laminated cover brochures and the confidentiality agreement were mailed out to 770 potential buyers;
- CBRE conducted two distinct email campaign blasts. The first blasts were sent out on August 8, 2017, to over 1,000 recipients of CBRE’s national brokerages and to 84 CBRE Land Services Group brokers in North America. The second blasts were sent out August 15, 2017, and the third on August 22, 2017;
- The Property listing was included in CBRE’s weekly email campaign of *Available Properties* sent to all cooperating commercial brokerages in the GTA;
- CBRE also launched an industry specific group email campaign on August 1, 2017, that was repeated weekly. Tracking of results indicated that it was sent to 4,343 recipients, had 8,314 views and resulted in 642 file downloads;
- CBRE also included the Property listing in its weekly email blast to its Land Services Group’s entire distribution list. Tracking of results indicated that it was sent to 807 recipients and received 776 views; and,
- CBRE received 31 direct inquiries requesting the Confidential Information Memorandum and further information as a result of its marketing program.

46. Four offers were submitted by the deadline date of September 15, 2017. Attached as **Confidential Appendix “C”** is a summary of the pertinent details of those four offers. The Receiver reviewed the four offers and on September 18, 2017, the Receiver instructed CBRE to provide each of the offerors with the opportunity to improve the terms of their offers. Furthermore, on that same date, one of the offerors, CORfinancial Corp., in Trust for a Company to be incorporated (“COR”), was advised that its offer was unacceptable because the Receiver was only accepting cash offers.

47. The Receiver had grave concerns of accepting COR's offer and the associated risks of undertaking the required equity conversions, as well as the purchaser's ability to secure all approvals and building permits required to commence construction, particularly since the purchaser was not clearly disclosed and no financial information or guarantees were provided. In addition, no timelines were provided and as previously noted in this report, time is of the essence with respect to satisfying the conditions of the Conditional Site Plan. The Receiver was of the opinion that the COR offer contained too many risks for completion of the transaction, particularly in comparison to another offer that the Receiver was considering for acceptance.

48. On September 20, 2017, the Receiver held a conference call with representatives from the first and second position secured creditors, DUCA and Guarantee Co., to discuss the four offers received. Based upon the terms of the offers received, both DUCA and the Guarantee Co. supported the acceptance of the Lifestyle offer.

49. On September 28, 2017, following negotiations over certain terms and conditions contained in the proposed APS, the Receiver entered into an APS with Lifestyle Custom Homes Inc. ("Lifestyle").

50. The Lifestyle APS did not close and was terminated.

51. On December 20, 2017, the Receiver amended its listing agreement with CBRE such that the Property was re-listed for sale on the multiple listing service at an offering price of \$9.9 million. The listing agreement was also extended to March 31, 2018.

52. CBRE re-approached all of the potential purchasers who had previously expressed interest and conducted marketing efforts similar to those that were previously undertaken during the fall of 2017.

53. None of them made an offer.

54. COR did not make an offer.

55. On January 19, 2018, the Receiver was presented with an offer from Hue which the Receiver understands is partnering with Lifestyle in respect of the development of the Property.

56. On February 12, 2018, the Receiver entered into an unconditional APS with Hue, the closing date for which is 113 days following execution of the APS (June 5, 2018), subject to the Receiver obtaining an Approval and Vesting Order. The Hue APS requires that the Receiver terminate all of the Prebuild Agreements prior to or upon the closing of the transaction.

57. A copy of the Hue APS, redacting the purchase price, is attached hereto as **Appendix "M"**. A copy of the un-redacted Hue APS is attached hereto as **Confidential Appendix "D"**.

VII. Receiver's View of the Marketing Process and the Hue APS

58. The Receiver is of the view that the sale process was conducted in a commercially reasonable manner and that the market was extensively canvassed, both domestically and internationally pursuant to CBRE's marketing efforts detailed above in this report including print advertisements, email blasts, website exposure and direct mailings. There was significant interest expressed by potential purchasers as evidenced by the number of downloads of the marketing information, executed confidentiality agreements and offers received during the initial offering period. The Receiver believes that the subsequent efforts of CBRE through the re-listing of the Property on the multiple listing service and CBRE's internal network have provided sufficient exposure of the Property to the market.

59. The Receiver was advised by DUCA that it had commissioned an appraisal by Cushman Wakefield Ltd. ("CW") prior to the advancement of funds to the Debtor. On July 27, 2017, the

Receiver engaged CW to provide an updated appraisal of the Property. Attached as **Confidential Appendix "E"** is a copy of the CW appraisal dated August 22, 2017.

60. The Receiver also engaged Antec Appraisal Group Inc. ("**Antec**") to conduct an appraisal of the Property. Attached as **Confidential Appendix "F"** is a copy of the Antec appraisal dated August 4, 2017.

61. Upon review of the appraisal reports obtained from Antec and CW, the Receiver notes that the purchase price contained in the Hue APS is in line with the Antec and CW appraised values of the Property. The purchase price is also in excess of the projected sales price of both CBRE and Colliers.

62. The Hue APS and the purchase price contained therein represent the highest and best offer attainable for the Property at this time and contemplate completion of the Transaction by early June, 2018.

63. The Receiver is of the view that the Transaction is beneficial to the Debtor's creditors as a whole, as it maximizes the pool of funds available for distribution to the secured creditors, and potentially unsecured creditors as well, depending on the results of the collateral mortgages held by Diversified and Marylou Santaguida.

64. The Hue APS also provides for finality to the unit purchasers as it requires that the Receiver terminate all Prebuild Agreements effective on or before the closing date. The completion of the Transaction should result in a full return of deposits relating to the Prebuild Agreements.

65. The Receiver consulted with DUCA and Guarantee Co. in relation to the Hue APS prior to accepting it and both DUCA and Guarantee Co. supported the Receiver's recommendation to proceed with the Hue APS.

66. The Receiver recommends to the Court that the Approval and Vesting Order should be granted for the following reasons:

- The Receiver is of the view that the Transaction represents the highest recovery for creditors as a whole;
- DUCA and Guarantee Co. were consulted and support the Transaction;
- The closing date for the Transaction should allow sufficient time for Hue to remedy outstanding issues pursuant to the Conditional Site Plan, assuming that the City of Hamilton allows for a further one year extension;
- There is finality with respect to the Prebuild Agreements, as they will be terminated upon completion of the Transaction; and
- It is a condition to the closing of the Transaction that the Approval and Vesting Order be granted.

The Receiver therefore seeks approval from the Court for the completion of the Transaction and the issuance of the Approval and Vesting Order.

67. In the event the Court does not grant the Approval and Vesting Order or the Transaction does not close, the Receiver is of the view that efforts to re-market the Property would be impaired if any of the Confidential Appendices are made public at this time. Accordingly, the Receiver believes that it is appropriate for all of the Confidential Appendices to remain confidential until such time as the Transaction closes. Accordingly, the Receiver requests that an order sealing the Confidential Appendices be made.

VIII. Prebuild Agreements and Related Deposits

68. On December 20, 2017, following the expiry of the Lifestyle APS and any hope of resurrecting it, the Receiver sent a notice to each of the unit purchasers to advise them of the status of the receivership proceedings, the Receiver's marketing efforts and results to date, and

the status of their Deposits. The Receiver also posted the notice on its website. A copy of that correspondence is attached hereto as **Appendix "N"**.

69. On March 6, 2018, the Receiver sent a second notice to each of the unit purchasers to advise them of the acceptance of the Hue APS and of the Receiver's intention to seek Court approval of the sale of the Property to Hue as well as the impact that such a sale would have on the Prebuild Agreements and the related Deposits. A copy of that correspondence is attached hereto as **Appendix "O"**.

70. The Receiver seeks approval from the Court to terminate all of the Prebuild Agreements effective on or before the closing date, which has been included in the Deposit Claims Procedure Order.

71. The Receiver also seeks an order from the Court requiring SR Law to turn over to the Receiver all funds in its possession that are related to the Prebuild Agreements (the "**Deposit Funds**").

72. As noted earlier in this First Report, the Receiver understands that there is an outstanding pre-receivership account owing to SR Law by the Debtor and for that reason SR Law has indicated previously to the Receiver that it is not willing to turn over the Deposit Funds to the Receiver. The Receiver is of the view that SR Law is an unsecured creditor of the Debtor for pre-receivership liabilities and that the Deposit Funds should be turned over to the Receiver to administer a proper claims procedure process.

IX Deposit Claims Procedure Order

73. As noted previously in this report, at the date of the Receivership Order, the Debtor had entered into approximately 185 Prebuild Agreements whereby each unit purchaser agreed to

purchase an un-built condominium in the Project ("**Purchaser**"). Each Purchaser had remitted Deposits with respect to the Prebuild Agreements to SR Law to be held in trust. To the best of the Receiver's knowledge, those Deposits remain in trust with SR Law. Prior to the Receivership Order, there were several agreements of purchase and sale by unit purchasers that had been terminated. To the best of the Receiver's knowledge, those unit purchasers received their deposits back.

74. The Receiver understands that the Debtor was entitled to receive Deposit Funds from SR Law and use those Deposit Funds for the development of the Project, subject to the Debtor obtaining a condominium deposit insurance policy to secure the release of those Deposit Funds.

75. Prior to the Receiver's appointment, the Guarantee Co., an insurer authorized under The *Condominium Act (Ontario)*, provided deposit insurance policies to the Debtor in order to secure the Deposit Funds that could be released to the Debtor (the "**Deposit Insurance Policies**"). The Deposit Insurance Policies included a Tarion bond and an excess condominium deposit insurance policy.

76. The Guarantee Co. has informed the Receiver that the Deposit Insurance Policies protect the Purchaser's right to a return of a deposit paid under a valid and enforceable Prebuild Agreement, in the event that such an agreement is terminated.

77. Upon the termination of a Prebuild Agreement, a Purchaser may be entitled to claim recovery of a Deposit pursuant to the Deposit Insurance Policies. Upon payment of any such claim by the Guarantee Co., the Receiver understands that the Guarantee Co. would have a subrogated claim against the Debtor for the amount of such payment. The Guarantee Co.'s subrogated claims against the Debtor are secured by a mortgage registered against the Property.

78. The Receiver is of the view that it is just, appropriate and in the best interest of the administration of the receivership estate to establish a procedure to identify and determine the Deposit claims of Purchasers as soon as possible following the closing of the Hue APS.

79. The Deposit Claims Procedure Order, attached herein as **Appendix "P"**, is necessary to enable the Receiver, in conjunction with the Guarantee Co. to: (i) determine proven Deposit claims and to facilitate the return of amounts payable in respect of Deposit claims to Purchasers, and (ii) assist the Receiver and the Guarantee Co. in quantifying the Guarantee Co.'s secured claim pursuant to its loan and security documentation (the **"Guarantee Co. Security"**).

80. As previously mentioned in this report, the Receiver is also seeking an Order directing SR Law to deliver the Deposit Funds to the Receiver. The Receiver will maintain the Deposit Funds in a separate account held by the Receiver and will coordinate the return of the Deposit Funds to those Purchasers having a specific claim to those Deposit Funds, in accordance with the Deposit Claims Procedure Order.

Summary of Deposit Claims Procedure

81. Capitalized terms not otherwise defined in this section are as defined in the Deposit Claims Procedure Order.

82. Notice of the Deposit Claims Procedure would include the following activities:

- (a) the Receiver will deliver a Claims Package to each Purchaser within 10 days following the successful closing of the Hue APS.
- (b) the Receiver will post the Newspaper Notice within 10 days following the successful closing of the Hue APS; and,
- (c) The Receiver will post the Claims Package on the Website within 10 days following the successful closing of the Hue APS.

83. The filing of Deposit Claim Forms and the determination of such claims would operate under the following procedure:

- (a) Purchasers asserting a Deposit Claim are required to deliver a Deposit Claim Form to the Receiver no later than August 31, 2018 (the "Claims Bar Date"), failing which, such Purchaser would stand forever barred, estopped and enjoined from asserting or enforcing any Deposit Claim against the Debtor, Tarion and the Guarantee Co., and such claim would be forever extinguished;
- (b) the Receiver will send a copy of each and every completed Deposit Claim Form to the Guarantee Co. for review and evaluation of the Deposit Claim. The Receiver will either accept, revise or disallow the claim set out in such Deposit Claim Form;
- (c) the Receiver, in consultation with the Guarantee Co., may attempt to resolve the amount of a Deposit Claim, either before or after accepting, revising or disallowing such Deposit Claim;
- (d) if the Receiver accepts a Deposit Claim as set forth in a Deposit Claim Form, that Deposit Claim would be a Proven Deposit Claim;
- (e) if the Receiver, in consultation with the Guarantee Co., chooses to revise or disallow a Deposit Claim, the Receiver will advise the Purchaser by sending a Notice of Revision or Disallowance to the Purchaser;
- (f) any Purchaser who disputes the amount of its Deposit Claim as set forth in a Notice of Revision or Disallowance, must deliver a Notice of Dispute to the Receiver by 5:00 p.m. (Toronto time) on the day that is fifteen (15) Calendar Days after the date of the Notice of Revision or Disallowance;

(g) any Purchaser who fails to deliver a Notice of Dispute by the deadline set forth in sub-paragraph above, will be deemed to accept the amount of its Deposit Claim as set out in the Notice of Revision or Disallowance;

(h) upon receipt of a Notice of Dispute, the Receiver will send a copy to the Guarantee Co. and the Receiver, in consultation with the Guarantee Co., may attempt to resolve the amount of the claim with the Purchaser by consent;

(i) If a Deposit Claim is resolved by consent between the Receiver, the Guarantee Co. and the Purchaser, the Receiver may accept a revised Deposit Claim Form setting forth the agreed amount of the Deposit Claim, and such settled Deposit Claim shall be a Proven Deposit Claim; and,

(j) in the event the Receiver, the Guarantee Co. and the Purchaser are not able to resolve the Deposit Claim amount and any matters arriving pursuant to the Notice of Dispute, the Purchaser must schedule a motion before the Court, to be heard not later than 30 days following the delivery of the Notice of Dispute by the Purchaser to the Receiver. In the event the Purchaser fails to schedule the motion by the aforementioned deadline, the Purchaser will be deemed to accept the amount of the Deposit Claim as set out in the Notice of Revision and Disallowance.

84. The proposed time frame for administering the Deposit Claims Procedure, assuming that the Hue APS is completed on June 5, 2018, is summarized as follows:

Process	Date
Mailing to Purchasers	June 15, 2018
Website Posting	June 15, 2018
Newspaper Notice	June 15, 2018
Claims Bar Date	August 31, 2018
Notice of Revision or Disallowance	To be delivered by the Receiver, acting reasonably
Notice of Dispute	15 calendar days after the date of the Notice of Revision or Disallowance

85. The Receiver seeks approval of the Court to proceed with payment of the proven deposit claims following the completion of the Deposit Claims Procedure Order if the Deposits are sufficient to allow for payment of all Proven Claims. If the Deposits are not sufficient to pay all proven deposit claims, the Receiver will seek a further order of the Court.
86. The Deposit Claims Procedure includes a proposed payment protocol.
87. The protocol is summarized as follows:
- i. The Receiver will provide Tarion with copies of all documentation in its possession related to the Pre-Build Agreements, notices and correspondences regarding the termination of the Pre-Build Agreements and all Deposit Claims Procedure documentation in electronic form on a unit-by unit-basis;
 - ii. The Receiver will provide Tarion and the Guarantee Co. with details of the claims paid on a bi-weekly basis along with an updated ledger of the Proven Deposit Claims and details regarding the status of each Deposit Claim;
 - iii. The Receiver will provide Tarion with Receiver's Certificates which will attach copies of (a) the consents executed and delivered by the Guarantee Co. to the Receiver in respect of Proven Deposit Claims in accordance with the Deposit Claims Procedure; (b) the corresponding Certificates; and (c) the corresponding Receipts, and which Receiver's Certificate will deal with payments made to Purchasers in the preceding two week period;
 - iv. Upon receipt of a Receiver's Certificate as described above, Tarion will provide confirmation to the Guarantee Co. once every two weeks that the Tarion bond is reduced by the amount of claims paid by the Receiver, disallowed claims and barred claims to a maximum of \$20,000 for each Pre-Build Agreement;
 - v. Upon being satisfied that its liability in respect of amounts secured by the Tarion Bond has been extinguished, or upon the establishment of a reserve, Tarion will return the Tarion Bond to the Guarantee Co. for cancellation.

- vi. Following the establishment of a reserve or upon the extinguishment of Tarion's liability in respect of amounts secured by the Tarion Bond, the Receiver shall seek a distribution order that provides for a distribution from the proceeds of sale to the Guarantee Co. for final reimbursement of all its reasonable fees and expenses, together with any other amounts that may be claimed by the Guarantee Co.

X. Secured Creditors

88. Attached hereto as **Appendix "Q"** is a copy of the Parcel Register for the Property as at September 21, 2017. Pursuant to that report, the following encumbrances are registered against the Property:

Position	Creditor	Date	Amount	Comments
1	DUCA	08-Jul-15	\$ 5,000,000	Charge
2	Guarantee Co.	30-Oct-14	5,180,000	Charge Postponed to DUCA
3	Diversified	12-Aug-16	3,000,000	Charge
4	Marylou Santaguida	13-Jun-13	1,500,000	Charge Postponed to DUCA, Guarantee Co. & Diversified
5	Marylou Santaguida	11-Apr-16	701,583	Charge
6	McCallum Sather Architects Inc.	24-Aug-17	30,234	Construction Lien
Total			\$15,411,817	

89. The Receiver has obtained a security opinion from its counsel DSF LLP (the "**Security Opinion**"), attached hereto as **Appendix "R"**, and subject to the customary qualifications and assumptions contained therein, the Security Opinion opines that the security held by DUCA is valid and enforceable against the Debtor and that DUCA has a first priority security interest in the Property.

90. The collateral mortgage of Guarantee Co. is contingent in nature and was established to secure the Deposits paid pursuant to the Prebuild Agreements. As previously indicated, these Deposits are currently held in trust by SR Law and are anticipated to cover the amount in full that is required to discharge the mortgage registered by Guarantee Co.

91. The mortgage in favour of Diversified is a collateral mortgage securing the indebtedness owed to it by a party related to the Debtor, namely Terrasan Royal York, which is also subject to a Court Appointed receivership proceeding. At the present time, the Receiver is unaware of the amount that will ultimately be owing pursuant to this mortgage, if any.

92. As previously mentioned in this report, the Receiver has not received a response from Marylou Santatguida with respect to the provision of any documentation in support of her mortgages or any funds advanced pursuant to those mortgages. Furthermore, the mortgage registration with respect to her mortgage in the amount of \$701,583 indicates that *"the charge is collateral security securing a bond issued by the Chargee in favour of Terrasan 327 Royal York Road Limited with respect to vacating a lien registered as Instrument No. AT4183314 in favour of Linen Group Ltd. from the property described in PIN 07617-0050LT"*. The Receiver requires further information on this mortgage to determine validity.

Construction Lien

93. On October 27, 2017, the Receiver became aware of the construction lien that was registered by McCallum on August 24, 2017. McCallum also registered a Certificate on October 10, 2017. On November 6, 2017 the Receiver's solicitor issued correspondence to McCallum's solicitor to advise it of the Receivership Order and to demand that the lien be discharged from title by November 14, 2017. A copy of that correspondence is attached hereto as **Appendix "S"**.

94. On November 16, 2017, McCallum's solicitor advised that McCallum had continued to perform work until July 11, 2017, subsequent to the Receivership Order, pursuant to instructions from Santaguida and that it was not aware of the Receivership Order when it was conducting the work. On that same day, McCallum's counsel was requested to provide evidence of the instructions that McCallum received from Santaguida and to detail the dates and work undertaken. To date, the details have not been provided.

95. The Receiver requests that the construction lien and certificate of McCallum be discharged from the Parcel Register for the following reasons:

- i. The supply of any work subsequent to the Receivership Order was not authorized by the Receiver;
- ii. No Evidence was provided to the Receiver by McCallum in support of its purported post Receivership Order work undertaken;
- iii. The lien was filed more than 45 days after the purported provision of work by McCallum; and
- iv. The Certificate was filed more than 90 days after the purported provision of work by McCallum.

96. The Receiver notes that a *Personal Property Security Act* search dated June 21, 2017, attached hereto as **Appendix "T"** disclosed the following security registrations:

Position	Creditor	Date	Security Particulars
1	DUCA	23-Jun-15	General Security Agreement
2	Guarantee Co.	30-Oct-15	Accounts & Other
3	1220356 Ontario Limited	11-Aug-16	Equipment, Accounts & Other
4	Taragar Holdings Limited	11-Aug-16	Equipment, Accounts & Other

97. The Receiver currently has no information with respect to the registrations of 12202356 Ontario Limited or Taragar Holdings Limited or any amounts that may be owing to them. The Receiver also notes that both of those companies had made registrations on the Parcel Register of the Property on August 12, 2016, and subsequently discharged them on September 30, 2016.

98. The Receiver is not aware of any trust claim of the Canada Revenue Agency ("CRA") against the Debtor, nor does it anticipate any amount owing to CRA. The Receiver has informed CRA of the receivership and has not received any response from it with respect to any trust claim.

XI. Interim Distribution

99. As reflected in the mortgage payout statement attached hereto as **Appendix "U"**, DUCA is owed \$5,590,401.19, inclusive of accrued interest to June 5, 2018, with interest accruing at \$897.98 per diem thereafter.

100. If the Transaction is completed, the Receiver will have sufficient funds to repay the indebtedness owing to DUCA in full. In consideration of the Security Opinion provided and in order to limit interest charges accruing on the DUCA indebtedness, the Receiver is seeking approval of a distribution to DUCA in full and final satisfaction of all amounts owing to it by the Debtor.

101. It is likely that the collateral mortgage in favour of Guarantee Co. will be discharged subsequent to the return of the Deposits to Purchasers. The Receiver understands that since the receivership of Terrsan Royal York is still ongoing, the future status of the collateral mortgage in favour of Diversified is uncertain. The Receiver is still awaiting documentation from Marylou Santaguida in support of her registered mortgages. Accordingly, the Receiver is unable to recommend any distribution of funds to secured creditors at this time, other than DUCA.

102. The Receiver seeks an order from the Court authorizing a distribution to DUCA pursuant to the foregoing referenced payout statement upon the closing of the Transaction.

XII. Administrative Matters

103. The following administrative matters have been attended to by the Receiver:

- preparation and issuance of the Notices and Statements of the Receiver pursuant to sections 245 and 246 of the *Bankruptcy & Insolvency Act*, a copy of which is attached hereto as **Appendix "V"**;

- arranging for insurance for the Property;
- registering the receivership proceedings on title for the real estate of the Debtor;
- providing information to Purchasers and responding to enquiries from them;
- attending to the ongoing maintenance of the Property;
- contacting CRA to determine the status of claims against the Debtors and registering the receiverships and filing HST returns; and,
- communicating with prospective purchasers of the Property.

XIII. RECEIPTS AND DISBURSEMENTS

104. Attached at **Appendix "W"** is an Interim Statement of Receipts and Disbursements to April 30, 2018, indicating a balance on hand of \$444,363. Receiver's Certificates have been issued to DUCA in the amount of \$45,000 to date.

XIV. FEES AND DISBURSEMENTS

105. Pursuant to the Receivership Order, the Receiver has provided services and incurred disbursements, which are described in the Affidavit of Deborah Hornbostel sworn May 4, 2018. A copy of that fee affidavit is attached hereto as **Appendix "X"**.

106. The detailed time descriptions contained in the dockets provide a fair and accurate description of the services provided and the amounts charged by representatives of the Receiver. Included with the affidavit is a summary of the time charges of those whose services are reflected in the detailed dockets, including the total fees and hours billed.

107. Additionally, the Receiver has incurred legal fees of its counsel, DSF in respect of these proceedings, as more particularly set out in the fee affidavit of Sara Mosadeq sworn May 3, 2017 and the exhibits attached thereto. A copy of that fee affidavit is attached hereto as **Appendix "Y"**.

108. The Receiver respectfully submits that the Receiver's fees and disbursements and DSF LLP's fees and disbursements are fair and reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Receivership Order.

109. The Receiver requests that the Court approve its interim accounts from June 19, 2017 to April 30, 2018 in the amount of \$139,485.50, plus applicable HST of \$18,133.12.

110. The Receiver also requests that the Court approve the accounts of its legal counsel for the period from June 17, 2017 to April 30, 2018 in the amount of \$35,944.96 for fees and disbursements, inclusive of HST of \$4,134.34.

XV. CONCLUSION AND RECOMMENDATIONS

111. The Receiver is of the view that the sales process was fair and transparent and allowed for sufficient exposure of the Property to properly canvass the market for a purchaser. To the best of the Receiver's knowledge, all reasonable requests for information made by potential purchasers were satisfied. The Receiver believes that the Hue APS represents the highest and best realization for the Property and recommends that the Court approve the Transaction.

112. The Receiver is also of the view that upon the closing of the Transaction, the Receiver should forthwith proceed with the Claims Procedure Order in order to return the Deposits to the Purchasers as soon as possible and that in order to administer that process, it requires control of the Deposit Funds.

113. The Receiver seeks an Order of the Court:

- (a) approving and authorizing a sale of the Property by the Receiver to Hue pursuant to the Hue APS;

- (b) vesting the Debtor's right, title and interest, if any, in and to the Property free and clear of all encumbrances, subject to the terms of the Hue APS;
- (c) sealing all Confidential Appendices to this report until completion of the Transaction;
- (d) authorizing and approving a distribution by the Receiver to DUCA to fully retire its mortgage debt from the anticipated sale proceeds upon the completion of the Transaction;
- (e) discharging the construction lien and certificate registered by McCallum against the Property;
- (f) requiring the turnover of all funds held in trust by SR Law to the Receiver;
- (g) approving and authorizing the Deposit Claims Procedure, subject to the completion of the Transaction;
- (h) authorizing and directing the Receiver to make distributions to unit purchasers in respect of their proven deposit claims;
- (i) authorizing and approving the Deposit Payment Protocol which forms part of the Deposit Claims Procedure Order
- (j) requiring Zimmerman to pay \$10,500 to the Receiver with respect to funds received from the Debtor subsequent to the issuance of the Receivership Order;
- (k) requiring Santaguida to attend an examination by the Receiver;
- (l) requiring Marylou Santaguida to attend an examination by the Receiver and to provide the Receiver with a complete explanation and accounting for all funds received by Santerra from the Debtor, including supporting documentation to substantiate the value of the services and work performed by Santerra, if any;
- (m) approving the activities and conduct of the Receiver as described in this First Report;

- (n) approving the Receiver's Interim Statement of Receipts and Disbursements set out in the First Report; and
- (o) approving and authorizing payment of the fees and disbursements of the Receiver and its legal counsel, DSF, as set out in this First Report.

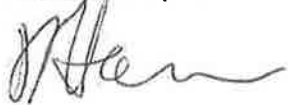
This Report is respectfully submitted this 4th day of May, 2018

msi Spergel Inc.,

In its capacity as Court Appointed Receiver of

2203284 Ontario Inc., and not in its personal or corporate capacity

Per:



Deborah Hornbostel, CPA, CA, CFE, CIRP, LIT

Appendix “A”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

JUSTICE *Conway*

)
)
)

THURSDAY, THE 22ND

DAY OF JUNE, 2017

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

2203284 ONTARIO INC.

Respondent

**ORDER
(appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing msi Spergel Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 2203284 Ontario Inc. (the "Debtor"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Sergiu Cosmin sworn June 9, 2017 and the Exhibits thereto and on hearing the submissions of counsel for Duca Financial Services Credit Union Ltd., no one appearing for the Debtor although duly served as appears from the affidavit of service of Sherine Burke affirmed June 12, 2017 and the affidavit of service of Samantha Harris sworn June 13, 2017 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 Applicant 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 Spengel Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor including property municipally known as 98 James Street South, Hamilton, Ontario and more particularly described as:

PIN	17171 - 0009 LT
DESCRIPTION	PT LT 75 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON; PT LT 76 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON (BTN HUNTER ST, MACNAB ST, JACKSON ST & JAMES ST) AS IN HA59712; CITY OF HAMILTON

(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 \$100,000.00; 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, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (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.

4. THIS COURT ORDERS that, subject to any further order of this Court, the Receiver shall not provide less than ten (10) days' notice to the secured creditors of the Debtor of any motion for an order to approve a transaction which is the subject of section 3(k)(ii) of this Order.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

6. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and

suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this

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

EMPLOYEES

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

PIPEDA

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

other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and

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

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

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of

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

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

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

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

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL www.spergel.ca/2203284OntarioInc.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or

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

GENERAL

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

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

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

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

31. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity

basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

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



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUN 22 2017

PER / PAR:



SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver (the "Receiver") of the assets, undertakings and properties of 2203284 Ontario Inc. acquired for, or used in relation to a business carried on by the Debtor, including property municipally known as 98 James Street South, Hamilton, Ontario and more particularly described as:

PIN	17171 - 0009 LT
DESCRIPTION	PT LT 75 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON; PT LT 76 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON (BTN HUNTER ST, MACNAB ST, JACKSON ST & JAMES ST) AS IN HA59712; CITY OF HAMILTON

(the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 22nd day of June, 2017 (the "Order") made in an action having Court file number ___-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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 _____, 2017.

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

Per: _____

Name: Trevor Pringle

Title: Senior Vice-President

DUCA FINANCIAL SERVICES CREDIT UNION LTD.
Applicant

- AND -

2203284 ONTARIO INC.
Respondent

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

PROCEEDINGS COMMENCED AT TORONTO

**ORDER
(appointing Receiver)**

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

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

Tel: (905) 528-8411
Fax: (905) 528-9008

Lawyers for the Applicant

Appendix “B”

Court File No. CV-17-11827-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

2203284 ONTARIO INC.

Respondent

**NOTICE OF MOTION
(returnable July 21, 2017)**

THE RECEIVER will make a motion to the court on Friday, July 21, 2017, at 10:00 a.m., or as soon after that time as the motion can be heard, at the Superior Court of Justice located at 330 University Avenue, Toronto.

PROPOSED METHOD OF HEARING: Orally.

THE MOTION IS FOR:

1. An order if necessary, validating, abridging the time for or dispensing with service of this notice and materials which accompany it.
2. An order for directions requiring the landlord of certain property to give the Receiver access respondent's office (which appears is part of premises leased by someone else).
3. An order requiring certain individuals to provide the Receiver with information as well as with access to records.
4. Costs of this motion on a substantial-indemnity basis.

5. Such further and other relief as counsel may advise and this Honourable Court permit.

THE GROUNDS FOR THE MOTION ARE:

1. On June 22, 2017, the court granted a receivership order ('Receivership Order') in respect of the respondent, of 2203284 Ontario Inc. ("220 Ontario" or the "respondent").
2. msi Spergel Inc. (the "Receiver" or "Spergel") was appointed Receiver as receiver over the 220 Ontario's property with the power and authority to do, among other things, the following:
 - (a) to take possession of and exercise control over the Property;
 - (b) to receive, preserve, and protect the Property and, in this respect, to change locks and security codes as well as to relocate, take inventory, and safeguard the Property.
3. The Receivership Order also requires all persons having knowledge of it to do the following:
 - (a) forthwith to advise the Receiver of the existence of any of the Property in such person's possession or control;
 - (b) to grant immediate access to Property;
 - (c) to deliver all Property at the Receiver's request;
 - (d) forthwith to advise the Receiver of the existence of, among other things, books, documents, records, and information ("Records") related to 220 Ontario's business in the possession or control of any such person;
 - (e) to provide Records to the Receiver or to provide the Receiver with access to them and, in particular, for the purpose of making copies.
4. The following have not provided access to or information in accordance with the Receivership Order: Luigi Santaguida, the sole officer and director of the 220 Ontario; Lawrence Zimmerman, a lawyer who has acted for 220 Ontario and Mr. Santaguida; and George Ruggiero, who holds certain deposits relating to the condominium project which 220 Ontario was to build.

5. In addition, the Reciever has not been able to access 220 Ontario's office space, which appear leased to another entity.

6. Such further and other grounds as counsel may advise and this Honourable Court permit.

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

1. The Affidavit of Deborah Hornbostel sworn July 17, 2017, and the exhibits attached thereto; and,

2. Such further and other documents as counsel may advise and this Honourable Court permit.

July 17, 2017

DEVRY SMITH FRANK *LLP*
Lawyers & Mediators
95 Barber Greene Road, Suite 100
Toronto, ON M3C 3E9

LAWRENCE HANSEN
LSUC #41098W

Tel.: 416-449-1400
Fax: 416-449-7071

Lawyers for the receiver
msi Spergel Inc.

TO: SIMPSON WIGLE LAW LLP
1 Hunter Street East, Suite 200
Hamilton, Ontario L8N 3W1

DAVID J. JACKSON
LSUC #AO15656R

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

Lawyers for the applicant

AND TO: ZIMMERMAN ASSOCIATES
Barristers and Solicitors
3338 Dufferin Street
Toronto, Ontario M6A 3A4

LAWRENCE ZIMMERMAN

Tel.: 416-489-9222
Fax: 416-486-6222
Email: larry@zimlaw.ca

Lawyers for the respondent
and Mary Lou Santaguida (Forth and Fifth Mortgagee)

AND TO: SCHNEIDER RUGGIERO LAW
120 Adelaide Street West, Suite 1000
Toronto, Ontario M5H 3V1

GEORGE RUGGIERO

Tel.: 416-363-2212
Fax: 416-363-0645
Email: gruggiero@srlawpractice.com

Lawyers for Diversified Capital Inc. (Third Mortgagee)

AND TO: THE GUARANTEE COMPANY OF NORTH AMERICA
4950 Yonge Street, Suite 1400
Toronto, Ontario M2N 6K1

RANDY MUSSELMAN
Email: rmusselman@gcna.com

JULES QUENNEVILLE
Email: jquenneville@gcna.com

DICK LONGLAND
Email: dlongland@gcna.com

Tel.: 416-223-9580
Fax: 416-223-6577

Second Mortgagee

- 5 -

AND TO: 1220356 ONTARIO LIMITED and TARAGAR HOLDINGS LIMITED
c/o AVENUE CAPITAL MORTGAGE ADMINISTRATION INC.
480 Lawrence Street West, 4th Floor
Toronto, Ontario M5M 1C4

Tel.: 416-225-0555
Fax: 647-438-2006

AND TO: DESJARDINS FINANCIAL SECURITY
c/o AVISON YOUNG PROPERTY MANAGEMENT SERVICES ONTARIO
INC.
6200 Dixie Road, Suite 204
Mississauga, Ontario L5T 2E1

ELIZABETH McKINLAY

AND TO: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO
AS REPRESENTED BY THE MINISTRY OF FINANCE
33 King Street West, 6th Floor
Oshawa, Ontario L1H 1A1

KEVIN J. O'HARA

Tel.: 905-433-6934
Fax: 905-436-4510
Email: kevin.ohara@ontario.ca

AND TO: CANADA REVENUE AGENCY
c/o DEPARTMENT OF JUSTICE
130 King Street West, Suite 3400
Toronto, Ontario M5X 1K6

DIANE WINTERS
Email: diane.winters@justice.gc.ca

PETER ZEVENHUIZEN
Email: peter.zevenhuizen@justice.gc.ca

Tel.: 416-973-3172
Fax: 416-973-0810

TAB 2

Court File No. CV-17-11827-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

2203284 ONTARIO INC.

Respondent

AFFIDAVIT OF DEBORAH HORNBOSTEL

I, DEBORAH HORNBOSTEL, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Principal at msi Spergel Inc. (the "Receiver" or "Spergel"), receiver of the respondent 2203284 Ontario Inc. ("220 Ontario"), and, as such, have personal knowledge of the matters set out in this affidavit. To the extent that anything below is not within my personal knowledge, it constitutes information derived from the sources indicated. I believe all such information to be true.
2. I swear this affidavit in support of a motion for an order for directions and, in particular, for an order requiring the landlord to give the Receiver access to 220 Ontario's office (which appears is part of premises leased by someone else), and ordering certain individuals to provide the Receiver with information as well as with access to records.
3. On June 22, 2017, the court issued a receivership order in respect of 220 Ontario ("Receivership Order"). A true copy of it is attached to this my affidavit and marked Exhibit "A".

The failure of Mr Santaguida and of Mr Zimmerman, a lawyer, to comply

4. The Receivership Order appoints Spergel as receiver "of all of the assets, undertakings and properties of [220 Ontario] including property municipally known as 98 James Street South, Hamilton" (collectively referred to below as "Property").
5. Among other things, the order empowers and authorizes the Receiver as follows:
 - (a) to take possession of and exercise control over the Property;
 - (b) to receive, preserve, and protect the Property and, in this respect, to change locks and security codes as well as to relocate, take inventory, and safeguard the Property.
6. The order also requires all persons having knowledge of it to do the following:
 - (a) forthwith to advise the Receiver of the existence of any of the Property in such person's possession or control;
 - (b) to grant immediate access to Property;
 - (c) to deliver all Property at the Receiver's request;
 - (d) forthwith to advise the Receiver of the existence of, among other things, books, documents, records, and information ("Records") related to 220 Ontario's business in the possession or control of any such person;
 - (e) to provide Records to the Receiver or to provide the Receiver with access to them and, in particular, for the purpose of making copies.
7. Luigi Santaguida (who appears also to be known as Louie Santaguida), the sole officer and director of 220 Ontario, was served with the record for the present application. A true copy of the affidavit of service which shows service on him as well as others is attached to this my affidavit and marked Exhibit "B". A true copy of the corporate profile report which shows that Mr Santaguida's status as sole officer and director is attached to this my affidavit and marked Exhibit "C".
8. Mr Santaguida was served by email at an email address we understand from the applicant's lawyers is used by him.

9. Mr Santaguida was sent a copy of the Receivership Order by way of email. A true copy of the relevant email, without attachment, is attached to this my affidavit and marked Exhibit "D". A true copy of the confirmation that he opened the email message is attached to this my affidavit and marked Exhibit "E".
10. We do not have Mr Santaguida's current address; the applicant's lawyer has advised us that when attempts were made to serve him at his last known address, they were told that he had moved.
11. Lawrence Zimmerman, whom we understand is the lawyer for both Mr Santaguida and 220 Ontario, was served with the record; this is also set out in Exhibit "B".
12. Mr Zimmerman was also sent a copy of the Receivership Order as set out in Exhibit "D". A true copy of the confirmation that he opened the email message is attached to this my affidavit and marked Exhibit "F".
13. George Ruggiero, whose firm holds deposits in respect of a condominium project which 220 Ontario was to build, was served with the application record and sent a copy of the Receivership Order. Evidence of service of the record is set out in Exhibit "B" and of being sent the order on June 22 is set out in Exhibit "D", which shows him as an addressee.
14. I am informed by Daniel Battiston, one of my colleagues who has also been involved in the present receivership, as follows:
- (a) on June 22, he went to 220 Ontario's registered office at 93 Skyway Avenue, Suite 210, Etobicoke (the "Premises"), out of which it appears more than one business operates;
 - (b) the front office doors were locked and it appeared that no staff were present.
 - (c) he put a copy of the Receivership Order through the front-door mail slot;
 - (d) he sent a copy of the Receivership Order via email to Mr

- 4 -

Santaguida ('louie@stantonrenaissance.com') and to Mr Zimmerman ('larry@zimlaw.ca'); and

(e) in his email, Mr Battiston advised Mr. Santaguida of his obligations under the Receivership Order and requested that he make contact to arrange an exchange of the books and records.

A true copy of Mr Battiston's email is attached to this my affidavit and marked Exhibit "G".

15. Neither Mr Santaguida nor Mr Zimmerman, a lawyer, contacted us nor, as far as we are aware, took any steps to comply with the Receivership Order.

16. On June 27, we sent a follow-up email message to Messrs Santaguida and Mr Zimmerman. A true copy of it is attached to this my affidavit and marked Exhibit "H".

17. Neither Mr Santaguida nor Mr Zimmerman responded.

18. On June 28, Mr Battiston attended again at the Premises.

19. I am informed by him that the office doors were locked and no one appeared to be present.

20. Once again, Mr Battiston put a copy of the Receivership Order through the mail slot in the front door.

21. On June 29 and June 30, Mr Battiston returned again to the Premises.

22. I am informed by Mr Battiston that on both occasions, the office appeared empty, he left another copy of the Receivership Order, and that he could see that the previous copies of the order had been removed.

23. On June 29, Mr Battiston also called Mr Zimmerman at his law office but was unable to reach him.

24. Mr Battiston left a message for Mr Zimmerman.

25. Mr Zimmerman has not returned it.

- 5 -

26. On July 5, we sent both Mr Santaguida and Mr Zimmerman a letter. A true copy of it, without its enclosure, is attached to this my affidavit and marked Exhibit "T".
27. The letter, with which an additional copy of the Receivership Order was enclosed, requests access to 220 Ontario's records.
28. Neither Mr Santaguida nor Mr Zimmerman has responded.
29. The letter included another copy of the Receivership Order.
30. On July 11, Mr Battiston called 220 Ontario's office.
31. A person with a male voice picked up the phone.
32. The person would not identify himself nor would he provide contact information for Mr Santaguida.
33. Mr Battiston went again to the premises.
34. No one appeared to be there.
35. He spoke to individuals in a neighbouring suite.
36. They told him that someone went into the office earlier in the day.
37. He left his business cards with the individuals to whom he had spoken and asked them to call him if they saw anyone go into the office.
38. On July 12, they called him to tell him that someone was at the office.
39. He went to 220 Ontario's office.
40. Again, it appeared that no one was there.
41. He spoke to the individuals in the neighbouring suite.
42. They told me that an individual had entered the premises before my arrival and that

the car he had arrived in was still on site.

43. He called 220 Ontario's number.

44. The same person to whom he had previously spoken picked up.

45. That person refused to identify himself.

46. He claimed, among other things, that he was not at 220 Ontario's office; its number was, he indicated, forwarded to his mobile phone.

47. In addition, Mr. Battiston has, since the issuance of the Receivership Order, called 220 Ontario's telephone number and left voicemail messages, none of which have been returned.

Access to 220 Ontario's office

48. As set out above, it appears that several businesses at one time operated out of the office premises which are the registered office of 220 Ontario.

49. I have made inquiries of the property manager and determined that the landlord is as follows:

Desjardins Financial Security
c/o Avison Young Property Management Services Ontario Inc.
6200 Dixie Road, Suite 204
Mississauga, ON L5T 2E1

50. I have been informed that although it operates out of the premises, 220 Ontario is not a party to the lease agreement for the Premises.

The failure of Schneider Ruggiero to provide access to documents

51. The law firm of Schneider Ruggiero retains deposits made by purchasers of condominium units in the project at 98 James Street South, Hamilton, which 220 Ontario was to build.

52. Our lawyers approached the firm about getting access to the records relating to those deposits.

53. I am informed by Lawrence Hansen, one of our lawyers, that he left a voicemail message for George Ruggiero, Schneider Ruggiero's managing partner.

54. On June 28, Mr Hansen spoke to Mr Ruggiero, following up with an email message in which he requested information about the deposits and about making arrangements to get records in respect of 220 Ontario's condominium project. A true copy of Mr Hansen's email message is attached to this my affidavit and marked Exhibit "J".

55. On June 28, I also emailed Mr. Ruggiero, stating the following:

Further to the exchange of emails this morning regarding the agreements of purchase and sale, the Receiver undertakes to either cover the cost of the printer or to pick them and return them promptly to you after we have photocopied them. I await your decision and thank you in advance for your prompt cooperation.

A true copy of my email message is attached to this my affidavit and marked Exhibit "K".

56. Mr Ruggiero returned Mr Hansen's email message. A true copy of the response is attached to this my affidavit and marked Exhibit "L".

57. In his message, Mr Ruggiero confirms that his firm has over \$6,000,000 in deposits and indicates that he will get back to us with respect to access to records.

58. On July 5, Mr Ruggiero wrote further, indicating that his firm is not prepared to release documents to the Receiver until outstanding accounts are paid. A true copy of his correspondence is attached to this my affidavit and marked Exhibit "M".

59. Mr Hansen responded, indicating that the Receiver would make arrangements to attend at Mr Ruggiero's office to obtain documentation. A true copy of the relevant email message is attached to this my affidavit and marked Exhibit "N"

60. In addition, I called Mr Ruggiero on July 6 to make arrangements to attend at his office.

61. During my conversation, he indicated that he did not know about any Court Order that would compel him to provide the Receiver with the requested information, although he appears to

have been sent a copy of the Receivership Order on the date on which it was made, pursuant to the email contained in Exhibit "D" of this affidavit.

62. Following my conversation with Mr. Ruggiero on July 6, I sent him another copy of the Receivership Order. A true copy of the relevant email, without the attachment, is attached to his my affidavit and marked Exhibit "O."

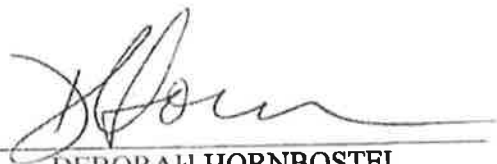
63. On July 11, I left Mr. Ruggiero a voice-mail message with respect to the requested records.

64. I have heard nothing further from Mr. Ruggiero.

Sworn before me, at the City of Toronto, in the
Province of Ontario, on this 17 day of July,
2017.

A Commissioner etc.

LAURENCE HANSEN


DEBORAH HORNBOSTEL

Appendix “C”

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

THE HONOURABLE
MADAM JUSTICE CONWAY

) FRIDAY, THE 21ST DAY
) OF JULY, 2017
)
)

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT LTD.

Applicant

- and -

2203284 ONTARIO INC.

Respondent

ORDER

THIS MOTION, brought by msi Spergel Inc. (the "Receiver" or "Spergel") in its capacity as receiver of the respondent 2203824 Ontario Inc. ("220 Ontario" or "Respondent"), for an order for directions requiring the landlord of certain property to give the Receiver access to the Respondent's office as well as for an order directing certain individuals to provide the Receiver with information as well as access to the Respondent's records, was heard this day at 330 University Avenue, Toronto.

ON READING the motion record, filed, and on hearing submissions of the Receiver's lawyer, *and on consent of the MR Ruggiero, Mr Zimmerman and Mr. Santaguida ✓ Be*

1. THIS COURT ORDERS that service of the notice of motion and accompanying affidavit is abridged and that service is validated.

2. THIS COURT FURTHER ORDERS the tenant, Terrasan 327 Royal York Rd. Limited, the landlord, Desjardins Financial Security, and the property manager, Avison Young Property Management Services Ontario Inc., to provide the Receiver with access to the premises known as 93 Skyway Avenue, Suite 210, Etobicoke (the "Premises"), as well as to any other unit

or area in respect of which the Respondent stores or has property, for the purpose of exercising the powers granted to it under the Receivership Order of June 22, 2017 ("Receivership Order"), including but not restricted to taking possession of and exercising control over the Respondent's property, of any nature whatsoever and including records but not including deposits as described below ("Property"), as well as to receive, preserve, remove and to protect such Property.

3. THIS COURT FURTHER ORDERS Luigi Santaguida aka Louie Santaguida to comply with the Receivership Order and, in particular, to do the following:

- (a) forthwith to advise the Receiver of the existence and location of Property, and to provide to the Receiver all information he has in respect of the Respondent;
- (b) forthwith to provide full access to Property which is within his possession, power or control; and
- (c) forthwith to permit the Receiver to remove Property or, at its option and where possible, to make copies of Property.

4. THIS COURT FURTHER ORDERS Lawrence Zimmerman aka Larry Zimmerman and Zimmerman Associates (collectively referred to in the singular as "Zimmerman") to comply with the Receivership Order and, in particular, to do the following:

- (a) forthwith to advise the Receiver of the existence and location of Property, and to provide to the Receiver all information it has in respect of the Respondent;
- (b) forthwith to provide full access to Property which is within Zimmerman's possession, power or control;
- (c) forthwith to permit the Receiver to remove Property or, at its option and where possible, to make copies of Property; and
- (d) forthwith to provide what contact information it has for Luigi Santaguida aka Louie Santaguida.

5. THIS COURT FURTHER ORDERS George Ruggiero and Schneider Ruggiero LLP (collectively referred to in the singular as "Ruggiero") to comply with the Receivership Order and, in particular, to do the following, without prejudice to any claims advanced by Ruggiero:

- (a) forthwith to advise the Receiver of the existence and location of Property, and to provide to the Receiver all information it has in respect of the Respondent;
- (b) forthwith to provide full access to Property which is within Ruggiero's possession, power or control;
- (c) forthwith to permit the Receiver to remove Property or, at its option and where possible, to make copies of Property;
- (d) forthwith to provide the following for deposits which it holds in respect of the condominium project at 98 James Street South, Hamilton, Ontario:
 - i. the name of the individual or individuals who made each deposit;
 - ii. the contact information for each of these individuals;
 - iii. the amount of each deposit;
- (e) notwithstanding the foregoing, forthwith to provide to the Receiver, in digital format, full and complete versions of all agreements of purchase and sale related to the deposits, above; and
- (f) forthwith to provide what contact information it has for Luigi Santaguida aka Louie Santaguida.

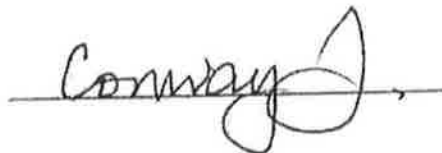
6. THIS COURT FURTHER ORDERS that none of what is set out in the present order restricts or otherwise modifies the Receivership Order or the powers and rights provided to the Receiver by it.

7. THIS COURT FURTHER ORDERS Luigi Santaguida aka Louie Santaguida to pay his share of the costs of this motion to the Receiver in the sum of \$1,000.00, inclusive of disbursements and tax, and to do so within 30 days.

8. THIS COURT FURTHER ORDERS Zimmerman to pay its share of the costs of this motion to the Receiver in the sum of \$1,000.00, inclusive of disbursements and tax, and to do so within 30 days.

9. THIS COURT FURTHER ORDERS Ruggiero to pay its share of the costs of this motion to the Receiver in the sum of \$1,000.00, inclusive of disbursements and tax, and to do so within 30 days.

THIS ORDER BEARS INTEREST at the rate of 2.0 % per year.

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

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

and

2203284 ONTARIO INC.

Applicant

Respondent

Court File No. CV-17-11827-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceeding commenced at
TORONTO

ORDER

DEVRY SMITH FRANK LLP
Lawyers & Mediators
95 Barber Greene Road, Suite 100
Toronto, Ontario M3C 3E9

LAWRENCE HANSEN
LSUC# 41098W

Tel.: 416-449-1400
Fax: 416-449-7071

Lawyers for the receiver
msi Spergel Inc.

Appendix “D”

2203284 Ontario Inc.

Santerra Asset Management & Dev. Inc. Historical Inter-Company

Prepared: October 27, 2017

Type	Date	Num	Memo	Amount	Balance
General Journal	07/08/2015	GJ-036		2,581,543.11	2,581,543.11
Cheque	09/30/2015	383	VOID:	-	2,581,543.11
Cheque	09/30/2015	384		1,130,000.00	3,711,543.11
Cheque	10/06/2015	393		110,000.00	3,821,543.11
Cheque	10/13/2015	395		150,000.00	3,971,543.11
Deposit	12/03/2015	371	Deposit	(140,000.00)	3,831,543.11
Deposit	02/09/2016	409	Deposit	(40,000.00)	3,791,543.11
Deposit	03/30/2016	446	Deposit	(6,000.00)	3,785,543.11
Deposit	04/08/2016	455	Deposit	(50,000.00)	3,735,543.11
Deposit	04/28/2016	467	Deposit	(28,000.00)	3,707,543.11
Transfer	07/05/2016		Funds Transfer- ck#522	(3,500.00)	3,704,043.11
Transfer	07/28/2016		Funds Transfer- CK # 537	(34,000.00)	3,670,043.11
Deposit	08/29/2016	557	Deposit	(25,000.00)	3,645,043.11
General Journal	09/01/2016	GJ-049	Cyberbahn Inv\$ LL5039367 D/D 8/314/16	(71.75)	3,644,971.36
Deposit	09/14/2016	563	PR	(11,600.00)	3,633,371.36
Deposit	09/29/2016	569	Deposit	(34,900.00)	3,598,471.36
Deposit	09/30/2016	573	Deposit	(30,518.00)	3,567,953.36
Cheque	10/28/2016	557		2,238.02	3,570,191.38
Deposit	11/14/2016	598	Deposit	(6,700.00)	3,563,491.38
Deposit	11/30/2016	605	Deposit	(1,000.00)	3,562,491.38
Deposit	12/20/2016	617	Loan from MLS	(30,000.00)	3,532,491.38
Deposit	01/12/2017	626	Loan from Santerra	(30,000.00)	3,502,491.38
Deposit	01/25/2017	628	Deposit	(30,300.00)	3,472,191.38
General Journal	02/08/2017	GJ-050	Intercompany loan from Santerra	(26,000.00)	3,446,191.38
Cheque	02/14/2017	583	Intercompany payment (Payroll, Rent)	15,500.00	3,461,691.38
General Journal	03/31/2017	GJ-060	Rent allocation - Jan/Feb 2017	(4,666.19)	3,457,025.19
TOTAL				3,457,025.19	3,457,025.19

Appendix “E”

Request ID: 020569009
Transaction ID: 65267523
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/08/04
Time Report Produced: 11:51:32
Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2310618	SANTERRA ASSET MANAGEMENT AND DEVELOPMENT INC.	2011/12/21
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
93 SKYWAY AVENUE	NOT APPLICABLE	NOT APPLICABLE
Suite # 104 TORONTO ONTARIO CANADA M9W 6N6	New Amal. Number	Notice Date
	NOT APPLICABLE	NOT APPLICABLE
		Letter Date
		NOT APPLICABLE
Mailing Address	Revival Date	Continuation Date
NOT AVAILABLE	NOT APPLICABLE	NOT APPLICABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors Minimum Maximum	Date Commenced in Ontario
	00001 00010	NOT APPLICABLE
Activity Classification		Date Ceased in Ontario
NOT AVAILABLE		NOT APPLICABLE

Request ID: 020569009
Transaction ID: 65267523
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/08/04
Time Report Produced: 11:51:32
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

2310618

Corporation Name

SANTERRA ASSET MANAGEMENT AND DEVELOPMENT
INC.

Corporate Name History

SANTERRA ASSET MANAGEMENT AND DEVELOPMENT
INC.

Effective Date

2011/12/21

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

Administrator:
Name (Individual / Corporation)

MARYLOU
SANTAGUIDA

Address

14 ST. MARGARET'S DRIVE

TORONTO
ONTARIO
CANADA M4N 3E5

Date Began

2011/12/21

First Director

YES

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

Request ID: 020569009
Transaction ID: 65267523
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/08/04
Time Report Produced: 11:51:32
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

2310618

Corporation Name

SANTERRA ASSET MANAGEMENT AND DEVELOPMENT
INC.

Last Document Recorded

Act/Code Description

Form

Date

CIA ANNUAL RETURN 2016

1C

2016/06/19 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

Appendix “F”



SPERGEL

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE

Direct Phone & Fax: 416 498 4308

deborah@spergel.ca

October 26, 2017

Via Mail

Ms. Marylou Santaguida
14 St. Margaret's Drive
Toronto, ON M4N 3E5

Dear Ms. Santaguida

Re: 2203284 Ontario Inc. (the "Debtor")

Please see the attached correspondence dated August 4, 2017 that was sent to Santerra Asset Management and Development Inc. ("Santerra") at its registered office address which we obtained from the Ontario Ministry of Government Services. We understand that you are the sole director of Santerra. To date, no response has been received. Accordingly we request that you attend to this matter in your capacity as the sole director forthwith.

In addition, we also understand that you have registered two mortgages against the property of the Debtor located at 98 James Street South, Hamilton Ontario. We request that you provide us with copies of the mortgage documents and documentation in support of the advances made pursuant to those mortgages at your earliest convenience.

Yours very truly,

msi Spergel Inc.

Per:

Deborah Hornbostel CPA, CA, CIRP, LIT, CFE

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

• Barrie 705 722 5090 • Hamilton 905 327 2227 • Mississauga 905 602 4143 • Oshawa 905 721 8251 • Toronto-Central 416 778 8813
• Brampton 905 874 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Saskatchewan 306 341 1660

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

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network



SPERGEL

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE

Direct Phone & Fax: 416 498 4308

deborah@spergel.ca

August 4, 2017

Via Mail & Hand Delivery

Santerra Asset Management and Development Inc.
93 Skyway Avenue
Suite 104
Toronto, ON M9W 6N6

Attention: Ms. Marylou Santaguida

Dear Sirs:

Re: 2203284 Ontario Inc. (the "Debtor")

On June 22, 2017, msi Spergel Inc. was appointed as the Receiver of the Debtor pursuant to a Court Order issued by Justice Conway (the "Order"). During the course of our review of the Debtor's books and records we have determined that Santerra Asset Management and Development Inc. ("Santerra") received \$3,457,025.19 from the Debtor. We request that Santerra provide an accounting to the Receiver forthwith for the funds received.

Yours very truly,

msi Spergel Inc.

Per:

Deborah Hornbostel CPA, CA, CIRP, LIT, CFE

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

• Barrie 705 722 5090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Ottawa 905 721 8251 • Toronto-Central 416 778 8313
• Brampton 905 874 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Saskatchewan 306 341 1660

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

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

Appendix “G”

Cheque Item Image

User: Felona Persaud

Request #:	4684429	Request Desc:	
Transit - FI #:	24162-001	Account #:	1997354
Sequence #:	4513088872	Amount:	\$10,500.00 CAD
Date:	07/25/2017		

2203284 ONTARIO INC.
93 SKYWAY AVENUE, SUITE 209
TORONTO, ONTARIO M9W 6N6

BANK OF MONTREAL
165 RIVERDALE BLVD.
RICHMOND, ONTARIO M9W 6E2

0594

PAY *g* *June 15th, 2017*
\$10,500.00
Zimmerman Associates

TO THE ORDER OF *Ten Thousand Five Hundred*

17-1003/ Sadagurda / Inv. # 10809

17-1003/ Sadagurda / Inv. # 10809

000594 24162001 1997354

Luzi Sadagurda

Printer ID # / NI d'imprimatur 1014

E19282-5205215

Endorsement - Signature or Stamp

20170725
Zimmerman Associates
Chartered and Solicitors
3300 Bloor Street
Toronto, ON M8X 3A4
TDCT BRN 19933 TOR
20170725 ISN: 3144338717
CR 19282-5205231

G19282-5205231

BACK/ENDOS

- BOFD
Account: 19932-004 19282-5205231
Date: 2017-07-25
ISN: 3247492048
- Direct Clearer
Transit: 19932-004
Date: 2017-07-25
ISN: 3247492048
- Direct Clearer
Transit: 00720-001
Date: 2017-07-25
ISN: 4513088872

Print

Close

9:09 AM
2017-07-11

2203284 Ontario Inc.
Reconciliation Summary
1101 - Bank of Montreal-1997-354, Period Ending 2017-06-30

	30 Jun 17	
Beginning Balance		5,269.41
Cleared Transactions		
Cheques and Payments - 6 Items	-4,494.93	
Deposits and Credits - 1 Item	1,027.63	
Total Cleared Transactions	-3,467.30	
Cleared Balance		1,802.11
Uncleared Transactions		
Cheques and Payments - 2 Items	-2,515.00	
Total Uncleared Transactions	-2,515.00	
Register Balance as of 2017-06-30		-712.89
Ending Balance		-712.89

9:09 AM
2017-07-11

2203284 Ontario Inc.
Reconciliation Detail
1101 - Bank of Montreal-1997-354, Period Ending 2017-06-30

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						5,269.41
Cleared Transactions						
Cheques and Payments - 6 Items						
Bill Pmt -Cheque	2017-04-20	588	Joey's Lawn Care S...	X	-282.50	-282.50
Cheque	2017-05-05	May1...	Bell Canada-905-57...	X	-266.55	-548.05
Bill Pmt -Cheque	2017-05-08	591	Pelican Woodcliff	X	-2,825.00	-3,373.05
Bill Pmt -Cheque	2017-05-08	590	Collaborative Struct...	X	-1,000.00	-4,373.05
Cheque	2017-05-30	May 3..	Horizon Utilities Cor...	X	-61.88	-4,434.93
Cheque	2017-06-30			X	-60.00	-4,494.93
Total Cheques and Payments					-4,494.93	-4,494.93
Deposits and Credits - 1 Item						
Deposit	2017-05-05			X	1,027.63	1,027.63
Total Deposits and Credits					1,027.63	1,027.63
Total Cleared Transactions					-3,467.30	-3,467.30
Cleared Balance					-3,467.30	1,802.11
Uncleared Transactions						
Cheques and Payments - 2 Items						
Bill Pmt -Cheque	2017-05-08	592	Terraprobe Inc.		-1,000.00	-1,000.00
Cheque	2017-05-15	593	City of Hamilton -		-1,515.00	-2,515.00
Total Cheques and Payments					-2,515.00	-2,515.00
Total Uncleared Transactions					-2,515.00	-2,515.00
Register Balance as of 2017-06-30					-5,982.30	-712.89
Ending Balance					<u>-5,982.30</u>	<u>-712.89</u>

Chequing

2416 1997-354

The current balance shown is as of today's date. Please report any items that do not match your records.

Account No: 1997-354

Financial Institution No: 001 ⓘ

Branch Transit No: 24162 ⓘ

Account Balance: \$1,802.11

Available Funds: \$1,802.11 ⓘ

Funds on Hold: \$0.00 ⓘ

Transaction History

View transactions by selecting a time period or date range, or filter your results by entering a description.

View: May 2017

or show from:

to:

MM/DD/YYYY

MM/DD/YYYY

Filter description:

Submit

Transaction Date	Code	Description	Debit	Credit	Balance
		Balance Forward			\$5,249.41
May 1, 2017	CW	HORIZON UTIL	\$41.78 ✓		\$5,207.63
May 5, 2017	DN	CANADA GST/TPS		\$1,027.63 ✓	\$6,235.26
May 9, 2017	CK	NO.588	\$282.50 ✓		\$5,952.76
May 11, 2017	CW	BELL CANADA ONT	\$265.55		\$5,687.21
May 18, 2017	CK	NO.591	\$2,825.00 ✓		\$2,862.21
May 23, 2017	CK	NO.592	\$1,000.00 ✓		\$1,862.21
May 30, 2017	CW	HORIZON UTIL	\$20.10 ✓		\$1,842.11
May 31, 2017	SC	PLAN FEE	\$20.00 ✓		\$1,822.11

11/07/2017

BMO Bank of Montreal Online Banking

Chequing

2416 1997-354

2203284 ONTARIO INC

The current balance shown is as of today's date. Please report any items that do not match your records.

Account No: 1997-354

Financial Institution No: 001

Branch Transit No: 24162

Account Balance: \$1,802.11

Available Funds: \$1,802.11

Funds on Hold: \$0.00

Transaction History

View transactions by selecting a time period or date range, or filter your results by entering a description.

View: June 2017 or show from: MM/DD/YYYY to: MM/DD/YYYY

Filter description: Submit

Transaction Date	Code	Description	Debit	Credit	Balance
		Balance Forward			\$1,822.11
Jun 30, 2017	SC	PLAN FEE	\$20.00 ✓		\$1,802.11

9:06 AM
2017-07-25

2203284 Ontario Inc.
Reconciliation Summary
1101 - Bank of Montreal-1997-354, Period Ending 2017-07-25

	26 Jul 17	
Beginning Balance		1,802.11
Cleared Transactions		
Deposits and Credits - 1 Item	9,362.43	
Total Cleared Transactions	9,362.43	
Cleared Balance		11,164.54
Uncleared Transactions		
Cheques and Payments - 2 Items	-2,515.00	
Total Uncleared Transactions	-2,515.00	
Register Balance as of 2017-07-25		8,649.54
Ending Balance		8,649.54

9:05 AM

2017-07-25

2203284 Ontario Inc. Reconciliation Detail

1101 - Bank of Montreal-1997-354, Period Ending 2017-07-25

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						1,802.11
Cleared Transactions						
Deposits and Credits - 1 Item						
Deposit	2017-07-20			X	9,362.43	9,362.43
Total Deposits and Credits					9,362.43	9,362.43
Total Cleared Transactions					9,362.43	9,362.43
Cleared Balance					9,362.43	11,164.54
Uncleared Transactions						
Cheques and Payments - 2 Items						
Bill Pmt -Cheque	2017-05-08	592	Terraprobe Inc.		-1,000.00	-1,000.00
Cheque	2017-05-15	593	City of Hamilton -		-1,515.00	-2,515.00
Total Cheques and Payments					-2,515.00	-2,515.00
Total Uncleared Transactions					-2,515.00	-2,515.00
Register Balance as of 2017-07-25					6,847.43	8,649.54
Ending Balance					<u>6,847.43</u>	<u>8,649.54</u>

25/07/2017

BMO Bank of Montreal Online Banking

Chequing

2416 1997-354

The current balance shown is as of today's date. Please report any items that do not match your records.

Account No: 1997-354

Financial Institution No: 001

Branch Transit No: 24162

Account Balance: \$11,164.54

Available Funds: \$11,164.54

Funds on Hold: \$0.00

Transaction History

View transactions by selecting a time period or date range, or filter your results by entering a description.

View: This month

or show from: ;

MM/DD/YYYY

to: ;

MM/DD/YYYY

Filter description: ;

Submit

Transaction Date	Code	Description	Debit	Credit	Balance
		Balance Forward			\$1,802.11
Jul 20, 2017	DN	CANADA GST/TPS		\$8,344.55 ✓	\$10,146.66
Jul 20, 2017	DN	CANADA GST/TPS		\$1,017.88 ✓	\$11,164.54

Appendix “H”



SPERGEL

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE
Direct Phone & Fax: 416 498 4308
deborah@spergel.ca

August 23, 2017

Via Email larry@zimlaw.ca

Zimmerman Associates
Barristers and Solicitors
3338 Dufferin Street
Toronto, ON M6A 3A4

Attention: Mr. Lawrence Zimmerman

Dear Sirs:

Re: **2203284 Ontario Inc. (the "Debtor")**

Enclosed with this letter is a copy of cheque No.0594 in the amount of \$10,500 issued by the Debtor to Zimmerman Associates (the "Cheque"). The Receiver has just become aware of the clearing the Cheque which was deposited by the payee on July 25, 2017, subsequent to the issuance of the the June 22, 2017 and July 21, 2017 Court Orders of Justice Conway (the "Orders"), which you were well aware of.

The Receiver has reviewed the historical accounting records of the Debtor and has confirmed that the Cheque had not been issued on the purported date of June 15, 2017 and had in fact been issued subsequent to the appointment of the Receiver and in contravention of the Orders. You have in fact removed property of the Debtor that must be turned over to the Receiver. As a result, we demand that the funds be returned immediately, failing which we will proceed to Court for a further order against you. Such an order may also have further cost consequences for you.

Kindly contact the writer upon receipt of this correspondence to confirm your cooperation with this issue.

Yours very truly,

msi Spergel Inc.

Per:

Deborah Hornbostel CPA, CA, CIRP, LIT, CFE

Enclosure

cc: Devry Smith Frank LLP, Attention: Lawrence Hansen Lawrence.Hansen@devrylaw.ca

msi Spergel inc. Licensed Insolvency Trustees 505 Consumer Road, Suite 200, Toronto, ON M2J 4V8 • Tel 416 492 1660 • Fax 416 494 7199

• Barrie 705 722 3090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Oshawa 905 721 8251 • Toronto Central 416 778 8843
• Brampton 905 824 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 602 1363 • Saskatchewan 306 341 1660

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

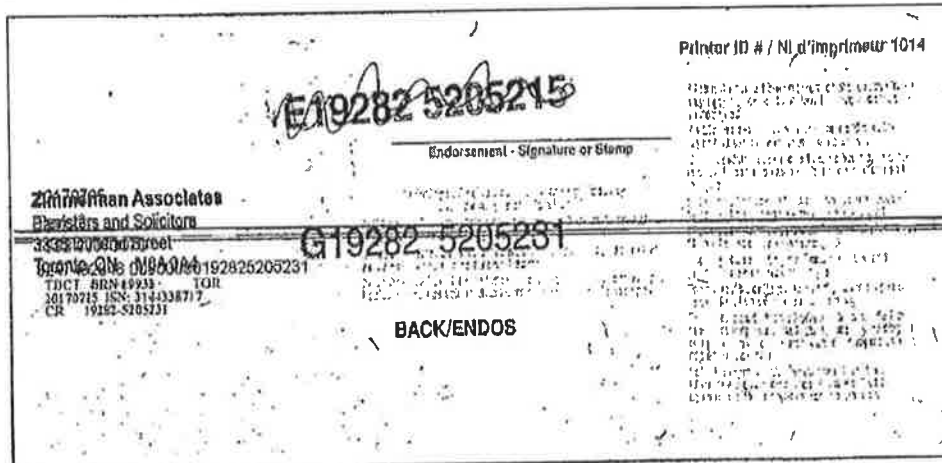
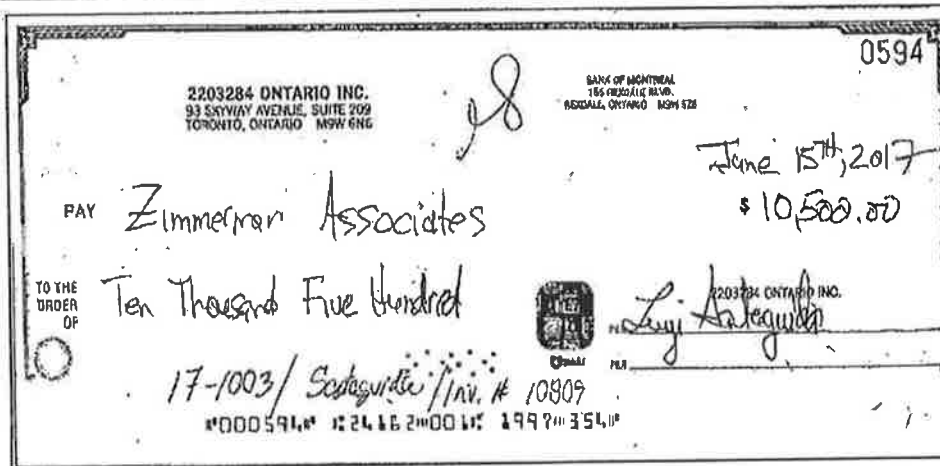
www.spergel.ca

Member **ICIN** The Independent Canada Insolvency Network

Cheque Item Image

User: Felona Persaud

Request #:	4684429	Request Desc:	
Transit - FI #:	24162-001	Account #:	1997354
Sequence #:	4513088872	Amount:	\$10,500.00 CAD
Date:	07/25/2017		



- BOFD
Account: 19932-004 19282-5205231
Date: 2017-07-25
ISN: 3247492048
- Direct Clearer
Transit: 19932-004
Date: 2017-07-25
ISN: 3247492048
- Direct Clearer
Transit: 00720-001
Date: 2017-07-25
ISN: 4513088872

Print

Close

Appendix “I”



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

lawrence.hansen@devrylaw.ca
416.446.5097

BY EMAIL

April 23, 2018

Brett Moldaver
Moldaver Barristers
365 Bloor Street East, Suite 1608
Toronto, Ontario M4W 3L4
Email address: brett@moldaverbarristers.com

Dear Mr. Moldaver:

Re: Receivership of 2203284 Ontario Inc.
Court File No.: CV-17-11827-00CL
Our File No.: MSISP011

It was a pleasure meeting you at the 9:30 appointment.

Attached please find letters from the receiver to Ms. Santaguida. Please arrange for the requested documents/information to be provided.

The receiver would propose to examine, on consent, Ms. Santaguida and Mr. Santaguida once what has been requested has been provided in respect of the matters raised in the attached letters. Please let me know what range of dates over the next short while that they are available for that.

Thank you.

Yours very truly,

DEVRY SMITH FRANK *LLP*

A handwritten signature in cursive script, appearing to read 'L. Hansen'.

Lawrence Hansen
LH/cy

Atts.



SPERGEL

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE
Direct Phone & Fax: 416 498 4308
deborah@spergel.ca

August 4, 2017

Via Mail & Hand Delivery

Santerra Asset Management and Development Inc.
93 Skyway Avenue
Suite 104
Toronto, ON M9W 6N6

Attention: Ms. Marylou Santaguida

Dear Sirs:

Re: 2203284 Ontario Inc. (the "Debtor")

On June 22, 2017, msi Spergel Inc. was appointed as the Receiver of the Debtor pursuant to a Court Order issued by Justice Conway (the "Order"). During the course of our review of the Debtor's books and records we have determined that Santerra Asset Management and Development Inc. ("Santerra") received \$3,457,025.19 from the Debtor. We request that Santerra provide an accounting to the Receiver forthwith for the funds received.

Yours very truly,

msi Spergel Inc.

Per:

Deborah Hornbostel CPA, CA, CIRP, LIT, CFE

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

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

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

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network



SPERGEL

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE
Direct Phone & Fax: 416 498 4308
deborah@spergel.ca

October 26, 2017

Via Mail

Ms. Marylou Santaguida
14 St. Margaret's Drive
Toronto, ON M4N 3E5

Dear Ms. Santaguida

Re: 2203284 Ontario Inc. (the "Debtor")

Please see the attached correspondence dated August 4, 2017 that was sent to Santerra Asset Management and Development Inc. ("Santerra") at its registered office address which we obtained from the Ontario Ministry of Government Services. We understand that you are the sole director of Santerra. To date, no response has been received. Accordingly we request that you attend to this matter in your capacity as the sole director forthwith.

In addition, we also understand that you have registered two mortgages against the property of the Debtor located at 98 James Street South, Hamilton Ontario. We request that you provide us with copies of the mortgage documents and documentation in support of the advances made pursuant to those mortgages at your earliest convenience.

Yours very truly,

msi Spergel Inc.

Per:

Deborah Hornbostel CPA, CA, CIRP, LIT, CFE

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

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

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

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

Appendix “J”

Roll Number: 020.139.05010.0000

Activity Number: 0

STATEMENT OF ACCOUNT

City of Hamilton

User: TMORRISO

2018/04/17

This statement is not a certified statement of arrears or current taxes under Section 352 of the Municipal Act, 2001.

Property Address: 98 JAMES ST S
Mortgage Company: **Name:**
Instrument No:

Property Owners: 2203284 ONTARIO INC

2203284 ONTARIO INC
93 SKYWAY AVE UNIT 210
ETOBICOKE ON M9W 6N6

Legal Description: SURVEY PH HAMILTON PT LOT 75
PT LOT 76

CORNER
0.33AC 117.00FR 124.00D

Assessments

<u>Class</u>	<u>Description</u>	<u>Amount</u>
MTEP	MR Eng. Public	1,148,000

Special Area Charges

<u>Sp.ID</u>	<u>Description</u>
AFB	Fire Levy-Urban
ARB	Area Levy-Urban
POL	Police Levy
SOC	Prov Shared Programs
TRB	Transit Levy

Account Balance Information

Transaction Summary:

<u>Year</u>	<u>Tax Levied</u>	<u>Penalty/Interest</u>	<u>Adjustments</u>	<u>Payments</u>	<u>Balance</u>
2018	18,532.71	231.66	2.95	0.00	18,767.32
2017	37,065.42	5,043.08	78.31	0.00	42,186.81
2016	106,127.62	0.00	0.00	106,127.62	0.00
2015	102,565.38	0.00	0.00	102,565.38	0.00
					60,954.13

Account Balance:

<u>Year</u>	<u>Tax Outstanding</u>	<u>Penalty/Interest Outstanding</u>	<u>Other Outstanding</u>	<u>Balance</u>
2018	18,532.71	231.66	2.95	18,767.32
2017	37,099.18	5,043.08	44.55	42,186.81
2016	0.00	0.00	0.00	0.00
2015	0.00	0.00	0.00	0.00
				60,954.13

Roll Number: 020.139.05010.0000
Activity Number: 0

STATEMENT OF ACCOUNT

City of Hamilton

User: TMORRISO
2018/04/17

This statement is not a certified statement of arrears or current taxes under Section 352 of the Municipal Act, 2001.

Transactions

<u>Due Date</u>	<u>Origin</u>	<u>Receipt No</u>	<u>Debit</u>	<u>Credit</u>	<u>Running Balance</u>	<u>Reference</u>	<u>Post Date</u>
2018/04/30	ITX0058	0	9,266.71		60,954.13	2	2018/02/01
2018/04/01	PEN0224	0	579.57		51,687.42		2018/04/01
2018/03/07	ADJ7081	0	2.95		51,107.85	RF	2018/03/07
2018/03/01	PEN0223	0	579.57		51,104.90		2018/03/01
2018/02/28	ITX0058	0	9,266.00		50,525.33	1	2018/02/01
2018/02/01	PEN0222	0	463.74		41,259.33		2018/02/01
2018/01/10	ADJ6959	0		0.00	40,795.59	M	2018/01/10
2018/01/01	PEN0221	0	463.32		40,795.59		2018/01/01
2017/12/29	ADJ6939	0	33.76		40,332.27	M	2017/12/29
2017/12/29	ADJ6938	0	32.95		40,298.51	MA	2017/12/29
2017/12/01	PEN0220	0	463.32		40,265.56		2017/12/01
2017/11/01	PEN0219	0	463.32		39,802.24		2017/11/01
2017/10/10	ADJ6772	0	2.90		39,338.92	RF	2017/10/10
2017/10/01	PEN0218	0	463.32		39,336.02		2017/10/01
2017/09/29	FTX0057	0	8,723.35		38,872.70	2	2017/06/01
2017/09/01	PEN0217	0	354.28		30,149.35		2017/09/01
2017/08/01	PEN0216	0	354.28		29,795.07		2017/08/01
2017/07/11	ADJ6563	0	2.90		29,440.79	RF	2017/07/11
2017/07/01	PEN0215	0	354.28		29,437.89		2017/07/01
2017/06/30	FTX0057	0	8,723.00		29,083.61	1	2017/06/01
2017/06/01	PEN0214	0	245.24		20,360.61		2017/06/01
2017/05/09	ADJ6462	0		2.90	20,115.37	RF	2017/05/09
2017/05/09	ADJ6462	0	2.90		20,118.27	RF	2017/05/09
2017/05/08	ADJ6459	0	2.90		20,115.37	RF	2017/05/08
2017/05/01	PEN0213	0	245.24		20,112.47		2017/05/01

Roll Number: 020.139.05010.0000
Activity Number: 0

STATEMENT OF ACCOUNT

City of Hamilton

User: TMORRISO
2018/04/17

This statement is not a certified statement of arrears or current taxes under Section 352 of the Municipal Act, 2001.

<u>Due Date</u>	<u>Origin</u>	<u>Receipt No</u>	<u>Debit</u>	<u>Credit</u>	<u>Running Balance</u>	<u>Reference</u>	<u>Post Date</u>
2017/04/28	ITX0056	0	9,809.07		19,867.23	2	2017/02/01
2017/04/01	PEN0212	0	122.63		10,058.16		2017/04/01
2017/03/07	ADJ6326	0	2.90		9,935.53	RF	2017/03/07
2017/03/01	PEN0211	0	122.63		9,932.63		2017/03/01
2017/02/28	ITX0056	0	9,810.00		9,810.00	1	2017/02/01

Estimate based on 2018 assessment and 2018 estimated tax rate

Tax Class	Assessment	Tax Rate	Daily Tax Amount	Days	Estimated Taxes	Tax Arrears	Water Arrears	Admin fees	Penalty	Total(includes arrears, admin fees & penalty)
MTEP	1,148,000	3.046446%	95.82	156	14,947.45	55,598.13	33.76	50.45	6,665.42	62,347.76

Notes:

Details of Tax Arrears includes Installment amount and due dates

28-Feb-17	9,810.00
28-Apr-17	9,809.07
30-Jun-17	8,723.00
29-Sep-17	8,723.35
28-Feb-18	9,266.00
30-Apr-18	9,266.71
	<u>55,598.13</u>

Details of Admin Fees include date and amount

7-Mar-17	2.9
8-May-17	2.9
11-Jul-17	2.9
10-Oct-17	2.9
29-Dec-17	32.95
7-Mar-18	2.95
1-May-18	2.95 *
*estimated reminder fee	<u>50.45</u>


Details of Penalty include date and amount

1-Mar-17	122.63
1-Apr-17	122.63
1-May-17	245.24
1-Jun-17	245.24
1-Jul-17	354.28
1-Aug-17	354.28
1-Sep-17	354.28
1-Oct-17	463.32
1-Nov-17	463.32
1-Dec-17	463.32
1-Jan-18	463.32
1-Feb-18	463.74
1-Mar-18	579.57
1-Apr-18	579.57
1-May-18	695.34 **
1-Jun-18	695.34 **
	<u>6,665.42</u>

**** estimated penalty**

E. & O.E.

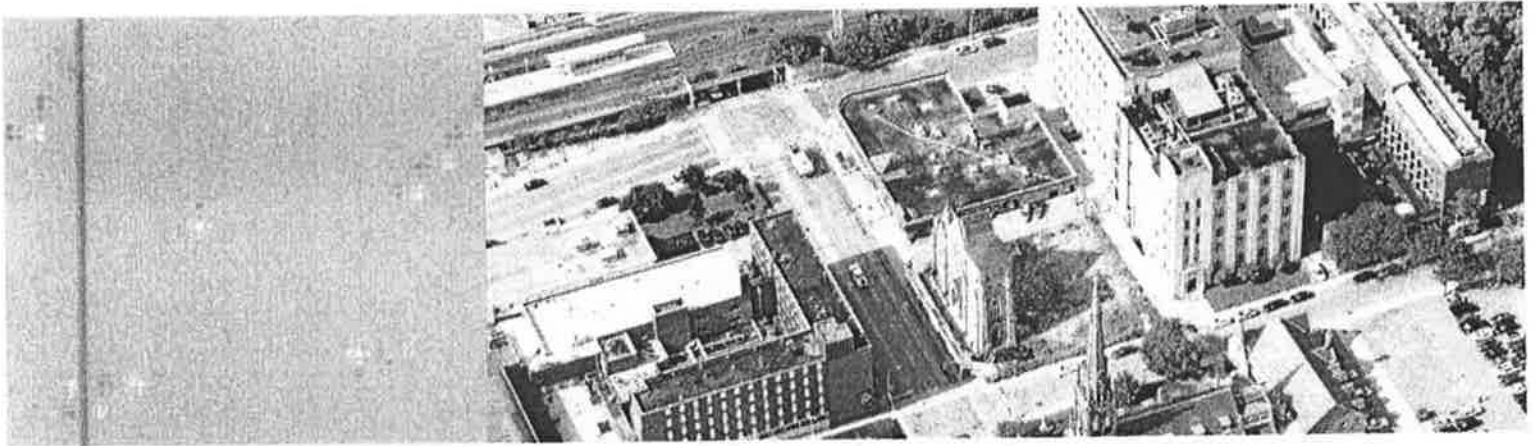
Appendix “K”

	98 James St S Hamilton Ontario L8P 2Z2 Hamilton Durand Hamilton SPIS: N Taxes: \$0.00 / 2016 / Annual Legal: See Schedule A		List: \$1.00 For Sale For: Sale Last Status: New DOM: 2
	Land Designated Residential Possession: Immediate Dir/Cross St: James St.S. & Jackson St. West	Occup: Vacant Freestanding: Y SPIS: N Com Cndo Fee:	Lease Term Months: / Holdover: 90 Franchise:
	MLS#: X3889283 Sellers: Msi Spengel Inc. In Its Capacity As Court Appointed Receiver Of PIN#: ARN#: Contact After Exp: N		
Total Area: 0.33 Acres Ofc/Apt Area: Indust Area: Retail Area: Apx Age: Volts: Amps: Zoning: Downtown Prime Retail Streets (D2)** Truck Level: Grade Level: Drive-In: Double Man: Clear Height: Sprinklers: Heat: Phys Hdcp-Eqp:	Survey: Lot/Bldg/Unit/Dim: 177.24 x 123.44 Feet Lot Lot Irreg: Lot Is Regular Configuration Bay Size: %Bldg: Washrooms: Water: Municipal Water Supply: Sewers: San+Storm A/C: Utilities: A Garage Type: Park Spaces: #Trl Spc: Energy Cert: Cert Level: GreenPIS:	Soil Test: Out Storage: Rail: Crane: Basement: Elevator: UFFI: Assessment: Chattels: LLBO: Days Open: Hours Open: Employees: Seats: Area Infl:	
Bus/Bldg Name: Actual/Estimated: Taxes: Insur: Mgmt: Maint:		For Year: Gross Inc/Sales: -Vacancy Allow: -Operating Exp: =NetIncB4Debt:	Financial Stmt: N EstValueInv At Cost: Com Area Upcharge: % Rent:
Client Remks: Opportunity To Acquire An Approved Residential Development Site In The Heart Of Downtown Hamilton. The Site Is Site Plan Approved For A 30 Storey (106 Metre Tall), 269 Unit Building With A Gfa Of 215,844 SF. Within Walking Distance To Many Amenities Including Hamilton Go Centre And James Street North Restaurants And Shops. Property Is Offered For Sale Unpriced With Bids Due Friday, September 15, 2017 By 12:00Pm (Est). Extras: Detailed Info. Packages Available Upon Requested. All Information Provided & Advertised By Seller & Cbre To Be Verified By Buyer. Potential Buyers May Be Subject To Qualifying Process Prior To Info. Being Released/Permission To Tour Site. Brkage Remks: *2203284 Ontario Inc. **Holding Zone 56 Site Exception 467. Taxes Are Currently Being Assessed. Property Is Offered For Sale Unpriced With Bids Due Friday, September 15, 2017 By 12:00Pm (Est). For More Information, Please Contact Us At Lsggta@Cbre.Com.			
CBRE LIMITED, BROKERAGE Ph: 416-494-0600 Fax: 416-494-6435 2005 Sheppard Ave E Ste. 800 Toronto M2J5B4 LAUREN DOUGHTY, Salesperson 416-495-6223 NATE PACE, Salesperson 416-495-6246 Appt: Contact La Contract Date: 7/31/2017 Expiry Date: 1/31/2018 Last Update: 8/02/2017			
Condition: Cond Expiry: CB Comm: 1% Plus Hst		Ad: Y Escape: Original: \$1.00	

Appendix “L”

September 7, 2017

REPORTING LETTER



**98 JAMES
STREET SOUTH**
HAMILTON, ONTARIO

Prepared For:

msi SPERGEL INC. in its capacity as
Court Appointed Receiver of 2203284
Ontario Inc.

CBRE Limited
Toronto North Office
2005 Sheppard Avenue East
Suite 800
Toronto ON M2J 5B4
T: 416 494 0600



www.cbre.ca/mclsg

September 7, 2017

The following reporting letter is current to September 7, 2017. This letter provides an overview of CBRE's marketing activity in the promotion of MSI SPERGEL INC. in its capacity as Court Appointed Receiver of 2203284 Ontario Inc.'s property at 98 James Street South in Hamilton. The property was officially launched on August 1, 2017.

LISTING STATUS

This property is currently listed from July 31, 2017 to January 31, 2018. It was uploaded to Toronto MLS on Wednesday, August 2, 2017. The MLS number is X3889283. The property is also listed on the Hamilton-Burlington MLS Interboard.

WEB PROMOTION

The property is featured on our website at: www.cbre.ca/mclsg

OFFER SUBMISSION DATE

The offer submission date is **Friday, September 15, 2017 by 12pm EST.**

SIGNAGE

Three signs have been installed on the property: one 4x4, one 8x8, one 12x12. They were installed on August 3rd, 2017.




REPORTING LETTER: 98 James Street South

AD PROMOTION

Following the launch, the ad was featured on August 16th and today in the Greater Toronto Edition of *Novae Res Urbis*. On August 24th and August 29th, a colour advertisement appeared in the *Globe and Mail*.

NRU



Approved Residential Development Opportunity
Receiver's Sale

SPERGEL

Access: 100' Wide (14,477.5 sf)
Frontage: 117 ft on James St S
123 ft on Jackson St W
Gravel Paved Area: 1,271,000 sq ft
Official Plan: Development of the City of Hamilton
Zoning: Development of the City of Hamilton

Offer Submission Date:
Friday, September 15, 2017 by 12 pm EST

CBRE | LAND SERVICES GROUP

CONTACT US

Lauren Daugherty*
Vice President
416 495 6223
lauren.daugherty@cbre.com

Mike Czeszowski**
Executive Vice President
416 495 6257
mike.czeszowski@cbre.com

Jon Hunt*
Vice President
416 495 6296
jon.hunt@cbre.com

Jason Child*
Vice President
416 495 6297
jason.child@cbre.com

www.cbreltd.com

©2017 CBRE Limited. All rights reserved. 2017 - Land Services Group. LSGOTA@CBRE.COM

Globe and Mail

Approved Residential Development Opportunity
Receiver's Sale 98 James Street South · Hamilton · ON

SPERGEL

Total Acreage: ±0.33 ac. (14,477.5 sf)
Frontage: ±117 ft. on James St S
±123 ft. on Jackson St W

Highlights

- Conditionally Approved Site Plan
- Approved for a 215,844 sf Residential Building

269 UNITS
30 STOREYS

Offer Submission Date: September 15, 2017 by 12 pm EST

CBRE | LAND SERVICES GROUP

CONTACT US

Lauren Daugherty*
Vice President
416 495 6223
lauren.daugherty@cbre.com

Mike Czeszowski**
Executive Vice President
416 495 6257
mike.czeszowski@cbre.com

CBRE Limited
Real Estate Brokerage 2017

www.cbreltd.com LSGOTA@CBRE.COM

*Sales Representative
**Broker

AD PROMOTION

Additionally, the ad was featured on August 28th in the *Hamilton Spectator*.

Hamilton Spectator

Approved Residential Development Opportunity

Receiver's Sale 98 James Street South · Hamilton · ON

 **SPERGEL**



Total Acreage
±0.33 ac. (14,477.5 sf)

Frontage
±117 ft. on James St.
±123 ft. on Jackson St. W

Official Plan
Downtown Mixed Use Area

Highlights

- Conditionally Approved for a 215,844 sf Residential Building

269 UNITS

30 STOREYS

TRANSPORT SCORE 85 WALK SCORE 99

OFFICIAL PLAN ARE APPROXIMATE

Offer Submission Date: September 15, 2017 by 12 pm EST

CBRE | **LAND SERVICES GROUP**

 **CONTACT US**

Lauren Doughty*
Vice President
416.495.6223
lauren.doughty@cbre.com

Mike Czestochowski**
Executive Vice President
416.495.6257
mike.czestochowski@cbre.com

CBRE Limited
Real Estate Brokerage 2017

www.cbre.ca/mclsg LSGGTA@CBRE.COM

*Sales Representative
** Broker

REPORTING LETTER: 98 James Street South

DIRECT MAILINGS

The laminated cover brochures were sent out for print and was mailed out along with the Confidentiality Agreement and personalized letters to a list of 770 potential buyers.

DIRECT INQUIRIES

The following inquiries are a result of the launched marketing program. Each of these individuals has requested further information on the subject property. We have also sent out a Brochure and Confidentiality Agreement to the list of Potential Purchasers that was provided to us by msi Spergel Inc.

98 James Street
Hamilton, Ontario

#	Last Name	First Name	Company	Prin/Agent	CA	Date
1	Stinson	Harry	Stinson Properties	Prin	X	2-Aug-17
2	Cooperman	Michael	NA Realty Acquisition Corp	Prin	X	2-Aug-17
3	Molinaro	Vince	Molinaro Group	Prin	X	3-Aug-17
4	Sharpe	Alex	Spire Capital Investments Inc.	Prin	X	3-Aug-17
5	Chaudhry	Jawad	Crown Holding Inc.	Prin	X	3-Aug-17
6	Gabriele	Dani	CD Capital Development LTD	Prin	X	4-Aug-17
7	Gravesande	Scott	Private Investor	Prin	X	8-Aug-17
8	Marr	Shawn	Hi-Rise Group	Prin	X	8-Aug-17
9	Eichorn	Marc	Decade Homes	Prin	X	9-Aug-17
10	Paker	Elizabeth	Judy Marsales Real Estate Ltd.	Prin	X	9-Aug-17
11	Singh	Shabeg	AIPL Canada	Prin	X	10-Aug-17
12	Waters	Pete	Rockwater Group	Prin	X	14-Aug-17
13	Frechette	Normand	Metro Partners Inc.	Prin	X	15-Aug-17
14	Ross	Tyler	Scholar Properties	Prin	X	16-Aug-17
15	Gillam	Marcus	Gillam Group Inc.	Prin	X	16-Aug-17
16	Brown	Jay	Portmore Development Ltd.	Prin	X	17-Aug-17
17	Wywrot	Lukas	Lifestyle Group	Prin	X	21-Aug-17
18	Terpstra	Nigel	Mod Developments	Prin	X	21-Aug-17
19	Eldebs	Andrew	Branthaven Development Corp	Prin	X	22-Aug-17
20	Price	Stephen	Graywood Group	Prin	X	23-Aug-17
21	Cooper	Jim	Tremin Holdings	Prin	X	28-Aug-17
22	Gulamani	Sameer A.	Bayview Hospitality Inc.	Prin	X	28-Aug-17
23	Valeri	Paul	Valery Homes	Prin	X	29-Aug-17
24	Klugmann	Michael	Firmland Developments Corporation	Prin	X	29-Aug-17
25	Hirsh	David	Brandy Lane Corporation	Prin	X	29-Aug-17
26	Greenberg	Lorne	Starwood Acquisitions Inc.	Prin	X	30-Aug-17
27	Teperman	Jordan	Haven Developments	Prin	X	30-Aug-17
28	Fujiki	Shawn	Slate Acquisitions Inc.	Prin	X	31-Aug-17
29	Hirsh	David	Brandy Lane Corporation	Prin	X	31-Aug-17
30	Binder	Michael	Parallax Investment Corp	Prin	X	1-Sep-17
31	Beume	Nicole	J. Beume Real Estate Limited	Agent	X	6-Sep-17

CBRE AND LSG EMAIL BLASTS-----

CBRE Land Services Group has also been sent out in two separate email campaign blasts, one to all of CBRE national brokerage and one to CBRE Land Services Group, which is a list of CBRE brokers across North America who are part of the Land Services Group platform, looking for sites for their clients. Email blasts will be sent out on a bi-weekly basis. The first one was sent out on August 8th, 2017 to 84 recipients for the LSG blast and to 1,000 plus recipients for the CBRE blast. The second blast was sent out August 15th, 2017 and the third on August 22nd, 2017.

BROKER AVAILABLE PROPERTIES MAILINGS

Every Wednesday, the CBRE Land Services Group sends an Available Property email campaign out to all the cooperating commercial brokerages in the GTA. 98 James Street was included in the September 6, 2017 email.



TENDERS



ADDRESS	MUNICIPALITY	SIZE	TENDER DATE
98 James St. S	Markham	0.20 ac.	Tuesday, Sept. 12, 2017 11:22am



RESIDENTIAL PROPERTIES

ADDRESS	MUNICIPALITY	SIZE	PRICE
Aurora Land Portfolio	Aurora	VARIABLE	VARIABLE
386 McKay Pk. W.	Brampton	5.70 ac.	\$1,100,000
14 Chinguacousy Rd.	Brampton	2.81 ac.	\$11,500,000
170 & 194 Powerline Rd.	Brampton	192.2 ac.	\$45,000 per acre
377 William St.	Cobourg	1.60 ac.	\$1,100,000
163 & 164 Edward St. E.	Greenboro	97.45 ac.	\$1,000,000
20925 2nd Concession Rd.	East Gwillimbury	93.02 ac.	\$7,650,000
Pelvicourt Shores	Kawatha Lakes	74.00 ac.	UNPRICED
170 Undersy St.	Kawatha Lakes	12.7 ac.	\$2,500,000
N/S of Old Course Rd.	St. Thomas	1.73 ac.	\$2,000,000
S/S of Potters Rd. & W/S of Westtown Line	Tessaring	13.29 ac.	\$2,000,000



COMMERCIAL PROPERTIES

ADDRESS	MUNICIPALITY	SIZE	PRICE
5707 County Rd. 92	Richmond Hill	55.4 ac.	\$4,750,000
Highway 7 & 204th	Georgetown	24.3 ac.	\$200,000 per acre
68 Lyons Court	Waterloo North	37.83 ac.	\$18,700,000

REPORTING LETTER: 98 James Street South

LAND SERVICES GROUP CAMPAIGN LOGIC MAILINGS

This is the campaign logic mailing that is electronically sent to an industry specific list. The next page will illustrate the activity on this campaign.

[illegible]

CAMPAIGN LOGIC

The property was officially launched to an industry specific group on August 1, 2017. On August 1 and August 15, this email campaign was forwarded to the list of additional potential purchasers.

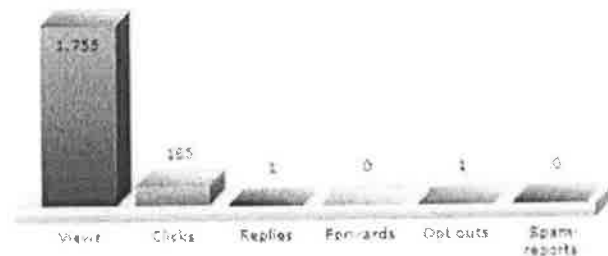
The general summary report for the August 1, 2017, August 8, 2017, August 15, 2017, August 22, 2017, August 29, 2017 & September 5, 2017 Campaign Logic to today indicates the following;

Sent To: 4,343

Views: 8,314

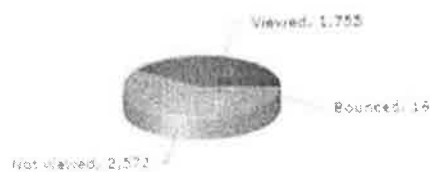
Files Downloaded: 642

Interaction Statistics



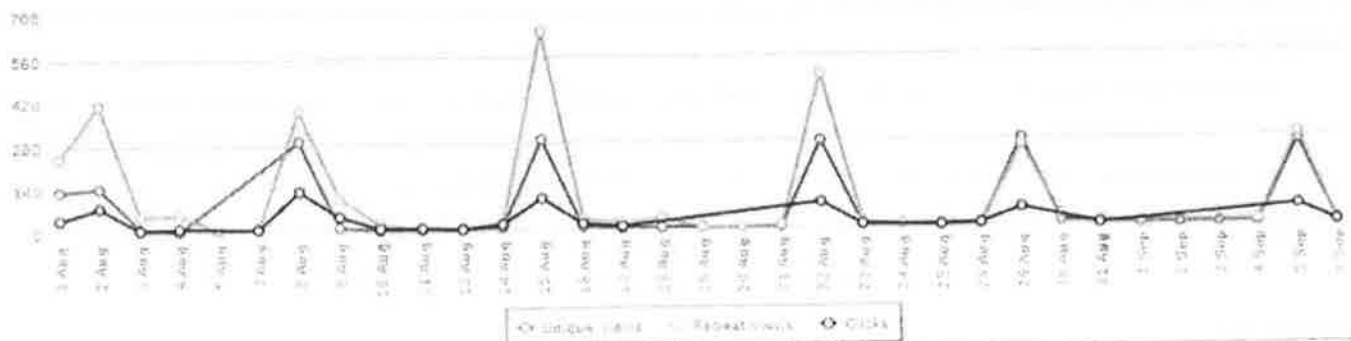
Statistic	Unique	Total	% of Recipients	% of Viewers
Views	1,755	8,314	40.56%	100%
Clicks	165	642	4.26%	10.34%
Replies	1	1	0.02%	0.06%
Forwards	0	0	0%	0%
Opt outs	1	1	0.02%	0.06%
Spam reports	0	0	0%	0%

Recipient Statistics



Statistic	Unique	Rate
Viewed	1,755	40.56%
Not viewed	2,572	59.44%
Bounced	16	0.37%
Sent	4,343	

Activity



LAND SERVICES GROUP AVAILABLE PROPERTIES MAILINGS

In addition, the listing is included in the Land Services Group Available Properties email that is emailed to LSG's entire distribution list every Tuesday.



TENDERS



ADDRESS	MUNICIPALITY	SIZE	TENDER DATE
98 James St.	Hamilton	0.33 ac.	Friday, Sept. 15, 2017 by 11am
3515 & 3555 St. Clair Ave.	Toronto	19.72 ac.	Monday, Sept. 18, 2017 by 12pm
297 & 388 Mount Pleasant Rd.	Brantford	72.9 ac.	Wednesday, Sept. 27, 2017 by 12pm
Asking \$1,000,000			



RESIDENTIAL PROPERTIES

ADDRESS	MUNICIPALITY	SIZE	PRICE
Aurora Land Portfolio	Aurora	2,851.13 ac.	Varies
6140 R/V & Essex Rd.	Brantford	21.15 ac.	\$12,000,000
350 McCoy Rd. W.	Brantford	1.72 ac.	\$1,000,000
24 Chinguarway Rd.	Brantford	3.51 ac.	\$13,300,000
170 & 194 Fawcett Rd.	Brantford	162.2 ac.	\$65,000/per acre
277 Wilkes St.	Chatham	1.85 ac.	\$1,600,000
101 & 161 Edward St.	Chatham	92.45 ac.	\$4,000,000
20029 2nd Concession Rd.	East Gwillimbury	90.92 ac.	\$7,600,000
2116 Davis Drive, 17826 Woodbine Ave. & 18016 Woodbine Ave.	East Gwillimbury	260 ac.	\$110,000/per acre
Discreetown Shores	Kawartha Lakes	79.91 ac.	UNPRICED
170 Lindsay St.	Kawartha Lakes	15.7 ac.	\$3,900,000
Major Macdonald Ltd.	Markham	1.52 ac.	\$1,500,000
370 Garfield Dr. (North Side)	Mississauga	28.52 ac.	UNPRICED
245 & 351 Davis Drive	North York	40 acres	\$5,200,000
1015 of Old Course Rd.	St. Thomas	5.73 ac.	\$2,000,000
1510 Putnam Rd. & W75, W75thcon Ltd.	Tillamook	16.79 ac.	\$2,000,000
Windsor Ave. & Macdon Ave. (North Side)	Toronto	0.44 ac.	UNPRICED

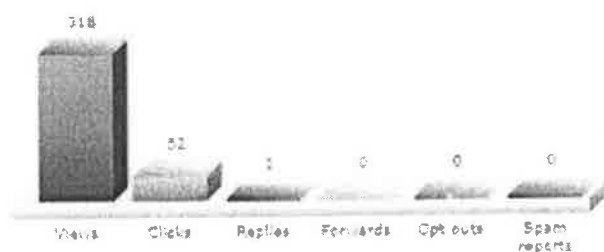
CAMPAIGN LOGIC WEEKLY AVAILABILITIES STATISTICS -----

The general summary report for the Weekly Availabilities for September 5th in Campaign Logic indicates the following;

Sent To: 807

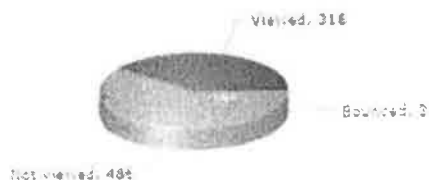
Views: 776

Interaction Statistics



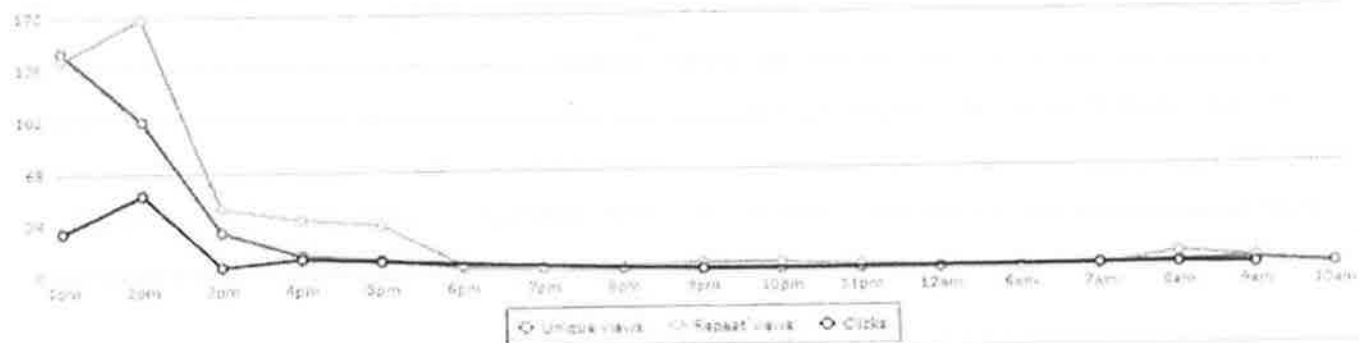
Statistic	Unique	Total	% of Recipients	% of Viewers
Views	318	776	39.55%	100%
Clicks	52	110	6.47%	16.35%
Replies	1	1	0.12%	0.31%
Forwards	0	0	0%	0%
Opt outs	0	0	0%	0%
Spam reports	0	0	0%	0%

Recipient Statistics



Statistic	Unique	Rate
Viewed	318	39.55%
Not viewed	486	60.45%
Bounced	3	0.37%
Sent	807	

Activity



CONCLUSION -----

The marketing plan will continue to be rigorously implemented. We remain committed to bringing this project to a successful conclusion in as short a time as possible.

If you have any questions or concerns, please do not hesitate to call.

Yours truly,

A handwritten signature in cursive script, appearing to read "Lauren Doughty".

Lauren Doughty
Vice President

CONTACT INFORMATION

Mike Czeszochowski**
Executive Vice President
416 495 6257
Mike.Czeszochowski@cbre.com

Lauren Doughty*
Vice President
416 495 6223
Lauren.Doughty@cbre.com

Jason Child*
Vice President
416 495 6249
Jason.Child@cbre.com

Ian Hunt*
Vice President
416 495 6268
Ian.Hunt@cbre.com

LAND SERVICES GROUP
lsgta@cbre.com



CBRE Limited is the global leader in commercial real estate services with more than 31,000 employees in over 300 offices in 62 countries. CBRE has the people, services, reach and knowledge today's business world demands. Everyday our professionals apply their insight, experience, intelligence and resources to help client make the most informed real estate decision.

Appendix “M”

THIS AGREEMENT OF PURCHASE AND SALE made as of the 8th day of February 2018 (the "Execution Date"), BETWEEN:

msi SPERGEL INC., in its capacity as the Court Appointed Receiver of 2203284
ONTARIO INC.

OF THE FIRST PART,

- and -

HUE DEVELOPMENTS & INVESTMENTS CANADA INC.
(hereinafter collectively referred to as the "Purchaser")

OF THE SECOND PART,

WHEREAS pursuant to the Order of the Honourable Madam Justice Cotway dated June 22, 2017, granted in the receivership proceeding commenced by DUCA Financial Services Credit Union Ltd. against 2203284 Ontario Inc. ("220 Ontario") bearing Court File No. CV-17-11827-00CL (the "Receivership Proceeding"), msi Spergel Inc. (the "Receiver" or "Vendor") was appointed as receiver of 220 Ontario;

AND WHEREAS the Vendor has agreed to sell, transfer, assign, set over and convey the Purchased Assets subject to the Permitted Encumbrances (as defined below) to the Purchaser and the Purchaser has agreed to purchase, acquire and assume the Purchased Assets subject to the Permitted Encumbrances from the Vendor on the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and the sum of Ten Dollars (\$10.00) paid by the Vendor and the Purchaser to the other and for good and other valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

The terms defined in this Section 1.1 shall have, for all purposes of this Agreement, including the recitals, the following meanings, unless the context expressly or by necessary implication otherwise requires:

"Adjustments" means the adjustments to the Purchase Price provided for and determined pursuant to Section 5.7.



"Agreement" means this agreement of purchase and sale and the schedules attached hereto, as it may be supplemented, amended, restated or replaced from time to time by written agreement between the parties.

"Applicable Laws" means all federal, provincial, municipal and local statutes, laws, by-laws, regulations, orders, directives and decisions of Governmental Authorities having jurisdiction (in each case having the force of law).

"Approval and Vesting Order" means the Order of the Court granted in the Receivership Proceedings approving this Agreement and the Transaction and vesting, upon the delivery of the "Receiver's Certificate" (as defined therein), the right, title and interest of 220 Ontario in and to the Purchased Assets to the Purchaser, free and clear of all Claims and Encumbrances other than Permitted Encumbrances.

"Approved Contracts" has the meaning ascribed thereto in Subsection 7.2(d).

"Article", "Section", "Subsection" and "Paragraph" mean and refer to the specified article, section, subsection and paragraph of this Agreement.

"Assumption Agreement" has the meaning ascribed thereto in Section 8.17.

"Assumed Obligations" has the meaning ascribed thereto in Section 2.4.

"Building" means, collectively, all buildings, structures and fixed improvements located on, in or under the Lands, and all fixed equipment, improvements and fixtures owned by 220 Ontario and contained in or on such buildings, structures and fixed improvements, but excluding Tenant fixtures and equipment, systems and services owned or leased by any Tenant from a third party.

"Business Day" means any day other than a Saturday, Sunday or a statutory holiday in the City in which the Purchased Assets are located.

"Claims" means any and all claims, suits, grievances, causes of action, applications, proceedings, liabilities, orders, charges, indictments, prosecutions obligations, losses, damages, penalties, judgments, costs, expenses, fines, disbursements, legal fees on a substantial indemnity basis, interest, demands and actions of any nature or any kind whatsoever.

"Closing Date" means, subject to Section 7.1 hereof, one hundred and thirteen (113) days following the acceptance of this offer or such other date as the parties may agree upon in writing.

"Closing Documents" means the agreements, instruments and other deliveries to be delivered to the Purchaser or the Purchaser's Solicitors pursuant to Section 5.2 and the agreements, instruments and other deliveries to be delivered to the Vendor or the Vendor's Solicitors pursuant to Section 5.3.

"Confidential Information" has the meaning ascribed thereto in Section 3.2.

"Confidentiality Agreement" means the confidentiality agreement executed by the Purchaser on August 21 2017.

50

"Contracts" means, collectively, any and all contracts and agreements (other than Prebuild Agreements, policies of insurance, property management contracts, asset management agreements and any Encumbrances to be discharged by the Vendor on or before Closing) relating to the Property to which the Vendor and/or the 220 Ontario are a party or by which 220 Ontario, the Vendor or the Property is bound in respect of the ownership, development, maintenance, operation, cleaning, security, fire protection or servicing of the Property, including all contracts and agreements relating to utilities, used or consumed at the Property.

"Construction Lien Actions" means any and all actions commenced against one or both of the Debtors as defendants pursuant to the *Construction Lien Act*, R.S.O. 1990, c. C.30.

"Corporate Certificate re: Purchaser" means a corporate certificate by the Purchaser confirming that all of the representations and warranties of the Purchaser set out herein are true and accurate in all material respects as of the Closing Date, and all of the Purchaser's Conditions have been fulfilled, performed or waived, in the form to be agreed upon by the Vendor and the Purchaser each acting reasonably.

"Corporate Certificate re: Vendor" means a corporate certificate by the Vendor confirming that all of the representations and warranties of the Vendor set out herein are true and accurate in all material respects as of the Closing Date, and all of the Vendor's Conditions have been fulfilled, performed or waived, in the form to be agreed upon by the Vendor and the Purchaser each acting reasonably.

"Court" means the Ontario Superior Court of Justice (Commercial List).

"Debtor" means 220 Ontario.

"Deposit" has the meaning ascribed thereto in Subsection 2.2(a).

"Disclosed to the Purchaser" means written information which is made available for the Purchaser's review at a location specified in a notice delivered to the Purchaser in accordance with Section 8.18 hereof or is delivered to the Purchaser, in accordance with Section 8.18 of this Agreement.

"Encumbrances" means, in the case of any of the Purchased Assets, all mortgages, pledges, charges, liens, debentures, trust deeds, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, such Purchased Assets or any part thereof or interest therein, and any agreements, Leases, options, easements, rights of way, restrictions, executions or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Purchased Assets or any part thereof or interest therein.

"Ereg" has the meaning ascribed thereto in Section 5.6.

"Execution Date" means the date of execution of this Agreement by all parties as set out in the preamble to this Agreement.

"Existing Contracts" means all Contracts in existence as of the Execution Date.

Je

"Final Adjustment Date" has the meaning ascribed thereto in Subsection 5.7(b).

"Governmental Authority" means any government, regulatory authority, government department, agency, commission, board, tribunal or court having jurisdiction on behalf of any federal, provincial or municipal government.

"HST Declaration and Indemnity" means the HST declaration and indemnity attached as SCHEDULE B hereto.

"Lands" or "Property" means the lands owned by 220 Ontario described in SCHEDULE A hereto. The description of the Property is believed by Vendor to be correct but if any misstatement, error or omission is found in the particulars thereof, this Agreement shall not be rendered null and void, and Purchaser shall not be entitled to an abatement of the Purchase Price.

"Licences and Permits" means all licences, permits, filings, authorizations, registrations, certificates of approval, approvals, grants, quotas, commitments, rights, privileges or indicia of authority related to the development of the Lands.

"Non-Assignable Rights" has the meaning ascribed thereto in Section 7.4.

"Notice" has the meaning ascribed thereto in Section 8.18.

"Permitted Assignee" has the meaning ascribed thereto in Section 8.17.

"Permitted Encumbrances" means those Encumbrances and other items which are to be listed in Schedule C attached hereto.

"Person" means an individual, partnership, corporation, trust, unincorporated organization, government, or any department or agency thereof, and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual.

"Post-Closing Adjustments" has the meaning ascribed thereto in Subsection 5.7(b).

"Prebuild Agreements" means the contracts and agreements by which the Vendor or 220 Ontario have agreed to build dwellings on and sell portions of the Lands.

"Property Information" has the meaning ascribed thereto in Section 3.1.

"Purchased Assets" means all of the 220 Ontario's right, title, interest and estate in and to the following:

- (a) Lands, as described in Schedule A;
- (b) Buildings and other structure located on the Lands; and
- (c) Licenses and Permits.

50

"Purchase Price" means [REDACTED] in lawful money of Canada.

"Purchaser's Conditions" means those conditions set forth in Section 4.2.

"Purchaser's Solicitors" means Macdonald Sager Manis LLP or such other firm or firms of solicitors as are appointed by the Purchaser from time to time and Notice of which is provided to the Vendor or the Vendor's Solicitor.

"Receiver" has the meaning ascribed thereto in the recitals.

"Receiver's Certificates" means the certificates issued by 220 Ontario's Receiver for amounts borrowed by it in the Receivership Proceeding.

"Receivership Order" means the Order of the Honourable Madam Justice Conway dated June 22, 2017.

"Receivership Proceedings" has the meaning ascribed thereto in the recitals.

"Refund" has the meaning ascribed thereto in Subsection 5.7(c)(i).

"Short Term Contracts" means any Contracts which, in each case, are terminable by the Vendor or its agent or property manager without bonus, acceleration or penalty and on not more than one (1) month's prior written notice, with no further liability or obligations of the Vendor or the Purchaser following such termination.

"Statement of Adjustments" has the meaning ascribed thereto in Subsection 5.2(d).

"Substantial Expropriation" has the meaning ascribed thereto in Subsection 7.1(b)(i).

"Survival Period" has the meaning ascribed thereto in Subsection 6.3.

"Taxes" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax including Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers compensation premiums, together with any installments with respect thereto, and any interest, fines and penalties, imposed by any governmental authority (including federal, state, provincial, municipal and foreign governmental authorities), and whether disputed or not.

"Transaction" means the purchase and sale of the Purchased Assets provided for in this Agreement.

"Unsatisfied Condition" has the meaning ascribed thereto in Subsection 4.3(a).

"Vendor" has the meaning ascribed thereto in the recitals.

80

"Vendor's Conditions" means those conditions set forth in Section 4.1.

"Vendor's Solicitors" means Devry Smith Frank *LLP* or such other firm or firms of solicitors as are appointed by the Vendor from time to time and Notice of which is provided to the Purchaser or the Purchaser's Solicitor.

"Virtual Data Room" means any virtual data room or drop box maintained for the Transaction by the Vendor or the Vendor's agents.

"Virtual Data Room Index" means the file directory for the Virtual Data Room as at the date hereof which lists the Property Information made available to the Purchaser in the Virtual Data Room, as such index may be amended or supplemented by the Vendor at any time and from time to time by notice to the Purchaser delivered in accordance with Section 8.18.

ARTICLE 2

AGREEMENT OF PURCHASE AND SALE, PURCHASE PRICE AND PAYMENT

2.1 Agreement of Purchase and Sale

- (a) The Vendor hereby agrees to sell, transfer, assign, set over and convey the Purchased Assets, subject to the Permitted Encumbrances, to the Purchaser and the Purchaser hereby agrees to purchase, acquire and assume the Purchased Assets, subject to the Permitted Encumbrances, from the Vendor for the Purchase Price, on and subject to the terms and conditions of this Agreement.
- (b) Subject to approval by the Court, the agreement of the Vendor and the Purchaser set forth in Section 2.1(a) creates and constitutes a binding agreement of purchase and sale for the Purchased Assets in accordance with the provisions of this Agreement.

2.2 Deposit

- (a) The Purchaser shall deliver a deposit in the amount of [REDACTED] Dollars (the "Deposit") by certified cheque or bank draft to the Vendor contemporaneously with delivery of this executed Agreement, which Deposit shall be held by the Vendor, in trust, pending completion or other termination of this Agreement and to be credited on account of the Purchase Price on the Closing Date.
- (b) In the event that this Transaction is not completed or is terminated due to a default of the Vendor or due to one or more Unsatisfied Conditions, the Deposit shall be immediately returned to the Purchaser without deduction. In the event that this Transaction is not completed due to a default of the Purchaser, the Deposit shall be forfeited to the Vendor. If this Transaction is completed, the Deposit shall be credited against the Purchase Price due on Closing.

JP

2.3 Method of Payment of Purchase Price

On Closing the Purchase Price shall be satisfied as follows:

- (a) by application of the Deposit held by the Vendor;
- (b) by payment to the Vendor or as the Vendor shall direct in writing, of an amount (the "Balance") equal to the Purchase Price less the Deposit, as adjusted pursuant to the terms hereof, plus HST, unless the HST Declaration and Indemnity is provided on Closing. The Balance shall be paid on Closing by the Purchaser to the Vendor's Solicitors by wire transfer initiated from a Canadian Schedule I bank pursuant to the *Bank Act* (Canada).

2.4 Assumed Obligations

Intentionally Deleted

ARTICLE 3 DELIVERIES, ACCESS AND CONFIDENTIALITY

3.1 Initial Deliveries by Vendor

The Purchaser acknowledges that it has received, prior to the Execution Date, the following, to the extent in the possession of the Vendor (collectively, the "Property Information") (but not including any Property Information registered on title to the Property):

- (a) the Virtual Data Room Index, as applicable, and all documents listed thereon;
- (b) a survey of the Lands;
- (c) copies of all Existing Contracts;
- (d) the form of Approval and Vesting Order contemplated in Section 4.1 below;
- (e) copies of all certificates of insurance and insurance policies in effect respecting the Purchased Assets;
- (f) copies of Prebuild Agreements;
- (g) copies of all Licenses and Permits and documentation relating thereto;
- (h) copies of market or area surveys/studies, zoning studies (in respect of current and/or proposed uses), environmental assessment reports, soil tests, engineering reports and environmental impact reports and studies and all other studies and reports relating to the Property;

- (i) copies of realty tax bills with respect to the Property for the two most recent tax years, and the most current realty tax assessment together with details of all outstanding realty tax assessment appeals, if any, and material filed in support thereof; and
- (j) copies of any plans and specifications for and relating to the Buildings including, without limitation, "as-built" architectural, structural, mechanical and electrical drawings and building specifications; copies of building permits and occupancy permits and plans annexed thereto or referred to therein.

The Vendor shall continue to make the Property Information available until Closing or the termination of this Agreement and shall, until the Closing Date, on written notice to the Purchaser, amend, update and supplement the Property Information if and as new information becomes available.

3.2 Confidentiality

- (a) The Purchaser agrees that until Closing (and in the event this Agreement is terminated for any reason other than its completion, also from and after such termination), the Purchaser and its employees, consultants, agents, advisors and solicitors shall keep confidential this Agreement, its terms and all information, documentation and records obtained from the Vendor or its employees, consultants, agents, advisors or solicitors with respect to the Purchased Assets (including without limitation, the Property Information) as well as any information arising out of the Purchaser's access to the Vendor's records and the Purchased Assets and its due diligence with respect thereto (collectively, the "Confidential Information"). The Purchaser shall not use any Confidential Information for any purposes not related to this Transaction or in any way detrimental to the Vendor. Nothing herein contained shall restrict or prohibit the Purchaser from disclosing the Confidential Information to its employees, consultants, agents, advisors and solicitors, provided that the Purchaser shall be responsible for ensuring that such permitted persons to whom it discloses such information also comply with this confidentiality obligation.
- (b) The Confidential Information shall not include: (i) information known to the Purchaser and not disclosed or obtained by the Purchaser from the Vendor; (ii) public information or information in the public domain at the time of receipt by, and through no action of, the Purchaser or its employees, consultants, agents, advisors and solicitors; (iii) information which later becomes public through no fault or act of the Purchaser or its employees, consultants, agents, advisors and solicitors; (iv) information required to be disclosed by law; or (v) information received in good faith from a third party lawfully in possession of the information and not in breach of any confidentiality obligations.
- (c) If this Agreement is terminated for any reason, the Purchaser shall promptly return to the Vendor all Confidential Information provided to the Purchaser by the Vendor or its employees, consultants, agents, advisors or solicitors and shall destroy all other Confidential Information in the Purchaser's custody or control, including all notes and due diligence materials related to this Transaction.

50

- (d) Neither the Vendor nor the Purchaser shall issue any press release or other public announcement or release information with respect to this Agreement to the press or the public unless the same has been mutually approved by the Vendor and the Purchaser or such disclosure is in the good faith opinion of the Purchaser or the Vendor, as the case may be, on the basis of legal advice, required in order to comply with any Applicable Laws or the rules, orders or regulations of any stock exchange and then only after prior consultation with the other party hereto, if it is reasonably possible in the circumstances to do so. Notwithstanding the foregoing, the Vendor and the Purchaser shall be entitled to issue a press release with respect to this Agreement after Closing.
- (e) The provisions of this Section 3.2 are supplementary to the provisions of the Confidentiality Agreement and do not in any way derogate from the obligations of the Purchaser pursuant to the Confidentiality Agreement. For greater certainty, notwithstanding any provisions of the Confidentiality Agreement which provided for termination thereof upon the execution of this Agreement, each of the Vendor and the Purchaser agree that the provisions of the Confidentiality Agreement remain in full force and effect and survive the execution of this Agreement. In the case of any conflict between the provisions of this Section 3.2 and the provisions of the Confidentiality Agreement, the former shall prevail. The obligations in this Section 3.2 shall survive the termination of this Agreement and shall not merge on Closing.

3.3 Purchaser's Inspections

From and after the Execution Date, the Purchaser, its planners, engineers, surveyors or other agents, shall be allowed to enter the Lands and the Building thereon from time to time for the purpose of obtaining data, conducting soil tests and any other reasonable inspections and testing. The Purchaser shall promptly repair any damage caused by the Purchaser or its representatives or consultants in the course of such inspections and testing.

The Vendor hereby consents to the release to the Purchaser, its servants, agents or solicitors, of information pertaining to the Purchased Assets, including, without limitation, the Lands, from the municipality, the region and any other provincial or other governmental or regulatory authority having jurisdiction in respect of the Purchased Assets which may be required by the Purchaser or its solicitors in connection with investigations to be conducted by the Purchaser or its solicitors hereunder, and the conducting of such inspections that may be required by any such municipal, regional, provincial or other governmental or regulatory authority in connection therewith. The Vendor will provide promptly, upon request of the Purchaser, executed authorizations of the Vendor that may be used by the Purchaser in connection with the foregoing inquiries and the Vendor shall provide access to the Lands for such purposes, provided that such authorizations shall not authorize inspections by such government parties and such authorization provided by the Vendor will specifically indicate such inspections are not requested or authorized with respect to the Lands. All such inquiries, investigations or inspections shall be carried out at the Purchaser's sole cost and expense.

From and after the Execution Date, the Vendor shall and hereby agrees not to object to or in any manner oppose or hinder any applications made by the Purchaser for the Purchaser's intended redevelopment, rezoning or conversion of the Lands.

80

The Vendor shall following the Execution Date promptly, after request, deliver to the Purchaser such other information concerning the Purchased Assets that the Vendor has in its possession or control, as Purchaser may request from time to time.

3.4 Title Conversion

Once the Agreement has been executed by all parties, the Vendor shall use commercially reasonable efforts to commence the conversion of title to the Property from Land Titles Conversion Qualified to Land Titles Absolute Plus and shall use commercially reasonable efforts to register a notice of application on title and to deliver all notices to interested parties prior to the Closing Date. The failure of the Vendor or any other party to convert the Property to Land Titles Absolute Plus, shall not be grounds for terminating this Agreement nor shall it entitle the Purchaser to any remedy, including, without limiting the foregoing, compensation, payment, damages or an abatement or reduction in the Purchase Price.

ARTICLE 4 CONDITIONS

4.1 Conditions for Vendor

The obligation of the Vendor to complete the Transaction shall be subject to fulfilment of each of the following conditions on or before the Closing Date, as specified:

- (a) the Vendor receiving an Approval and Vesting Order. The Approval and Vesting Order shall be substantially in the form of the model order approved by the Ontario Commercial List Users' Committee, and shall list as Claims to be Expunged all Encumbrances that are not Permitted Encumbrances. The Vendor's motion materials seeking approval of this Agreement shall be served upon the necessary parties, and in the time frame, as approved by the Purchaser, acting reasonably and in accordance with the Receivership Order;
- (b) on the Closing Date all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects; and
- (c) on the Closing Date, all of the representations and warranties of the Purchaser set out in Section 6.2 shall be true and accurate in all material respects as if made as of the Closing Date.

The conditions set forth in this Section 4.1 are for the benefit of the Vendor and may be waived in whole or in part by the Vendor by notice in writing to the Purchaser by the date and time set forth above for the satisfaction of each such condition.

4.2 Conditions for Purchaser

The obligations of the Purchaser to complete the Transaction shall be subject to fulfilment of each of the following conditions on or before the Closing Date, as specified:

- (a) the Vendor receiving the Approval and Vesting Order;
- (b) on the Closing Date, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Vendor shall have been complied with or performed in all material respects; and
- (c) on the Closing Date, all of the representations and warranties of the Vendor set out in Section 6.1 shall be true and accurate in all material respects, provided that, for greater certainty, it is confirmed that if a representation and warranty is stated in Section 6.1 to be made only with reference to a specified date or time, it shall not be required to be true and accurate on the Closing Date except with reference to such date or time.

The conditions set forth in this Section 4.2 are for the benefit of the Purchaser and may be waived in whole or in part by the Purchaser by notice in writing to the Vendor by the date and time set forth above for the satisfaction of each such condition.

4.3 Non-Satisfaction of Conditions

- (a) In the event any conditions set forth in Sections 4.1 and 4.2 are not satisfied or waived as therein provided on or before the applicable date or time referred to in Section 4.1 or Section 4.2, as the case may be (such condition being referred to as the "Unsatisfied Condition"), this Agreement shall, upon Notice by the party having the benefit of the Unsatisfied Condition to the other party, be terminated and both parties hereto shall be released from all of their liabilities and obligations under this Agreement (other than those obligations which are expressly stated to survive termination of this Agreement), and the Deposit shall be immediately returned to the Purchaser without deduction.
- (b) Notwithstanding any other provisions of this Agreement, if by the applicable time or date referred to in Section 4.1 or Section 4.2, as the case may be, the party having the benefit of any given condition has not given notice to the other party that such condition has not been waived or satisfied, such condition shall be deemed to have been waived or satisfied. If Closing occurs, all conditions shall be deemed waived. The provisions of this Section 4.3 shall survive the termination of this Agreement.

4.4 Efforts to Satisfy Conditions

- (a) The Purchaser shall act in good faith and use reasonable commercial efforts to satisfy, or cause to be satisfied, the conditions in its favour set out in Section 4.1. of this Agreement. The Purchaser, at its own expense, shall promptly provide to the Vendor all such reasonable information and assistance within the Purchaser's power as the Vendor may reasonably require to obtain approval of the Agreement.
- (b) The Vendor shall act in good faith and use reasonable efforts to satisfy conditions set out in Section 4.1. If the Approval and Vesting Order is not obtained on or before May 1, 2018, this Agreement shall, at the Vendor's discretion.



- (i) be terminated, by notice, in writing, to the Purchaser, without any penalty or liability whatsoever to the Vendor or the Purchaser, other than the immediate return by the Vendor to the Purchaser of the Deposit without deduction, but without cost or other compensation, and each of the Vendor and the Purchaser shall be released from all other obligations hereunder except for the obligations of the parties, if any, arising under or as a result of a breach of the provisions hereof; or
- (ii) be extended for an additional period or periods, provided that the cumulative total of such additional period or periods shall not exceed ninety (90) days following May 1, 2018, to allow the Vendor to continue to attempt to obtain the Approval and Vesting Order, by notice to the Purchaser, in writing, of the Vendor's election to extend prior to 5:00 p.m. on the Closing Date. Notwithstanding anything else contained herein, in the event that the Approval and Vesting Order is not obtained on or before the ninetieth (90th) day following May 1, 2018, this Agreement shall automatically be terminated without any penalty or liability whatsoever to the Vendor or the Purchaser, other than the immediate return by the Vendor to the Purchaser of the Deposit without deduction, but without other compensation, and each of the Vendor and the Purchaser shall be released from all other obligations hereunder except for the obligations of the parties, if any, arising under or as a result of a breach of the provisions hereof.
- (c) In the event that the sale of the Property is enjoined or the Approval and Vesting Order is not obtained, where any part of the Property is removed from the control of the Vendor by any means or process, or legal proceedings are threatened against the Vendor to restrain the sale of the Property, or where the Property is redeemed in whole or in part by any party entitled thereto at law on or prior to Closing, the Vendor at its option may terminate this Agreement, by notice, in writing, to the Purchaser, without any penalty or liability whatsoever to the Vendor or the Purchaser, other than the return by the Vendor to the Purchaser of the Deposit, without deduction, and without cost or other compensation and each of the Vendor and the Purchaser shall be released from all other obligations hereunder, except for the obligations of the Purchaser, if any, arising under or as a result of a breach of the provisions hereof.

ARTICLE 5 CLOSING DOCUMENTS AND ADJUSTMENTS

5.1 Closing Arrangements

The Closing shall commence at 11:00 a.m. (local time) on the Closing Date at the office of the Vendor's Solicitors or at such other time or place as the parties shall mutually agree upon in writing and shall continue until the Closing is completed or this Agreement is validly terminated in accordance with the terms hereof.



5.2 Vendor's Closing Documents

On or before the Closing Date, subject to the provisions of this Agreement, the Vendor shall deliver, or cause to be delivered, to the Purchaser's Solicitors the following, duly executed by the Vendor where they are to be a party thereto:

- (a) an Approval and Vesting Order in favour of the Purchaser;
- (b) the Corporate Certificate re: Vendor;
- (c) a Bill of Sale conveying title to the Purchased Assets to the Purchaser, free of all Encumbrances, other than the Permitted Encumbrances;
- (d) a statement of adjustments for the Transaction prepared by the Vendor and approved by the Purchaser, each acting reasonably (the "Statement of Adjustments");
- (e) an undertaking by the Vendor to re-adjust the Adjustments in accordance with Section 5.7;
- (f) a certificate of an officer of the Vendor confirming that the Vendor is not a "non-resident" of Canada within the meaning of *Income Tax Act* (Canada);
- (g) all keys and other access devices in the Vendor's possession;
- (h) a mutual undertaking with respect to realty tax refunds incorporating the terms of Section 5.7(c)(i);
- (i) all other conveyances and other documents which the Purchaser has reasonably requested and the Vendor has agreed to, acting reasonably on or before the Closing Date to give effect to the proper transfer, assignment and conveyance of the Purchased Assets by the Vendor to the Purchaser.

5.3 Purchaser's Closing Documents

On or before the Closing Date, subject to the terms and conditions of this Agreement, the Purchaser shall deliver or cause to be delivered to the Vendor's Solicitors the following, duly executed by the Purchaser where it is a party thereto:

- (a) the Corporate Certificate re: Purchaser;
- (b) an undertaking by the Purchaser to re-adjust the Adjustments in accordance with Section 5.7;
- (c) the HST Declaration and Indemnity;
- (d) Intentionally Deleted;

- (e) a mutual undertaking with respect to realty tax refunds incorporating the terms of Section 5.7(c)(i); and
- (f) all other documents which the Vendor reasonably requests to give effect to the Transaction and to result in the proper assumption of the Purchased Assets by the Purchaser.

5.4 Forms of Closing Documents

Except where expressly provided otherwise in this Agreement or it is provided that an agreement is to be satisfactory to a party acting reasonably the form of all agreements to be delivered by the Purchaser and the Vendor on Closing shall be acceptable to both parties, each acting reasonably and in good faith.

5.5 Registration and Other Costs

- (a) The Vendor and the Purchaser shall be responsible for their own costs in respect of the Transaction. The Purchaser shall be responsible for and pay, in addition to the Purchase Price, all registration taxes, fees and other costs payable in respect of registration by it of any documents on Closing (including transfer documents) and all federal, provincial or municipal sales and other taxes payable by a purchaser upon or in connection with the conveyance or transfer of the Purchased Assets, including provincial retail sales tax, harmonized sales tax and goods and services tax.
- (b) The Purchaser shall indemnify and save harmless the Vendor, and its shareholders, directors, officers, employees and agents (including solicitors) from all Claims incurred, suffered or sustained as a result of a failure by the Purchaser:
 - (i) to pay any federal, provincial or other taxes payable by the Purchaser in connection with the conveyance or transfer of the Purchased Assets whether arising from a reassessment or otherwise, including provincial retail sales tax, harmonized sales tax or goods and services tax, if applicable; or
 - (ii) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial, municipal or other taxing authorities in connection with the conveyance or transfer of the Purchased Assets.
- (c) The Purchaser and the Vendor agree that if HST is exigible on this Transaction then, subject as is herein provided, it is the Vendor's obligation to collect the HST, and the Purchaser's obligation to pay the HST on Closing. The Purchaser and the Vendor acknowledge and agree that the Purchase Price and all other amounts referenced herein are exclusive of HST. The Purchaser covenants and agrees that on Closing it shall either:
 - (i) execute and deliver to the Vendor the HST Declaration and Indemnity and the Section 167 *Excise Tax Act* (Canada) joint election; or
 - (ii) pay, in addition to the Purchase Price, by certified cheque payable to, or as directed by the Vendor, the HST on the Purchase Price.

50

- (d) The provisions of this Section 5.5 shall survive the Closing.

5.6 Electronic Registration

In the event that a system for electronic registration ("Ereg") is operative and mandatory in the applicable land registry office, the Purchaser agrees to cause all necessary procedures to be taken, as may be required by the Vendor or the Vendor's Solicitors, to complete this transaction using Ereg in accordance with the Law Society of Upper Canada's guidelines. If Ereg is operative on the Closing Date, (i) the Purchaser agrees to use a lawyer authorized to use Ereg and who is in good standing with the Law Society of Upper Canada, (ii) the Purchaser's Solicitors will enter into the Vendor's Solicitors' standard form of escrow closing agreement or document registration agreement, which will establish the procedures for closing this transaction provided same are in accordance with Law Society guidelines, and (iii) if the Purchaser's Solicitors are unwilling or unable to complete this transaction using Ereg, then the Purchaser's Solicitors must attend at the Vendor's Solicitors' office or at another location designated by the Vendor's Solicitors at such time on Closing as directed by the Vendor's Solicitors to complete the transaction using Ereg utilizing the Vendor's Solicitors' computer facilities, in which event, the Purchaser shall pay to the Vendor's Solicitors a reasonable fee therefor.

5.7 Adjustments

- (a) Except as otherwise provided herein, the Vendor shall be responsible for all expenses and liabilities, and be entitled to receive all revenues, accrued in respect of the Purchased Assets up to but not including the Closing Date, and the Purchaser shall be responsible for all expenses and liabilities, and be entitled to receive all revenues, accruing in respect of the Purchased Assets from and including the Closing Date. All adjustments for any income and operating expenses, utilities, taxes (including local improvement charges and assessments) and other adjustments established by the usual practice in Toronto, Ontario for the purchase and sale of a similar property shall be estimated as of the Closing Date and shall be paid on the Closing Date pursuant to the Statement of Adjustments. The Vendor shall provide the Purchaser with its proposed Statement of Adjustments, together with such supporting documentation as the Purchaser may reasonably require, within five (5) Business Days before the Closing Date and the Purchaser shall provide its comments to the Vendor not less than three (3) Business Days before the Closing Date.
- (b) If the final cost or amount of any item which is to be adjusted cannot be determined at Closing, then an initial adjustment for such item shall be made at Closing, such amount to be estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at the Closing as to what the final cost or amount of such item will be. All amounts which have been estimated as at the Closing Date because they have not been finally determined at that date (the "Post Closing Adjustments") shall be finally adjusted on a one-time basis once the Post Closing Adjustments have been determined and finalized. Once all of the Post Closing Adjustments are determined or on the Final Adjustment Date, whichever is earlier, the Purchaser shall provide a complete statement thereof, together with particulars relating thereto in reasonable detail, to the Vendor and within thirty (30) days thereafter the parties hereto shall make a final adjustment as of the Closing Date for the Post Closing Adjustments. The Vendor and

Purchaser agree to execute and deliver on the Closing Date an undertaking to readjust and pay the amount of any Post Closing Adjustments as may be owing pursuant to the provisions of this Agreement. Notwithstanding the foregoing, all adjustments and Post Closing Adjustments to be made pursuant to this Agreement shall, in any event, be completed on or before that day that is 365 days after the Closing Date (the "Final Adjustment Date") and no claim for any re-adjustment may be made by either party after the Final Adjustment Date except as otherwise expressly provided in paragraph 5.7(c)(i). It is agreed that no adjustments shall be made with respect to insurance premiums and that the Purchaser shall not assume or take an assignment of the Vendor's insurance policies.

- (c) The parties agree as follows and agree that the Statement of Adjustments shall be in accordance with the following:
 - (i) in the event that there are any realty tax appeals, reassessments or vacancy rebate applications for any year prior to and including 2017, the Vendor may, at its option, continue such appeals, reassessments and/or applications and shall be entitled to receive any refund, rebate, credit, reimbursement or payment ("Refund") resulting therefrom and shall make any payments in respect of realty taxes for the period prior to the Closing Date arising therefrom to the applicable Governmental Authorities. Any Refund for the 2017 calendar year (after deduction of out-of-pocket expenses expended by the Purchaser and/or Vendor in conducting any such appeal, reassessment or application, including any commissions payable to agents or consultants) shall be readjusted as of the Closing Date after the conclusion of any assessment appeal or application review and notwithstanding such readjustment occurs after the Final Adjustment Date. The Purchaser agrees to co-operate with the Vendor with respect to all such appeals, reassessments and applications and to provide the Vendor with reasonable access to any necessary documents or materials required to continue any such appeals, reassessments or applications. To the extent the Purchaser receives any Refund relating to realty taxes (whether in cash, by credit on its current tax bill or otherwise) for the period prior to the Closing Date, the Purchaser shall forthwith pay an amount equal to the Refund to the Vendor and/or endorse and deliver to the Vendor all such Refund payment cheques forthwith upon receipt.
- (d) The provisions of this Section shall survive the Closing.

ARTICLE 6 REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Vendor's Representations

The Vendor hereby represents and warrants to and in favour of the Purchaser that as of the date of this Agreement and (except as otherwise provided in this Section 6.1) as of the Closing Date:

- (a) the Vendor has been duly appointed as the Receiver and, subject to the terms of the Receivership Order and approval by the Court, has the necessary authority, power and capacity to enter into this Agreement and all agreements, transfers, assignments and other documents to be delivered by it pursuant hereto and to complete the Transaction and perform its obligations under the documents to be entered into by it pursuant hereto in respect of the Transaction on the terms and conditions herein contained subject to the Vendor first obtaining the Approval and Vesting Order;
- (b) it is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada); and
- (c) the Debtors shall have HST registration numbers.

For greater certainty, where any representation and warranty is stated in this Section to be made only with reference to a specified date or time, it is not being made with reference to any other date or time. This Section 6.1 shall survive the Closing, subject to Section 6.3.

6.2 Purchaser's Representations

The Purchaser hereby represents and warrants to and in favour of the Vendor that as of the date of this Agreement and as of the Closing Date:

- (a) the Purchaser is a corporation subsisting under the laws of the Province of Ontario and has the necessary corporate authority, power and capacity to own the Purchased Assets and to enter into this Agreement and all agreements, transfers, assignments and other documents to be delivered by it pursuant hereto and to complete the Transaction and perform its obligations under the documents entered into by it pursuant hereto in respect of the Transaction on the terms and conditions herein contained;
- (b) this Agreement and the obligations of the Purchaser hereunder and each of the agreements, transfers, assignments and other documents entered into by the Purchaser pursuant hereto (including, without limitation, the Closing Documents) and the Transaction contemplated herein will have been duly and validly authorized by all requisite proceedings of the Purchaser and constitute (or will constitute on Closing, in the case of the Closing Documents) legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with its and their terms;
- (c) the execution, delivery and performance of this Agreement by the Purchaser does not result in the violation of any of the provisions of the constating documents or by-laws of the Purchaser;
- (d) the Purchaser has not retained the services of any real estate broker or agent in connection with the Transaction;
- (e) the Purchaser shall have HST registration number; and

50

- (f) neither the entering into nor delivery of this Agreement nor the completion by the Purchaser of the Transaction will conflict with or constitute a default under any Applicable Laws and no approval or consent of any Governmental Authority is required in connection with the execution and delivery of this Agreement by the Purchaser and the consummation of the Transaction.


This Section 6.2 shall survive the Closing, subject to Section 6.3.

6.3 Survival of Representations and Covenants

The representations, warranties, and certifications contained in this Agreement or in any Closing Documents shall not merge on Closing and, shall survive until the expiry of six (6) months following the Closing Date (the "Survival Period"). The party which has received a representation, warranty or certification, whether in this Agreement or in any Closing Document, shall give written notice to the other party of each breach of the representation, warranty or certification, together with details thereof, within a reasonable time after becoming aware of the breach and in any event no later than the last day of the Survival Period. Notwithstanding any other provision of this Agreement or any of the Closing Documents, no Claim may be asserted or pursued against any party hereto, or any action, suit or other proceedings commenced or pursued, for or in respect of any breach of any representation, warranty or certification made by such party in this Agreement or in any Closing Document unless written notice of such Claim is received by such party describing in detail the facts and circumstances with respect to the subject matter of such Claim on or prior to the last day of the Survival Period, irrespective of whether the subject matter of such Claim shall have occurred before or after such date; and upon the expiry of the Survival Period all such representations, warranties and certifications shall cease to have any effect except to the extent a written Claim has been previously given in respect thereof in accordance with this section. The Purchaser shall not be entitled to make any Claim in respect of a breach of a representation, warranty or indemnity from the Vendor that it knew or ought to have known was false or untrue as of the Closing Date.

6.4 Title

The Purchaser is to be allowed until 21 days prior to the Closing Date to examine the title to the Property at its own expense and satisfy itself as to the state thereof, satisfy itself as to outstanding work orders, notices, building permits and other similar matters affecting the Property, satisfy itself as to the use of the Property being in accordance with applicable zoning requirements and satisfy itself that the Building may be insured to the satisfaction of the Purchaser. The Purchaser further acknowledges that, notwithstanding any statutory provisions to the contrary, the Purchaser has no right to submit requisitions on title or in regard to any outstanding work orders, building permits, deficiency notices or orders to comply or other similar matters issued by any Government Authorities and the Purchaser shall accept the title to the Property subject to any liens, security interests, encumbrances, encroachments, easements, rights-of-way, restrictions, leases, agreements with Governmental Authorities, agreements with adjoining property owners, and other interests whatsoever, except as otherwise provided in this Agreement, and shall satisfy itself as to compliance therewith. Notwithstanding anything else herein, the Purchaser shall not be required to accept title subject to any Construction Liens or Charges/Mortgages (or Notices or Postponements of Interest relating thereto). If within that time any valid objection to title is made in writing to the Vendor, which the Vendor shall be unwilling or unable to remove, remedy or satisfy or



obtain title insurance in favour the Purchaser and any mortgagee (with all related costs at the expense of the Vendor) which provides insurance for the matter raised by the objection, and which the Purchaser will not waive, this Agreement shall, notwithstanding any intermediate acts or negotiations in respect of such objections, be null and void and the Deposit and interest accrued thereon shall be returned by the Vendor and the parties shall have no further obligations or liabilities hereunder, save for those specified to survive termination. Save as to any valid objection so made within such time the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Property subject to the Permitted Encumbrances.

6.5 "As-Is" Purchase

The Purchaser acknowledges and agrees that:

- (a) on Closing, title to the Purchased Assets shall be subject to the Permitted Encumbrances;
- (b) except for the representations and warranties of the Vendor expressly set out in Section 6.1 or in the Closing Documents, in entering into this Agreement and closing the Transaction, the Purchaser has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to the Purchased Assets. Without limiting the generality of the forgoing, the Purchaser agrees to accept the Purchased Assets subject to all outstanding work orders, deficiency notices, orders to comply and the like, and any zoning and building code violations;
- (c) the Purchased Assets are being purchased and assumed by the Purchaser on an "as is, where is" basis as of the date of Closing and without any express or implied agreement or representation and warranty of any kind whatsoever or any liability or obligation of the Vendor as to the physical or financial condition, suitability for development, fitness for a particular purpose, merchantability, title, physical characteristics, profitability, use or zoning, environmental condition, existence of latent defects, quality, or any other aspect or characteristic thereof;
- (d) except as otherwise expressly provided for in this Agreement, the Vendor makes no agreements or representations and warranties concerning any statements made or other information delivered or made available to the Purchaser (whether by the Vendor, the Vendor's real estate broker, the Vendor's Solicitors, or any other agents, or representatives or advisors of the Vendor, or any of each such Persons' respective affiliates, or any other Person) with respect to the Purchased Assets, whether as part of the information disclosed to the Purchaser or otherwise;
- (e) the Property Information is provided to the Purchaser without representation or warranty including any representation and/or warranty as to the accuracy, correctness, fitness for purpose or comprehensiveness and the Purchaser will rely entirely and solely upon its own investigations and inspections and shall not rely on the Property Information or any other information furnished by the Vendor or any other Person or entities on behalf of or at the direction of the Vendor in connection therewith including, the Vendor's real estate broker, the Vendor's Solicitors, or any of each such Persons' respective affiliates; and

- (f) except as otherwise expressly provided for in this Agreement or in the Closing Documents, the Vendor shall have no obligations or responsibility to the Purchaser after Closing with respect to any matter relating to the Purchased Assets or the condition thereof.

The provisions of this Section 6.5 shall survive Closing or the termination of this Agreement.

ARTICLE 7 OPERATION UNTIL CLOSING

7.1 Damage or Expropriation Before Closing

- (a) The interest of the Vendor in and to the Property shall be at the risk of the Vendor until Closing. Provided that if loss or damage to the Property occurs prior to Closing, then pending Closing, Vendor shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of loss or damage to the Property, the Purchaser shall take the proceeds of insurance, if any, or an assignment by the Vendor of the proceeds of the property insurance to the Purchaser if any, and the parties shall complete the Transaction without further delay or extension of the Closing Date and the Purchaser shall assume responsibility for reconstruction.
- (b) If expropriation proceedings are taken by a Governmental Authority at any time after the Execution Date and before Closing, then:
 - (i) if the part of the Property that is expropriated by a Governmental Authority in the opinion of the Vendor's arm's length, independent evaluator, of which opinion the Vendor shall provide a copy to the Purchaser as soon as possible, will exceed an amount equal to twenty-five percent (25%) of the Purchase Price or in the absence of such opinion being given prior to the Closing Date (such expropriation being referred to herein as "Substantial Expropriation"), then the Purchaser may, by written notice given to the Vendor within ten (10) Business Days after its receipt of the opinion of the Vendor's independent evaluator, elect to terminate this Agreement, in which event the parties shall be released from all obligations under this Agreement (except those which are expressly stated to survive termination of this Agreement) and the Deposit shall be immediately returned to the Purchaser without deduction; or
 - (ii) if the value of expropriation, is not Substantial Expropriation, or is Substantial Expropriation but the Purchaser has not elected to exercise its termination right pursuant to Subsection 7.1(b)(i), then the Vendor shall assign its interest in the expropriation proceedings and proceeds to the Purchaser on Closing and the parties shall complete the Transaction without further delay or extension of the Closing Date and the Purchaser shall assume responsibility for the expropriation proceedings.



- (c) If the expropriation proceedings occur at such time that there is insufficient time for the Purchaser to make its election hereunder, the Closing Date shall be postponed to a date which is five (5) Business Days after the earlier of the date such election is made or the period for making such election has expired.
- (d) This Section 7.1 shall survive the Closing.

7.2 Contracts

- (a) After the Execution Date, the Vendor shall not enter into any new any Contracts, without the prior approval of the Purchaser (which approval shall not be unreasonably withheld by the Purchaser); provided that, the requirement for the approval of the Purchaser shall not apply in respect of Short Term Contracts, or in the event that the Vendor is bound to enter into the relevant new Contract pursuant to an agreement or offer in existence prior to the Execution Date which was Disclosed to the Purchaser. In the case of each such Contract where the approval of the Purchaser is required, such approval shall be deemed to have been granted if no response is received from the Purchaser within two (2) Business Days following a written request therefor.
- (b) At any time after the Execution Date, the Vendor shall not materially amend or terminate any Contract (other than a Short Term Contract) without the prior written approval of the Purchaser, (such approval shall not be unreasonably withheld by the Purchaser) such approval to be given or refused, or deemed to have been granted, in the manner contemplated in Subsection 7.2(a), *mutatis mutandis*.
- (c) At any time on or prior to the Execution Date, the Vendor shall give the Purchaser prior written notice of any new Contract and such notice shall contain a summary of the pertinent terms of the proposed new lease or new contract. The Purchaser shall have two (2) Business Days after such notice in which to give the Vendor comments on such contract, which comments the Vendor need not give effect to prior to entering into such contract. Any such new Contract shall thereupon be deemed to be approved by the Purchaser and the Vendor shall provide a copy thereof to the Purchaser promptly once available.
- (d) For the purposes of this Agreement: "Approved Contracts" means any Contracts and amendments thereof entered into after the Execution Date where the Purchaser has granted (or is deemed to have granted) the necessary approval under Subsection 7.2(a), Subsection 7.2(b) or Subsection 7.2(c) and any Short Term Contracts.
- (e) If any Contracts involving the provision of services to the Property, or other similar Contracts, also apply to any properties other than the Property, the Vendor shall be entitled, with the consent of the Purchaser, such consent not to be unreasonably withheld or delayed, to amend each such Contract, or replace it with a new or restated agreement, in order to provide that the Contract, as so amended or replaced (it being agreed that the Contract as so amended or replaced is the Contract for all purposes of this Agreement), shall not apply to any properties other than the Property.

- (f) Notwithstanding anything in this Section, the Vendor may enter into Contracts without the approval of the Purchaser provided it terminates such Contracts prior to Closing and, if requested by the Purchaser by Notice in writing, the Vendor indemnifies the Purchaser in respect thereof.
- (g) The Purchaser shall not assume any Prebuild Agreements. The Vendor covenants and shall be solely responsible to terminate all Prebuild Agreements effective on or before the Closing Date and to return any deposits relating to such Prebuild Agreements to the purchasers therein, all at the Vendor's sole cost, expense and liability. For greater certainty, Purchaser shall assume no obligations or liability whatsoever in connection with the Prebuild Agreements..
- (h) This Section shall survive the Closing.

7.3 Change of Circumstances

Notwithstanding any other provision of this Agreement, no default by any Person other than the Vendor under any Permitted Encumbrances, Prebuild Agreement or Contract (including, without limitation, any bankruptcy or event of insolvency) or repudiation or termination thereof other than as a result of the default of the Vendor or proceeding for relief therefrom, at any time after the Execution Date, and no other change, other than as a result of the default by the Vendor of any of its obligations under this Agreement, adverse to the Purchased Assets or the Property or their value at any time after the Execution Date (subject to the provisions of Section 7.1) shall entitle the Purchaser to terminate this Agreement or to an abatement of the Purchase Price or any other right or remedy whatsoever, the Purchaser agreeing to accept the risk of the foregoing.

7.4 Assignment of Contracts

Nothing in this Agreement shall be construed as an assignment of, or an attempt to assign to the Purchaser, any Contract, Prebuild Agreement, or Permitted Encumbrance which is (i) not assignable, or (ii) not assignable without the approval or consent of the other party or parties thereto. The Vendor does not warrant or represent that any Contract, Prebuild Agreement, or Permitted Encumbrance is assignable by the Vendor and nothing herein shall be deemed to be a representation or warranty that any Contract, Prebuild Agreement, or Permitted Encumbrance is assignable.

In the event of any conflict or inconsistency between this Section 7.4 and any other provision of this Agreement, this Section 7.4 shall prevail. This provision shall survive for the Survival Period.

ARTICLE 8 GENERAL

8.1 Interpretation

Unless the context otherwise requires (i) "or" is not exclusive; (ii) "this Agreement", "hereof", "herein", "hereto" and similar expressions mean this Agreement together with all schedules to this agreement and all amendments and supplements that may be made to this Agreement from time to time in writing; and,

(iii) wherever any provision of any schedule to this Agreement conflicts with the body of this Agreement, the body of this Agreement shall prevail. Whenever a statement or provision in this Agreement is followed by words denoting inclusion or example (such as "including") and then a list of, or reference to, specific matters or items, such list or reference shall not be read so as to limit or restrict the generality of such statement or provision, even though words such as "without limitation" or "without limiting the generality of the foregoing" or "but not limited to" do not precede such list or reference. If any provision of this Agreement is illegal or unenforceable, such provision shall be considered severable (and automatically severed) from the remaining provisions of this Agreement, which shall remain in force. There shall be no inference, presumption or conclusion drawn whatsoever by virtue of: (a) any one or more of the Vendor, the Vendor's Solicitors, the Vendor's real estate broker, the Purchaser or the Purchaser's Solicitors having drafted this Agreement or any portion thereof; or, (b) this Agreement being drawn using the standard or preferred form of the Vendor, the Vendor's Solicitors or the Vendor's real estate broker; or, (c) the deletion of language or wording from this Agreement prior to execution by the Vendor or the Purchaser; or, (d) the selection or use of the words "not applicable" or "intentionally left blank" in any provision of this Agreement and, in this regard, the use of such words is for the convenience of the parties hereto only to preserve the numbering system of this Agreement; or (e) the particular words chosen and used to label or identify the defined terms of this Agreement; or (f) the selection or use of any bold, italicized, underlined or coloured print in this Agreement.

8.2 Schedules

The schedules, which may be supplemented, amended, restated or replaced from time to time by parties prior to the Closing Date, including the following currently attached hereto, are incorporated into this Agreement by reference shall form part of this Agreement:

Schedule A	-	Legal Description
Schedule B	-	Purchaser's Declaration and Indemnity Re: Goods And Services Tax
Schedule C	-	Permitted Encumbrances

8.3 Gender and Number

Words importing the singular include the plural and vice versa. Words importing gender include all genders.

8.4 Captions

The caption, headings and table of contents contained herein are for reference only and in no way affect this Agreement or its interpretation.

8.5 Obligations as Covenants

Each agreement and obligation of any of the parties hereto in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.

8.6 Applicable Law

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, without giving effect to choice of law principles established or enacted in accordance with such laws, and shall be treated in all respects as an Ontario contract for all purposes. The parties hereto hereby irrevocably attorn to the courts of the Province of Ontario and irrevocably select the appropriate courthouse in Toronto, Ontario (given the nature of the legal proceeding and the jurisdiction of the particular court) to be the venue for all legal proceedings in respect of this Agreement, the Closing and any matter related thereto; provided that, the foregoing portions of this Section 8.6 shall not have the effect of amending in a manner any provision of this Agreement that expressly requires a dispute between the Vendor and the Purchaser to be determined by a third-party expert such as, Sections 3.3(b) or 7.2(a).

This Agreement and the Transaction are subject to compliance with Section 50 of the *Planning Act* (Ontario).

8.7 Currency

All references to currency in this Agreement shall be deemed to be references to Canadian dollars. Unless otherwise expressed, any amount set out in or contemplated by this Agreement excludes any HST, HST or retail sales taxes which are required to be remitted or paid with respect to such amount.

8.8 Invalidity

If any immaterial covenant, obligation, agreement or part thereof or the application thereof to any Person or circumstance, to any extent, shall be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement or part thereof to any Person, party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby. Each covenant, obligation and agreement in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

8.9 Amendment of Agreement

No supplement, modification, waiver or termination (other than an automatic termination pursuant to the terms of this Agreement) of this Agreement shall be binding unless executed in writing by the parties hereto in the same manner as the execution of this Agreement.

8.10 Time

Time shall be of the essence of this Agreement. If anything herein is to be done on a day which is not a Business Day, the same shall be done on the next succeeding Business Day. Where in this Agreement a number of days is prescribed, the number shall be computed by excluding the first day and including the last day.

A handwritten signature or set of initials, possibly 'JE', is located in the bottom right corner of the page.

8.11 Further Assurances

Each of the parties hereto shall from time to time hereafter and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

8.12 Entire Agreement

This Agreement and any agreements, instruments and other documents herein contemplated to be entered into between, by or including the parties hereto constitute the entire agreement between the parties hereto pertaining to the Transaction provided for herein and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, excluding the Confidentiality Agreement which shall continue in full force and effect, and there are no other warranties or representations (including any made by the Vendor's real estate broker) and no other agreements between the parties hereto in connection with the Transaction provided for herein except as specifically set forth in this Agreement or the Schedules attached hereto.

8.13 Waiver

No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.

8.14 Solicitors as Agents and Tender

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors on behalf of the Purchaser and by the Vendor's Solicitors on behalf of the Vendor and any tender of Closing Documents and the Balance may be made upon the Vendor's Solicitors and the Purchaser's Solicitors, as the case may be.

8.15 Survival

Except as otherwise expressly provided in this Agreement, no representations, warranties, covenants or agreements of the Vendor and Purchaser in this Agreement shall survive the Closing.

8.16 Successors and Assigns

All of the covenants and agreements in this Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall enure to the benefit of and be enforceable by the parties hereto and their respective successors and their permitted assigns pursuant to the terms and conditions of this Agreement.

8.17 Assignment

The Purchaser shall not be entitled to assign its rights and/or obligations hereunder, or to direct title to the Property, without the prior written consent of the Vendor, which consent may be withheld by the Vendor in its sole and absolute discretion, provided that the Purchaser shall be entitled, by prior written notice given to the Vendor at least 30 days prior to the Closing Date, to assign this Agreement to a Person which is an affiliate of the Purchaser (within the meaning of the *Business Corporations Act* (a "Permitted Assignee") provided that: (A) such assignment shall not release the Purchaser from its obligations and liabilities under this Agreement or any documents to be delivered pursuant to this Agreement or any liabilities incurred in connection with this Agreement, such documents or the Transaction, (B) prior to such assignment taking effect, the Purchaser and the Permitted Assignee shall enter into an agreement (the "Assumption Agreement") with the Vendor which is satisfactory to the Vendor, acting reasonably, pursuant to which the Purchaser and the Permitted Assignee agree to be jointly and severally liable for the obligations and liabilities of the Purchaser under this Agreement and all Closing Documents to be delivered by the Purchaser and/or the Permitted Assignee pursuant to this Agreement (such Closing Documents to be delivered by both the original Purchaser and the Permitted Assignee) and (C) such assignment shall not be permitted if it will adversely affect the satisfaction of any conditions of this Agreement in the opinion of the Vendor or the Vendor's Solicitors.

8.18 Notice

Any notice, demand, approval, consent, information, agreement, offer, payment, request or other communication (hereinafter referred to as a "Notice") to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery or email, addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

- (a) Vendor:
msi Spergel Inc. in its capacity as Court Appointed Receiver of 2203284 Ontario Inc.
21 King Street West, Suite 1602 Box 54
Hamilton, Ontario L8P 4W7

Attention: Trevor Pringle
Email: tpringle@spergel.ca

With copy to:

Devry Smith Frank LLP
95 Barber Greene Road
Suite 100
Toronto, Ontario M3C 3E9

Attention: Lawrence Hansen/Oren Chaimovitch
Email: lawrence.hansen@devrylaw.ca/oren.chaimovitch@devrylaw.ca

(b) Purchaser:

Huc Developments & Investments Canada Inc.

200-100 Consillium Place
Toronto, Ontario, M1H 3E3

Attention: Nam Hoai Le
Email: Allenhoai@yahoo.ca

With copy to:

Macdonald Sager Manis LLP
150 York Street
Suite 800
Toronto, Ontario M5H 3S5

Attention: Matthew Zuk
Email: mzuk@msmlaw.ca

Any Notice, personally delivered or sent by email, shall be deemed to have been validly and effectively given and received on the date of such delivery or emailing unless delivered after 5:00 p.m. (local time) or on a Non-Business Day, in which case it shall be deemed to have been effectively given on the Business Day next following the day it was sent.

It is agreed that any Property Information may be delivered or made available to the Purchaser by adding it to the Virtual Data Room or by transmitting it to the Purchaser or the Purchaser's Solicitors by e-mail transmission at the e-mail addresses set out above.

8.19 Effect of Termination of Agreement

Notwithstanding the termination of this Agreement for any reason, the following provisions shall survive and shall remain in full force and effect: (i) the confidentiality provisions contained in the Confidentiality Agreement and Section 3.2 including, without limitation, the Purchaser's obligations to return documents to the Vendor; (ii) Subsection 2.2(c); (iii) this Section 8.19; and, (iv) such other provisions (such as those in Section 2.2 relating to return of the Deposit following termination) the survival of which following termination are necessary to give practical effect thereto or which are expressly stated to survive termination. For greater certainty, it is confirmed that termination of this Agreement does not, for the purposes of this Section 8.19, include the Closing of this Agreement and that Section 8.15 governs the survival of provisions of this Agreement after the Closing.

8.20 No Registration of Agreement

The Purchaser shall not register this Agreement or any notice of this Agreement on title to the Lands.



8.21 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original and which, taken together, shall constitute one and the same instrument. This Agreement may be delivered by fax or e-mail transmission and the parties shall adopt any signature received by a receiving fax or e-mail as original signatures of the parties. In the case of a fax or e-mail transmission, the transmitting party shall forthwith deliver an originally executed copy of this Agreement to the other parties.

[SIGNATURE PAGE FOLLOWS]

50

IN WITNESS WHEREOF the parties hereto have executed this Agreement by their properly authorized officers in that behalf as of the day and year first above written.

VENDOR:

msi SPERGEL INC. in its capacity as Court
Appointed Receiver of 2203284 Ontario Inc.

By: 

Name: Trevor B. Pringle
Title: Senior Principal

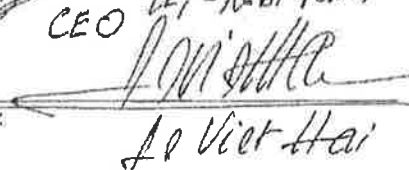
I have authority to bind the Receiver.

**HUE DEVELOPMENTS & INVESTMENTS
CANADA INC.**

Per: 

Name: 
Title: CEO

Per: 

Name: 
Title: Le Viet Hai

We have the authority to bind the corporation

**SCHEDULE A
LEGAL DESCRIPTION**

PIN	17171-0009 LT
DESCRIPTION	PT LT 75 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON; PT LT 76 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON (BTN HUNTER ST, MACNAB ST, JACKSON ST & JAMES ST) AS IN HA59712; CITY OF HAMILTON

50

**SCHEDULE B
PURCHASER'S DECLARATION AND INDEMNITY
RE: HARMONIZED SALES TAX**

TO: MSI SPERGEL INC., in its capacity as the Court Appointed Receiver of 2203284 ONTARIO INC. and not in its personal capacity and without personal or corporate liability (hereinafter referred to as the (the "Vendor")

RE: Sale by the Vendor to the undersigned of the Vendor's interest in the property described in Schedule A, attached (the "Property")

The undersigned (the "Purchaser") hereby declares, certifies and agrees as follows:

- (a) it is purchasing the Property as principal for its own account and same is not being purchased by the Purchaser as an agent, trustee or otherwise on behalf of or for another person;
- (b) it is registered under Subdivision d of Division V of Part IX of the *Excise Tax Act* (Canada) (the "Act") for the collection and remittance of goods and services tax ("HST"); its registration number is _____ and such registration is in good standing and has not been revoked;
- (c) it shall be liable, shall self-assess and remit to the appropriate governmental authority all HST which is payable under the Act in connection with the transfer of the Property all in accordance with the Act; and
- (d) it shall indemnify and save harmless the Vendor from and against any and all HST, penalties, costs and/ or interest which may become payable by or assessed against the Vendor as a result of any failure by the Purchaser to comply with the provisions of this Declaration and Indemnity.

The undersigned acknowledges and agrees that the foregoing declaration and indemnity shall survive and not merge upon closing of the above-noted transaction. Capitalized terms unless otherwise defined herein have the same meanings as in the purchase agreement between the Vendor and the Purchaser with respect to the Property.

Dated as of 8th day of February, 2018

**HUE DEVELOPMENTS & INVESTMENTS
CANADA INC.**

By: _____

Name: _____

Title: *CEO*

By: _____

Name: _____

Title: *Lo Viet Hai*

We have authority to bind the corporation.

SE

SCHEDULE C

PERMITTED ENCUMBRANCES

A. GENERAL

1. Encumbrances, liens, charges or prior claims for real property taxes (which term includes charges, rates and assessments) or for electricity, power, gas, water and other services and utilities (including levies or imposts for sewers and other municipal utility services) in connection with the Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing and liens or charges for the excess of the amount of any past due taxes or utilities charges for which a final assessment or account has not been received over the amount of such taxes or utilities charges as estimated and paid by the Vendor;
2. subdivision agreements, site plan control agreements, development agreements (including amendments thereto or assumptions thereof), servicing agreements, utility agreements, facility cost sharing, sidewalk indemnification or similar agreements with Governmental Authorities or entities delivering, transmitting or supplying utilities that do not materially impair the use, operation or marketability of the Property;
3. restrictive covenants, private deed restrictions, and other similar land use control agreements that do not materially impair the use, operation or marketability of the Property;
4. encroachments by the Property over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Property by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners that in either case do not materially impair the use, operation or marketability of the Property;
5. any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant from the Crown;
6. the provisions of all Applicable Laws including, by-laws, regulations, and similar instruments relating to development and zoning such as, airport zoning regulations, use, development and building by-laws and ordinances and other restrictions as to the use of the Property and all active permits and inspection files regarding tenant, landlord and owner work at the Building and any minor active permit and inspection files outstanding in respect of elevating devices, boiler and pressure vessels and other restrictions as to the use of the Land, and all active permits;
7. any minor title defects, minor zoning or code non-compliance issues, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Property as disclosed by the plan of survey, certificate of location or technical description, if any, of the Property made available by the Vendor to the Purchaser;
8. the exceptions and qualifications contained in the *Land Titles Act* (Ontario);
9. any rights of expropriation, access or user or any other rights conferred or reserved by or in any statutes of Canada or of the Province of Ontario or any by-law of the City of Toronto;

80

10. any unregistered interest in the Property (including, Leases, claims, agreements of purchase and sale, options and other encumbrances) of which the Purchaser has notice or ought reasonably should have had notice by virtue of its Due Diligence;
11. any unregistered easements regarding the provision of utilities to the Property;
12. permits, licenses, agreements, easements, rights-of-way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other Persons or Governmental Authority (including, heritage easements and agreements relating thereto), restrictions, restrictive covenants, rights-of-way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other Persons (including, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables);
13. security given to a public utility or any municipality or governmental or other public authority when required by the operations of the Property in the ordinary course of business including, the right of the municipality to acquire portions of the Property for road widening or interchange construction and the right of the municipality to complete improvements, landscaping or remedy deficiencies in any pedestrian walkways or traffic control or monitoring to be provided to the Property;
14. undetermined or inchoate liens incidental to construction, renovation or current operations, a claim for which shall not at the time have been registered against the Property or of which notice in writing shall not at the time have been given to the Vendor pursuant to the *Construction Lien Act* (Ontario), and in respect of any of the foregoing cases, the Vendor, where applicable, has complied with the holdback or other similar provisions or requirements of the relevant construction contracts so as to protect the Property therefrom;
15. any and all statutory liens, charges, adverse claims, prior claims, security interests, deemed trusts or other encumbrances of any nature whatsoever which are not registered on the title to the Property and of which the Vendor does not have notice, claimed or held by Her Majesty the Queen in Right of Canada, Her Majesty the Queen in Right of the Province of Ontario, or by any other Governmental Authority under or pursuant to any Applicable Laws;
16. any matters disclosed by any survey delivered or deemed to be delivered to the Purchaser including, any discrepancies, defects or encroachments which are disclosed by the existing survey or which might be disclosed by an up-to-date survey and the encroachments specifically provided for in the legal descriptions of the Property;
17. without limiting the generality of the foregoing, all Existing Contracts and other Property Information Disclosed to the Purchaser as well as all Approved Contracts.



B. SPECIFIC

- 18. By-Law registered as Instrument VM36576
- 19. Historical of Easement Agreement registered as VM60787
- 20. Notice of Claim registered as Instrument VM111553

NOTWITHSTANDING anything else contained herein, the Vendor agrees that the following registered instruments are Encumbrances which are not Permitted Encumbrances, and each such registered instrument shall be discharged, deleted and expunged from title to the Purchased Assets on or before the Closing Date:

- (a) CHARGE registered as Instrument No. WE903381;
- (b) CHARGE registered as Instrument No. WE998973;
- (c) POSTPONEMENT registered as Instrument No. WE998974;
- (d) NOTICE registered as Instrument No. WE1029640;
- (e) CHARGE registered as Instrument No. WE1048981;
- (f) NOTICE OF ASSIGNMENT OF RENTS registered as Instrument No. WE1048982;
- (g) POSTPONEMENT registered as Instrument No. WE1048988;
- (h) POSTPONEMENT registered as Instrument No. WE1048989;
- (i) CHARGE registered as Instrument No. WE1111875;
- (j) CHARGE registered as Instrument No. WE1141288;
- (k) POSTPONEMENT registered as Instrument No. WE1141293;
- (l) POSTPONEMENT registered as Instrument No. WE1141294;
- (m) CONSTRUCTION LIEN registered as Instrument No. WE1231330;
- (n) CERTIFICATE registered as Instrument No. WE1242330; and
- (o) All *Personal Property Security Act* ("PPSA") registrations affecting the Purchased Assets, including, without limitation, the following:

50

- i. PPSA File Number 701132553 in favour of The Guarantee Company of North America;
- ii. PPSA File Number 707377941 in favour of Duca Financial Services Credit Union Ltd.;
- iii. PPSA File Number 707378715 in favour of Duca Financial Services Credit Union Ltd.; and
- iv. PPSA File Number 719522406 in favour of 1220356 Ontario Limited.

SE

Appendix “N”



SPERGEL

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE

Direct Phone & Fax: 416 498 4308

deborah@spergel.ca

Restructuring • Insolvency • Consulting

December 20, 2017

SENT VIA MAIL

Dear Sirs/Mesdames:

RE: DUCA Financial Services Credit Union Ltd. v. 2203284 Ontario Inc.

Court File No. CV-17-11827-00CL (the "Receivership Proceeding")

AND RE: The Connolly Project

On June 22, 2017, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") appointed msi Spergel Inc. as receiver (the "**Receiver**") of all the assets, undertakings and properties of 2203284 Ontario Inc. (the "**Debtor**"), including the lands municipally known as 98 James Street South, Hamilton, Ontario (the "**Lands**"), whereupon the Debtor was to develop the condominium project known as *The Connolly* (the "**Project**"). Additional information with respect to the receivership proceeding can be found at the Receiver's website at the following address:

<http://www.spergelcorporate.ca/active-files-list/2203284-ontario-inc/>

We write to you in connection with your agreement to purchase a condominium unit from the Debtor in relation to the Project (the "**Prebuild Agreement**").

During the summer and early fall of 2017, the Receiver conducted a marketing process with respect to the Lands and as a result of that process, the Receiver entered into a conditional agreement of purchase and sale for the Lands (the "**Transaction**"), subject to approval by the Court. Unfortunately the Receiver has recently learned that the Transaction will not be completed and the Receiver has just re-commenced its efforts for the marketing the Lands.

The Receiver has confirmed that all deposits paid by unit purchasers pursuant to a Prebuild Agreement (the "**Deposits**") are held in trust with the law firm Schneider Ruggiero LLP. The Deposits will continue to be held there until the Receiver completes a sale of the Lands and determines whether or not the purchaser of the Lands will require an assignment of the existing Prebuild Agreements. We appreciate the difficulty that this uncertainty may cause you and we will keep you updated with further information as it arises.

If you have any questions or concerns, please do not hesitate to contact the Receiver attention: Frieda Kanaris at (416) 498 4309 or via email fkanaris@spergel.ca.

msi Spergel Inc.

Court-appointed Receiver of

2203284 Ontario Inc.,

Per:

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE

Senior Principal

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

• Barrie 705 722 5090 • Hamilton 905 527 2327 • Mississauga 905 602 1143 • Oshawa 905 721 8251 • Toronto-Central 416 278 8810
• Brampton 905 574 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 602 1563 • Saskatchewan 306 341 1660

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

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

Appendix “O”



SPERGEL

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE

Direct Phone & Fax: 416 498 4308

deborah@spergel.ca

Restructuring • Insolvency • Consulting

March 6, 2018

SENT VIA MAIL

Dear Sirs/Mesdames:

RE: DUCA Financial Services Credit Union Ltd. v. 2203284 Ontario Inc.

Court File No. CV-17-11827-00CL (the "Receivership Proceeding")

AND RE: The Connolly Project

On June 22, 2017, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") appointed msi Spergel Inc. as receiver (the "**Receiver**") of all the assets, undertakings and properties of 2203284 Ontario Inc. (the "**Debtor**"), including the lands municipally known as 98 James Street South, Hamilton, Ontario (the "**Lands**"), whereupon the Debtor was to develop the condominium project known as *The Connolly* (the "**Project**"). Additional information with respect to the receivership proceeding can be found at the Receiver's website at the following address:

<http://www.spergelcorporate.ca/active-files-list/2203284-ontario-inc/>

We write to you in connection with your agreement to purchase a condominium unit from the Debtor in relation to the Project (the "**Prebuild Agreement**").

On February 12, 2018 the Receiver entered into an agreement of purchase and sale with Hue Developments & Investments Canada Inc. for the Lands (the "**Transaction**"), subject to approval by the Court. The Receiver will be attending at Court to seek approval of the Transaction and anticipates completion of the Transaction by the end of May, 2018.

A condition of the Transaction requires that the Receiver terminate all of the Prebuild Agreements prior to or upon the closing of the Transaction. If the Transaction is approved by the Court and subsequently completed, the Debtor will no longer have any ownership interest in the Lands, and as a result, the Project also, and will therefore not be in a position to satisfy its obligations to purchasers with valid and enforceable Prebuild Agreements. If the foregoing takes place, the Receiver will forthwith commence a claims procedure process to address the recovery of deposits paid by purchasers to the Debtor under valid and enforceable Prebuild Agreements.

If you have any questions or concerns, please do not hesitate to contact the Receiver attention: Frieda Kanaris at (416) 498 4309 or via email fkkanaris@spergel.ca.

msi Spergel Inc.

Court-appointed Receiver of
2203284 Ontario Inc.,

Per:

Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE

Senior Principal

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

• Barrie 705 722 5090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Oshawa 905 721 5251 • Toronto-Central 416 278 8813
• Brampton 905 874 4905 • London 519 902 2772 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Saskatchewan 306 341 1660

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

www.spergel.ca

Member **ICIN** The Independent Canadian Insolvency Network

Appendix “P”

ONTARIO

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

THE HONOURABLE

)

WEDNESDAY, THE

)

JUSTICE

)

16th DAY OF MAY, 2018

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

and

2203284 ONTARIO INC.

Respondent

DEPOSIT CLAIMS PROCEDURE ORDER

THIS MOTION, made by msi Spergel Inc., in its capacity as Court appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of 2202384 Ontario Inc. (“**220**”) for an order approving a deposit claims procedure order, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver dated May __, 2018 and the First Report of the Receiver dated May 3, 2018 (the “**First Report**”), and on hearing the submissions of counsel for the Receiver, and any such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of _____ sworn May __, 2018 filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is abridged and validated such that this Motion is properly returnable today, and further service of the Notice of Motion and the Motion Record is hereby dispensed with.

INTERPRETATION

2. **THIS COURT ORDERS** that for the purposes of this Deposit Claims Procedure Order, and the schedules appended herein, the following terms shall have the following meanings:

- (a) **"Purchase Agreement"** means an agreement of purchase and sale between 220 and a Purchaser for the sale and purchase of a residential condominium unit at the development located at 98 James Street South, Hamilton, Ontario and known as *"The Connolly"*;
- (b) **"Business Day"** means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (c) **"Calendar Day"** means a day, including Saturday, Sunday or any statutory holiday;
- (d) **"Certificate"** means the purchaser certificate of identity attached as **Schedule "H"** herein;
- (e) **"Claims Bar Date"** means 5:00 p.m. (Toronto time) on August 31, 2018, or such later date as may be ordered by the Court;
- (f) **"Claims Package"** means the document package to be sent by the Receiver to all Purchasers which shall include a copy of this Deposit Claims Procedure Order, a Deposit Claim Form, and such other materials and notices as the Receiver may consider necessary or appropriate;
- (g) **"Condominium Act"** means the *Condominium Act* (Ontario), R.S.O. 1998, c. 19, as amended;
- (h) **"Court"** means the Ontario Superior Court of Justice (Commercial List);
- (i) **"Deposit"** means any monies including, without limitation, deposit monies and monies on account of extras and upgrades

paid by a Purchaser pursuant to a Purchase Agreement for a Unit at the Project;

- (j) **"Deposit Claim"** means a claim by a Purchaser in respect of a Deposit, and any other amounts claimed by a Purchaser including claims pursuant to the ONHWP, the Condominium Act and the MECDIP;
- (k) **"Deposit Claim Form"** means the claim form attached as Schedule "D" herein;
- (l) **"Deposit Claim Payment"** means a payment to a Purchaser in respect of a Proven Deposit Claim;
- (m) **"Deposit Claims Procedure"** means the deposit claims procedure attached as Schedule "B" herein;
- (n) **"Deposit Claims Procedure Order"** means this Deposit Claims Procedure Order;
- (o) **"Deposit Trustee"** means SR Law, in its capacity as Deposit Trustee;
- (p) **"Guarantee Co."** means The Guarantee Company of North America;
- (q) **"MECDIP"** means the Master Excess Condominium Deposit Insurance Policy issued by the Guarantee;
- (r) **"Newspaper Notice"** means the newspaper notice to Purchasers, in the form substantially attached as Schedule "C" herein;
- (s) **"Notice of Revision or Disallowance"** means the notice of revision or disallowance, in the form substantially attached as Schedule "E" herein;
- (t) **"Notice of Dispute"** means the notice of dispute, in the form substantially attached as Schedule "F" herein;
- (u) **"ONHWP"** means the *Ontario New Home Warranties Plan Act* (Ontario), R.S.O. 1990, c. O .31, as amended, and the regulations promulgated thereunder;
- (v) **"Project"** means the residential condominium development located at 98 James Street South, Hamilton, Ontario known as "*The Connolly*";
- (w) **"Proven Deposit Claim"** means the amount and/or validity of a Deposit Claim as finally determined by the Receiver, in consultation with the Guarantee Co., in accordance with this Deposit Claims Procedure Order, and for greater certainty, a

Proven Deposit Claim will be "finally determined" for the purposes of this definition if:

- (i) a Deposit Claim has been accepted by the Receiver, in consultation with the Guarantee Co.;
 - (ii) the applicable time period for filing a Notice of Dispute has expired; and
 - (iii) the Court has made a determination with respect to the amount and/or validity of a Deposit Claim, and no appeal or application for leave to appeal therefrom has been taken or served, or where such appeal or application for leave to appeal has been dismissed, determined or withdrawn;
- (x) **"Purchaser"** means any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust (including a real estate investment trust), unincorporated organization, joint venture, government or any agency or instrumentality thereof or any other entity, who and/or that entered into a Purchase Agreement;
- (y) **"Receipt"** means the acknowledgment of receipt of funds attached as **Schedule "G"** herein;
- (z) **"Receivership Order"** means the receivership order granted on June 22, 2017 by the Court in these proceedings;
- (aa) **"SR Law"** means Schneider Ruggerio LLP;
- (bb) **"Tarion"** means the Tarion Warranty Corporation;
- (cc) **"Unit"** means a residential condominium unit at the Project; and
- (dd) **"Website"** means <http://www.spergelcorporate.ca/active-files-list/2203284-ontario-inc/>

CONDITIONAL TERMINATION OF PURCHASE AGREEMENT

3. **THIS COURT ORDERS** that if the Receiver completes a sale of the real estate municipally known as 98 James Street South, Hamilton, Ontario currently owned by 220, to Hue Developments & Investments Canada Inc., pursuant to the Approval and Vesting Order issued on this same date by the Court (the **"Hue Sales Transaction"**), 220 will have fundamentally breached each and every Purchase Agreement and accordingly, each and every Purchase Agreement will be hereby terminated, to the extent such Purchase

Agreement has not otherwise been terminated prior to the date of this Deposit Claims Procedure Order.

DEPOSIT FUNDS HELD IN TRUST

4. **THIS COURT ORDERS** the Deposit Trustee to deliver:

- (a) all funds held in trust by SR Law in respect of all Deposits received by SR Law, including all earned interest, to the Receiver (the “**Deposit Funds**”). The Deposit Funds shall be deposited into separate bank account held by the Receiver; and
- (b) all books and records pertaining to the Deposits including, without limitation, the original MECDIP and all applicable endorsements (the “**Trust Records**”);

Upon delivery of the Deposit Funds and the Trust Records, the Deposit Trustee shall be released and forever discharged for any claims arising in respect of the Deposit Funds, other than in respect of any claims arising from negligence or wilful misconduct.

5. **THIS COURT ORDERS** that within ten (10) Business Days of the completion of the Hue Sales Transaction, the Receiver shall deliver correspondence, substantially in the form attached as **Schedule “A”** herein, to each Purchaser that the Receiver has identified, upon review of the Deposit Trustee records, to have a specific claim to the Deposit Funds (a “**Deposit Trust Claim**”).

6. **THIS COURT ORDERS** that upon the Receiver receiving: (i) a properly completed Certificate, and (ii) an executed Receipt, the Receiver shall pay the Deposit Trust Claim to the Purchaser (a “**Deposit Trust Payment**”).

7. **THIS COURT ORDERS** that the Receiver and the Guarantee Co. shall have no liability to any person for a payment made to a Purchaser pursuant to a Deposit Trust Claim: (i) where the identification provided to the Receiver was bogus, forged, tampered with, altered, falsified or counterfeit, and (ii) where the signature applied to a Certificate and / or Receipt was forged or falsified.

8. **THIS COURT ORDERS** that: (i) if a Purchaser does not present two pieces of original current (and not expired) Canadian or provincial government issued identification to the Receiver in accordance with this Deposit Claims Procedure Order, (ii)

the Purchaser does not execute a Certificate or Receipt, or (iii) for any reason, the Receiver is not satisfied with the identification of a Purchaser, the Receiver is entitled to refuse to pay a Deposit Trust Claim to the Purchaser which shall be addressed pursuant to a further Order of this Court.

9. **THIS COURT ORDERS** that, in each case where the Receiver makes a payment in relation to a Deposit Trust Claim, the Purchaser (including its heirs, executors and assigns) shall be:

- (a) deemed to absolutely and unconditionally remise, release, ~~acquit~~ and forever discharge 220, Tarion and the Guarantee Co. for any claims for return of a Deposit Trust Claim, including interest thereon, other than in respect of any claims arising from gross negligence or wilful misconduct; and
- (b) forever barred, estopped and enjoined from making, asserting or enforcing any such claim for a Deposit Trust Claim, including interest thereon, against 220, Tarion or the Guarantee and all such claims shall be forever extinguished as against all such parties, other than in respect of any claims arising from gross negligence or wilful misconduct.

10. **THIS COURT ORDERS** that any Purchaser that has a Deposit Trust Claim and a Deposit Claim is subject to paragraphs 5 to 9 of this Deposit Claims Procedure Order in respect of a Deposit Trust Claim, and paragraphs 11 to 28 of this Deposit Claims Procedure Order in respect of a Deposit Claim.

DEPOSIT CLAIMS PROCEDURE

11. **THIS COURT ORDERS** that the Deposit Claims Procedure, attached as **Schedule "B"** herein, is hereby approved and the Receiver is hereby authorized and directed to implement the Deposit Claims Procedure, in conjunction with the Guarantee Co., upon the completion of the Hue Sales Transaction.

12. **THIS COURT ORDERS** that any Purchaser who fails to deliver a Deposit Claim Form in respect of a Deposit Claim in accordance with this Deposit Claims Procedure Order, on or before the Claims Bar Date shall:

- (a) be forever barred, estopped and enjoined from asserting or enforcing any claim in respect of a Deposit Claim as

against 220, Tarion, the Guarantee Co. or the Deposit Trustee, and such Deposit Claim shall be forever extinguished, other than in respect of any claims arising from gross negligence or wilful misconduct; and

- (b) not be entitled to any further notice in respect of the Deposit Claims Procedure or in these proceedings.

13. **THIS COURT ORDERS** that the publication of the Newspaper Notice, the posting of the Claims Package and this Deposit Claims Procedure Order on the Website, and the mailing to the Purchasers of the Claims Package in accordance with the Deposit Claims Procedure and this Deposit Claims Procedure Order, shall constitute good and sufficient service and delivery of: (i) notice of this Deposit Claims Procedure Order, (ii) the Deposit Claims Procedure, and (iii) the Claims Bar Date, on all Purchasers.

14. **THIS COURT ORDERS** that a Deposit Claim Form shall be deemed timely filed only if delivered by registered mail, personal delivery, courier, e-mail (in PDF format) or facsimile transmission so as to actually be received by the Receiver on or before the Claims Bar Date.

15. **THIS COURT ORDERS** that except as otherwise provided herein, the Receiver may deliver any notice or other communication to be given under this Deposit Claims Procedure Order to Purchasers by forwarding copies thereof by ordinary mail, courier, personal delivery, facsimile or e-mail (in PDF format) to such Purchaser at the address last shown on the books and records of 220, and that any such service or notice by courier, personal delivery, facsimile or e-mail (in PDF format) 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 fifth Business Day after mailing.

16. **THIS COURT ORDERS** that where a Purchaser is represented by counsel, the Receiver may serve or deliver any notice of communication on such counsel in any manner permitted by this Deposit Claims Procedure Order, and service of a notice of communication on counsel shall constitute service on the Purchaser.

17. **THIS COURT ORDERS** that any notice or other communication to be given under this Deposit Claims Procedure Order by a Purchaser to the Receiver shall be in writing in substantially the form (if any) provided for in this Deposit Claims Procedure

Order and will be sufficiently given only if delivered by registered mail, courier, personal delivery, facsimile or e- mail (in PDF format) addressed to:

msi Spergel Inc., Court appointed receiver of 2203284 Ontario Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Fax No.: 416-494-7199
Email: Theconnolly@spergel.ca

18. **THIS COURT ORDERS** that the Receiver is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which Deposit Claim Forms are completed and executed and may, if it is satisfied that a Deposit Claim has been adequately proven, waive strict compliance with the requirements of this Deposit Claims Procedure and this Deposit Claims Procedure Order.

19. **THIS COURT ORDERS** that the Receiver, in addition to its prescribed powers and duties under the Receivership Order, and under any statute, is authorized and directed to take such other actions and fulfill such other roles as are contemplated by the Deposit Claims Procedure and this Deposit Claims Procedure Order.

20. **THIS COURT ORDERS** that the Receiver and the Guarantee Co. shall be entitled to assume and rely upon, without independent investigation, confirmation or verification, the accuracy, truth, veracity, authenticity, validity and genuineness of: (i) the identification or any other information provided by a Purchaser to the Receiver or the Guarantee Co. pursuant to this Order, and (ii) the signatures applied to a Certificate and / or Receipt by a Purchaser.

21. **THIS COURT ORDERS** that: (i) the Receiver, Tarion and the Guarantee Co. shall have no liability to any person for a payment made to a Purchaser pursuant to a Proven Deposit Claim where the identification provided to the Receiver was bogus, forged, tampered with, altered, falsified or counterfeit, and (ii) the Receiver, Tarion and the Guarantee Co. shall have no liability to any person for a payment made to a Purchaser pursuant to a Proven Deposit Claim where the signature applied to a Certificate and / or Receipt was forged or falsified.

22. **THIS COURT ORDERS** that: (i) if a Purchaser does not present two pieces of original current (and not expired) Canadian or provincial government issued identification to the Receiver and / or the Guarantee Co. (as applicable) in accordance with

this Claims Procedure Order, (ii) the Purchaser does not execute a Certificate or Receipt, or (iii) for any reason, the Receiver or the Guarantee Co. is not satisfied with the identification of a Purchaser, the Receiver is entitled to refuse to pay a Deposit Claim to the Purchaser which shall be addressed pursuant to a further Order of this Court.

23. **THIS COURT ORDERS** that, in each case where the Receiver makes a payment in relation to a Proven Deposit Claim in accordance with the Deposit Claims Procedure, the Purchaser (including its heirs, executors and assigns) shall be:

- (a) deemed to absolutely and unconditionally remise, release, acquit and forever discharge 220, Tarion, the Guarantee Co. and the Deposit Trustee for any Deposit Claims or other claims or funds paid on account of the purchase of a Unit in the Project, including interest thereon, other than in respect of any claims arising from gross negligence or wilful misconduct; and
- (b) forever barred, estopped and enjoined from making, asserting or enforcing any such claim for a Deposit Claim or other funds paid to the Deposit Trustee on account of the purchase of a Unit in the Project including interest thereon against 220, Tarion, the Guarantee Co. or the Deposit Trustee and all such claims shall be forever extinguished as against all such parties, other than in respect of any claims arising from gross negligence or wilful misconduct.

24. **THIS COURT ORDERS** that neither the Receiver, 220, Tarion nor the Guarantee Co. shall incur any liability or obligation as a result of the carrying out of the provisions of this Order, including, without limitation, in respect of Deposit Trust Payments or the refusal to deliver Deposit Trust Payments, the return of Deposits, or refusal to return Deposits pursuant to a Deposit Claim, other than in respect of any gross negligence or wilful misconduct on its part, and that no proceeding shall be commenced or continued against the Receiver, 220, Tarion or the Guarantee Co. in connection with the carrying out of the provisions of this Deposit Claims Procedure Order except with the written consent of the

Receiver, 220, Tarion or the Guarantee Co., as applicable, or with leave of this Court on seven (7) days' notice to the Receiver, 220, Tarion or the Guarantee Co., as applicable.

25. **THIS COURT ORDERS** that nothing in this Order shall in any way: (a) affect, or derogate from the rights and obligations of the parties to the Tarion Warranty Corporation Bond, being bond number _____ dated _____ issued by the Guarantee Co. in favour of Tarion, or (b) detract from or in any way alter the limitation of Tarion's liability contained in the ONHWPA.

26. **THIS COURT ORDERS** that all payments made in relation to a Proven Deposit Claim in accordance with the Claims Deposit Procedure shall be deemed to be in full and final satisfaction of any Deposit Claim the Purchaser may have in respect of the return of a Deposit Claim, and that: (i) Tarion shall have no further liability or obligation in respect of such claim pursuant to the ONHWPA; and (ii) the Guarantee Co., shall have no further liability or obligation in respect of such claim pursuant to the MECDIP.

27. **THIS COURT ORDERS** that upon the Receiver having concluded the Deposit Claims Procedure and all Proven Deposit Claims having been paid by the Receiver, the Receiver shall deliver up the MECDIP to the Guarantee Co. for cancellation and any liability of the Guarantee Co. thereunder shall be released.

28. **THIS COURT ORDERS** that the Receiver, 220, Tarion and the Guarantee Co. are hereby authorized and directed to cooperate and share information with each respective party, including information with respect to Purchasers, Deposit Claims and Deposit Trust Claims, to assist in the administration and processing of Deposit Claims, Deposit Trust Claims and any other claims asserted pursuant to the Deposit Claims Procedure.

29. **THIS COURT ORDERS** that once the Receiver, in conjunction with the Guarantee Co., has determined a Proven Deposit Claim pursuant to this Deposit Claims Procedure Order, the Guarantee Co. shall provide the Receiver with a consent, substantially in the form attached as **Schedule "I"** herein, wherein it shall provide its consent to the Receiver to pay out such Proven Deposit Claim on behalf of the Guarantee Co. from the receivership estate to the applicable Purchaser.

30. **THIS COURT ORDERS** that if the Deposit Funds are sufficient in amount to enable the Receiver to pay all of the Proven Deposit Claims in full as at the Claims Bar

Date, the Receiver shall be authorized and directed to complete the Deposit Claims Payments to Purchasers beginning on September 17, 2018.

31. **THIS COURT ORDERS** that if the Deposit Funds are insufficient in amount to enable the Receiver to pay all of the Proven Deposit Claims in full as at the Claims Bar Date, the Receiver shall obtain a further Order of this Court authorizing and directing the Receiver to complete Deposit Claim Payments to Purchasers.

32. **THIS COURT ORDERS** that the Deposit Payment Protocol attached as **Schedule "J"** herein, is hereby approved and the Receiver is hereby authorized to implement it, in conjunction with the Guarantee Co. and Tarion, in respect of the payment of Proven Deposit Claims to Purchasers.

33. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in respect of the terms of this Order and in carrying out the terms of this Order.

34. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver, 220, the Guarantee Co. and Tarion, and their respective 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, 220, the Guarantee Co. and Tarion, and their respective agents, as may be necessary or desirable to give effect to this Order or to assist the Receiver, 220, the Guarantee Co. and Tarion, and their respective agents, in carrying out the terms of this Order.

SCHEDULE "A"
Deposit Trust Claim Correspondence

TO: (Insert Purchaser Contact Information)
RE: **Notice to Purchaser of Condominium Unit at *The Connolly* re: Deposit Funds Held in Trust**

On June 22, 2018, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") appointed msi Spergel Inc. as receiver (the "**Receiver**") of all the assets, undertakings and properties of 2203284 Ontario Inc. ("**220**"), including the lands municipally known as 98 James Street South, Hamilton, Ontario (the "**Lands**"), **whereupon** 220 was to develop the condominium project known as "*The Connolly*" (the "**Project**").

On May 16, 2018, the Court granted a further order, prescribing the process by which the identity and status of all deposit claims of purchasers, with a valid and enforceable agreement of purchase and sale for the purchase of a condominium unit from 220, is established for the purposes of the receivership proceedings (the "**Deposit Claims Procedure Order**"). A copy of the Deposit Claims Procedure Order may be accessed online at <http://www.spergelcorporate.ca/active-files-list/2203284-ontario-inc/>

Capitalized terms not defined herein have the meaning given to those terms in the Deposit Claims Procedure Order.

Pursuant to paragraph 5 of the Deposit Claims Procedure Order, the Receiver has identified you, upon review of the Deposit Trustee records, to have a specific claim to the Deposit Funds. According to the Deposit Trustee records, the Receiver is notifying you that the amount of \$_____ is currently forming part of the Deposit Funds to your credit and that you are entitled to the return of those funds pursuant to your Deposit Trust Claim.

You are requested to submit your Deposit Claim Form to the Receiver as soon as possible. The Receiver's contact information is below:

msi Spergel Inc., Court appointed receiver of 2203284 Ontario Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Fax No.: 416-494-7199
Email: Theconnolly@spergel.ca

Please review the provisions of the Deposit Claims Procedure Order relating to payments made in respect of a Deposit Trust Claim. Note that the Receiver will require the delivery of an executed Certificate and Receipt prior to the release of funds on account of a Deposit Trust Claim.

If you have any questions or concerns, please do not hesitate to contact the Receiver attention: Frieda Kanaris at (416) 498-4309.

SCHEDULE "B"
Deposit Claims Procedure

Notice of Deposit Claims Procedure

1. The Receiver shall cause a Claims Package to be sent to each known Purchaser, to the last known address or contact information contained in the 220 records, by regular mail, fax, courier or email (in PDF format) within ten days of the closing of the Hue Transaction;
2. The Receiver shall cause the Newspaper Notice to be published in the Toronto Star and the Hamilton Spectator within ten days of the closing of the Hue Transaction;
3. The Receiver shall post the Claims Package on the Website within ten days of the closing of the Hue Transaction;
4. The Receiver shall send a Claims Package to any person requesting such material as soon as reasonably practicable on receipt of a written request for a Claims Package from such person;

Filing of Deposit Claim Form and Determination

5. Every Purchaser asserting a Deposit Claim pursuant to this Deposit Claims Procedure shall set out its aggregate Deposit Claim in a written Deposit Claim Form, and shall deliver that Deposit Claim Form so that it is received by the Receiver no later than the Claims Bar Date, failing which such Purchaser shall stand forever barred, estopped, and enjoined from asserting or enforcing any Deposit Claim against 220, Tarion and the Guarantee Co., and such claim shall be forever extinguished, subject to the terms of the Deposit Claims Procedure Order.
6. The Receiver shall send a copy of each and every completed Deposit Claim Form to the Guarantee Co. for the review and evaluation of the Deposit Claim asserted by the Purchaser pursuant to this Deposit Claims Procedure. The Receiver, in consultation with the Guarantee Co., shall accept, revise or disallow the claim set out in such Deposit Claim Form. As part of the Receiver's evaluation of a Deposit Claim Form, the Receiver may consider, without limitation, the following materials:
 - (a) the agreement of purchase and sale entered into between 220 and the Purchaser;
 - (b) the proof of deposit payment(s) provided by the Purchaser;
 - (c) the records of the Deposit Trustee;

- (d) the identification provided by the Purchaser; and
- (e) all documentation attached to the Deposit Claim Form in support of the amounts claimed by the Purchaser.

7. The Receiver shall provide notification to the Guarantee Co. of the Receiver's determination of a Deposit Claim, as soon as reasonably practical.

8. The Receiver, in consultation with the Guarantee Co., may attempt to resolve the amount of a Deposit Claim submitted pursuant to this Deposit Claims Procedure through negotiations with the Purchaser in respect of such claim, either before or after accepting, revising or disallowing such Deposit Claim.

9. If the Receiver accepts a Deposit Claim as set forth in a Deposit Claim Form submitted to the Receiver in accordance with this Deposit Claims Procedure, that Deposit Claim shall be a Proven Deposit Claim.

10. If the Receiver, in consultation with the Guarantee Co., chooses to revise or disallow a Deposit Claim as set forth in a Deposit Claim Form, the Receiver shall advise the Purchaser asserting such Deposit Claim of the determination by sending a Notice of Revision or Disallowance to such Purchaser.

11. Any Purchaser who disputes the amount of its Deposit Claim as set forth in a Notice of Revision or Disallowance, shall deliver a Notice of Dispute to the Receiver by 5:00 p.m. (Toronto time) on the day that is fifteen (15) Calendar Days after the date of the Notice of Revision or Disallowance.

12. Any Purchaser who fails to deliver a Notice of Dispute by the deadline set forth in paragraph 11 shall be deemed to accept the amount of its Deposit Claim as set out in the Notice of Revision or Disallowance and such Deposit Claim as set out in the Notice of Revision or Disallowance shall constitute a Proven Deposit Claim.

13. Upon receipt of a Notice of Dispute, the Receiver shall send a copy to the Guarantee Co., as soon as reasonably practicable, and the Receiver, in consultation with the Guarantee Co., may attempt to resolve the amount of the disputed Deposit Claim with the Purchaser on a consensual basis.

14. If a Deposit Claim is resolved by consent between the Receiver, the Guarantee Co. and the Purchaser, the Receiver may accept a revised Deposit Claim Form setting forth the agreed amount of the Deposit Claim, and such settled Deposit Claim shall be a Proven

Deposit Claim. In the event the Receiver, the Guarantee Co. and the Purchaser are not able to resolve the Deposit Claim amount and matters arising pursuant to the Notice of Dispute, the Purchaser shall schedule a motion before the Court, supported by an Affidavit setting out the basis for the Purchaser's Deposit Claim and dispute, to be heard not later than 30 Calendar Days following the delivery of the Notice of Dispute by the Purchaser to the Receiver. The Purchaser must serve the motion materials upon the Receiver and the Guarantee Co.

15. In the event the Purchaser fails to schedule the motion by the aforementioned deadline, the Purchaser shall be deemed to accept the amount of the Deposit Claim as set out in the Notice of Revision and Disallowance.

Return of Deposit Monies / Claim

16. Upon a Deposit Claim Form being determined a Proven Deposit Claim, the Guarantee Co. shall execute a consent, substantially in the form attached as **Schedule "I"**, consenting to the Receiver paying out such Proven Deposit Claim on behalf of the Guarantee Co. to the applicable Purchaser (subject to further Order of the Court), upon receipt of the following:

- (a) proof of the Purchaser's identity by providing a fully and properly completed Certificate; and
- (b) an executed Receipt.

SCHEDULE "C"
Newspaper Notice

**NOTICE OF DEPOSIT CLAIMS PROCEDURE IN THE
RECEIVERSHIP OF
2203284 Ontario Inc. ("220")**

On June 22, 2017, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") appointed msi Spergel Inc. as receiver (the "**Receiver**") of all the assets, undertakings and properties of 220, including the lands municipally known as 98 James Street South, Hamilton, Ontario, whereupon 220 was to develop the condominium project known as *"The Connolly"*.

On May 16, 2018, the Court granted a further Order, prescribing the process by which the identity and status of all deposit claims of purchasers, with a valid and enforceable agreement of purchase and sale for the purchase of a condominium unit from 220. A copy of the Deposit Claims Procedure Order may be accessed online at:

<http://www.spergelcorporate.ca/active-files-list/2203284-ontario-inc/>

Pursuant to the Deposit Claims Procedure Order, the Receiver is required to send a Claims Package to each known Purchaser, with instructions regarding a deposit claims procedure whereby a Purchaser can submit and prove a Deposit Claim Form. In addition, the Deposit Claims Procedure Order requires the Receiver to publish this notice, in order to give notice of this proceeding to all Purchasers.

If you wish to assert a Deposit Claim, you may request a Claims Package by submitting a request in writing to the Receiver at the following address:

msi Spergel Inc., Court appointed receiver of 2203284 Ontario Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Fax No.: 416-494-7199
Email: Theconnolly@spergel.ca

All Purchasers who wish to assert a Deposit Claim must submit a completed Deposit Claim Form to the Receiver at the above address on or before 5:00 PM (Toronto Time) on August 31, 2018 (the "**Claims Bar Date**"), in accordance with the Deposit Claims Procedure Order.

If you are a Purchaser, and you do not submit a Deposit Claim Form to the Receiver on or before the Claims Bar Date, your Deposit Claim will be forever barred and extinguished.

SCHEDULE "D"
Deposit Claim Form

IN THE MATTER OF THE RECEIVERSHIP OF 2203284 ONTARIO INC. ("220")

Regarding the claim of _____ (the "**Purchaser**")

All notices or correspondence regarding this claim are to be forwarded to the Purchaser at the following address:

Telephone Number: (____) ____-____

Email address: _____

Attention (Contact Person): _____

(All future correspondence will be delivered to the designated email address unless the Purchaser specifically requests hard copies by checking the circle below)

☐ Please provide hard copies of correspondence to the address above.

I, _____ (name of Purchaser), of _____
(City, Province or State), do hereby certify that:

1. The Purchaser has received a Claims Package from the Receiver, and wishes to assert a Deposit Claim.
2. I am the Purchaser.

OR

I am _____ (position/title) of the Purchaser:

3. I have knowledge of all the circumstances connected with the Deposit Claim referred to in this Deposit Claim Form.
4. A copy of the agreement of purchase and sale, including all amendments, exhibits, addendums or modifications, entered into between the Purchaser and 220 is attached as **Schedule "A"** herein (the "**Purchase Agreement**").

5. The Purchaser states that it has delivered a Deposit Claim to 220 in the total sum of \$ (CDN) as evidenced by the proof of the deposit amount(s) paid attached as Schedule "B" herein (by way of a cancelled cheque, or other form of proof from a financial institution to confirm that a deposit was paid by the Purchaser named on the Purchase Agreement) and the other proof attached hereto.
6. The Purchaser acknowledges and agrees that in each case where the Receiver makes a payment in relation to a Proven Deposit Claim in accordance with the Deposit Claims Procedure, the Purchaser (including its heirs, executors and assigns) shall be:
(a) deemed to absolutely and unconditionally remise, release, acquit and forever discharge 220, Tarion and the Guarantee Co. for any Deposit Claims, claims for return of Deposit or other claims or funds paid on account of the purchase of a Unit in the Project, including interest thereon; and (b) forever barred, estopped and enjoined from making, asserting or enforcing any such claim for a Deposit Claim or other funds paid to SR Law on account of the purchase of a Unit in the Project including interest thereon against 220, Tarion or the Guarantee Co. and all such claims shall be forever extinguished as against all such parties.
7. All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.
8. This Deposit Claim Form must be received by the Receiver by no later than 5:00 p.m. (Toronto Time) on August 31, 2018 by either registered mail, personal delivery, courier, email (in PDF format) or facsimile transmission at the following address:

The Receiver:

msi Spergel Inc., Court appointed receiver of 2203284 Ontario Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Fax No.: 416-494-7199
Email: Theconnolly@spergel.ca

Failure to file your Deposit Claim Form and required documentation as directed above will result in your Deposit Claim being forever barred and you will be prohibited from making or enforcing a Deposit Claim against 220, Tarion and the Guarantee Co. and shall not be entitled to further notice or distribution, if any, and shall not be entitled to participate in these proceedings.

Name of Purchaser:

Witness
Signature

Per:

Name
:

Title:

(Please Print)

SCHEDULE "E"
Notice of Revision or Disallowance

TO: _____ (the "Purchaser")

DATE:

DEPOSIT CLAIM NO.

IN THE MATTER OF THE RECEIVERSHIP OF 2203284 ONTARIO INC. ("220")

Take notice that msi Spergel Inc., in its capacity as court-appointed receiver of 220 (the "**Receiver**") and the Guarantee Co. have reviewed the Deposit Claim in respect of the above-named Purchaser, and has assessed the Deposit Claim Form in accordance with the order of the Superior Court of Ontario (Commercial List) issued on May 16, 2018 (the "**Deposit Claims Procedure Order**").

All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.

The Receiver and the Guarantee have reviewed your Deposit Claim Form in accordance with the Deposit Claims Procedure Order, and the Receiver has revised or disallowed your Deposit Claim, for the following reason(s):

Subject to further dispute by you in accordance with the Deposit Claims Procedure Order, your Deposit Claim will be allowed as follows:

Name of Purchaser	Claim Amount per Deposit Claim Form	Amount of Deposit Claim revised / disallowed
	\$	\$

IF YOU WISH TO DISPUTE THE REVISION OR DISALLOWANCE OF YOUR DEPOSIT CLAIM AS SET FORTH HEREIN YOU MUST TAKE THE STEPS OUTLINED BELOW

The Deposit Claims Procedure Order provides that if you disagree with the revision or disallowance of your claim as set forth herein, you must:

1. before 5:00 P.M. on the fifteenth (15th) Calendar Day after your receipt of this Notice of Revision or Disallowance, whichever is earlier, deliver to the Receiver a completed Notice of Dispute; and
2. file an application with the Court, with copies to be sent to the Receiver immediately after filing, with such application to be:
 1. supported by an affidavit setting out the basis for disputing this Notice of Revision or Disallowance; and
 11. returnable within thirty (30) Calendar Days of the date on which the Receiver receives your completed Notice of Dispute.

If you do not dispute the revision or disallowance of your Deposit Claim in accordance with the above instructions and the Deposit Claims Procedure Order, the amount of your Deposit Claim will be deemed to be accepted, and the Deposit Claim shall be a Proven Deposit Claim in the amount set forth herein.

If you have any questions or concerns regarding the Deposit Claims Procedure, please contact the Receiver directly.

DATED the ____ day of _____, 2018

MSI SPERGEL INC, in its capacity as Receiver of 2203284 Ontario Inc.

Per: _____

SCHEDULE "F"
Notice of Dispute

TO: msi Spergel Inc., in its capacity as Court-Appointed Receiver of 2203284 Ontario Inc.
(the "Receiver")

DATE:

PROOF OF CLAIM NO.:

CLAIMANT: _____ (the "Purchaser")

IN THE MATTER OF THE RECEIVERSHIP OF 2203284 ONTARIO INC. ("220")

Pursuant to the Deposit Claims Procedure Order dated May 16, 2018, the Purchaser hereby gives notice that it disputes the Notice of Revision or Disallowance dated _____, 2018, issued by the Receiver.

The Purchaser disputes the Deposit Claim as revised or disallowed in the said Notice of Revision or Disallowance as follows:

Amount of Revised Deposit Claim accepted by Receiver	Amount of Revised Deposit Claim as disputed
\$	\$

Reason for the dispute (*attach copies of any supporting documentation*)

Address for service of Notice of Dispute of Revision or Disallowance:

msi Spergel Inc., Court appointed receiver of 2203284 Ontario Inc.
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8
Fax No.: 416-494-7199
Email: Theconnolly@spergel.ca

Pursuant to the Deposit Claims Procedure:

1. the Purchaser has commenced an application with the Court to resolve the dispute over its Deposit Claim as set forth herein, and will serve the Receiver with application materials under separate cover; and
2. The return date for the Purchaser's application is _____ 2018.

All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.

THIS FORM AND ANY REQUIRED SUPPORTING DOCUMENTATION MUST BE RETURNED TO THE RECEIVER BY REGISTERED MAIL, PERSONAL SERVICE, EMAIL (IN PDF FORMAT), FACSIMILE OR COURIER TO THE ABOVE-NOTED ADDRESS, AND MUST BE RECEIVED BY THE RECEIVER BEFORE 5:00 PM ON THE THIRTIETH (30) CALENDAR DAY AFTER THE DATE OF THE NOTICE OF REVISION OR DISALLOWANCE.

DATED this _____ day of _____, 2018

Witness

Per: _____

(Name of Purchaser)

(if Purchaser is not an individual print name and titled of authorized signatory)

Name: _____

Title: _____

SCHEDULE "G"
Acknowledgement of Receipt of Funds

TO: MSI SPERGEL INC., in its capacity as Court appointed receiver of
2203284 Ontario Inc. ("220")

AND TO: THE GUARANTEE COMPANY OF NORTH AMERICA

AND TO: TARION WARRANTY CORPORATION

RE: **Purchaser:** [INSERT NAME OF PURCHASER(S)]
Project: *The Connolly*
Property: Unit [INSERT UNIT#], Level [INSERT LEVEL#] being
Residential Dwelling Suite [INSERT SUITE #]

THE UNDERSIGNED HEREBY ACKNOWLEDGES RECEIPT of the Deposit Monies
in the total amount of \$ [INSERT AMOUNT OF CHEQUE] by way of
cheque from msi Spergel Inc., in its capacity as Court appointed receiver of 220,
dated _____, 2018.

All capitalized terms not defined herein have the meaning given to such terms in the
Deposit Claims Procedure Order.

The undersigned acknowledges and agrees that where the Receiver makes a payment in
relation to a Proven Deposit Claim in accordance with the Deposit Claims Procedure, the
undersigned (including its heirs, executors and assigns) shall be: (a) deemed to absolutely
and unconditionally remise, release, acquit and forever discharge 220, Tarion and the
Guarantee Co. for any Deposit Claims, claims for return of a Deposit or other claims or
funds paid on account of the purchase of a Unit in the Project, including interest thereon;
and (b) forever barred, estopped and enjoined from making, asserting or enforcing any
such claim for a Deposit Claim or other funds paid to SR Law on account of the purchase
of a Unit in the Project including interest thereon against T220, Tarion or the Guarantee
Co. and all such claims shall be forever extinguished as against all such parties.

This Receipt may be signed and transmitted by facsimile transmission, similar system
reproducing the original, or electronic mail, provided that all such documents have been
properly executed by the appropriate parties. The party transmitting any such document(s)
shall also provide the original executed version(s) of same to the recipient within 2 Business
Days upon the recipient's request.

DATED _____, 2018

SIGNED, SEALED AND DELIVERED

Signature

Name (Please Print)

SCHEDULE "H"
Purchaser Certificate of Identity

TO: MSI SEREL INC., in its capacity as Court appointed receiver of
2203284 Ontario Inc.

AND TO: THE GUARANTEE COMPANY OF NORTH AMERICA (the
"Guarantee Co.")

AND TO: TARION WARRANTY CORPORATION ("Tarion")

RE: Return of Deposit Monies in the amount of\$ [INSERT DEPOSIT
AMOUNT] (the "Deposit Monies"). Execution of the Acknowledgement of
Receipt of Funds (the "Receipt")
Purchaser: [INSERT NAME OF PURCHASER(S)] (the
"Purchaser")
Project: *The Connolly*
Property: Unit [INSERT UNIT #], Level [INSERT LEVEL #] being
Residential Dwelling Suite [INSERT SUITE #]

I _____ on the ____ day of _____, 2018
hereby provide the following documentation to prove my identity:

- 1) Insert the information for one piece of Canadian government issued **photo identification** (that is valid, current and not-expired) that has the first name and surname that matches the first name and surname of the Purchaser as contained in the Purchase Agreement:

ID Type: _____ ID No. _____

AND

- 2) One piece of Canadian government issued identification (that is valid, current and not-expired) that:

- a. has the first name and surname that matches the first name and surname of the Purchaser as contained in the Purchase Agreement; and
- b. that provides the Purchaser's current address.

ID Type: _____ ID No. _____

Copies of the above noted pieces of identification are attached hereto.

I warrant and represent that the above noted pieces of identification are not bogus, forged, tampered with, altered, falsified or counterfeit and confirm that I am one and the same person that has executed the Receipt.

This Certificate is delivered pursuant to the Deposit Claims Procedure set out in the Order of the Ontario Superior Court of Justice dated May 16, 2018 in Court File No. CV-17-11827-00CL.

I understand that, upon receipt of the payment from the Receiver pursuant to the Proven Deposit Claim, the Purchaser (including its heirs, executors and assigns) shall be:

1. deemed to absolutely and unconditionally remise, release, acquit and forever discharge 220, Tarion and the Guarantee Co. in respect of a Deposit Claim; and
2. be forever barred, estoppel and enjoined from making, asserting or enforcing any such Deposit Claim against 220, Tarion or the Guarantee Co. and all such claims shall be forever extinguished as against all such parties.

All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.

SIGNED, SEALED AND DELIVERED

Purchaser's Signature

Purchaser's Name (Please Print)

SCHEDULE "I"

Consent

**TO: MSI SPERGEL INC., in its capacity as Court appointed receiver 2203284
Ontario Inc. (the "Receiver")**

**RE: Consent and authorization of the undersigned regarding payment by the Receiver to
[INSERT NAME OF PURCHASER(S)] (the "Purchaser") in the amount of
\$[INSERT PROVEN DEPOSIT CLAIM AMOUNT] (the "Proven Deposit Claim")**

Project: *The Connolly*

**Property: Unit [INSERT UNIT#], Level [INSERT LEVEL#] being Residential
Dwelling Suite [INSERT SUITE #]**

The undersigned hereby consents to the Receiver to pay the amount of the Proven Deposit
Claim to the Purchaser.

DATED the _____ day of _____ 2018

**THE GUARANTEE COMPANY
OF NORTH AMERICA**

Per: _____

"I have authority to bind the Company"

SCHEDULE "J"

Deposit Payment Protocol

Residential Condominium Project that was to have been located
at 98 James Street South, Hamilton, ON, and that was to have been
known as "The Connolly" (the "Project")
May 16, 2018 (the "Protocol")

- 1) Capitalized terms not otherwise defined herein shall have the meanings ascribed to them pursuant to the Deposit Claims Procedure Order.
- 2) The Receiver will provide the Receiver's Certificate, in the form attached as **Attachment "1"**, to Tarion Warranty Corporation ("**Tarion**"). The Receiver's counsel will request that the principal of 220 provide the Statutory Declaration in the form attached as **Attachment "2"**. The failure by the principal of 220 to provide the aforementioned Statutory Declaration will not prevent the payment of Proven Deposit Claims to Purchasers.
- 3) The Receiver will provide Tarion with copies of the following documentation in its possession: (a) all Purchase Agreements, together with any amendments or letter agreements relating to such Purchase Agreements; (b) forms, notices, and related documents and other correspondence with respect to the termination of the Purchase Agreements by 220; (c) forms, notices, receipts, acknowledgments and related documents and other correspondence with respect to any revisions, disallowances, disputes or ongoing communications with Purchasers regarding revised and disallowed Deposit Claims in accordance with the Deposit Claims Procedure Order; (d) a claim determination summary at the completion of the Deposit Claims Procedure; and (e) a summary of all claims barred pursuant to the Deposit Claims Procedure Order (all such documents referred to in this paragraph, together with the Statutory Declarations referred to in paragraph 3 hereof, collectively, the "**Deposit Claims Procedure Documentation**"). The Deposit Claims Procedure Documentation will be provided in an electronic format and organized on a unit-by-unit basis, where applicable, and as soon as reasonably practicable following completion of the Deposit Claims Procedure.
- 4) The Receiver will provide Tarion with a Receiver's Certificate in the form attached as **Attachment "3"**, which Receiver's Certificate will attach copies of: (a) the consents executed and delivered by The Guarantee Company of North America (the "**Guarantee Co.**") to the Receiver in respect of Proven Deposit Claims in accordance with the Deposit Claims Procedure; (b) the corresponding Certificates; and (c) the corresponding Receipts, and which Receiver's Certificate will deal with payments made to Purchasers in the preceding two week period. It is understood by the Parties that the Receiver may, in its sole discretion and based on the number of such payments made during some portion of the initial two week period, provide Tarion with the first such Receiver's Certificate on a date that is before the date that is two weeks from the date hereof.

- 5) Once every two weeks, the Receiver will provide Tarion and Guarantee Co. with: (a) a ledger of the Proven Deposit Claims and/or Deposit Trust Claims paid and the Proven Deposit Claims and/or Deposit Trust Claims not paid (if any); and (b) a claim determination summary outlining the proven, revised and disallowed claims pursuant to the Deposit Claims Procedure Order (if applicable).
- 6) Subject to the parties' compliance with this Protocol, following receipt of all relevant Deposit Claims Procedure Documentation and a Receiver's Certificate referenced in paragraph 4, and upon being satisfied that its liability to the relevant Purchasers for claims in respect of their respective Deposits has been extinguished, Tarion will provide confirmation to Guarantee Co. once every two weeks that Tarion Bond No. _____ issued by the Guarantee Co. (the "**Tarion Bond**") is reduced: (a) by the amount of a Deposit Trust Claim once paid by the Receiver; (b) by the amount of a Proven Deposit Claim once paid by the Receiver; (c) by the amount of a disallowed claim (once finally disallowed pursuant to the Deposit Claims Procedure) (a "**Disallowed Claim**"); and, (d) by the amount of any barred claim (as barred pursuant to the Deposit Claims Procedure) (a "**Barred Claim**"), to a maximum of \$20,000 for each Deposit Trust Claim, Proven Deposit Claim, Disallowed Claim or Barred Claim; provided, however, that Tarion shall at all times be entitled to retain a sufficient portion of the Tarion Bond or a reserve (the "**Reserve**"), as determined by Tarion acting reasonably, to cover Tarion's liabilities in respect of amounts secured by the Tarion Bond that have not been extinguished to the satisfaction of Tarion at the time of any reduction. Subject to the foregoing and with the Receiver's consent, such a Reserve may be established by the Receiver on terms satisfactory to Tarion acting reasonably, and upon the establishment of any such Reserve, Tarion will return the Tarion Bond to the Guarantee Co. for cancellation.
- 7) Upon being satisfied that its liability in respect of amounts secured by the Tarion Bond has been extinguished, or upon the establishment of a Reserve pursuant to paragraph 8, Tarion will return the Tarion Bond to the Guarantee Co. or cancellation. Following the establishment of a Reserve or upon the extinguishment of Tarion's liability in respect of amounts secured by the Tarion Bond, the Receiver shall seek a distribution order that provides for a distribution from the proceeds of sale to the Guarantee Co. for final reimbursement of all its reasonable fees and expenses, together with any other amounts that may be claimed by the Guarantee Co., related to the Tarion Bond and the Indemnity Agreement dated _____, among 220, Luigi Santaguida and the Guarantee Co.
- 8) Once the Guarantee Co. receives the return of the Tarion Bond and the payment of the final reimbursement amount from the Receiver in accordance with this Protocol, the Guarantee Co. shall have no further interest in the assets, undertakings and properties of 220.

Attachment "1"

Court File No. CV-17-11827-00CL

ONTARIO

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

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

and

2203284 ONTARIO INC.

Respondent

RECEIVER'S CERTIFICATE

THE RECEIVER CERTIFIES the following:

- I. I am a • of msi Spergel Inc., which has been appointed as the receiver (in such capacity, the "**Receiver**") of the proposed development of a condominium project (the "**Project**") by 2203284 Ontario Inc. (the "**Vendor**") situated in the City of Hamilton on those lands and premises owned by the Vendor, set out in PINs • and located at 98 James Street South, Hamilton, Ontario (the "**Property**") pursuant to the *Bankruptcy and Insolvency Act*.
1. Based on a review of the Vendor's books and records in the Receiver's possession and to the best of my knowledge and belief:
 - (a) the Vendor was the registered owner of the Property prior to it being sold in the Vendor's receivership proceedings;
 - (b) the Project, being known as "*The Connolly*", that was proposed to be constructed by the Vendor on the Property is not proceeding as a result of, among other things, the aforementioned sale of the Property;
 - (c) it appears the Vendor entered into one-hundred and eighty-five (185) agreements of purchase and sale with respect to units sold in the Project (collectively, the

"Condominium Sales Agreements") and the Receiver has not entered into any other agreements of purchase and sale in respect of the Project or the Property (other than the agreement of purchase and sale that effected the sale of the Property in the Vendor's receivership proceedings); and

- (d) no other information has come to the Receiver's attention that would lead the Receiver to believe that there were any sales of additional units in the Project other than pursuant to the Condominium Sales Agreements.

THIS CERTIFICATE was delivered by the Receiver on _____, 2018

MSI SPERGEL INC., in its capacity as Receiver

Per: _____

Name:

Title:

DRAFT

Attachment "2"

STATUTORY DECLARATION

CANADA

PROVINCE OF ONTARIO

TO WIT:

) IN THE MATTER OF the proposed
) development of a condominium project (the
) "Project") by 2203284 Ontario, Inc. (the
) "Vendor") situated in the City of Hamilton,
) on those lands and premises owned by the
) Vendor, set out in PINs • and located at
) 98 James Street South, Hamilton , Ontario (the
) "Property")
)

I, •, of the City of •, DO SOLEMNLY DECLARE THAT:

2. I am the • of the Vendor, and as such have knowledge of the matters hereinafter declared.
3. The Project being known as "The Connolly" to be constructed by the Vendor on the Property has been cancelled.
4. The Vendor has provided all deposits it received in respect of the sale of condominium units in the Project to Schneider Ruggerio LLP, the escrow agent for the Vendor.
5. The Vendor entered into only one-hundred and eighty-five (185) agreements of purchase and sale for condominium units in the Project and did not enter into any other agreements of purchase and sale for the condominium units in the Project.

AND I MAKE THIS solemn declaration conscientiously believing it to be true and knowing it is of the same force and effect as if made under oath.

DECLARED BEFORE ME in
City of Toronto, in the Province of Ontario,
this * day of *, 2018

A COMMISSIONER, ETC.

} _____
NAME:
TITLE:

Attachment "3"

Court File No. CV-17-11827-00CL

ONTARIO

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

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

and

2203284 ONTARIO INC.

Respondent

RECEIVER'S CERTIFICATE

THE RECEIVER CERTIFIES the following:

1. I am a • of msi Spergel Inc., which has been appointed as the receiver of the Property pursuant to the *Bankruptcy and Insolvency Act* (in such capacity, the "**Receiver**").
2. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them pursuant to the Deposit Claims Procedure Order dated May 16, 2018.
3. The Receiver has delivered payments to Purchasers on account of Proven Deposit Claims and/or Deposit Trust Claims, as set forth in **Schedule "A"** attached herein;
4. Attached as **Schedule "B"** herein are copies of the corresponding: (i) consents, (ii) Certificates, and (iii) Receipts.

THIS CERTIFICATE was delivered by the Receiver on _____, 2018
msi Spergel Inc., in its capacity as Receiver

Per: _____

Name:

Title:

DUCA FINANCIAL SERVICES CREDIT UNION LTD. Applicant	and	2203284 ONTARIO INC. Respondent
Court File No. CV-17-11827-00CL		

ONTARIO
SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)
Proceeding commenced at TORONTO

DEPOSIT CLAIMS PROCEDURE ORDER

DEVRY SMITH FRANK LLP Lawyers & Mediators 95 Barber Greene Road, Suite 100 Toronto, Ontario M3C 3E9	LAWRENCE HANSEN (LSUC # 41098W) <i>lawrence.hansen@devrylaw.ca</i>	SARA MOSADEQ (LSUC #67864K) <i>sara.mosadeq@devrylaw.ca</i>
Tel.: 416-449-1400 Fax: 416-449-7071		

Lawyers for the receiver msi Spergel Inc.

Appendix “Q”



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #62

17171-0008 (L7)

PAGE 1 OF 3

PREPARED FOR HSIMPSON
ON 2018/05/03 AT 13:45:07

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

PROPERTY DESCRIPTION:

PT LT 75 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON; PT LT 76 P. HAMILTON SURVEY (UNREGISTERED) CITY OF HAMILTON (BTV HUNTER ST, MACARIE ST, JACKSON ST & JAMES ST) AS IN HA59712; CITY OF HAMILTON

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE

LT CONVERSION QUALIFIED

OWNERS' NAMES

2203284 ONTARIO INC.

RECENTLY:
RE-ENTRY FROM 17171-0141

CAPACITY SHARE

PIN CREATION DATE:
2008/09/22

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHRD
** PRINTOUT	INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2008/09/19 **					
**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: 2008/09/22 **						
BA59712	1895/07/30	TRANSFER		*** DELETED AGAINST THIS PROPERTY **	TRUSTEES OF THE JAMES STREET BAPTIST CHURCH	C
VM36576	1980/02/16	BYLAW			THE CORPORATION OF THE CITY OF HAMILTON	C
VM60787	1990/09/07	AGREEMENT				C
REMARKS: HISTORICAL EASEMENT						
VM111553	1992/02/17	NOTICE OF CLAIM		*** DELETED AGAINST THIS PROPERTY ***		
VM241393	1998/02/24	CHARGE		TRUSTEES OF THE JAMES STREET BAPTIST CHURCH		
WE813380	2012/02/10	DISCH OF CHARGE		*** COMPLETELY DELETED ***	BAPTIST CONVENTION OF ONTARIO AND QUEBEC	
REMARKS: VM241393.						
WE901635	2013/06/04	TRANS RELIGIOUS ORG	\$610,000	TRUSTEES OF THE JAMES STREET BAPTIST CHURCH	2203284 ONTARIO 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.



Ontario ServiceOntario

LAND
REGISTRY
OFFICE #62

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 2 OF 3

PREPARED FOR HSIMPSON
ON 2018/05/03 AT 13:45:07

17171-0009 (LT)

* 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 / CHRG
WE903381	2013/05/13	CHARGE	\$1,500,000	2203284 ONTARIO INC.	SANTAGUIDA, MARY LOU	C
WE998973	2014/10/30	CHARGE	\$5,180,000	2203284 ONTARIO INC.	THE GUARANTEE COMPANY OF NORTH AMERICA	C
WE998974	2014/10/30	POSTPONEMENT REMARKS: WE903381 TO WE998973		SANTAGUIDA, MARY LOU	THE GUARANTEE COMPANY OF NORTH AMERICA	C
WE1029640	2015/04/10	NOTICE REMARKS: WE903381	\$2	2203284 ONTARIO INC.	SANTAGUIDA, MARY LOU	C
WE1048981	2015/07/08	CHARGE	\$5,000,000	2203284 ONTARIO INC.	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	C
WE1048982	2015/07/08	NO ASSIGN RENT GEN REMARKS: WE1048981		2203284 ONTARIO INC.	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	C
WE1048980	2015/07/08	POSTPONEMENT REMARKS: WE998973 TO WE1048982		THE GUARANTEE COMPANY OF NORTH AMERICA	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	C
WE1048989	2015/07/08	POSTPONEMENT REMARKS: WE903381 WE1048981		SANTAGUIDA, MARY LOU	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	C
WE1111875	2016/04/11	CHARGE	\$701,563	2203284 ONTARIO INC.	SANTAGUIDA, MARY LOU	C
WE1141288	2016/08/12	CHARGE	\$3,000,000	2203284 ONTARIO INC.	DIVERSIFIED CAPITAL INC.	C
WE1141293	2016/08/12	POSTPONEMENT REMARKS: WE903381 & WE1029640 TO WE1141288		SANTAGUIDA, MARY LOU	DIVERSIFIED CAPITAL INC.	C
WE1141284	2016/08/12	POSTPONEMENT REMARKS: WE1111875 TO WE1141288		SANTAGUIDA, MARY LOU	DIVERSIFIED CAPITAL INC.	C
WE1141393	2016/08/12	CHARGE		*** COMPLETELY DELETED *** 2203284 ONTARIO INC.	1220356 ONTARIO LIMITED TARAGAR HOLDINGS LIMITED ROMISCO ENTERTAINMENT INC APPEL, AUBRIE APPEL, GAIL	C
WE1153428	2016/09/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1220356 ONTARIO LIMITED TARAGAR HOLDINGS LIMITED ROMISCO ENTERTAINMENT 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.



Ontario ServiceOntario

LAND

REGISTRY
OFFICE #62

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 3 OF 3

PREPARED FOR HSIMESON
ON 2018/05/03 AT 13:45:07

17171-0009 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHRD
WE1231330	2017/08/24	REMARKS: WE1141393. CONSTRUCTION LIEN	\$30,234	APPEL, AUBRIE APPEL, GAIL		
WE1242330	2017/10/10	CERTIFICATE		MCCALLUM SATHUR ARCHITECTS INC. MCCALLUM SATHUR ARCHITECTS INC.		C
WE1244869	2017/10/20	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	DUCH FINANCIAL SERVICES CREDIT UNION LTD.	C

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

Appendix “R”



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

oren.chaimovitch@devrylaw.ca
416.446.3342

SENT VIA EMAIL

November 15, 2017

MSI Spergel Inc
200 - 205 Consumers Road
Toronto, ON
M2J 4V8

Attention: Trevor Pringle and Deborah Hornbostel

Dear Sirs/Mesdames:

Re: Receivership of 2203284 Ontario Inc.
Our File No.: MSISP011

We take this opportunity to report to you in connection with the security (the "**Security**") granted by 2203284 Ontario Inc. (the "**Debtor**") to DUCA Financial Services Inc. ("**DUCA**" and sometimes referred to as the "**Secured Creditor**").

You have provided us with copies of:

1. A General Security Agreement given by the Debtor in favour of DUCA dated July 7, 2015 (the "**General Security Agreement**");
2. A Mortgage granted by DUCA to the Debtor registered July 8, 2015 as Instrument No. WE1048981 (the "**Mortgage**") over the property municipally known as 98 James Street South, Hamilton ON;

(Collectively, the "**Security Agreements**").

In connection with the opinions hereinafter expressed, we have reviewed the photocopies of the Secured Creditor's security provided to us by you, assume the genuineness of all signatures therein and that valuable consideration therefor was given and that all corporate authorities were in place at the time of the execution of any loan agreements and/or the granting of any security granted by the Debtor. We have also reviewed such searches as we considered necessary and desirable. We express no opinion with respect to priority or ownership of the collateral. Subject to the foregoing, we are pleased to advise you as follows:

Corporate Search

Toronto | Barrie | Whitby
95 Barber Greene Rd., Suite 100, Toronto, ON, M3C 3E9,
Tel: 416.449.1400 | Fax: 416.449.7071 | www.devrylaw.ca



A Corporate Profile Report conducted on the Debtor dated February 3, 2017, revealed that the Debtor was incorporated pursuant to the laws of the Province of Ontario on March 14, 2009, with a corporate address of 93 Skyway Avenue, Suite 210, Toronto, ON M9W 6N6, showing Louie Santaguida and Luigi Santaguida as the only Officer and Director, with the last document filing being shown as the change notice filed on October 6, 2016.

We cannot express our opinion as to whether all corporate and other action has been taken to authorize the Debtor to enter into the Security Agreements. However, unless the Secured Creditor had knowledge that the representatives executing the Security Agreements did not have authority to bind the Debtor, the Secured Creditors may rely on those signatures. In other words, if the Secured Creditor was given a Certificate of Status/Incumbency/Signing Authority indicating different officers and directors than appear on the Security Agreements, the documentation may be unenforceable. However, counter to that argument is the fact that in carrying out its terms, the Debtor can be said to have ratified the terms of the Security Agreements and is bound by them.

Personal Property Security Act

On providing our opinions herein, we have relied on the *Personal Property Security Act* ("PPSA") search, current to November 2, 2017, against the Debtor a copy of which is enclosed and summarized in the table below:

Secured Party	Debtor	Registration Number	Collateral Classification
The Guarantee Company of North America	2203284 Ontario Inc.	20141030 1346 1862 3945	Accounts, Other Collateral Description: "Deposit trust agreement with respect to a 259 unit condominium complex located at 98 James Street South, in the city of Hamilton, Ontario and known as "The Connolly""
DUCA Financial Services Inc.	2203284 Ontario Inc.	20150623 1627 1590 8300	Inventory, Equipment, Accounts, Others, Including Motor Vehicles
DUCA Financial Services Inc.	2203284 Ontario Inc.	20150623 1642 1590 8303	Accounts, Other Collateral Description: "General assignment of rents and leases with respect to the property municipally known as 98 James Street South, Hamilton, Ontario (PIN 17171-0009 (LT))"
1220356 Ontario	2203284 Ontario Inc.	20160811 1357 6083 4914	Equipment, Accounts, Other Collateral Description: "An

Limited and Taragar Holdings Limited			assignment of plans and related agreements and an assignment of agreements of purchase and sale affecting the property at 155 Wychwood Avenue, Toronto, and the property at 98 James Street South, Hamilton"
--------------------------------------	--	--	--

Review of Documents:

We have reviewed copies of the following documentation and comment as follows:

A) General Security Agreement

1. General Security Agreement given by the Debtor in favour of DUCA dated July 7, 2015 (the "**DUCA GSA**")

As security for payment and satisfaction of all obligations, indebtedness and liability of the Debtor to DUCA, the Debtor granted the DUCA GSA on July 7, 2015, executed but not under seal, which provides for a security interest generally in inventory, equipment, book debts, contractual rights, and other assets of the Debtor. The security documentation provided did not include a registration statement relevant to the DUCA GSA, however, a *PPSA* search conducted on the Debtor current to June 7, 2017 revealed that DUCA registered certain financing statements that may relate to the perfection of the DUCA GSA, that being on June 23, 2015, as Registration No. 20150623 1627 1590 8300 for a two (2) year period which appears to be duly registered and renewed by Registration No. 20170619 1934 1531 3501 for a further period of one(1) year.

Based on the foregoing, we are of the opinion that the security comprised by the DUCA GSA is enforceable in accordance with its written terms except as enforcement may be limited by applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors rights. The DUCA GSA constitutes a valid and effective charge on the Debtors' personal property as described.

B) Real Property Encumbrances

1. Charge/Mortgage between the Debtor, as Chargor, and DUCA, as Chargee, registered July 8, 2015 (the "**DUCA Charge**")

As security for payment of monies advanced by DUCA, the Debtor, as Mortgagor granted to DUCA the following mortgage:

Type of Security	Mortgage/Charge
Date of Registration	Registered July 8, 2015
Place of Registration	Land Registry Office (Hamilton)
Land Secured	98 James Street South, Hamilton, ON

Instrument No.	WE1048981
Amount Secured	\$5,000,000
Date of Search	Parcel Register, current to June 7, 2017
Assignment of Rents (if any)	Yes, WE1048982
Date of Registration	Registered under PPSA June 23, 2015

In electronic registration, documents are signed and registered electronically by lawyers based on authority given to them by their clients. An Acknowledgment and Direction is a form produced by the electronic registration system or prepared by the lawyer which summarizes the contents of the document to be registered and contains written instructions from the client to the lawyer authorizing the lawyer to deliver and register the document. For the purpose of this opinion, we have been provided with a copy of the Authorization and Direction for the DUCA Charge.

We are of the opinion that the DUCA Charge and related Assignment of Rents is valid and enforceable in accordance with its written terms except as enforcement may be limited by applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors rights.

Additional Searches

We have caused the following additional searches to be conducted with respect to the Debtor:

- (a) Bankruptcy – (current to November 2, 2017) – clear, attached
- (b) Section 427 Bank Act – (current to November 2, 2017) – clear, attached
- (c) Corporate Profile Report – (current to February 3, 2017) – attached
- (d) Parcel Register for the Property – (current to September 21, 2017) – attached

Assumptions

For the purposes of rendering the opinion expressed herein we have assumed that:

1. The entering into, execution and delivery of the Security to DUCA and subsequently have 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 DUCA by a director and/or officer of the Debtor duly authorized, executed and delivered 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.
4. The Security has been unconditionally delivered by the Debtor to DUCA.
5. The Security has not been assigned, released or discharged or otherwise impaired either in whole or in part.

6. The financing statements 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 Corporations in accordance with the provisions of the PPSA.
7. The Debtor is indebted to DUCA and received adequate consideration for the grant of the Security.
8. The genuineness of all signatures and the legal capacity of all natural persons whose signatures appear on behalf of DUCA and the conformity of the original documents of all documents submitted to us as photostatic copies.
9. There are no other agreements or extraneous facts not disclosed in the Security that would or might affect the validity or enforceability of the Security.
10. That none of the collateral granted to DUCA to secure the obligations owed by the Debtor under the Security comprises Consumer Goods (as defined in the PPSA).
11. That the collateral described in the Security that comprises tangible personal property is situate in the Province of Ontario and has been since DUCA acquired rights in that collateral.
12. The copies of the PPSA reports 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.
13. The Debtor and DUCA intended the security interests created by the Security to attach, value has been given, and The Debtor had obtained rights in the collateral secured by the Security.
14. All facts as set out in official public records and other documents supplied by public officials or otherwise conveyed to us by public officials are complete, true and accurate.
15. We have relied upon certificates of public offices as to matters of fact not stated herein to have been assumed or independently verified or established by us.
16. We have assumed the accuracy and currency of the indices and filing systems maintained at the public officers where we have searched or inquired or have caused such searches or inquiries to be conducted.
17. We have assumed that the Debtor has no legal defence against DUCA for, without limitation, absence of legal capacity, fraud by or to the knowledge of DUCA, misrepresentation, undue influence or duress.

18. We have assumed that monies were in fact advanced by DUCA to the Debtor and that monies are in fact owing by the Debtor to DUCA with respect to the advances as of the date hereof.

Qualifications

In addition to any qualifications made within the context of the within correspondence, we have assumed that:

1. The signatures contained in the Security Agreement are genuine;
2. That valuable consideration was given;
3. That all necessary corporate approvals were obtained;
4. Where we have reviewed photocopies of various documents, the copies conform to the original documents;
5. The respective parties had the legal capacity to execute and deliver the documents on behalf of the Debtor

We express no opinion with respect to:

1. Title of personal property since the Province of Ontario has no system for registration or recording title to personal property;
2. The ownership or other right, title and interest of the Debtor in any collateral other than real property intended to be subject to the security interests created by the security documents or as to the rank or the priority of the Secured Creditors' security interests therein vis-a-vis each other or other creditors of the Debtor;
3. The creation, perfection, validity, binding nature or enforceability of the security interests created by the security documents in any collateral for which, pursuant to applicable conflicts of law rules, the creation, validity, perfection or enforceability and effect of perfection and non-perfection or the enforceability of any security documents as it relates thereto are governed by the laws of a jurisdiction other than the Province of Ontario or the federal laws of Canada applicable therein;
4. The quantum of the claim or claims of the Secured Creditor under its security;
5. The priority of the claim or claims of the Secured Creditor in relation to other secured creditors;
6. The validity of the registrations of other secured creditors with respect to their interests against the Secured Creditor, if any, pursuant to the *PPSA*;
7. Possible claims in the nature of purchase-money security interests and claims under section 81.1(1) of the *Bankruptcy and Insolvency Act* ranking in priority to the claim or

- claims of the Secured Creditor under their security agreement(s);
8. Possible trust claims under federal or provincial legislation ranking in priority to the claim or claims of the Secured Creditor;
 9. Security interests in goods (as defined in the *PPSA*) that may be defeated by certain claimants to whom the Debtor sells or leases those goods in the ordinary course of business in the circumstances described in the *PPSA*; and if the collateral includes fixtures or goods that may become fixtures or a right to payment under a lease of real property or under a mortgage or charge of real property to which the *PPSA* applies;
 10. The security documents and the applicable financing statements extend to motor vehicles, no detailed description of any motor vehicle subject to the security documents was set out in the financing statements and thus the security interests in such motor vehicles are subject to the rights of certain claimants in the circumstances described in the *PPSA*;
 11. The validity or enforceability of the security interest described in the security documents in any portion of any personal property to which the *PPSA* does not apply; and
 12. Any of those matters which we assumed for the purposes of rendering the opinions expressed above.

General Comments

You will note that we have made reference in this correspondence to various executions of documents that were executed, but either not under seal or not witnessed. We are of the opinion that the absence of a corporate seal or absence of a seal generally, or the failure to have a document witnessed, if required, may be viewed an irregularity in form only which will not affect the validity or enforceability of a document so long as it can be shown that sufficient consideration was given and that there exists no issue with respect to the fact of the signature being made or the genuineness thereof.

We would be pleased to review any additional documentation in your file or any additional documentation that you may deem appropriate. If we can be of any further service with respect to this opinion or otherwise, please do not hesitate to contact me.

Best regards,

DEVRY SMITH FRANK LLP



Oren Chaimovitch
Lawyer

Appendix “S”



DEVRY SMITH FRANK LLP
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca
416.446-3342

BY FAX 905-526-0732

November 6, 2017

David Anthony van der Woerd
Ross & McBride LLP
1 King Street West
Hamilton, Ontario L8N 3P6

Dear Mr. van der Woerd:

**Re: Receivership of 2203284 Ontario Inc. /98 James Street South
Our File No.: MSISP011**

We are lawyers for msi Spergel Inc., The court appointed receiver of 2203284 Ontario Inc. I attach for your reference a copy of the order appointing our client as receiver.

I also attach for your reference a construction lien you registered on August 24, 2017 on behalf of McCallum Sather Architects Inc. over the property at 98 James St. S., Hamilton. The Lien was registered improperly and we demand that you discharge it from title by November 14, 2017.

The receivership stays any action against 2203284 Ontario Inc. You have failed to perfect the Lien, so it has expired. Moreover, the Lien is out of time in any event. It indicates the most recent supply by your client to the property was July 11, 2017. The receivership order appointing our client as receiver was made June 22, 2017 and our client has had no dealings with yours.

If your client does not discharge the Lien by the time indicated, we have instructions to bring a motion to do so and seek costs against your client.

Yours truly,

DEVRY SMITH FRANK LLP


Oren Chaimovitch
OC/cy

Atts.





Toronto | Barrie | Whitby
95 Barber Greene Rd., Suite 100, Toronto, ON, M3C 3E9,
Tel: 416.449.1400 | Fax: 416.449.7071 | www.devrylaw.ca



Appendix “T”

ServiceOntario[Main Menu](#) [New Enquiry](#)**Enquiry Result**

File Currency: 21JUN 2017



All Pages


[Show All Pages](#)

Note: All pages have been returned.

Type of Search	Business Debtor							
Search Conducted On	2203284 ONTARIO INC.							
File Currency	21JUN 2017							
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
	701132553	1	4	1	9	30OCT 2024		
FORM 1-C FINANCING STATEMENT / CLAIM FOR LIEN								
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period	
701132553		001	001		20141030 1348 1862 3945	P PPSA	10	
Individual Debtor	Date of Birth	First Given Name			Initial	Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number		
	2203284 ONTARIO INC.							
	Address				City	Province	Postal Code	
	93 SKYWAY AVENUE, UNIT 104				TORONTO	ONT	M9W 6N6	
Individual Debtor	Date of Birth	First Given Name			Initial	Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number		
	Address					City	Province Postal Code	
Secured Party	Secured Party / Lien Claimant							
	THE GUARANTEE COMPANY OF NORTH AMERICA							
	Address				City	Province	Postal Code	
	4950 YONGE STREET, SUITE 1400				TORONTO	ONT	M2N 6K1	
Collateral Classification	Consumer Goods	Inventory Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
			X	X				
Motor Vehicle Description	Year	Make	Model		V.I.N.			
General Collateral Description	General Collateral Description							
	DEPOSIT TRUST AGREEMENT WITH RESPECT TO A 259 UNIT CONDOMINIUM COMPLEX LOCATED AT 98 JAMES STREET SOUTH, IN THE CITY OF HAMILTON, ONTARIO AND KNOWN AS "THE CONNOLLY"							

Registering Agent	Registering Agent SCHNEIDER RUGGIERO LLP (37393/LS)			
Address	City	Province	Postal Code	
120 ADELAIDE STREET W., STE. 1000	TORONTO	ONT	M5H 3V1	

END OF FAMILY

Type of Search	Business Debtor																
Search Conducted On	2203284 ONTARIO INC.																
File Currency	21JUN 2017																
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status										
	707377941	2	4	2	9	23JUN 2018											
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN																	
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period										
707377941		001	1		20150623 1627 1590 8300	P PPSA	2										
Individual Debtor	Date of Birth	First Given Name		Initial		Surname											
Business Debtor	Business Debtor Name					Ontario Corporation Number											
	2203284 ONTARIO INC.																
	Address	City		Province	Postal Code												
	94 BROCKPORT DRIVE	TORONTO		ON	M9W 5C5												
Individual Debtor	Date of Birth	First Given Name		Initial		Surname											
Business Debtor	Business Debtor Name					Ontario Corporation Number											
	Address	City		Province	Postal Code												
Secured Party	Secured Party / Lien Claimant																
	DUCA FINANCIAL SERVICES CREDIT UNION LTD.																
	Address	City		Province	Postal Code												
	5290 YONGE STREET	TORONTO		ON	M2N 5P9												
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date								
		X	X	X	X	X											
Motor Vehicle Description	Year	Make			Model		V.I.N.										
General Collateral Description	General Collateral Description																
Registering Agent	Registering Agent																
	MINDEN GROSS LLP (EXS)																
	Address	City		Province	Postal Code												
	145 KING STREET WEST, SUITE 2200	TORONTO		ON	M5H 4G2												

CONTINUED

Type of Search	Business Debtor					
Search Conducted On	2203284 ONTARIO INC.					
File Currency	21JUN 2017					
File Number	Family	of Families	Page	of Pages		
707377941	2	4	3	9		
FORM 20 FINANCING CHANGE STATEMENT / CHANGE STATEMENT						
Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under	
	01	001		20170619 1934 1531 3501		
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	707377941		X	B RENEWAL	1	
Reference Debtor/ Transferor	First Given Name	Initial	Surname			
	Business Debtor Name	2203284 ONTARIO INC.				
Other Change	Other Change					
Reason / Description	Reason / Description					
Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname		
	Business Debtor Name	Ontario Corporation Number				
	Address	City	Province	Postal Code		
Assignor Name	Assignor Name					
Secured Party	Secured party, lien claimant, assignee					
	Address	City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included
Motor Vehicle Description	Year	Make	Model	V.I.N.		
General Collateral Description	General Collateral Description					

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	CANADIAN SECURITIES REGISTRATION SYSTEMS			
	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

END OF FAMILY

Type of Search	Business Debtor											
Search Conducted On	2203284 ONTARIO INC.											
File Currency	21JUN 2017											
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status					
	707378715	3	4	4	9	23JUN 2018						
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN												
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period					
707378715		001	1		20150623 1642 1590 8303	P PPSA	2					
Individual Debtor	Date of Birth	First Given Name			Initial	Surname						
Business Debtor	Business Debtor Name					Ontario Corporation Number						
	2203284 ONTARIO INC.											
	Address	City			Province	Postal Code						
	94 BROCKPORT DRIVE	TORONTO			ON	M9W 5C5						
Individual Debtor	Date of Birth	First Given Name			Initial	Surname						
Business Debtor	Business Debtor Name					Ontario Corporation Number						
	Address	City			Province	Postal Code						
Secured Party	Secured Party / Lien Claimant											
	DUCA FINANCIAL SERVICES CREDIT UNION LTD.											
	Address	City			Province	Postal Code						
	5290 YONGE STREET	TORONTO			ON	M2N 5P9						
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount					
				X	X							
							Date of Maturity or					
							No Fixed Maturity Date					
Motor Vehicle Description	Year	Make			Model	V.I.N.						
General Collateral Description	General Collateral Description											
	GENERAL ASSIGNMENT OF RENTS AND LEASES WITH RESPECT TO THE PROPERTY											
	MUNICIPALLY KNOWN AS 98 JAMES STREET SOUTH, HAMILTON, ONTARIO (PIN											
	17171-0009 (LT))											
Registering Agent	Registering Agent											
	MINDEN GROSS LLP (EXS)											
	Address	City			Province	Postal Code						
	145 KING STREET WEST, SUITE 2200	TORONTO			ON	M5H 4G2						

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	2203284 ONTARIO INC.								
File Currency	21JUN2017								
File Number	Family	of Families	Page	of Pages					
707378715	3	4	5	9					
FORM 20 FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under				
	01	001		20170619 1934 1531 3500					
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Correct Period Years				
	707378715		X	B RENEWAL	1				
Reference Debtor/ Transferor	First Given Name	Initial	Surname						
	Business Debtor Name 2203284 ONTARIO INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname					
	Business Debtor Name								
	Ontario Corporation Number								
	Address	City	Province	Postal Code					
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address	City	Province	Postal Code					
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model	V.I.N.					
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	CANADIAN SECURITIES REGISTRATION SYSTEMS			
	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

END OF FAMILY

Type of Search	Business Debtor					
Search Conducted On	2203284 ONTARIO INC.					
File Currency	21JUN 2017					
	File Number	Family	of Families	Page	of Pages	Expiry Date
	719522408	4	4	6	9	11AUG 2018

FORM 10 FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
719522408		001	4		20160811 1357 6083 4914	P PPSA	2

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	2415118 ONTARIO INC.			2415118
	Address	City	Province	Postal Code
	UNIT 104, 93 SKYWAY AVENUE	TORONTO	ON	M9W 6N6

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	2203284 ONTARIO INC.			2203284
	Address	City	Province	Postal Code
	UNIT 104, 93 SKYWAY AVENUE	TORONTO	ON	M9W 6N6

Secured Party	Secured Party / Lien Claimant			
	1220356 ONTARIO LIMITED			
	Address	City	Province	Postal Code
	C/O AVENUE CAPITAL MORTGAGE ADMINISTRATI	TORONTO	ON	M5M 1C4

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X					

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description			
	AN ASSIGNMENT OF PLANS AND RELATED AGREEMENTS AND AN ASSIGNMENT OF AGREEMENTS OF PURCHASE AND SALE AFFECTING THE PROPERTY AT 155 WYCHWOOD AVENUE, TORONTO, AND THE PROPERTY AT 58 JAMES STREET SOUTH.			

Registering Agent	Registering Agent			
	ESC CORPORATE SERVICES LTD.			
	Address	City	Province	Postal Code
	445 KING STREET WEST, 4TH FL	TORONTO	ON	M5V 1K4

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2203284 ONTARIO INC.						
File Currency	21 JUN 2017						
File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
719522406	4	4	7	9	11 AUG 2018		
FORM 10 FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
719522406		002	4		20160811 1357 6083 4914		
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	Address				City	Province	Postal Code
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	Address				City	Province	Postal Code
Secured Party	Secured Party / Lien Claimant						
	Address				City	Province	Postal Code
	ON INC. 480 LAWRENCE AVE. W., 4TH FL						
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount
Motor Vehicle Description	Year	Make	Model		V.I.N.		
General Collateral Description	General Collateral Description						
	HAMILTON						
Registering Agent	Registering Agent						
	Address				City	Province	Postal Code

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2203284 ONTARIO INC.						
File Currency	21 JUN 2017						
File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
719522406	4	4	8	9	11 AUG 2018		

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
719522406		003	4		20160811 1357 6083 4914		
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	Address			City	Province	Postal Code	
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	Address			City	Province	Postal Code	
Secured Party	Secured Party / Lien Claimant						
	TARAGAR HOLDINGS LIMITED						
	Address			City	Province	Postal Code	
	C/O AVENUE CAPITAL MORTGAGE ADMINISTRATI			TORONTO	ON	M5M 1C4	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount
Motor Vehicle Description	Year	Make		Model		V.I.N.	
General Collateral Description	General Collateral Description						
Registering Agent	Registering Agent						
	Address			City	Province	Postal Code	

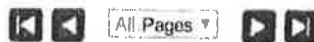
CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2203284 ONTARIO INC.						
File Currency	21JUN 2017						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	719522406	4	4	9	9	11AUG 2018	
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
719522406		004	4		20160811 1357 6083 4914		
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		

Business Debtor		Business Debtor Name			Ontario Corporation Number		
		Address			City	Province	Postal Code
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		
Business Debtor		Business Debtor Name			Ontario Corporation Number		
		Address			City	Province	Postal Code
Secured Party		Secured Party / Lien Claimant					
		Address			City	Province	Postal Code
		ON INC. 480 LAWRENCE AVE. W., 4TH FL					
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount
Motor Vehicle Description	Year	Make		Model	V.I.N.		
General Collateral Description	General Collateral Description						
Registering Agent	Registering Agent						
	Address						
				City	Province	Postal Code	

LAST PAGE

Note: All pages have been returned.

[BACK TO TOP](#)[Show All Pages](#)

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

At ServiceOntario, we respect your right to privacy and value the trust you place in us. [Read more about ServiceOntario's Privacy Statement.](#)

[ServiceOntario Contact Centre](#)

Web Page ID: WEnqResult

System Date: 22JUN2017

Last Modified: March 11, 2017

[Privacy](#)[Accessibility](#)[Contact us](#)[FAQ](#)[Terms of Use](#)

© Queen's Printer for Ontario 2015

Appendix “U”



DISCHARGE STATEMENT

DATE: April 13, 2018

RE: **BORROWER:** 2203284 Ontario Inc.
ACCOUNT NUMBER: 895267.73
PROPERTY ADDRESS: 98 James Street South, Hamilton

Principal Balance (Including Receiver certificates)	\$	5,081,608.87
Accrued Interest to June 1, 2018	\$	425,257.52
Discharge Fee	\$	1,000.00
PPSA Discharge Fee	\$	150.00
Registration Fee	\$	75.00
Accrued Legal Fees up to Apr. 13/18	\$	1,491.60
Three Months' Interest Penalty	\$	80,818.20
TOTAL	\$	5,590,401.19
Per Diem Rate	\$	897.98

Funds must be made payable to DUCA FINANCIAL SERVICES CREDIT UNION LTD. and delivered to the attention of the Commercial Mortgage Department at our offices at 5290 Yonge Street, Toronto, ON M2N 5P9.

Please be advised that any monies received in our offices after 2:00 p.m. will be processed on the next business day and will be subject to the applicable per diem rate.

Upon receipt of the "TOTAL" amount indicated on this statement, we will execute a Discharge of Charge. If a registration fee for E-Registration has been charged above, a registered document will be forwarded instead, within a reasonable period of time.

We assume all payments due on or before the Payout Date will be made and honoured.

This statement is only valid for 30 days from the date of this letter. If payout figures are required after this time period, please request another statement.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Sergiu Cosmin
Manager, Special Accounts
E.&O.E.

Nov-08

Appendix “V”



SPERGEL
Licensed Insolvency Trustees

Restructuring • Insolvency • Consulting

District of: **Ontario**
Division No. **07 - Hamilton**
Court No. **32-158974**
Estate No. **32-158974**

AMENDED
NOTICE AND STATEMENT OF THE RECEIVER
(Sec. 245(1) & 246(1))
IN THE MATTER OF THE RECEIVERSHIP OF
2203284 Ontario Inc.
of the City of Hamilton, in the Province of Ontario

Take Notice That:

1. On the 22nd day of June, 2017, msi Spergel Inc. became a Court Appointed Receiver in respect of the subject property of **2203284 Ontario Inc.** (the "Debtor"), an insolvent person, that is described below:
 - a) 17171-0009 LT; PT LT 75 P. Hamilton Survey (Unregistered) City of Hamilton; PT LT 76 P. Hamilton Survey (Unregistered) City of Hamilton (BTN Hunter St, MacNab St, Jackson St & James St) as in HA59712; City of Hamilton, known as 98 James Street South, Hamilton, Ontario.
2. msi Spergel inc. became a Receiver in respect of the property described above pursuant to an Order issued by the Ontario Superior Court of Justice on June 22, 2017.
3. msi Spergel Inc. took control of the property described above on June 22, 2017.
4. The following information relates to the receivership:

Address of insolvent person:	98 James Street South, Hamilton, ON L8P 2Z2
Principal line of business:	Vacant Lot with a Church Facade
Location of business:	98 James Street South, Hamilton, ON L8P 2Z2
5. Amount (approximate) owed by insolvent person to each creditor who holds a security on the property described above is:

Duca Financial Services Credit Union Ltd. (1 st Mortgage)	\$5,101,957
The Guarantee Company of North America (2 nd Mortgage)	5,180,000
Diversified Capital Inc. (3 rd Mortgage)	3,000,000
Mary Lou Santaguida (4 th & 5 th Mortgage)	2,201,583
City of Hamilton	106,128
1220356 Ontario Limited	Unknown
Taragar Holdings Limited	Unknown
6. A list of the Debtor's unsecured creditors is attached as Schedule "A".

msi Spergel inc. 505 Consumers Road, Suite 200, Toronto, Ontario M2J 4V8 • Tel 416 497 1660 • Fax 416 494 7199 • www.spergel.ca
Barrie 705 722 5090 • Hamilton 905 527 2227 • Mississauga 905 602 4143 • Oshawa 905 721 8251 • Toronto-Central 416 778 8813

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


Member **ICIN** The Independent Council on Insolvency Network

7. The Receiver intends to market and sell the commercial property via the Multiple Listing Service .
8. Contact person for the Receiver:
msi Spergel Inc.,
Attention: Evan McCullagh: Telephone 905-527-2227 Fax 905-527-6670

Dated at Hamilton, Ontario this 25th day of July, 2017

MSI SPERGEL INC.

Per:


Trevor Pringle, CFE, CIRP
Licensed Insolvency Trustee



SPERGEL

SCHEDULE "A"

In the matter of the Receivership of 2203284 Ontario Inc.

Receivership Date: 22-Jun-2017

Estate Number: 32-158974

<i>Creditor Name</i>		<i>Amount</i>
Unsecured creditors		
1.	Schneider Ruggiero LLP	28,846.62
2.	Bell Canada F-88 - Business Attn: Insolvency Department	356.08
3.	Collabortive Structures Limited	4,424.00
4.	Cushman & Wakefield Ltd.	2,034.00
5.	GSP Group Inc.	4,087.41
6.	Judy Hazen Copywriter	146.90
7.	Kaiser Lachance Communications Inc.	1,235.94
8.	Klokwerks Digital Inc.	39,550.00
9.	Kremer Surveyors Ltd.	9,866.77
10.	Louie Santaguida	70,804.24
11.	Luna Accounting Services	3,305.25
12.	McCallum Sathers Architects Inc.	20,458.65
13.	Paradigm Transportation Solutions Limited	4,825.10
14.	Paula Santos	5,650.00
15.	Pelican Woodcliff	11,300.00
16.	Quinn Dressel Associates	7,441.06
17.	Right at Home Realty Inc.	8,660.29
18.	Royal LePage State Realty	5,593.50
19.	Royal LePage Your Community Realty	315,578.63
20.	Terraprobe Inc.	31,828.16
21.	Town Media	2,254.35
22.	Watters Environment Group Inc.	29,775.50
		<u>608,022.45</u>
Grand Total:		608,022.45

Appendix “W”

**In the Matter of the Receiverships of
2203284 Ontario Inc.
Receiver's Interim Statement of Receipts and Disbursements
as at April 30, 2018**

Receipts

Deposits on Sale of Property	\$ 440,000
Advance from Secured Creditor	45,000
Costs Awarded Pursuant to Court Order	2,000
Interest Earned	1,025
Cash on Hand	645
Total Receipts	<u>488,670</u>

Disbursements

Legal Fee's and Disbursements	21,020
Appraisal Fees	9,900
HST Paid on Disbursements	4,686
Repairs and Maintenance	2,788
Insurance	2,000
Miscellaneous Disbursements	1,855
Locksmith Costs and Security	865
Filing Fee, License Fee, Bank Charges, Travel	988
Utilities	205
Total Disbursements	<u>44,307</u>

Total Receipts less Disbursements	<u>\$ 444,363</u>	<i>E&EO</i>
--	--------------------------	-----------------

Appendix “X”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

2203284 ONTARIO INC.

Respondent

**AFFIDAVIT OF DEBORAH HORNBOSTEL
(Sworn May 3, 2018)**

I, DEBORAH HORNBOSTEL, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a licensed insolvency trustee with msi Spergel Inc. ("**Spergel**"), and as such have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. By Order of the Honourable Justice Conway dated June 22, 2017, Spergel was appointed as Receiver of the Respondent.

3. In connection with the receivership of the Respondent, fees of \$139,485.50 were incurred by Spergel from June 19, 2017 to and including April 30, 2018, exclusive of applicable HST of \$18,133.12, as provided for in Spergel's summary of time and related detailed time

dockets appended hereto as Exhibit "1" to this my Affidavit. This represents 482.3 hours at an effective hourly rate of \$289.20

4. To the best of my knowledge the rates charged by Spergel in connection with acting as Receiver are comparable to the rates charged by other firms for the provision of similar services.

SWORN before me at the City of
Toronto, in the Province of Ontario
this 3rd day of May, 2018.



Commissioner for Taking Affidavits

Selwyn Larry Postan, a Commissioner, etc.,
Province of Ontario, for msi Spergel Inc.,
and Spergel & Associates Inc.
Expires July 25, 2018.



Deborah Hornbostel

**Exhibit "1" of the Affidavit of
Deborah Hornbostel
Sworn before me on this 3rd day of May, 2018**

A handwritten signature in black ink, appearing to be 'Selwyn Larry Postan', written over a circular notepad-like background.

A Commissioner, Etc.

Selwyn Larry Postan, a Commissioner, etc.,
Province of Ontario, for msi Spergel inc.,
and Spergel & Associates inc.
Expires July 25, 2018.

Mandelbaum Spergel Gluckman Group

File Summary by Task

Printed on: 5/03/18

Page 1 of 32

Filters Used:

- Time Entry Date: 1/01/70 to 4/30/18

- File ID: AA2203: to AA2203:

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Employee Name Description	Hours	Rate	Amount
01/01/1970 to 04/30/2018			
Alan Spergel, CPA, CA, FCIRP, CFE, Trustee	1.20	\$385.00	\$462.00
Phillip H. Gennis, LL.B., CIRP, Trustee	1.30	\$385.00	\$500.50
Harvey S. Lipman, CPA, CA, CIRP, Trustee	0.60	\$385.00	\$231.00
Deborah Hornbostel, CPA, CA, CIRP, Trustee	201.20	\$385.00	\$77,462.00
Trevor Pringle, CFE, CIRP, Trustee	76.30	\$385.00	\$29,375.50
Daniel Balfiston, CPA, CA, CIRP, Trustee	110.80	\$198.27	\$21,968.50
Frieda Kanaris	19.30	\$167.31	\$3,229.00
Paul Salim	12.00	\$105.00	\$1,260.00
Haran Sivanathan	0.20	\$100.00	\$20.00
Shenaz Tolat, IQ	6.10	\$50.00	\$305.00
Evan McCullagh	43.90	\$100.00	\$4,390.00
Inga Friptuleac	9.40	\$30.00	\$282.00
Grand Total:	482.30		\$139,485.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 1 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Alan Spergel (ASP)					
Tues	09/12/2017	Review/sign cheques (3)	0.20	\$385.00	\$77.00
Wed	12/13/2017	Various enquires/correspondence with Fred Buzzelli and Tony Battaglia regarding availability and details.	0.60	\$385.00	\$231.00
Wed	12/27/2017	Review and sign cheque	0.10	\$385.00	\$38.50
Wed	03/28/2018	Review and sign cheque	0.10	\$385.00	\$38.50
Fri	04/20/2018	Review + sign cheques	0.20	\$385.00	\$77.00
Alan Spergel (ASP)			1.20		\$462.00
Daniel Battiston (DBA)					
Thur	06/22/2017	Assistance with taking possession of site. Insurance and appointment matters. Attend debtor office to serve order and take possession of books records. Travel to and from Hamilton site and debtor office.	6.40	\$175.00	\$1,120.00
Mon	06/26/2017	Follow up correspondence with Debtor and counsel re: request to access books and records.	0.60	\$175.00	\$105.00
Wed	06/28/2017	Return trip to debtor's office re: books and records. Travel to and from premises.	1.60	\$175.00	\$280.00
Thur	06/29/2017	Return trip to debtor's office re: books and records. Travel to and from premises. Contact debtor's lawyer re: books and records matter.	2.00	\$175.00	\$350.00
Fri	06/30/2017	Return trip to debtor's office re: books and records. Travel to and from premises.	1.60	\$175.00	\$280.00
Tues	07/11/2017	Re-attend debtor office premises. Investigatory work while on site. Travel to and from premises. Contact and discussions with landlord re: tenant office space.	2.80	\$175.00	\$490.00
Wed	07/12/2017	Re-attend debtor office premises. Investigatory work while on site. Travel to and from premises. Memo to file re: attendances to date to assist with application for order to comply.	4.30	\$175.00	\$752.50
Thur	07/13/2017	Review of site/development documentation received to date.	1.20	\$175.00	\$210.00
Fri	07/14/2017	Review of additional site/development documentation received to date.	1.40	\$175.00	\$245.00
Tues	07/18/2017	Contact City of Hamilton planning department re: site plans and development documentation.	0.40	\$175.00	\$70.00
Wed	07/19/2017	Further attempts to contact City of Hamilton planning department re: site plans and development documentation. Assist with compiling documentation re: upcoming sales process.	0.70	\$175.00	\$122.50
Thur	07/20/2017	Further attempts to contact City of Hamilton planning department re: site plans and development documentation. Further assistance with compiling documentation re: upcoming sales process. Review locksmith invoice received.	0.80	\$175.00	\$140.00
Fri	07/21/2017	Review court order. Email correspondence re: order to comply. Emails and calls with Santaguida re: scheduling of site attendance at office to collect books/records.	1.80	\$175.00	\$315.00
Mon	07/24/2017	Re-attend debtor office premises. Onsite meeting and review of development and purchase/sale documentation with Tony Scianiti. Collection of records re: purchaser sale agreements. Return travel to office. Assistance with compiling due diligence package for CBRE. Further review of purchase/sale documentation and purchaser files.	4.70	\$175.00	\$822.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSOG - Detailed Time Dockets

Printed on: 5/03/18

Page 2 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Daniel Battiston (DBA)					
Tues	07/25/2017	Conference call with bookkeeper re: delivery of accounting books/records. Review of accounting records provided to date including: HST returns, bank statements, bank reconciliations, quickbooks accounting files, etc. Prepare summary of capitalized development costs to date based on bookkeeping records. Review intercompany advances/transfers. Investigate Santerra Development intercompany transfers. Review July 31, 2017 trust deposit report from lawyers. Further assistance compiling due diligence documentation for CBRE. Export trial balances for review. Prepare accounts payable listing with vendor contact information to send notices of receivership.	6.10	\$175.00	\$1,067.50
Wed	07/26/2017	Detailed review of PSA's: substantiation of purchaser deposits, confirmation of purchaser details and contact information, tracking of critical occupancy dates as outlined in amended PSA/original PSA. Reconciliation of deposit information to lawyer's trust account summary. Further assistance compiling due diligence documentation for CBRE.	6.40	\$175.00	\$1,120.00
Thur	07/27/2017	Detailed review of PSA's: substantiation of purchaser deposits, confirmation of purchaser details and contact information, tracking of critical occupancy dates as outlined in amended PSA/original PSA. Reconciliation of deposit information to lawyer's trust account summary. Further assistance compiling due diligence documentation for CBRE.	5.80	\$175.00	\$1,015.00
Mon	07/31/2017	Assistance supervising scanning and indexing of PSA's. Further analysis of PSA's terms/conditions. Reconciliation of purchaser deposits. Follow up with bookkeeper re: inter-company transfers, corporate bank account, etc. Further assistance compiling documents for CBRE and overall assistance with sales process. Travel to BMO branch to serve court order and freeze corporate account. Return travel to office.	4.90	\$175.00	\$857.50
Wed	08/02/2017	Further assistance supervising scanning and indexing of PSA's. Further analysis of PSA's terms/conditions. Reconciliation of purchaser deposits. Follow up with bookkeeper re: inter-company transfers, corporate bank account, etc. Further assistance compiling documents for CBRE and overall assistance with sales process. Follow up with BMO re: freezing of corporate bank account.	2.00	\$220.00	\$440.00
Thur	08/03/2017	Further assistance supervising scanning and indexing of PSA's. Further analysis of PSA's terms/conditions. Reconciliation of purchaser deposits. Follow up with bookkeeper re: inter-company transfers, corporate bank account, etc. Further assistance compiling documents for CBRE and overall assistance with sales process. Further Follow up with BMO re: freezing of corporate bank account.	6.10	\$220.00	\$1,342.00
Tues	08/08/2017	Attend offices of Santerra Asset Management to hand deliver notice. Return travel to office. Follow up with bookkeeper re: outstanding accounting/inter-company matters. Further assistance with analysis of PSA terms/conditions and deposit reconciliation.	3.40	\$220.00	\$748.00
Wed	08/09/2017	Further review of PSA documentation re: units 805, 2104, 1110. Assistance with inputting suite square footage figures and determination of price per square foot for each suite.	4.10	\$220.00	\$902.00
Thur	08/10/2017	Review of additional documentation obtained from City of Hamilton. Further follow up with BMO re: freezing of corporate account. Further assistance with inputting suite square footage figures and determination of price per square foot for each suite.	3.10	\$220.00	\$682.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 3 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Daniel Battiston (DBA)					
Fri	08/11/2017	Further analysis of PSA's and price per square footage data, Further review of additional documentation obtained from City of Hamilton.	2.80	\$220.00	\$616.00
Mon	08/14/2017	Follow up with Insolvency Insider re: promotion of property sale in "Assets for Sale" section of newsletter. Follow up with BMO re: freezing of corporate account and release of funds.	1.30	\$220.00	\$286.00
Tues	08/15/2017	Review CBRE Confidential Information Memorandum. Discussion of CIM with DH. Follow up with BMO re: freezing of corporate account and release of funds.	1.90	\$220.00	\$418.00
Wed	08/16/2017	Review of revised CBRE CIM.	0.70	\$220.00	\$154.00
Mon	08/21/2017	Assistance with fencing and geotechnical report matters. Review and update projected cash flow re: potential advance from Duca. Draft correspondence to BMO re: frozen bank account and bank draft issued to estate. Various discussions with DH and TP re: BMO matter. Respond to BMO emails re: same.	2.90	\$220.00	\$638.00
Tues	08/22/2017	Follow up with BMO re: outstanding bank account documentation. Review of bank activity statement and disbursements. Review of Quickbooks issued cheques and bank reconciliations re: \$10,500 payment to Zimmerman. Draft email to DH and TP re: stolen bank funds and demand notice.	2.40	\$220.00	\$528.00
Wed	08/23/2017	Assistance with demand letter to Zimmerman re: bank account funds.	0.60	\$220.00	\$132.00
Fri	08/25/2017	Follow up re: geotechnical report. Schedule meeting with Tony S. re: additional site information.	1.20	\$220.00	\$264.00
Mon	08/28/2017	Meeting with Tony Scianilli & DH re: 98 James St., Hamilton. Review and finalize projected estate cashflow and assistance with funds advance from DUCA Financial. Further follow up with Insolvency Insider re: advertisement of sales process in weekly newsletter. Further assistance with Zimmerman/Santaguida release of funds from corporate account matter.	3.70	\$220.00	\$814.00
Tues	08/29/2017	Follow up with Melvin Luna re: Zimmerman/Santaguida transfer of funds from the corporate account and Santerra Asset Management inter-company advance issues.	0.70	\$220.00	\$154.00
Thur	08/31/2017	Further review and analysis of general ledger and payables listing re: geotechnical report and consultant. Follow up with EM re: geotechnical report.	1.60	\$220.00	\$352.00
Fri	09/01/2017	Additional follow up with EM re: geotechnical report. Review agreement of purchase and sale, HST indemnity and HST election terms included in agreement. Discussion of HST issues with DH.	2.60	\$220.00	\$572.00
Tues	09/05/2017	Contact Rob Watters of Watters Environmental Group re: delivery of geotechnical report (left two voicemails). Email to Rob Watters re: delivery of geotechnical report. Include copy of appointment order with reference to relevant sections of Order requiring cooperation with the Receiver. Attendance at offices of Watters Environmental Group for meeting with Rob Watters re: geotechnical report. Travel to and from office.	3.60	\$220.00	\$792.00
Wed	09/06/2017	Deposit of funds into estate bank account. Payment of travel disbursements and Locksmith invoice from estate account.	0.60	\$220.00	\$132.00
Thur	09/07/2017	Further follow up with Rob Watters of Watters Environmental Group re: status of geotechnical report. Review of CBRE weekly marketing and reporting letter. Discussion with CBRE re: status of sales process to date.	1.00	\$220.00	\$220.00

Filters Used:

→ Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203; to AA2203;

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 4 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Daniel Battiston (DBA)					
Fri	09/08/2017	Review tax certificate/notice obtained from the City of Hamilton re: 98 James St. property tax arrears. Further communication with Rob Watters of Watters Environmental Group re: status of environmental reports and follow-up with Santaguida on the status of the geotechnical report.	1.30	\$220.00	\$286.00
Mon	09/11/2017	Follow-up discussion with Rob Watters of Watters Environmental Group re: environmental reporting and correspondence with Santaguida. Review environmental reliance letter/assessment prepared by Watters Environmental Group. Circulate letter to CBRE and to TP and DH. Discussions with DH re: environmental matters and Zimmerman/Santaguida bank account matter.	1.60	\$220.00	\$352.00
Tues	09/12/2017	Call with Rob Watters of Watters Environmental Group re: geotechnical consultant. Initial contacts and discussions with Terraprobe re: geotechnical report. Prepare and send email requesting copy of report along with court order referencing specific sections of order requiring cooperation from consultant.	1.90	\$220.00	\$418.00
Thur	09/14/2017	Further contact/discussions with Terraprobe re: release of geotechnical report. Discussions with CBRE re: delivery of geotechnical report and status of sales process.	0.90	\$220.00	\$198.00
Fri	09/15/2017	Review of geotechnical report obtained from Terraprobe. Conference call with geotechnical consultant re: findings outlined in geotechnical report and contact information for structural engineer. Various discussions with CBRE re: status of offers received and status of sales process. Review of offer received from COR Financial Corp. Discussions with DH re: offers received from sales process. Forward geotechnical report to CBRE for inclusion into data room. Initial contact with structural engineer.	2.70	\$220.00	\$594.00
Fri	09/22/2017	Email correspondence with secured creditor re: status of sales process.	0.70	\$220.00	\$154.00
Fri	10/27/2017	Assist with compiling and review of general ledger activity re: preparation of court report.	1.30	\$220.00	\$286.00
Mon	01/22/2018	Assistance with insulation issue. Respond to emails from DH and EM.	0.60	\$220.00	\$132.00
Daniel Battiston (DBA)			110.80		\$21,968.50
Deborah Hornbostel (DHO)					
Thur	06/22/2017	Discussions with TP and DB re appointment via court order and file issues, provide instructions to DB re record retrieval, review Application Record and other documents received, prior time related to draft order, prepare website description and documents for posted to the URL	2.60	\$385.00	\$1,001.00
Fri	06/23/2017	Emails and tc with TP re posting of documents on website	0.20	\$385.00	\$77.00
Mon	06/26/2017	Telephone call with TP re his conference call and records, instructions to DB re deposit enquiries	0.20	\$385.00	\$77.00
Tues	06/27/2017	Review phase 1 and heritage reports and appraisal report	1.40	\$385.00	\$539.00
Wed	06/28/2017	Update from TP, review emails re deposit funds and APS agreements, email to George Ruggiero to provide cost and return undertakings, tc to DB re status of records from debtor's office and contact with L Santaguida, provide further instructions, review application record, arrange staffing for review of APS upon receipt	1.30	\$385.00	\$500.50
Mon	07/03/2017	Review and respond to email exchange from Lawrence Hansen, review George's response	0.10	\$385.00	\$38.50
Tues	07/04/2017	Update from DB re site visits, tc and email to TP on the issue, draft letter to Santaguida, forward to Lawrence Hansen for comments	1.30	\$385.00	\$500.50

MSGG - Detailed Time Buckets

Printed on: 5/03/18

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Wed	07/05/2017	Finalize and issue demand for records letter to L. Santaguida and L.Zimmerman, review listing proposal of CBRE, comments to TP, review email from G. Ruggiero claiming solicitor's lien on the records re the depositors	1.20	\$385.00	\$462.00
Thur	07/06/2017	Review full chain of emails to George Ruggiero and tel call to him to discuss, email to him along with copy of the June 22 Court Order, tc with TP to discuss Ruggiero situation, appraisal and marketing status, tc from Lawrence Hansen to discuss Ruggiero situation	0.90	\$385.00	\$346.50
Mon	07/10/2017	Review Colliers International listing proposal, prepare summary of the two marketing proposals	2.80	\$385.00	\$1,078.00
Tues	07/11/2017	Discussion/instructions with/to DB re contacting Louie Santaguida, search for alternative addresses and phone numbers, tc to George Ruggiero re o/s information	0.50	\$385.00	\$192.50
Wed	07/12/2017	Supervise Daniel's site visit, email to Lawrence Hansen to advise of lack of cooperation from Ruggiero, Zimmerman and Santaguida, review response, email to DB for details for the affidavit	0.70	\$385.00	\$269.50
Thur	07/13/2017	Prepare email to L.Hansen re detail on attempts to obtain records from Zimmerman, Santaguida and Ruggiero, email from L.Hansen, provide pdf of email exchanges, tc with L.Hansen re landlord, instructions to DB re landlord and tenant info for Skyway premises, email info to L.Hansen re landlord and tenancy, online research, prepare electronic summary of floorplans	2.80	\$385.00	\$1,078.00
Fri	07/14/2017	Review correspondence from CBRE re market valuation of the property, update schedule and send to TP, discussion with Daniel re listing proposals and the project, tc with Lawrence Hansen re pending affidavit to gain access to premises	0.90	\$385.00	\$346.50
Mon	07/17/2017	Review and amend draft affidavit regarding attempts to obtain info, update TP, attend at Devry Smith to swear affidavit	2.50	\$385.00	\$962.50
Tues	07/18/2017	VM from TP regarding the press coverage of the receivership, review articles online, tc with TP, review and comment on draft Court Order re Zimmerman, Ruggiero and Santaguida, review report on sales and deposits provided by Alex McFarlane, email to DB regarding status and instructions on contacting the planner at the City of Hamilton for drawings, plans etc.	0.90	\$385.00	\$346.50
Wed	07/19/2017	Review emails to/from CBRE re listing agreement and due diligence, email to DB to follow up with the City of Hamilton wrt the due diligence documents required,	0.50	\$385.00	\$192.50
Thur	07/20/2017	review emails from Lawrence Hansen re draft order change requests from Ruggiero's office, confirm approval, and re Avison Young consent to order, further emails from L.Hansen re Zimmerman, Santaguida and Ruggiero cost agreements and arranging access to records at various sites	0.40	\$385.00	\$154.00
Fri	07/21/2017	Review and respond to emails from Lawrence Hansen re court order and Santaguida, Zimmerman and SR Law	0.20	\$385.00	\$77.00
Mon	07/24/2017	Email and voice mail to James Camp at SR Law, update from DB re records obtained from Santaguida's office and Tony Sciannitti's comments re plan drafting status, tc with James to discuss record turnover, review executed listing agreement, tc with TP re status of records today and discussions with James, email to Lauren at CBRE to advise of brochure and due diligence work, instructions to ST re brochure	0.90	\$385.00	\$346.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
- File ID: AA2203; to AA2203;

MSOG - Detailed Time Docket

Printed on: 5/03/18

Page 6 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Tues	07/25/2017	review one standard purchaser file retrieved from Stanton offices, instructions to DB re compiling purchaser database, review current trial balance with DB, instructions to DB re obtaining funds on hand, disc with TP re listing agreement and due diligence info, review and send copy of marketing brochure to Lauren, instructions to DB re obtaining info from Zimmerman, arrange for mailing of NOR to newly found creditors, research into Santerra Asset Management and company, email to TP re same	3.40	\$385.00	\$1,309.00
Wed	07/26/2017	Review email from James Camp, tc to Lola Fazzolari, review email from Mugove Manika of Collaborative Structures and tc to him	0.40	\$385.00	\$154.00
Thur	07/27/2017	Update from DB re APS review, tcs with Lola Fazzolari and David Spencer of Schnieder Ruggiero, review various documents sent to Lauren of CBRE regarding disclosure issues, tc with TP re same and to update him on PDFs of APS status and resolution, review proposed Confidentiality Agreement and flyer, supervise DB and FK re review of APS files	1.80	\$385.00	\$693.00
Fri	07/28/2017	Supervise DB re APS agreements and bank account freezing	0.20	\$385.00	\$77.00
Mon	07/31/2017	Review emails with Tiffany Singh of City of Hamilton, review new press coverage article, review draft APS and discuss it with TP, tc to Lola Fazzari to request address listing and disclosure document, verify insurance coverage, instructions to DB re verification of employees, f/u re bank account freezing and Santerra information, research into Santerra via Terrasan receivership, cc with Oren and Lawrence and TP to discuss draft APS and sales process, review sample APS file to verify release of disclosure documents, research into St. Jean Realty, email to TP and EM to request attendance at realtor to obtain disclosure document and other info, update from DB onsite at BMO, discussion with TP re potential o/s LC, update from EM re St. Jean Realty	4.50	\$385.00	\$1,732.50
Tues	08/01/2017	Brief review of emails from EM re St. Jean Realty and mtg with the City planner and conditional site plan approval, arrange for posting of latest court order to website	0.40	\$385.00	\$154.00
Wed	08/02/2017	Set-up drop box for receipt of APS from Schneider Ruggiero, review file with Frieda re unit 1405 issues, review email from Lola to Robin at St. Jean re disclosure document, discussion with DB re issues on APS, email to Lola re two missing APS agreements, transfer dropbox files into directory, email to DB the new purchaser contact file, update from him re various issues, review documents from Tiffany Singh re planning approvals, tc from TP and review emails from Lawrence Hansen and TP regarding irate Frank Mondelli of Toronto Capital	1.80	\$385.00	\$693.00
Thur	08/03/2017	Review emails from Lola Fazzolari, work on reconciling APS agreements and deposits, review file discrepancies and prepare email to Lola for assistance in reconciling discrepancies, receipt of Disclosure Document, forward to Evan M. for data room etc., discussion with DB re critical dates of purchasers	3.30	\$385.00	\$1,270.50
Fri	08/04/2017	Review email and further documentation from Lola of SR Law to reconcile trust account discrepancies, conference call with TP, L. Hansen and Adam Slavens of Torsy representing Tarion, search Santerra corporate profile, prepare letter to Santerra requesting accounting for funds received	2.90	\$385.00	\$1,116.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 7 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Wed	08/09/2017	Review data room posted documents, email to CBRE to remove certain info, review Aug.9 CBRE reporting letter, review new docs posted to SRLaw share file re unit 805, forward to DB for follow up, review draft APS and provide comments to TP and Devry Smith, to with Lauren of CBRE to discuss APS disclosure info required, prepare website advertising listing and arrange for posting, review correspondence from City of Hamilton sent over to L.Hansen for response	4.70	\$385.00	\$1,809.50
Thur	08/10/2017	Review emails re final APS for data room, list of documents newly provided by the City of Hamilton for the data room, response from L Hansen to the City of Hamilton re plan of action, review and verify square footage entries on summary schedule, email to Lola F. of SR Law to request rescan of unit 2508, discussion with DB re detailed unit review	2.50	\$385.00	\$962.50
Fri	08/11/2017	Finalize unit sales schedule and email it to CBRE, discussion with TP re status of various issues, email to Lawrence re status of o/s cost award collections, review response and letter prepare and email listing to Insolvency Insider for Assets for Sale advertising	1.80	\$385.00	\$693.00
Mon	08/14/2017	Respond to email from Lauren of CBRE regarding low deposits, instructions to DB to review contracts with low deposits	0.30	\$385.00	\$115.50
Tues	08/15/2017	Respond to email from Lola of SR Law and Jeff Andrewzic purchaser	0.40	\$385.00	\$154.00
Wed	08/16/2017	Review marketing report and draft CIM and provide comments on required revisions, review results of unit deposits for compliance with agreements and provide info to CBRE	2.50	\$385.00	\$962.50
Thur	08/17/2017	Review and approve amended CIM	0.50	\$385.00	\$192.50
Mon	08/21/2017	Update from DB re BMO account funds, provide instructions, review draft email to BMO and amend, review "settlement advice" and provide instructions to Fatima re bank acceptance, review and discuss BMO response with DB, update TP, review and respond to email from L. Hansen re SR Law status	0.80	\$385.00	\$308.00
Tues	08/22/2017	Dealings with BMO re bank account issues, receipt and review of bank statement and cheque copy, discussions/emails with Daniel, update Trevor, review emails from CBRE re vandalism and geotechnical report	0.90	\$385.00	\$346.50
Wed	08/23/2017	Prepare correspondence to Zimmerman re \$10,500 cheque, review draft letter and discuss situation with Lawrence Hansen and issue, review email from unit purchaser re SR Law responses re trust funds	1.40	\$385.00	\$539.00
Thur	08/24/2017	Review emails and CBRE weekly report	0.20	\$385.00	\$77.00
Fri	08/25/2017	VM to Lawrence Hansen re Zimmerman, to from him to discuss his to with Zimmerman, provide copy of Corporate Profile search and correspondence re Santerra to Lawrence	0.70	\$385.00	\$269.50
Mon	08/28/2017	Discussion with TP re DUCA funding for receivership and appraisal results, prepare and send email to TP re required funding, review updated appraisal of CW Ltd., instructions to DB to review general ledger for geotechnical report disbursements, update from DB, meeting with DB and Tony Scianitti,	1.40	\$385.00	\$539.00
Tues	08/29/2017	Review correspondence from DSF, review and sign accounts payable, finish review of CW appraisal, respond to enquiry from Noah Rechtsman of CW re assets for sale	0.40	\$385.00	\$154.00
Wed	08/30/2017	Review proof of claim of Shoeless Joes Limited, voicemail to Melissa Won re issue on amount of claim pending sale of assets,	0.40	\$385.00	\$154.00
Thur	08/31/2017	Receipt and review of legal invoice	0.10	\$385.00	\$38.50
Fri	09/01/2017	Review CBRE weekly marketing report, email from EM confirming receipt of deposit	0.30	\$385.00	\$115.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
- File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 8 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Tues	09/05/2017	Emails with L. Hansen re Zimmerman receipt of cost award and status of demand for repayment of funds, review emails sent to D. Battiston on the issues, disc with D. Battiston re o/s geotechnical report, deposit of cost award funds and APS purchaser issue re withdrawal, receipt and review of legal fee invoices, update from DB onsite at Watters re Geotechnical report, update TP re wrong firm and second phase 1 report	0.80	\$385.00	\$308.00
Wed	09/06/2017	Review file info re property taxes, tc to the legal dept of the City of Hamilton to request info on the property taxes, tc from solicitor for potential purchaser, update from DB re geotechnical report	0.60	\$385.00	\$231.00
Thur	09/07/2017	Review email from Lauren Daughly, prepare and send email to Dana Lezau of the City of Hamilton re property taxes, review weekly CBRE marketing report, review response from City of Hamilton re property taxes and forward to DB and TP	0.60	\$385.00	\$231.00
Fri	09/08/2017	Receive statement of tax account, review it and prepare pdf to send to CBRE	0.30	\$385.00	\$115.50
Mon	09/11/2017	Update from DB re Watters Environmental report, review email from Sandra of SR Laws re stop payment on Suite 3005, discuss with TP and also re appraisals and respond to Watters	0.50	\$385.00	\$192.50
Tues	09/12/2017	Review email from Sandra of SR Law re NSF cheque and respond, email to Lauren to request summary of offers prior to Monday, update from DB re Geotechnical report company	0.30	\$385.00	\$115.50
Wed	09/13/2017	Email exchange with SR Law, review updated marketing report	0.20	\$385.00	\$77.00
Thur	09/14/2017	Tc from potential purchaser Michael of Lifestyle Homes	0.30	\$385.00	\$115.50
Fri	09/15/2017	Update from DB re Geotechnical report issues, receipt and review of offer from Corefinancial Corp., investigation into that company and its principals, email to CBRE re status of offers received, receipt of summary report and review of offers received, tc with Paul Mazza solicitor seeking return of clients deposit funds	2.60	\$385.00	\$1,001.00
Mon	09/18/2017	Review of offers received, conference call with CBRE and TP to discuss offers and go forward strategy, f/u call with Trevor, obtain and circulate geotechnical report to CBRE	0.80	\$385.00	\$308.00
Tues	09/19/2017	Review correspondence from Corefinancial and discuss with TP, review geotechnical report, respond to email from CBRE re release of geotechnical report	0.70	\$385.00	\$269.50
Wed	09/20/2017	Review and sign cheques, review emails from Corefinancial and reply from TP, discussion with TP re situation and offer statuses	0.50	\$385.00	\$192.50
Thur	09/21/2017	Review of offer comments from DSF, discussion with TP re same, vm from unit purchaser	0.40	\$385.00	\$154.00
Fri	09/22/2017	Tel call with Yaru (a unit purchaser)	0.30	\$385.00	\$115.50
Mon	09/25/2017	Review comments from Lifestyle's solicitor on the offer, tcs with Paul Mazza and Jeff Vanderset, unit purchasers	0.60	\$385.00	\$231.00
Tues	09/26/2017	Tel call with Anthony Kaounis unit purchaser, review email exchanges re Corefinancial and status of Lifestyle offer issues	0.30	\$385.00	\$115.50
Wed	09/27/2017	Update from TP re offer status, receipt of deposit funds from CBRE, arrange deposit and investment of funds	0.30	\$385.00	\$115.50
Tues	10/10/2017	Review email from Lauren re due diligence status	0.10	\$385.00	\$38.50
Fri	10/13/2017	Review emails from Lawrence and Trevor regarding solicitor for Corefinancial, tc with Trevor to discuss, commence drafting of first report to court	1.10	\$385.00	\$423.50
Tues	10/17/2017	Review executed and issue via email the Authorization and direction form, return tc to Rita Italiano regarding status of unit 1402, review emails from Taron and Lawrence Hanson	0.50	\$385.00	\$192.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203; to AA2203;

MSOG - Detailed Time Dockets

Printed on: 5/03/18

Page 9 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Thur	10/19/2017	TC from Jeff(unit purchaser) for status update, filing, report drafting, email exchange with Lawrence Hansen re CoreFinancial	3.40	\$385.00	\$1,309.00
Fri	10/20/2017	Prepare and send correspondence to CRA requesting status of claims, emails to Lawrence Hansen requesting security opinion on DUCA and registration on title, report drafting	5.80	\$385.00	\$2,233.00
Tues	10/24/2017	Review registration on title, report drafting	2.70	\$385.00	\$1,039.50
Wed	10/25/2017	Report drafting	3.50	\$385.00	\$1,347.50
Thur	10/26/2017	Prepare and issue correspondence to Marylou Santaguida regarding Santerra and her mortgages, report drafting	5.20	\$385.00	\$2,002.00
Fri	10/27/2017	Discussion with TP re Lifestyle status and termination of Prebuild Agreements, review and respond to email from Lawrence Hansen re CoreFinancial's concerns and his call with them, report drafting, arrange for corporate profile search of 2415118 Ontario	3.20	\$385.00	\$1,232.00
Mon	10/30/2017	Review correspondence from Torkin Manes re registrations on title, review for comparison the title registrations info contained in affidavit of Serge of DUCA, email exchange with Oren Chaimovitch, report drafting	5.30	\$385.00	\$2,040.50
Tues	10/31/2017	Draft letter to unit purchasers, review correspondence from Mazza and response from L.Hansen, discussion with TP re unit holders and trust funds, court report drafting	5.80	\$385.00	\$2,233.00
Wed	11/01/2017	Review security documents of Guarantee Co. and Diversified, review PPSA details re 1220356 Ontario and Taragar and discuss with TP, report drafting	2.70	\$385.00	\$1,039.50
Thur	11/02/2017	Report drafting	5.50	\$385.00	\$2,117.50
Fri	11/03/2017	Report compilation and amendments	2.50	\$385.00	\$962.50
Mon	11/06/2017	Review and respond to emails regarding Corefinancial contacting Lifestyle for a meeting	0.20	\$385.00	\$77.00
Thur	11/09/2017	Review and respond to emails regarding Lifestyle's request for an extension to due diligence period, review emails from Orne requesting further documentation with respect to DUCA's security, review documents on hand and request follow up by Trevor	0.50	\$385.00	\$192.50
Mon	11/13/2017	Return telephone calls to two unit purchasers	0.20	\$385.00	\$77.00
Wed	11/15/2017	Return tc to purchaser Parsia Hilani, receipt of executed Lifestyle Amending Agreement, receipt and review of security opinion	0.80	\$385.00	\$308.00
Fri	11/17/2017	Review emails from Oren and Evan re construction lien issue	0.20	\$385.00	\$77.00
Fri	11/24/2017	Discussion with TP regarding reduction request by Lifestyle, tc from purchaser Jeff re his deposit	0.50	\$385.00	\$192.50
Mon	11/27/2017	Review correspondence from Lifestyle Custom Homes wrt their proposed amending agreement, discuss with TP and provide comments to Oren and Lawrence, review deposit claims procedure order re Terrasan royal york, emails with Oren and Lawrence re waiver and amending agreement changes	2.90	\$385.00	\$1,116.50
Tues	11/28/2017	Discussion with TP re Lifestyle offer issues	0.20	\$385.00	\$77.00
Thur	11/30/2017	Review email correspondence from Oren and Seth Zuk re Lifestyle offer status and request for return of deposit, discussion with TP, arrange for collapse of term deposit, requisition payment to Lifestyle, sign cheque, email to Seth Zuk for courier instructions, prepare cover letter and courier instructions	1.00	\$385.00	\$385.00
Mon	12/04/2017	Review offer from Hue Developments & Investments Canada and provide comments to TP and DSF	1.10	\$385.00	\$423.50
Tues	12/05/2017	Review various emails wrt Hue Development's offer	0.30	\$385.00	\$115.50
Wed	12/06/2017	Review emails re status of Hue's offer/legal counsel retention	0.10	\$385.00	\$38.50
Fri	12/08/2017	Review emails from Lawrence Hansen re status of Hue Dev. offer and deposit, discussion with TP	0.30	\$385.00	\$115.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets:

Printed on: 5/03/18

Page 10 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Mon	12/11/2017	Emails re posting of sign by architect creditor	0.30	\$385.00	\$115.50
Tues	12/12/2017	Emails from Lawrence and Evan re status of offer and sign removal	0.20	\$385.00	\$77.00
Wed	12/13/2017	Emails from Lawrence re status of Hue and Rocco re sign removal	0.20	\$385.00	\$77.00
Thur	12/14/2017	TC with Lawrence Hansen re offer changes from Hue, locate correspondence from City of Hamilton re Site Plan Approval expiry, emails to Lawrence and Trevor re issues of offer, email to Tiffany Singh at City of Hamilton re extension possibilities and procedures, review her response and forward to TP to update, emails with AS re potential purchaser contact	1.30	\$385.00	\$500.50
Fri	12/15/2017	TC from Lawrence Hansen re Hue offer rescission, update email to TP and discussion with him, email to Lauren Doughty at CBRE, further discussion with Lawrence and TP re Hue issues, emails with AS re other potential purchaser, further update from Lawrence, email to Adam at City of Toronto	1.20	\$385.00	\$462.00
Mon	12/18/2017	Email update from Lawrence Hansen, cc with CBRE re listing of property, discussion with TP, review Listing proposal and comparables and comment to TP, tc from Richard Ramos re a potential purchaser, update TP	0.70	\$385.00	\$269.50
Tues	12/19/2017	Review emails/vm re Eric Inspektor, update from L. Hansen re Mathew Zuk (Hue), draft letter to unit purchasers and circulate for comments to TP and LH, email and tc from Adam Lucas re Site Plan Approval extension	1.70	\$385.00	\$654.50
Wed	12/20/2017	Review email from Mathew Zuk re potential Hue offer rescission requirements, discussion with TP, updates from CBRE and review amended mls listing, prepare amended website posting description and pictures, tc to SR Law to obtain current purchaser contact information and trust account reconciliation, finalize correspondence to unit purchasers and supervise mailing thereof	1.50	\$385.00	\$577.50
Thur	12/21/2017	finalize and email website updates to provider for posting, review trust account reconciliation from SR Law in detail, summarize results to TP	1.80	\$385.00	\$693.00
Thur	12/28/2017	Arrange for placement of advertisement in Insolvency Insider, review CIBC news article, supervise FK re unit purchaser inquiries	0.50	\$385.00	\$192.50
Mon	01/01/2018	Respond to email from prospective purchaser Marlin De Bono, and follow ups with CBRE Lauren and Nate	0.40	\$385.00	\$154.00
Mon	01/08/2018	TC with Simone Narrisa re Suite 1802, review emails re prospective purchaser	0.30	\$385.00	\$115.50
Tues	01/09/2018	Emails re Matt Bud's prospective purchaser	0.20	\$385.00	\$77.00
Wed	01/10/2018	Review email correspondence from Lawrence Hanson	0.10	\$385.00	\$38.50
Thur	01/11/2018	Investigate purchase documentation for returned mail of unit purchasers, review APS etc re breach of contract terms re purchasers with o/s deposit payments, discussion with TP re status of potential purchasers and deposits etc	1.50	\$385.00	\$577.50
Fri	01/12/2018	Correspondence and telephone calls to unit purchasers with returned mail, review reporting letter of CBRE	1.70	\$385.00	\$654.50
Tues	01/16/2018	Telephone call from Arnold Hoffman purchaser	0.30	\$385.00	\$115.50
Thur	01/18/2018	Review and pay accounts payable	0.10	\$385.00	\$38.50
Fri	01/19/2018	Review and pay accounts payable, review new offer summary from Hue and discuss with TP, review and respond to email from EM re Heritage report	0.40	\$385.00	\$154.00
Tues	01/23/2018	Update from TP re offer sign back, emails with DB and EM re building re-insulation issue, tc with Vaughan of German Sakran re 2 purchasers, return tc to Naomi Loewith re building, review emails from Nate and Lauren re offer	0.60	\$385.00	\$231.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
- File ID: AA2203: to AA2203:

MSCG - Detailed Time Dockets

Printed on: 5/03/18

Page 11 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Wed	01/24/2018	Telephone call with Naomi Loewith re potential purchase of project, email update with TP re status of sign back of new offer from Hue	0.40	\$385.00	\$154.00
Thur	01/25/2018	Review and sign cheque, respond to lawyer at City of Hamilton's email	0.20	\$385.00	\$77.00
Fri	01/26/2018	Respond to email from Steve Gallant, realtor	0.20	\$385.00	\$77.00
Mon	01/29/2018	Update on Hue offer status	0.10	\$385.00	\$38.50
Tues	01/30/2018	Review responding email from Dana Lezau of City of Hamilton	0.10	\$385.00	\$38.50
Wed	01/31/2018	Email from Ruby Liu, update purchaser contact schedule, research contract info re returned mail sent to Valery Lobanov, Michael and Tanya Casalonguida, tc and email to them for further info, respond to Mhea at SR Law re two new NSF payments, update files	1.20	\$385.00	\$462.00
Thur	02/01/2018	Receipt of correspondence from SR Law re units 2203 and 2205, print and update records, tc from Man Singh re NSF letter and future plans, tc with T Pringle re offer status and land title issue	0.50	\$385.00	\$192.50
Fri	02/02/2018	Review email from David Jackson re conversation with Moses, tc to Moses to obtain facts, summarize discussion in email to TP and L. Hansen, update from TP on Hue status revising offer	0.70	\$385.00	\$269.50
Mon	02/05/2018	Tc from Moses re Louie Santaguida	0.20	\$385.00	\$77.00
Tues	02/06/2018	Review new APS from Hue, provide comments on concerns to TP and L. Hansen, exchange of comments, review amended offer	1.20	\$385.00	\$462.00
Thur	02/08/2018	Review emails from Trevor and Lawrence on status of deal with Hue	0.20	\$385.00	\$77.00
Mon	02/12/2018	Review emails and tc with TP re status of Hue Offer, email to Insolvency Insider to remove ad from newsletter	0.50	\$385.00	\$192.50
Wed	02/14/2018	Tel call with TP re Hue APS, draft letter to unit purchasers and circulate for review to counsel	1.10	\$385.00	\$423.50
Thur	02/15/2018	Email exchange with Lawrence and to Oren re letter to unit holders	0.20	\$385.00	\$77.00
Mon	02/26/2018	Emails with TP and Lawrence Hansen re draft letter to unit holders, respond to Yaro unit purchaser via telephone	0.40	\$385.00	\$154.00
Tues	02/27/2018	Email from Lawrence Hansen re status of review of letter by Hue	0.10	\$385.00	\$38.50
Thur	03/01/2018	Email to Ms. Lezau of the City of Hamilton legal department, email to Adam Lukas of the planning department re extension fee and application, email to Lawrence Hansen re status of letter to purchasers and land title conversion status	0.60	\$385.00	\$231.00
Fri	03/02/2018	Review and sign cheques	0.10	\$385.00	\$38.50
Mon	03/05/2018	Email to L. Hansen re status of Hue response, email from Adam Lukas, vm to him to confirm application fee, revised email from him, receipt/print new invoice, cheque requisition for extension fee, review email response from legal dept of City of Hamilton re property taxes	0.80	\$385.00	\$308.00
Tues	03/06/2018	Emails from Lawrence Hansen, finalize letter to unit purchasers, arrange website posting, instructions to FK for mailing to unit purchasers	0.50	\$385.00	\$192.50
Wed	03/07/2018	Review emails from L. Hansen/M. Zuk and TP, amend letter to unit purchasers, arrange for reposting of letter on website, supervise mailing of letter, review and respond to email from Celine of unit 1206	0.60	\$385.00	\$231.00
Thur	03/08/2018	Review and respond to voice mail from Celine re unit 1206	0.20	\$385.00	\$77.00
Mon	03/12/2018	Email exchanges with unit purchaser	0.20	\$385.00	\$77.00
Tues	03/13/2018	Prepare and issue application for extension of Site Plan approval	1.50	\$385.00	\$577.50
Wed	03/14/2018	Review news articles on the Connolly sale, update FK	0.20	\$385.00	\$77.00
Mon	03/19/2018	Review and respond to vm from Peter Males (unit purchaser), review updated CBC article	0.30	\$385.00	\$115.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 12 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Tues	03/20/2018	Review and approve accounts payable/sign cheque	0.10	\$385.00	\$38.50
Thur	03/22/2018	Email to Adam Lucas at City of Hamilton requesting confirmation of extension application, review returned mail, update unit purchaser contact list	0.40	\$385.00	\$154.00
Fri	03/23/2018	Review email from Adam Lucas of City of Hamilton	0.10	\$385.00	\$38.50
Mon	03/26/2018	Commence re-drafting of Court Report, discussion with TP and review of emails from DSF re title conversion status	1.50	\$385.00	\$577.50
Thur	03/29/2018	Court report drafting	3.80	\$385.00	\$1,463.00
Mon	04/02/2018	Review emails regarding registered lien of architect, emails to TP and Oren Chaimovitch on the issue, work on preparing deposit claims procedures, review correspondence from RQ Partners to SR Law	3.80	\$385.00	\$1,463.00
Wed	04/04/2018	work on claims procedure order, email from Lawrence Hansen re Matthew Zuk's response on status of conversion process	3.50	\$385.00	\$1,347.50
Fri	04/06/2018	Receipt of email from SR Law re correspondence from Domenic Rotundo, tc with him to discuss, respond to SR Law	0.40	\$385.00	\$154.00
Mon	04/09/2018	Review various emails from Oren and Lawrence and Trevor, locate and provide survey to Oren,	0.30	\$385.00	\$115.50
Wed	04/11/2018	Email exchanges with Lola of SR Law re trust account reconciliations, email to Ms. Lesau of City of Hamilton to request updated statement, email exchange with David Spencer of SR Law re project status and Receiver's plans, court report and claims procedure drafting, email exchange with Oren re Parcel Register	4.30	\$385.00	\$1,655.50
Thur	04/12/2018	Review and respond to email from Ms Lesau of City of Hamilton re property tax statement, report drafting, review of parcel register	3.80	\$385.00	\$1,463.00
Fri	04/13/2018	Review CRA correspondence, prepare and file online authorization request, work on court report	4.80	\$385.00	\$1,848.00
Mon	04/16/2018	Work on report to court and Deposit Claims Procedure Order, emails with Sara, Oren, Lawrence and Trevor re related issues ie Tarion, parcel register, land titles amendment etc.	5.40	\$385.00	\$2,079.00
Tues	04/17/2018	Confirm acceptance of court date, work on Claims Procedure Order, tc with Lawrence re court attendance with Brett Moldavor representing Santaguida, provide him with previous correspondence to Mary Lou Santaguida & Santerra, discussion with him re various secured creditors and CoreFinancial, review unsecured creditor list with him, review pre-build agreements and discussion with TP re interest applicability to deposits and timing for release of payments to depositors, tc from unit purchaser Jeff	5.50	\$385.00	\$2,117.50
Wed	04/18/2018	Discussion with TP on the proposed Deposit Claims Procedure Order, amend draft and circulate to DSF for review, tc from TP to advise on discussions with Tarion and issues that arose on recent DCP order in other receivership	1.20	\$385.00	\$462.00
Fri	04/20/2018	Confirm CRA online account access, change address info and investigate previous filings, compared to financial statements and trial balance, instructions to FK to file a/s HST returns, review and approve L.Hansen's draft correspondence to R.Moldavor, investigate returned mail to purchasers, send email to them to request new mailing addresses	1.60	\$385.00	\$616.00
Wed	04/25/2018	Follow up email with the City of Hamilton re property tax balance, email exchange with L.Hansen, amend court report re Santaguida judgment,	0.40	\$385.00	\$154.00
Thur	04/26/2018	Review and respond to email from solicitor for unit purchaser	0.20	\$385.00	\$77.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSOG - Detailed Time Dockets

Printed on: 5/03/18

Page 13 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Deborah Hornbostel (DHO)					
Mon	04/30/2018	Review and respond to email from D. Singh re deposit return, review new property tax account statement and update, review and discuss deposit payment protocol with Trevor and Lawrence, prepare order and amend court report, circulate updated draft	6.80	\$385.00	\$2,618.00
Deborah Hornbostel (DHO)			201.20		\$77,462.00
Evan McCullagh (EMC)					
Thur	06/22/2017	Review order, attend at site re photos, secure premises, walk through, door notice. Complete insurance questionnaire, updates with DB and TP.	2.00	\$100.00	\$200.00
Fri	06/23/2017	Survey site, begin draft 246 report, discussion and email with FCA re insurance, church facade.	0.50	\$100.00	\$50.00
Mon	06/26/2017	- Survey site, - Draft and complete s.246 notice; - Discussion with TP re update on file.	0.50	\$100.00	\$50.00
Tues	06/27/2017	Survey Site.	0.10	\$100.00	\$10.00
Wed	06/28/2017	Survey Site.	0.10	\$100.00	\$10.00
Thur	06/29/2017	Survey Site, review insurance policy.	0.50	\$100.00	\$50.00
Fri	06/30/2017	Survey Site, mail sec. 246 notice.	0.30	\$100.00	\$30.00
Tues	07/04/2017	Attend at site re walk through.	0.10	\$100.00	\$10.00
Wed	07/05/2017	Attend at site re walk through.	0.10	\$100.00	\$10.00
Thur	07/06/2017	Attend at site re walk through.	0.10	\$100.00	\$10.00
Fri	07/07/2017	Attend at site re walk through.	0.10	\$100.00	\$10.00
Mon	07/10/2017	Walk through of site, meet with locksmith re break lock that was placed over our lock.	0.50	\$100.00	\$50.00
Tues	07/11/2017	Walk through of site.	0.10	\$100.00	\$10.00
Wed	07/12/2017	Walk through of site.	0.10	\$100.00	\$10.00
Thur	07/13/2017	Walk through of site.	0.10	\$100.00	\$10.00
Fri	07/14/2017	Walk through of site.	0.10	\$100.00	\$10.00
Mon	07/17/2017	Walk through of site.	0.10	\$100.00	\$10.00
Tues	07/18/2017	- Speak with potential purchasers, add to list. - Correspondence with depositors. - Survey Site.	0.50	\$100.00	\$50.00
Wed	07/19/2017	- Review news articles; - Correspondence with Realtor re site access; - Discussion with various potential purchasers; - Various email correspondence re depositors etc.; and - Survey site.	0.50	\$100.00	\$50.00
Thur	07/20/2017	- Survey site; - Discussion/correspondence with St Jean re books and records and potential purchasers; - Discussion with potential purchasers; - Correspondence with CBRE; - Review locksmith invoice, prepare CHQ REQ.	0.50	\$100.00	\$50.00
Fri	07/21/2017	- Meeting with Lauren from CBRE re provide key and have key receipt signed. - Walk through of site, notice break in, verify no one is occupying the site. - Discuss break in with TP, contact Rocco from Lockit & Security to get the window boarded. Various emails regarding the break in. - Discussion with prospective purchaser. - Meeting at site with locksmith re reinforce broken in window.	2.00	\$100.00	\$200.00
Mon	07/24/2017	Walk through of site.	0.10	\$100.00	\$10.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203; to AA2203;

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 14 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Evan McCullagh (EMC)					
Tues	07/25/2017	- Prepare and issue amended Notice and Statement of Receiver; - Review AP listing; - Review info received to date; - Survey site.	0.50	\$100.00	\$50.00
Wed	07/26/2017	Survey of site.	0.10	\$100.00	\$10.00
Thur	07/27/2017	- Meeting with corporate signs; - Discussion with DB and TP re info to CBRE, email info to CBRE - Walk through of site.	0.50	\$100.00	\$50.00
Fri	07/28/2017	- Survey site; - Discussion with D. McCullagh from City of Hamilton re contact information for planning and economic development, plus interested parties; - Discussion with Joanne McCallum from MSA re plans (Structural/Architectural) - Email correspondence regarding potential purchasers.	0.50	\$100.00	\$50.00
Mon	07/31/2017	Survey Site	0.10	\$100.00	\$10.00
Tues	08/01/2017	- Follow up with St Jean Realty re records, email correspondence; - Survey site; - Meeting at City Hall with CBRE re books and records, plans etc.	1.00	\$100.00	\$100.00
Wed	08/02/2017	- Discussion with DB re update, records, projected cash flow; - Prepare projected cash flow; - Survey site.	0.50	\$100.00	\$50.00
Thur	08/03/2017	- Survey site (walk through church); - Email correspondence re disclosure documents; - Discussion with Corporate signs re installation today; - View and take photos of marketing signs installed today.	0.50	\$100.00	\$50.00
Fri	08/04/2017	Survey Site.	0.10	\$100.00	\$10.00
Tues	08/08/2017	- Survey Site, walk through church; - Discussion with DB re insurance, prepare and obtain approval re Insurance CHQ REQ; - Discussion with Fine Lawn Care and Lock it plus email re quote for landscaping.	0.50	\$100.00	\$50.00
Wed	08/09/2017	- Survey Site; - Attend at City Hall re pick up books and records; - Review information received, discussion with TP.	1.50	\$100.00	\$150.00
Thur	08/10/2017	- Survey Site; - Review information received by the City of Hamilton continued; - Detailed list to TP and CBRE; - Discussion with CBRE info from City of Hamilton, scanned items into server, email items to CBRE.	2.50	\$100.00	\$250.00
Fri	08/11/2017	Survey Site (Walk through church)	0.30	\$100.00	\$30.00
Mon	08/14/2017	Survey Site.	0.10	\$100.00	\$10.00
Tues	08/15/2017	- Survey Site; - Discussion and escort trespasser out of site; - Email correspondence with TP re trespasser; - Discussion and Correspondence with Rocco re quote for landscaping and quote for improving fence; - Email correspondence with CBRE re info and review info received.	0.50	\$100.00	\$50.00
Wed	08/16/2017	Survey Site.	0.10	\$100.00	\$10.00
Thur	08/17/2017	- Survey Site; - Discussion with Grant Milligan from Quinn Dressel re monitoring, quote, remedial work.	0.50	\$100.00	\$50.00
Fri	08/18/2017	Survey Site.	0.10	\$100.00	\$10.00

MSGC - Detailed Time Dockets

Printed on: 5/03/18

Page 15 of 29

Day	Date	Memo	B-Hrs	B-Rate	Amount
Evan McCullagh (EMC)					
Mon	08/21/2017	- Discussion with TP re quote on landscaping, email Rocco re acceptance of quote. - Walk through site, view and take photos of attempted break in. Advise TP. - Discussion with DB re bank account funds, update. - Discussion with Rocco and TP re fencing.	0.50	\$100.00	\$50.00
Tues	08/22/2017	Survey Site.	0.10	\$100.00	\$10.00
Wed	08/23/2017	- Survey site; - Discussion with TP re email from depositor; - Follow up with Rocco re landscaping; and, - Follow up with Scott Llewellyn from S. Llewellyn & Associates re Geotechnical Report.	0.50	\$100.00	\$50.00
Thur	08/24/2017	Survey Site, discussion and correspondence re landscaping complaint, LM with complainant.	0.30	\$100.00	\$30.00
Fri	08/25/2017	Survey Site, LM with Complainant re update, email to Grant re follow up.	0.10	\$100.00	\$10.00
Mon	08/28/2017	- Survey Site (Walk through church); - Discussion with Grant from Quinn Dressel re update on a/s info. - Discussion with DB re update, cash flow, geo tech report. - Discussion and email to Walters Environmental Group re geotechnical report.	0.50	\$100.00	\$50.00
Tues	08/29/2017	- Survey site; - Meeting with contractor re weed cutting. - Email re fencing quote; - Follow ups re geotechnical report and info from Quinn Dressel; - Correspondence re prospective purchaser.	0.50	\$100.00	\$50.00
Wed	08/30/2017	- Survey Site; - Meeting with contractor multiple times re weed removal; - Multiple discussions re weed removal; - Discussion re geotech report.	1.00	\$100.00	\$100.00
Thur	08/31/2017	Survey site, email to Walters re geotech report.	0.10	\$100.00	\$10.00
Fri	09/01/2017	Survey Site, meeting with contractor re removal of weeds.	0.30	\$100.00	\$30.00
Mon	09/11/2017	Site visit.	0.10	\$100.00	\$10.00
Tues	09/12/2017	Site visit.	0.10	\$100.00	\$10.00
Wed	09/13/2017	Site visit.	0.10	\$100.00	\$10.00
Thur	09/14/2017	Site visit.	0.10	\$100.00	\$10.00
Fri	09/15/2017	Site Visit, review offer from Eric Inspektor, discussion with DB re offer and geo report. Email to TP re lawyer threat.	0.50	\$100.00	\$50.00
Mon	09/18/2017	Survey Site.	0.10	\$100.00	\$10.00
Tues	09/19/2017	Survey Site, review correspondence from Eric Inspektor, forward to TP.	0.30	\$100.00	\$30.00
Wed	09/20/2017	Survey Site.	0.10	\$100.00	\$10.00
Thur	09/21/2017	Survey Site.	0.10	\$100.00	\$10.00
Fri	09/22/2017	Survey Site.	0.10	\$100.00	\$10.00
Mon	09/25/2017	site visit.	0.10	\$100.00	\$10.00
Tues	09/26/2017	site visit.	0.10	\$100.00	\$10.00
Wed	09/27/2017	site visit.	0.10	\$100.00	\$10.00
Thur	09/28/2017	site visit.	0.10	\$100.00	\$10.00
Fri	09/29/2017	site visit.	0.10	\$100.00	\$10.00
Mon	10/02/2017	Site Visit.	0.10	\$100.00	\$10.00
Tues	10/03/2017	Site visit.	0.10	\$100.00	\$10.00
Wed	10/04/2017	site visit.	0.10	\$100.00	\$10.00
Thur	10/05/2017	site visit.	0.10	\$100.00	\$10.00
Fri	10/06/2017	Site visit.	0.10	\$100.00	\$10.00
Tues	10/10/2017	Site Visit.	0.10	\$100.00	\$10.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 16 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Evan McCullagh (EMC)					
Wed	10/11/2017	- Site visit; - Review letter received from purchaser, discussion with TP, finalize response to purchaser from template received from lawyer.	0.30	\$100.00	\$30.00
Thur	10/12/2017	Site Visit.	0.10	\$100.00	\$10.00
Fri	10/13/2017	Site Visit.	0.10	\$100.00	\$10.00
Mon	10/16/2017	- Site visit, access impeded by combination lock placed on our padlock. - Respond to Grant Milligan's email re site visit. - Discussion with TP re lock, Grant Milligan. - Go back to site re survey site.	0.50	\$100.00	\$50.00
Tues	10/17/2017	Site Visit.	0.10	\$100.00	\$10.00
Wed	10/18/2017	- Site Visit; - Meeting with Purchasers at site.	1.00	\$100.00	\$100.00
Thur	10/19/2017	Site Visit.	0.10	\$100.00	\$10.00
Fri	10/20/2017	Site Visit.	0.10	\$100.00	\$10.00
Mon	10/23/2017	Survey site, discussion with Rocco re padlock issue.	0.30	\$100.00	\$30.00
Tues	10/24/2017	Site Visit, meeting with Locksmith.	1.00	\$100.00	\$100.00
Wed	10/25/2017	Site visit.	0.10	\$100.00	\$10.00
Thur	10/26/2017	Site visit.	0.10	\$100.00	\$10.00
Fri	10/27/2017	Site visit.	0.10	\$100.00	\$10.00
Mon	10/30/2017	Site visit.	0.10	\$100.00	\$10.00
Tues	10/31/2017	Site visit.	0.10	\$100.00	\$10.00
Wed	11/01/2017	Site visit.	0.10	\$100.00	\$10.00
Thur	11/02/2017	Site visit.	0.10	\$100.00	\$10.00
Fri	11/03/2017	Site visit, discussion and email to Rocco re weed cutting and memo to file re Quinn Dressel.	0.40	\$100.00	\$40.00
Mon	11/06/2017	Site visit.	0.10	\$100.00	\$10.00
Tues	11/07/2017	Site visit, meeting with RHC Design re walk-through.	0.50	\$100.00	\$50.00
Wed	11/08/2017	Site visit.	0.10	\$100.00	\$10.00
Thur	11/09/2017	Site visit.	0.10	\$100.00	\$10.00
Fri	11/10/2017	Site Visit, supervise weed cutting.	0.50	\$100.00	\$50.00
Mon	11/13/2017	Site visit.	0.10	\$100.00	\$10.00
Tues	11/14/2017	Site Visit.	0.10	\$100.00	\$10.00
Thur	11/16/2017	Discussion with Depositors re update.	0.10	\$100.00	\$10.00
Fri	11/17/2017	Site Visit.	0.10	\$100.00	\$10.00
Mon	11/20/2017	Site Visit.	0.10	\$100.00	\$10.00
Tues	11/21/2017	Site Visit.	0.10	\$100.00	\$10.00
Wed	11/22/2017	Site Visit.	0.10	\$100.00	\$10.00
Thur	11/23/2017	Site Visit.	0.10	\$100.00	\$10.00
Fri	11/24/2017	Site Visit.	0.10	\$100.00	\$10.00
Mon	11/27/2017	Site visit.	0.10	\$100.00	\$10.00
Tues	11/28/2017	Site visit.	0.10	\$100.00	\$10.00
Wed	11/29/2017	Site visit.	0.10	\$100.00	\$10.00
Thur	11/30/2017	Site visit, discussion and email to Rocco re 2 snow quotes.	0.30	\$100.00	\$30.00
Tues	12/05/2017	Discussion with Rocco re snow removal Correspondence with Grant Milligan re Quinn report and site visit.	0.10	\$100.00	\$10.00
Wed	12/06/2017	Site visit.	0.10	\$100.00	\$10.00
Thur	12/07/2017	Site visit.	0.10	\$100.00	\$10.00
Fri	12/08/2017	Site visit, discussion with Rocco re quotes.	0.10	\$100.00	\$10.00
Mon	12/11/2017	- Site visit, salting of sidewalk. - Meeting with Quinn Dressel re walk through.	1.00	\$100.00	\$100.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 17 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Evan McCullagh (EMC)					
Tues	12/12/2017	- Site visit; - Obtain snow shovel; - Shovel inside the perimeter; - Discussion with Rocco re snow removal, sign removal; - Email correspondence re KRCMAR unauthorized signage.	1.00	\$100.00	\$100.00
Wed	12/13/2017	Site Visit.	0.10	\$100.00	\$10.00
Thur	12/14/2017	- Site visit, salt and shovel sidewalk.	0.50	\$100.00	\$50.00
Fri	12/15/2017	Site Visit.	0.10	\$100.00	\$10.00
Mon	12/18/2017	Site visit.	0.10	\$100.00	\$10.00
Tues	12/19/2017	Site visit.	0.10	\$100.00	\$10.00
Wed	12/20/2017	- Site visit; - Prepare projected cash flow.	0.50	\$100.00	\$50.00
Thur	12/21/2017	Site visit.	0.10	\$100.00	\$10.00
Fri	12/22/2017	Site visit.	0.10	\$100.00	\$10.00
Wed	12/27/2017	Site visit.	0.10	\$100.00	\$10.00
Thur	12/28/2017	- Site Visit; - Review and prepare Interim SRD and Report to OSB.	0.50	\$100.00	\$50.00
Fri	12/29/2017	Site visit.	0.10	\$100.00	\$10.00
Wed	01/03/2018	- Site visit; - Discussion with Steve Karman re snow removal, invoice clarification.	0.30	\$100.00	\$30.00
Fri	01/05/2018	Site visit, discussion regarding snow removal.	0.30	\$100.00	\$30.00
Tues	01/09/2018	Site Visit.	0.10	\$100.00	\$10.00
Thur	01/11/2018	Site visit.	0.10	\$100.00	\$10.00
Fri	01/12/2018	Site visit.	0.10	\$100.00	\$10.00
Tues	01/16/2018	Site visit.	0.10	\$100.00	\$10.00
Wed	01/17/2018	Site visit.	0.10	\$100.00	\$10.00
Thur	01/18/2018	Site Visit.	0.10	\$100.00	\$10.00
Fri	01/19/2018	Site visit.	0.10	\$100.00	\$10.00
Tues	01/23/2018	Site visit.	0.10	\$100.00	\$10.00
Wed	01/24/2018	Site Visit.	0.10	\$100.00	\$10.00
Thur	01/25/2018	Site Visit.	0.10	\$100.00	\$10.00
Fri	01/26/2018	Site visit.	0.10	\$100.00	\$10.00
Tues	01/30/2018	Site visit.	0.10	\$100.00	\$10.00
Wed	01/31/2018	Site visit.	0.10	\$100.00	\$10.00
Thur	02/01/2018	Site visit.	0.10	\$100.00	\$10.00
Mon	02/05/2018	Site Visit.	0.10	\$100.00	\$10.00
Tues	02/06/2018	Site visit.	0.10	\$100.00	\$10.00
Fri	02/09/2018	Site visit, discussion with Eric Inspektor re update.	0.10	\$100.00	\$10.00
Mon	02/12/2018	Site Visit.	0.10	\$100.00	\$10.00
Tues	02/13/2018	Site visit.	0.10	\$100.00	\$10.00
Wed	02/14/2018	Site visit.	0.10	\$100.00	\$10.00
Thur	02/15/2018	Site visit.	0.10	\$100.00	\$10.00
Mon	02/26/2018	Site visit.	0.10	\$100.00	\$10.00
Tues	02/27/2018	Site visit.	0.10	\$100.00	\$10.00
Fri	03/02/2018	Site visit.	0.10	\$100.00	\$10.00
Mon	03/05/2018	- View site; - Contact Rocco re combination lock impeding access.	0.10	\$100.00	\$10.00
Tues	03/06/2018	Site visit.	0.10	\$100.00	\$10.00
Mon	03/12/2018	03/09/18 + 03/12/18 - site visit	0.20	\$100.00	\$20.00
Wed	03/14/2018	Site visit.	0.10	\$100.00	\$10.00
Thur	03/15/2018	Review news articles, forward to TP and DH.	0.30	\$100.00	\$30.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203; to AA2203;

MSOG - Detailed Time Dockets

Printed on: 5/03/18

Page 18 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Evan McCullagh (EMC)					
Fri	03/16/2018	Site visit.	0.10	\$100.00	\$10.00
Mon	03/19/2018	Site visit.	0.10	\$100.00	\$10.00
Wed	03/21/2018	Site visit.	0.10	\$100.00	\$10.00
Fri	03/23/2018	Site visit.	0.10	\$100.00	\$10.00
Mon	03/26/2018	- Site visit; - Discussion with Grant Milligan re April visit, invoice and info for contractor.	0.30	\$100.00	\$30.00
Wed	03/28/2018	Site visit.	0.10	\$100.00	\$10.00
Tues	04/03/2018	Site visit.	0.10	\$100.00	\$10.00
Thur	04/05/2018	Site visit.	0.10	\$100.00	\$10.00
Fri	04/06/2018	Site visit.	0.10	\$100.00	\$10.00
Mon	04/09/2018	Site visit.	0.10	\$100.00	\$10.00
Wed	04/11/2018	Site visit.	0.10	\$100.00	\$10.00
Fri	04/13/2018	Site visit.	0.10	\$100.00	\$10.00
Mon	04/16/2018	Site visit.	0.10	\$100.00	\$10.00
Thur	04/19/2018	Meeting with Grant from Quinn Dressell re monitoring report, site visit.	0.50	\$100.00	\$50.00
Fri	04/20/2018	Site visit.	0.10	\$100.00	\$10.00
Tues	04/24/2018	Site visit.	0.10	\$100.00	\$10.00
Thur	04/26/2018	Site visit.	0.10	\$100.00	\$10.00
Fri	04/27/2018	Site visit.	0.10	\$100.00	\$10.00
Evan McCullagh (EMC)			43.90		\$4,390.00
Frieda Kanaris (FKA)					
Thur	07/27/2017	Review Purchase and Sale Agreements and update schedule.	5.50	\$160.00	\$880.00
Mon	07/31/2017	Review Purchase and Sale Agreements and update schedule.	4.40	\$160.00	\$704.00
Tues	08/01/2017	Review Purchase and Sale Agreements and update schedule.	3.10	\$175.00	\$542.50
Wed	08/02/2017	Finalize review of Purchase Agreements and purchasers' deposits.	0.80	\$175.00	\$140.00
Wed	12/20/2017	Merge and print labels, prepare envelopes, photocopy letters and attend to mailing notice to purchasers.	1.60	\$175.00	\$280.00
Wed	12/27/2017	T/c from CBC. email to Deborah Hornbostel.	0.10	\$175.00	\$17.50
Thur	12/28/2017	Review and respond to email from purchaser; t/c with purchaser re letter received.	0.20	\$175.00	\$35.00
Fri	12/29/2017	Review and respond to t/c and email inquiries from purchasers.	0.20	\$175.00	\$35.00
Wed	01/03/2018	Review and respond to email and telephone inquiries from purchasers.	0.30	\$175.00	\$52.50
Thur	01/04/2018	Respond to t/c and emails from purchasers.	0.30	\$175.00	\$52.50
Wed	01/10/2018	T/c and email with purchaser.	0.10	\$175.00	\$17.50
Mon	01/15/2018	T/c and email exchange with purchaser.	0.10	\$175.00	\$17.50
Tues	01/23/2018	T/c's with purchasers re letter received.	0.30	\$175.00	\$52.50
Tues	02/06/2018	T/c's and emails with purchasers.	0.20	\$175.00	\$35.00
Wed	02/28/2018	Review and respond to email inquiries from purchasers.	0.20	\$175.00	\$35.00
Wed	03/07/2018	Update new addresses and print labels for unit purchasers, photocopy letter for mailing.	0.40	\$175.00	\$70.00
Tues	03/13/2018	Review and respond to emails and t/c's from purchasers.	0.20	\$175.00	\$35.00
Wed	03/14/2018	Review and respond to email and t/c inquiries from purchasers.	0.30	\$175.00	\$52.50
Thur	03/15/2018	Review and respond to t/c's from purchasers.	0.20	\$175.00	\$35.00
Mon	03/19/2018	T/c's and emails with Purchasers.	0.30	\$175.00	\$52.50
Tues	03/20/2018	T/c's from purchasers.	0.20	\$175.00	\$35.00
Tues	04/17/2018	Respond to t/c inquiries.	0.30	\$175.00	\$52.50
Frieda Kanaris (FKA)			19.30		\$3,229.00
Harvey S. Lipman (HLI)					

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203; to AA2203;

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 19 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Harvey S. Lipman (HLI)					
Wed	08/30/2017	To cheque review and sign	0.10	\$385.00	\$38.50
Mon	01/22/2018	To cheque review and sign	0.10	\$385.00	\$38.50
Thur	01/25/2018	To cheque review and sign.	0.10	\$385.00	\$38.50
Thur	02/15/2018	To cheque review and sign	0.10	\$385.00	\$38.50
Fri	03/02/2018	To cheque review and sign	0.20	\$385.00	\$77.00
Harvey S. Lipman (HLI)			0.60		\$231.00
Haran Sivanathan (HSI)					
Mon	04/23/2018	Deposit, Cheque, Pre-Authorized payment, Review Files, GIC's and Bank reconciliation	0.20	\$100.00	\$20.00
Haran Sivanathan (HSI)			0.20		\$20.00
Inga Friptuleac (IFR)					
Mon	06/26/2017	B/A set up	0.20	\$30.00	\$6.00
Mon	08/21/2017	Deposit	0.20	\$30.00	\$6.00
Mon	08/28/2017	Prepare cheque	0.20	\$30.00	\$6.00
Tues	09/05/2017	Deposit; Prepare cheques	1.00	\$30.00	\$30.00
Mon	09/11/2017	Prepare cheques	0.60	\$30.00	\$18.00
Mon	09/18/2017	Prepare cheques	0.40	\$30.00	\$12.00
Mon	09/25/2017	Deposit; Term Investment	0.40	\$30.00	\$12.00
Mon	10/02/2017	Prepare cheques	0.40	\$30.00	\$12.00
Mon	10/30/2017	Issue cheque	0.20	\$30.00	\$6.00
Mon	11/06/2017	Prepare cheque	0.20	\$30.00	\$6.00
Mon	11/27/2017	GIC collapsing, Issue cheques	0.80	\$30.00	\$24.00
Mon	12/18/2017	Issue cheque	0.20	\$30.00	\$6.00
Wed	12/27/2017	Issue cheque	0.20	\$30.00	\$6.00
Tues	01/02/2018	Issue cheques	1.00	\$30.00	\$30.00
Mon	01/15/2018	Issue cheque	0.20	\$30.00	\$6.00
Mon	01/22/2018	Issue cheques	0.60	\$30.00	\$18.00
Mon	01/29/2018	Issue cheque	0.20	\$30.00	\$6.00
Mon	02/05/2018	Issue cheque	0.20	\$30.00	\$6.00
Mon	02/12/2018	Term Investment, Issue cheque	0.40	\$30.00	\$12.00
Mon	02/26/2018	Issue cheques	0.60	\$30.00	\$18.00
Mon	03/05/2018	Issue cheques	0.40	\$30.00	\$12.00
Mon	03/19/2018	Issue Cheque	0.20	\$30.00	\$6.00
Mon	03/26/2018	Issue cheque	0.20	\$30.00	\$6.00
Mon	04/02/2018	Issue cheque	0.20	\$30.00	\$6.00
Mon	04/16/2018	Issue cheque	0.20	\$30.00	\$6.00
Inga Friptuleac (IFR)			9.40		\$282.00
Phillip H. Gennis (PGE)					
Tues	09/12/2017	Review payables.	0.10	\$385.00	\$38.50
Mon	11/27/2017	Review Payables.	0.20	\$385.00	\$77.00
Tues	12/19/2017	Review and approve payables.	0.20	\$385.00	\$77.00
Wed	01/03/2018	Review and approve payables.	0.20	\$385.00	\$77.00
Mon	01/08/2018	Review and approve payables	0.10	\$385.00	\$38.50
Mon	01/22/2018	Review payables.	0.10	\$385.00	\$38.50
Tues	01/30/2018	Review and approve payables.	0.10	\$385.00	\$38.50
Thur	02/08/2018	Review and approve payables.	0.10	\$385.00	\$38.50
Tues	03/20/2018	Review and approve payables.	0.10	\$385.00	\$38.50
Mon	04/02/2018	Review and approve payables.	0.10	\$385.00	\$38.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 20 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
		Phillip H. Gennis (PGE)	1.30		\$500.50
Paul Salim (PSA)					
Tues	08/01/2017	General	2.00	\$105.00	\$210.00
Wed	08/02/2017	General	3.00	\$105.00	\$315.00
Wed	08/09/2017	General	2.00	\$105.00	\$210.00
Thur	08/10/2017	General	5.00	\$105.00	\$525.00
		Paul Salim (PSA)	12.00		\$1,260.00
Shenaz Tolat (STO)					
Thur	07/27/2017	Scanning and renaming documents for Suite 203, 303, 305, 306, 307, 403, 407, 409, 410	2.00	\$50.00	\$100.00
Mon	07/31/2017	Scanning and saving documents for Suites 507, 509, 510, 604, 607, 608, 609, 610, 702, 706, 707, 709	1.80	\$50.00	\$90.00
Tues	08/01/2017	Scanning and saving documents for Suites 710, 803, 804, 805, 808, 809, 810, 901, 902, 904, 905, 909	1.80	\$50.00	\$90.00
Wed	08/02/2017	Scanning and labelling documents for Suites 906, 908 and reordering other suite documents for scanning	0.50	\$50.00	\$25.00
		Shenaz Tolat (STO)	6.10		\$305.00
Trevor Pringle (TPR)					
Mon	06/19/2017	includes time from June 2, 2017; review and execute consent; review Application Record; conference call with David Jackson, lawyer for DUCA & Lawrence Hansen, lawyer re draft Order; correspond/tdw's David Jackson, lawyer re draft Order; review draft Order; correspond/tdw Lawrence Hansen, lawyer re draft Order	2.50	\$385.00	\$962.50
Tues	06/20/2017	correspond/tdw Lawrence Hansen, lawyer re draft Order; review correspondence re proposed amendments to draft Order	0.70	\$385.00	\$269.50
Wed	06/21/2017	correspond with Lawrence Hansen, lawyer re draft Order; correspond/tdw James Satin, lawyer re draft Order; review correspondence re proposed amendments to draft Order; attendances to the file re draft Order; review draft Order	0.90	\$385.00	\$346.50
Thur	06/22/2017	correspond/tdw's David Jackson, lawyer re Court Order, taking possession; correspond with Sergiu Cosmin, DUCA; review 2015 financial statements; review Court Order; attendances to the file re taking possession of 98 James Street South, Hamilton; review and sign FCA insurance survey form & vacancy survey; attend at 98 James Street South, Hamilton to review property	2.50	\$385.00	\$962.50
Fri	06/23/2017	discussions/correspondence re FCA amended insurance survey/coverage; review photos of property; review case web site; tdw Lawrence Hansen, lawyer	0.40	\$385.00	\$154.00
Mon	06/26/2017	conference call with Sergiu Cosmin - DUCA, David Jackson - lawyer, Lawrence Hansen - lawyer, & Alex MacFarlane - lawyer re marketing process; review Cushman Wakefield appraisal; tdw David Jackson, lawyer; tdw Sergiu Cosmin, DUCA; tdw Lawrence Hansen, lawyer; call to Peter Chan, Cushman Wakefield; review Phase I Environmental report; review Hazardous Materials report; review, make changes to and sign 245/246 Notice of Receiver; tdw David Woodiwiss, Colliers re listing proposal; tdw David Czeschowski, CBRE re listing proposal; tdw Matt Van Huizen, Jacob Ellens	2.50	\$385.00	\$962.50
Tues	06/27/2017	tdw David Jackson, lawyer; correspond/tdw Steve Pomic, PRA Commercial re completing property appraisal; correspond/tdw Peter Chan, Wakefield Cushman re updating property appraisal; correspond with Lauren Doughty, CBRE re listing proposal	0.40	\$385.00	\$154.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 21 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Wed	06/28/2017	review Heritage Impact Assessment report; correspond/tdw Lawrence Hansen, lawyer re list of depositors, copies of APS; tdw David Jackson, lawyer	0.40	\$385.00	\$154.00
Thur	06/29/2017	review appraisal L.O.E. from PRA Commercial; correspond with Lawrence Hansen, lawyer re LOE changes; review FCA insurance invoice; correspond with Steve Pomic, PRA re LOE changes	0.50	\$385.00	\$192.50
Tues	07/04/2017	correspond with property appraisers; correspond with Colliers re listing proposal; tdw L.Doughty, CBRE re listing proposal; review Cushman Wakeman appraisal; correspond with lawyers re obtaining books and records; review PRA's amended LOE	0.90	\$385.00	\$346.50
Wed	07/05/2017	review CBRE marketing proposal; call/correspond with Kevin Antonides, Antec re property appraisal; correspondence re obtaining books and records; tdw Lawrence Hansen, lawyer	0.40	\$385.00	\$154.00
Thur	07/06/2017	discussions/correspondence re obtaining books and records; tdw Lawrence Hansen, lawyer	0.10	\$385.00	\$38.50
Mon	07/17/2017	review Colliers' listing proposal; correspondence re listing proposals; review CBRE valuation; make changes to listing proposal summary; tdw Lauren Doughty, CBRE; tdw Peter Chan, Cushman Wakefield; tdw Lawrence Hansen, lawyer; correspond with Kevin Antonides, Antec re appraisal quote; review draft affidavit re obtaining Order for access to books and records; review floor plans; review Antec appraisal quote; review and approve chq re FCA insurance; conference call with David Jackson, lawyer & Sergiu Cosmin, DUCA re media coverage	2.50	\$385.00	\$962.50
Tues	07/18/2017	review correspondence, voice mail from CBC News, media coverage; review Monthly Deposit Trust Account Report from GCNA; review draft Order re obtaining access to books and records; correspond with Lawrence Hansen, lawyer	0.60	\$385.00	\$231.00
Wed	07/19/2017	provide listing of Connolly sales to the appraisers; conference call with Sergiu Cosmin - DUCA, David Jackson, Alex MacFarlane & Lawrence Hansen - lawyers re listing proposals, depositors, APS; correspond with CBRE & Colliers re listing proposals; correspond with Lauren Doughty, CBRE re start marketing process; tdw Lawrence Hansen, lawyer	0.90	\$385.00	\$346.50
Thur	07/20/2017	review, make changes to listing agreement with CBRE; review CBRE's information request; correspond with Lawrence Hansen, lawyer re amendments to draft order to access books and records; review and approve payment of locksmith bill; correspondence with CBRE re "for sale" sign installation at 98 James Street South; tdw's Lawrence Hansen, lawyer re draft order; review amendments to draft order	1.10	\$385.00	\$423.50
Fri	07/21/2017	discussions/correspondence re break-in at premises, repairs; correspondence re Order to access books and records	0.20	\$385.00	\$77.00
Mon	07/24/2017	correspond/tdw's Lawrence Hansen, lawyer re changes to CBRE listing agreement, response to Diversified Capital's lawyer; correspond/tdw Serge DUCA re accessing premises; correspond with Lauren Doughty, CBRE re proposed amendments to listing agreement; review correspondence from Diversified Capital's lawyer; review and execute listing agreement with CBRE; tdw Lauren Doughty, CBRE re information requirements, listing property for sale	1.40	\$385.00	\$539.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203; to AA2203;

MSCCG - Detailed Time Dockets

Printed on: 5/03/18

Page 22 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Tues	07/25/2017	tdw Lawrence Hansen, lawyer re drafting APS; tdw Lauren Doughty, CBRE re marketing process; correspond with Sergiu Cosmin, DUCA; review Cushman Wakefield engagement letter; correspond with Peter Chan, Cushman Wakefield re fee quote; correspond with Kevin Antonides, Antec re appraisal; review prospective purchasers list; review Connolly brochure; correspond with CBRE re Globe & Mail ads; review trial balance; review and sign amended Notice of Receiver including list of unsecured creditors; review summary of development costs	1.30	\$385.00	\$500.50
Wed	07/26/2017	review correspondence from Lawrence Hansen, lawyer re Cushman Wakefield L.O.E.; correspond with Peter Chan, Cushman Wakefield re L.O.E. amendments; review July 2017 bank reconciliation; correspond with Sergiu Cosmin, DUCA	0.30	\$385.00	\$115.50
Thur	07/27/2017	correspond with Peter Chan, Cushman Wakefield re appraisal; review and execute Cushman Wakefield letter of engagement; correspond with secured creditors re MLS listing; discussions/correspondence re CBRE due diligence request list, CA agreement; correspond with Lawrence Hansen, lawyer re APS	0.40	\$385.00	\$154.00
Fri	07/28/2017	review CBRE confidentiality agreement; review CBRE draft brochure; discussions/correspondence re records with city, prospective purchasers	0.40	\$385.00	\$154.00
Mon	07/31/2017	discussions/correspondence re meeting with city staff to review records; review draft agreement of purchase and sale; review Tarion Notice of Appearance; conference call with Lawrence & Oren, lawyers re draft APS; discussions/correspondence re books and records	1.00	\$385.00	\$385.00
Tues	08/01/2017	discussions/correspondence re obtaining possession of books and records from the City, St. Jean Realty; correspond with Adam Slavens, lawyer for Tarion; correspond with Lawrence Hansen, lawyer; review Justice Conway's issued Order of July 21st re access to books and records; review purchase & sale agreements; review conditional site plan	0.90	\$385.00	\$346.50
Wed	08/02/2017	correspond with CBRE re property being listed on MLS; review projected cash receipts/disbursements; review MLS fact sheet; correspond with DUCA/lawyers re property now listed for sale on MLS; review MLS property listing; correspond/tdw Lawrence Hansen, lawyer re Avenue Capital call; review F/S; review PPSA re Taragar, 122	0.90	\$385.00	\$346.50
Thur	08/03/2017	review MLS; review disclosure documents including budget; review APS files; review CBRE signage; review CBRE data room	0.70	\$385.00	\$269.50
Fri	08/04/2017	review photos of site; correspond with Lawrence Hansen, lawyer; correspond with Adam Slavens, lawyer for Tarion; review G/L; conference call with Adam Slavens, lawyer for Tarion & Lawrence Hansen, lawyer; discussions/correspondence re Santerra Asset Management; review corporate profile for Santerra Asset Management; review F/S	0.90	\$385.00	\$346.50
Tues	08/08/2017	discussions/correspondence re draft APS; discussions/correspondence re landscaping quotes; review and approve draft CBRE sales ads; review GCNA Notice of Appearance; review and sign MLS documents	0.90	\$385.00	\$346.50
Wed	08/09/2017	correspond with Lawrence/Oren, lawyers re draft APS; review correspondence with city re zoning file; review CBRE reporting letter; correspond with Sergiu Cosmin, DUCA/lawyers for secured creditors re CBRE reporting letter; discussions/correspondence re prospective purchasers, sales process; review correspondence from City of Hamilton's legal counsel; review draft APS	1.10	\$385.00	\$423.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
- File ID: AA2203; to AA2203;

MSCG - Detailed Time Dockets

Printed on: 5/03/18

Page 23 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Thur	08/10/2017	review draft APS; correspond with Oren Chaimovitch, lawyer re draft APS changes; discussions/correspondence re City of Hamilton, church facade, BMO account, data room information; approve chq ra; correspond with Lauren Doughty, CBRE re APS	0.70	\$385.00	\$269.50
Fri	08/11/2017	review reports, records, plans, studies provided by City of Hamilton; discussions/correspondence re landscaping quotes, prospective purchasers, collecting costs awarded against Santaguida et al; review summary of sales report	0.90	\$385.00	\$346.50
Mon	08/21/2017	review Antec appraisal; review CBRE CIM; discussions/correspondence re lot maintenance, building security; discussions/correspondence re prospective purchasers, deposits; correspond with Peter Chan, Cushman Wakefield re updated appraisal; review correspondence with BMO re bank account	0.90	\$385.00	\$346.50
Tues	08/22/2017	correspondence re costs awarded against Santaguida et al; discussions/correspondence re fencing repair quotes, church facade inspection; correspondence re BMO bank account; correspond/tdw Nate Pace, CBRE re geotechnical report; correspond with Lauren Doughty, CBRE re vandalized sign	0.50	\$385.00	\$192.50
Wed	08/23/2017	correspondence re BMO bank account/recovery of funds from Zimmerman; tdw/correspond with Lawrence Hansen, lawyer re depositors/response; correspond with Sergiu Cosmin, DUCA re appraisals; discussions/correspondence re geotechnical report	0.90	\$385.00	\$346.50
Thur	08/24/2017	discussions/correspondence re depositor response; review preliminary grading plan; discussions/correspondence re geotechnical report; tdw Peter Chan, Cushman Wakefield re appraisal; review CBRE marketing report for August 24th; distribute CBRE marketing report to DUCA/secured creditors; discussions/correspondence/voice mail re property maintenance; correspond with Nate Pace, CBRE re bid bond	0.80	\$385.00	\$308.00
Mon	08/28/2017	review Cushman Wakefield draft appraisal; correspond/tdw Sergiu Cosmin, DUCA re Cushman Wakefield appraisal, advance request; discussions/correspondence re advance request; review G/L; tdw Peter Chan, Cushman Wakefield re draft appraisal; tdw's Kevin Antonides, Antec re draft appraisal; correspondence re advertising	1.40	\$385.00	\$539.00
Tues	08/29/2017	review correspondence re Schneider Ruggiero cost recovery; correspondence re prospective purchasers, geotechnical report; review draft appraisals; discussions re site maintenance, security visits; review and approve payment of FCA insurance invoice; review and approve payment of Lock-it invoice; review G/L; correspond with Sergiu Cosmin, DUCA re advance	0.90	\$385.00	\$346.50
Wed	08/30/2017	discussions/correspondence re production of geotechnical report; review maintenance reports re church facade; discussions/correspondence re site maintenance/visits; review books and records; review A/P listing	0.60	\$385.00	\$231.00
Tues	09/05/2017	review Devry Smith Frank LLP invoice; review CBRE weekly reporting letter; discussions/correspondence re production of geotechnical report; discussions/correspondence re \$10,500 cheque manually written to Zimmerman; review G/L	0.80	\$385.00	\$308.00
Wed	09/06/2017	correspond with Derek DaCosta, depositor; correspondence re prospective purchasers, property taxes	0.30	\$385.00	\$115.50
Thur	09/07/2017	correspondence re property taxes; review CBRE weekly reporting letter; provide secured creditors with CBRE weekly reporting letter dated September 7th, 2017; tdw Kevin @ Antec re finalizing appraisal; review Antec invoice; review G/L; review Antec final appraisal report; correspond/tdw Lauren Doughty, CBRE; correspond with Lawrence Hansen, lawyer	0.90	\$385.00	\$346.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
- File ID: AA2203: to AA2203:

M5CG - Detailed Time Buckets

Printed on: 5/03/18

Page 25 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Thur	10/12/2017	call/correspond with Lawrence Hansen, lawyer re CORFinancial requests	0.10	\$385.00	\$38.50
Fri	10/13/2017	discussions/correspondence re site inspection; correspond/tdw Lawrence Hansen, lawyer re CORFinancial	0.40	\$385.00	\$154.00
Mon	10/16/2017	discussions/correspondence re site maintenance; correspond with Lawrence Hansen, lawyer	0.10	\$385.00	\$38.50
Tues	10/17/2017	review authorization document for Lifestyle Custom Homes; correspond/tdw Adam Slavens, lawyer for Tarian; call/correspond with Lawrence Hansen, lawyer	0.50	\$385.00	\$192.50
Fri	10/20/2017	review G/L; review draft report to Court; review July 17th Motion Record; correspondence re Court Order being registered on title	0.40	\$385.00	\$154.00
Mon	10/23/2017	review and approve payment of monthly insurance; review G/L; correspond with Lawrence Hansen, lawyer	0.10	\$385.00	\$38.50
Tues	10/24/2017	correspond with Lawrence Hansen, lawyer; review application to register Court Order on title	0.10	\$385.00	\$38.50
Fri	10/27/2017	review and approve payment of utility bill; review G/L	0.10	\$385.00	\$38.50
Mon	10/30/2017	tdw Lawrence Hansen, lawyer re CORFinancial; review Torkin Manes requisition letter re title; correspondence re McCallum Sather Architects lien, Santaguida mortgage	0.40	\$385.00	\$154.00
Tues	10/31/2017	discussions/correspondence re depositors; review Devry Smith Frank LLP legal bill; correspond with Lawrence Hansen, lawyer	0.40	\$385.00	\$154.00
Wed	11/01/2017	tdw Dom Michaud, lawyer for Diversified Capital	0.20	\$385.00	\$77.00
Fri	11/03/2017	discussions/correspondence re site maintenance; review G/L	0.10	\$385.00	\$38.50
Mon	11/06/2017	call/correspond with Nate, CBRE re Eric Inspektor; correspond with Lawrence Hansen, lawyer	0.30	\$385.00	\$115.50
Wed	11/08/2017	tdw's David Jackson, lawyer; review APS	0.20	\$385.00	\$77.00
Thur	11/09/2017	correspondence re waiver extension; tdw Nate, CBRE; tdw Oren, Devry Smith	0.50	\$385.00	\$192.50
Fri	11/10/2017	tdw Lauren & Nate, CBRE re waiver extension; correspond with David Jackson, lawyer re DUCA documentation, waiver extension; tdw/correspond with Oren, lawyer - Devry Smith re ILA, waiver extension; tdw's David Jackson, lawyer; review and sign amendment to APS re waiver extension	1.20	\$385.00	\$462.00
Mon	11/13/2017	correspond with Dom Michaud, lawyer re waiver extension	0.10	\$385.00	\$38.50
Tues	11/14/2017	correspondence re DUCA's Acknowledgement and Direction for ILA; correspond with Dom Michaud, lawyer	0.10	\$385.00	\$38.50
Wed	11/15/2017	review ILA from Oren, lawyer re DUCA's security; review executed amendment re due diligence period	0.20	\$385.00	\$77.00
Fri	11/17/2017	correspond/tdw Oren Chaimovitch, lawyer re McCallum Sather construction lien	0.20	\$385.00	\$77.00
Wed	11/22/2017	correspond with Lauren Doughty, CBRE; review G/L	0.10	\$385.00	\$38.50
Thur	11/23/2017	review and approve payment of FCA insurance invoice; review ILA	0.10	\$385.00	\$38.50
Fri	11/24/2017	correspond/conference call with Lauren Doughty & Nate Pace, CBRE re Lifestyle offer reduction to \$8.8million; correspond with Lawrence Hansen, lawyer; conference call with Oren & Lawrence, Devry Smith re amendments to offer; tdw Sergiu Cosmin, DUCA re amendments to offer; correspond with secured creditors re Monday conference call; correspond with Dom Michaud, lawyer; correspond with David Jackson, lawyer; correspond with Alex MacFarlane, lawyer; review and approve utility bill payment	1.20	\$385.00	\$462.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
- File ID: AA2203; to AA2203;

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 26 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Mon	11/27/2017	correspond with Lauren Doughty & Nate Pace, CBRE; correspond/tdw's David Jackson, lawyer re amending offer; conference call with Sergiu Cosmin, DUCA/David Jackson, lawyer/Alex MacFarlane, lawyer/Oren Chaimovitch & Lawrence Hansen, lawyers re amended offer; review second amending agreement re Lifestyle offer; correspond/tdw's Oren/Lawrence, Devry Smith re amending offer; correspond/tdw Dom Michaud, lawyer re amending offer	1.90	\$385.00	\$731.50
Tues	11/28/2017	correspond/tdw Oren Chaimovitch, lawyer re amending agreement; tdw's David Jackson, lawyer re amending agreement; correspond with Lauren Doughty, CBRE; tdw Lawrence Hansen, lawyer	0.50	\$385.00	\$192.50
Wed	11/29/2017	call to Lauren Doughty, CBRE; correspond with Oren Chaimovitch, lawyer re amending agreement	0.10	\$385.00	\$38.50
Thur	11/30/2017	correspond/tdw Oren Chaimovitch, lawyer re termination of Lifestyle agreement; conference call with Sergiu Cosmin, DUCA & David Jackson, lawyer re termination of Lifestyle agreement; correspondence re deposit return to Lifestyle; correspond/tdw Lauren Doughty, CBRE re contacting HUE to revive APS; tdw Lawrence Hansen, lawyer; correspond with the secured creditors re Lifestyle terminating APS; review G/L	0.90	\$385.00	\$346.50
Fri	12/01/2017	conference call with Lauren Doughty & Nate Pace, CBRE re Hue offer; tdw David Jackson, lawyer; correspond with secured creditors re Hue offer	0.40	\$385.00	\$154.00
Mon	12/04/2017	correspond with Lauren Doughty, CBRE; correspondence re HUE offer; review HUE Agreement of Purchase & Sale	0.50	\$385.00	\$192.50
Tues	12/05/2017	tdw David Jackson, lawyer re Hue APS; correspond with Lawrence Hansen/Oren Chaimovitch, lawyers re Hue APS amendments; correspond with Lauren Doughty/Nate Pace, CBRE re Hue APS; correspond with secured creditors re Hue APS	0.40	\$385.00	\$154.00
Wed	12/06/2017	correspond/tdw Lawrence Hansen, lawyer re Hue APS	0.20	\$385.00	\$77.00
Thur	12/07/2017	discussions/correspondence re Hue APS; correspond/tdw Howard Manis, lawyer re Hue APS; tdw David Jackson, lawyer; review G/L	0.40	\$385.00	\$154.00
Fri	12/08/2017	correspond with secured creditors re Hue APS/offer; tdw Zahid Hoque, DUCA re Hue APS; tdw Lawrence Hansen, lawyer re Hue APS; correspond with Nate Pace & Lauren Doughty, CBRE	0.40	\$385.00	\$154.00
Mon	12/18/2017	correspondence re snow removal quotes, site maintenance, site plan extension, Hue APS; tdw's David Jackson, lawyer; review and approve payment of snow removal invoice; review G/L; correspond with Lauren Doughty, CBRE re prospective purchaser; conference call with Lauren Doughty & Nate Pace, CBRE re listing properly; tdw Lawrence Hansen, lawyer; correspond with secured creditors re Hue APS update; review amendment to listing agreement	1.80	\$385.00	\$693.00
Tues	12/19/2017	tdw Eric Inspektor, prospective purchaser; correspond/tdw Lawrence Hansen, lawyer re Hue APS	0.40	\$385.00	\$154.00
Wed	12/20/2017	correspond/tdw Lawrence Hansen, lawyer; tdw Adam Slavens, Tarys (Tarion) re update; review and approve payment of snow removal invoice; review G/L; correspond/tdw Sergiu Cosmin, DUCA re \$30,000 further advance; conference call with secured creditors re listing properly for sale at \$9.9million; tdw Alex MacFarlane, lawyer; review and sign amendment to listing agreement for \$9.9million; correspond with Lauren Doughty & Nate Pace, CBRE re amended MLS	1.40	\$385.00	\$539.00

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 27 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Thur	12/21/2017	review re-launch of 98 James Street for sale at \$9.9million; correspond with Lauren Doughty & Nate Pace, CBRE; review deposit report	0.20	\$385.00	\$77.00
Fri	12/22/2017	review Devry Smith legal invoice; review and approve payment of insurance invoice; review Heritage maintenance report	0.30	\$385.00	\$115.50
Thur	12/28/2017	review and approve payment of snow removal/utility invoices, legal fees; review G/L; review, make changes to and sign 246(2) notice	0.30	\$385.00	\$115.50
Tues	01/02/2018	tdw Fred Buzzelli re client interested in purchasing property, deposits; review MLS; review G/L	0.20	\$385.00	\$77.00
Wed	01/03/2018	correspond with Nate Pace, CBRE re sales process; review and approve payment of snow removal invoice	0.10	\$385.00	\$38.50
Thur	01/04/2018	correspondence re snow removal on Jackson Street	0.10	\$385.00	\$38.50
Mon	01/08/2018	correspond with Nate Pace, CBRE re prospective purchasers; review G/L; tdw Lawrence Hansen, lawyer re Hue	0.20	\$385.00	\$77.00
Wed	01/10/2018	correspond with Lawrence Hansen, lawyer re Hue; review MLS	0.10	\$385.00	\$38.50
Wed	01/17/2018	correspond with Sergiu Cosmin, DUCA re CBRE reporting letter; review G/L	0.10	\$385.00	\$38.50
Fri	01/19/2018	correspond with Nate Pace, CBRE re new Hue offer; correspond/tdw Lawrence Hansen, lawyer re new Hue offer; review new offer from Hue for \$7.8million; correspond with secured creditors re new Hue offer; review and approve payment of snow removal invoice	0.90	\$385.00	\$346.50
Mon	01/22/2018	correspond with Lawrence Hansen, lawyer; conference call with Sergiu Cosmin, DUCA & Oren Chaimovitch, lawyer re signing back new Hue offer at \$8.7million; call to Alex MacFarlane, lawyer re signing back Hue offer; tdw Dom Michaud, lawyer re signing back Hue offer; correspond with Nate Pace, CBRE re signing back Hue offer; correspond with Oren Chaimovitch, lawyer	0.90	\$385.00	\$346.50
Tues	01/23/2018	correspondence re signing back Hue offer; review and make changes to Hue APS; discussions/correspondence re insulation rejuvenation inside church; call to Lawrence Hansen, lawyer re changes to Hue APS; review and approve payment of insurance invoice; provide signed back Hue offer at \$8.7million to Nate Pace, CBRE	0.70	\$385.00	\$269.50
Wed	01/24/2018	tdw Nate & Lauren, CBRE re Hue offer/little condition	0.10	\$385.00	\$38.50
Thur	01/25/2018	review and approve payment of utility invoice	0.10	\$385.00	\$38.50
Fri	01/26/2018	correspond with Nate Pace & Lauren Doughty, CBRE re Hue offer; tdw David Jackson, lawyer re Hue offer/little conversion	0.20	\$385.00	\$77.00
Mon	01/29/2018	correspond with Nate Pace, CBRE re Hue offer; review G/L	0.10	\$385.00	\$38.50
Tues	01/30/2018	conference call with David Jackson, lawyer & Sergiu Cosmin, DUCA	0.10	\$385.00	\$38.50
Wed	01/31/2018	tdw Nate Pace, CBRE re Hue offer; correspondence from CBC	0.10	\$385.00	\$38.50
Thur	02/01/2018	correspond with Alex MacFarlane, lawyer re Hue offer; tdw Nate & Lauren, CBRE; tdw Sergiu Cosmin, DUCA	0.20	\$385.00	\$77.00
Fri	02/02/2018	tdw Lawrence Hansen, lawyer re Hue offer; discussions/correspondence/tdw David Jackson, lawyer re "Moses" call	0.20	\$385.00	\$77.00
Mon	02/05/2018	correspond with Nate & Lauren, CBRE re Hue offer; call Sergiu Cosmin, DUCA	0.10	\$385.00	\$38.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
 - File ID: AA2203; to AA2203;

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 28 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203;)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Tues	02/06/2018	review Hue revised offer for \$8.5million; Idw's Lawrence Hansen, lawyer re Hue revised offer; correspond with secured creditors re Hue revised offer; correspond with Nate & Lauren, CBRE re Hue revised offer/APS; review CBRE reporting letter; review and approve payment of snow removal invoice; conference call with Sergiu Cosmin & Zahid Hoque - DUCA, Dom Moichaud, lawyer re Hue revised offer; call to Alex MacFarlane, lawyer; review and execute agreement of purchase & sale with Hue for \$8.5million	1.50	\$385.00	\$577.50
Thur	02/08/2018	correspond with Nate & Lauren, CBRE re Hue offer; review G/L; correspond/Idw's Lawrence Hansen, lawyer re Hue offer; Idw Sergiu Cosmin, DUCA	0.40	\$385.00	\$154.00
Fri	02/09/2018	correspond with Lawrence Hansen, lawyer re Hue APS, deposit; correspond with Nate & Lauren, CBRE re Hue APS, deposit	0.10	\$385.00	\$38.50
Mon	02/12/2018	correspond with Nate Pace, CBRE re Hue APS/deposit; review and approve payment of snow removal invoice; correspond with Lawrence Hansen, lawyer re Hue APS; review and execute Hue agreement of purchase and sale	0.90	\$385.00	\$346.50
Tues	02/13/2018	correspond with Nate Pace, CBRE re Hue APS, MLS; correspond with Lawrence Hansen, lawyer re Hue APS; review Hue deposit; correspond with secured creditors re Hue APS & deposit	0.30	\$385.00	\$115.50
Wed	02/14/2018	discussions/correspondence re title conversion process, depositors	0.10	\$385.00	\$38.50
Thur	02/15/2018	correspondence re notice to depositors; review G/L	0.10	\$385.00	\$38.50
Thur	02/22/2018	correspond with Nate Pace, CBRE; attend at premises re site visit, security check for insurance purposes	0.20	\$385.00	\$77.00
Mon	02/26/2018	correspondence re depositors; review G/L	0.10	\$385.00	\$38.50
Tues	02/27/2018	review and approve payment of utility bill, insurance invoice; correspondence re depositors	0.10	\$385.00	\$38.50
Wed	03/07/2018	discussions/correspondence re deposit holders; review G/L	0.10	\$385.00	\$38.50
Mon	03/19/2018	review and approve payment of locksmith invoice; receipt of key from CBRE	0.10	\$385.00	\$38.50
Mon	03/26/2018	discussions/correspondence re conversion process, site inspection; review G/L; review and approve payment of utility invoice	0.20	\$385.00	\$77.00
Wed	03/28/2018	review and approve payment of insurance invoice	0.10	\$385.00	\$38.50
Tues	04/03/2018	correspond with Alex MacFarlane, lawyer; review G/L	0.10	\$385.00	\$38.50
Wed	04/04/2018	discussions/correspondence re conversion process, deposit claims process	0.10	\$385.00	\$38.50
Mon	04/09/2018	correspond with Lawrence Hansen, lawyer re scheduling Court approval date for Hue APS; review G/L; correspondence re materials/report to Court, appraisal, survey, service list	0.30	\$385.00	\$115.50
Wed	04/11/2018	Idw Sergiu Cosmin, DUCA; Idw Neal Megannely, Meridian re Hue financing; discussions/correspondence re site inspection	0.20	\$385.00	\$77.00
Thur	04/12/2018	review Land Parcel Register, Receiver Certificates; correspondence re Court date; correspond with Sergiu Cosmin, DUCA re mortgage pay-out statement	0.20	\$385.00	\$77.00
Fri	04/13/2018	review DUCA mortgage pay-out statement	0.10	\$385.00	\$38.50
Mon	04/16/2018	review and make changes to draft first report to Court	0.90	\$385.00	\$346.50
Tues	04/17/2018	attend at Court (330 University Ave., Toronto) re setting date for approval of APS; correspond/discussions with Lawrence Hansen, lawyer re Court approval, Diversified mortgage; review and approve payment of snow removal invoice	0.50	\$385.00	\$192.50

Filters Used:

- Time Entry Create Date: 1/01/70 to 4/30/18
- File ID: AA2203: to AA2203:

MSGG - Detailed Time Dockets

Printed on: 5/03/18

Page 29 of 29

File Name (ID): 2203284 Ontario Inc. (AA2203:)

Day	Date	Memo	B-Hrs	B-Rate	Amount
Trevor Pringle (TPR)					
Wed	04/18/2018	review and make changes to draft deposit claims procedure order; correspond/conference call with Adam Slavens, lawyer for Tarion re claims process; tdw Lawrence Hansen, lawyer re claims process; discussions/correspondence re claims process, Tarion protocols; correspond with Oren/Lawrence re Diversified mortgage; review creditors list; review G/L	1.00	\$385.00	\$385.00
Tues	04/24/2018	correspond with Adam Slavens, lawyer for Tarion; review and approve payment of insurance invoice; review G/L	0.10	\$385.00	\$38.50
Fri	04/27/2018	correspond with Adam Slavens, lawyer for Tarion; review and approve payment of utility bill	0.10	\$385.00	\$38.50
Mon	04/30/2018	correspond/tdw Adam Slavens, lawyer for Tarion re claims process; correspond with Lawrence Hansen, lawyer	0.20	\$385.00	\$77.00
Trevor Pringle (TPR)			76.30		\$29,375.50
Total for File ID AA2203:			482.30		\$139,485.50
Grand Total:			482.30		\$139,485.50

Appendix “Y”

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT LTD.

Applicant

- and -

2203824 ONTARIO INC.

Respondent

AFFIDAVIT

I, SARA MOSADEQ, of the City of Toronto, in the Province of Ontario, make oath and say:

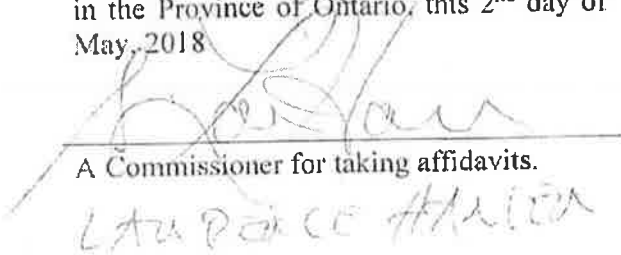
1. THAT I am an associate with the law firm of Devry Smith Frank *LLP*, ("DSF") counsel for the Court-Appointed Receiver, msi Spergel Inc. (hereinafter "the Receiver") and as such have personal knowledge of the matters hereinafter deposed to. To the extent that any of the below is not within my personal knowledge, it constitutes information derived from a review of our accounts, all of which are attached as **Exhibit "A"**. I believe all such information to be true.
2. THAT the purpose of this Affidavit is to provide information in support of taxation of DSF's accounts.
3. THAT a total of 68.50 hours have been spent for a total fee of \$30,709.00, disbursements of \$1,101.62, plus H.S.T. of \$4,134.34 for a total of \$35,944.96.
4. THAT the total time spent from June 17, 2017 to April 30, 2018, was as follows:

TOTAL TIME and DISBURSEMENTS:

Name	Hours	Rate	Value
Oren H. Chaimovitch	21.50	\$550-\$560	\$11,865.00
S. Lawrence Hansen	36.80	\$495.00-\$530.00	\$15,760.00
Sara Mosadeq	3.20	\$315.00	\$1,008.00
James M. Satin	1.40	\$525.00	\$735.00
Lorne O. Shapiro	0.60	\$600.00	\$360.00
Catherine L. Blauer	0.20	\$225.00	\$45.00
Stuart G. Clark	4.80	\$195.00	\$936.00
TIME TOTALS	68.50		\$30,709.00
DISBURSEMENTS (Taxable)			\$1,093.62
DISBURSEMENTS (Non-taxable)			\$8.00
H.S.T.			\$4,134.34
TOTAL			\$35,944.96

5. THAT the remuneration requested by counsel totals \$31,810.62 plus H.S.T. of \$4,134.34 for a total of \$35,944.96.
6. THAT this Affidavit is made in support of a Motion by counsel for the Receiver for its fees in accordance with those amounts set out in the First Report of the Receiver.

SWORN before me at the City of Toronto,
in the Province of Ontario, this 2nd day of
May, 2018


A Commissioner for taking affidavits.


SARA MOSADEQ

This is Exhibit "A" referred to in the
affidavit of **SARA MOSADEQ** sworn
before me, this 2nd day of May, 2018



A COMMISSIONER FOR TAKING AFFIDAVITS



DEVRY SMITH FRANK LLP

Lawyers & Mediators

95 Barber Greene Road
Suite 100
Toronto ON
Canada M3C 3E9
Tel 416-449-1400

msi Spergel Inc.
Trustee-in Bankruptcy
21 King Street West, Suite 1602
Hamilton, ON L8P 4W7

July 28, 2017

File: MSISP011
Invoice: 175292

RE: Receivership of 2203284 Ontario Inc.

To our fee for professional services rendered on the dates set out below:

Jun 19, 2017	Telephone call with client re retainer	0.10	49.50	SLH
Jun 19, 2017	Telephone call with GCNA's lawyer re draft order	0.20	99.00	SLH
Jun 20, 2017	Telephone call to client re issues raised by GCNA re order	0.10	49.50	SLH
Jun 21, 2017	Review correspondence re: Order and review of Order and discussion with client re: same and other creditor's request that provision for consultation be included and letter to other lawyer re: same and call to other lawyer re: same	0.70	367.50	JMS
Jun 21, 2017	Receive and review draft Order from David Jackson	0.20	105.00	JMS
Jun 21, 2017	Discussion with other lawyer re: creditors receiving the same reporting and consultation and letters from and to client re: same and letter to all lawyers confirming same and letter from GCNA's lawyer re: they agree to reporting agreement and will not attend at Application	0.50	262.50	JMS
Jun 21, 2017	Email messages with other parties re modifications to draft receivership order	0.10	49.50	SLH
Jun 26, 2017	Conference call re overall direction of receivership	0.40	198.00	SLH
Jun 26, 2017	Telephone call with client re deposits	0.10	49.50	SLH
Jun 27, 2017	Telephone call with Ruggiero re deposits	0.20	99.00	SLH
Jun 28, 2017	Telephone call with Ruggiero re deposits	0.10	49.50	SLH
Jun 28, 2017	Telephone call with client re status	0.10	49.50	SLH
Jun 28, 2017	Correspondence to and from client re Ruggiero	0.10	49.50	SLH
Jun 29, 2017	Modify appraiser's engagement letter	0.40	198.00	SLH
Jul 3, 2017	Correspondence from and to client re whether Ruggiero has provided information directly to trustee; correspondence with Ruggiero to follow up on status	0.10	49.50	SLH
Jul 4, 2017	Correspondence with client re Santaguida's failure to comply with receivership order	0.10	49.50	SLH
Jul 4, 2017	Modify letter to debtor and to its lawyer; report to client about this	0.20	99.00	SLH

Invoice #: 175292

July 28, 2017

Jul 5, 2017	Telephone call with client over motion to enforce compliance	0.10	49.50	SLH
Jul 5, 2017	Telephone call with client re motion to enforce compliance	0.10	49.50	SLH
Jul 13, 2017	Prepare affidavit for execution by Deborah Hornbostel	1.20	594.00	SLH
Jul 13, 2017	Correspondence to client re evidence for record for motion	0.20	99.00	SLH
Jul 13, 2017	Telephone with client re access to office; correspondence to other parties re this	0.80	396.00	SLH
Jul 14, 2017	Finalise affidavit; further correspondence to debtor	0.50	247.50	SLH
Jul 17, 2017	Further correspondence with receiver re affidavit, etc	0.10	49.50	SLH
Jul 17, 2017	Prepare notice of motion	0.20	99.00	SLH
Jul 18, 2017	Prepare draft order	0.50	247.50	SLH
Jul 19, 2017	Telephone conference call re sale or property	0.20	99.00	SLH
Jul 19, 2017	Telephone call with client re handling of receivership	0.20	99.00	SLH
Jul 20, 2017	Correspondence to lawyer Lawrence Zimmerman re motion of following day; report to client re status	0.10	49.50	SLH
Jul 20, 2017	Telephone calls to property manager re motion	0.30	148.50	SLH
Jul 20, 2017	Prepare for hearing of following day, including preparation of costs outline	0.50	247.50	SLH
Jul 20, 2017	Telephone call with property manager's lawyer re. position on motion and form of order	0.20	99.00	SLH
Jul 20, 2017	Telephone call with client re status of motion for following day	0.10	49.50	SLH
Jul 20, 2017	Modify order in light of discussions with landlord's lawyer	0.10	49.50	SLH
Jul 20, 2017	Telephone call with Ruggiero's lawyer about resolving motion and making documents available	0.20	99.00	SLH
Jul 20, 2017	Telephone call with Zimmerman re resolution of motion	0.20	99.00	SLH
Jul 20, 2017	Email correspondence with Zimmerman re resolution of motion	0.10	49.50	SLH
Jul 20, 2017	Report to client re resolution of motion	0.20	99.00	SLH
Jul 21, 2017	Attend court for motion for order to compel compliance with receivership order	2.90	1,435.50	SLH
Jul 21, 2017	Report to client re outcome of motion	0.10	49.50	SLH
Jul 21, 2017	Correspondence to other parties regarding issuance of order and compliance with it	0.10	49.50	SLH
Jul 24, 2017	Review listing agreement	0.20	99.00	SLH
Jul 24, 2017	Discussion with client re listing agreement	0.10	49.50	SLH
Jul 24, 2017	Correspondence to client about modifications to listing agreement	0.20	99.00	SLH
Jul 24, 2017	Discussions with client re Diversified Capital's participation in receivership	0.10	49.50	SLH
Jul 24, 2017	Telephone call with lawyer acting for Diversified Capital re status of receivership, sale or property, etc	0.20	99.00	SLH
Jul 24, 2017	Correspondence from and to client re circulation of information to Diversified Capital	0.20	99.00	SLH
Jul 24, 2017	Correspondence to Diversified Capital re sharing of	0.20	99.00	SLH

Invoice #: 175292

July 28, 2017

	information/consultation			
Jul 25, 2017	Telephone call with receiver re next step	0.20	99.00	SLH
Jul 25, 2017	Review and comment on letter of engagement for appraiser	0.50	247.50	SLH
Total Fees			\$7,615.50	
HST on Fees			\$990.16	
Total Fees & Taxes			\$8,605.66	

FEE SUMMARY:

Lawyer	Hours	Amount
JMS	1.40	735.00
SLH	15.10	6,880.50

Total Disbursements and Taxes as per attached schedule \$387.60

Total Fees, Disbursements & Taxes for this Invoice

\$8,993.26

Payment is due on receipt. Payment may be made by cheque payable to "Devry Smith Frank LLP" (quoting file and invoice numbers on the front of the cheque), or by VISA or MasterCard. To pay by credit card, please call 416.446.3301 to provide your credit card details, or click the "Make A Payment" link found at the bottom of www.devrylaw.ca. Please do not email your credit card information.

HST Number R-122663950

Total HST \$1,016.36

DEVRY SMITH FRANK LLP



Lawrence Hansen

E. & O. E. Interest will be charged on amounts outstanding more than 30 days at the rate of 12% per annum in accordance with the Solicitors Act.

DISBURSEMENTS

Particulars	Amount
Copies & Duplication	160.50
Faxes	4.00
Postage	20.10
PAYEE: Minister of Finance; REQUEST#: 132397; DATE: 7/18/2017. - File motion record	160.00

Invoice #: 175292

July 28, 2017

Envoy Courier to 1000-120 Adelaide Street W, Toronto Ref
333625

8.40

Envoy Courier to 3338 Dufferin Street Toronto Ref 333627

8.40

Total Disbursements:	\$361.40
HST on Disbursements	\$26.20
Total Disbursements & Taxes	\$387.60

An invoice for disbursements incurred prior to but not captured by this invoice, may follow.



DEVRY SMITH FRANK LLP
Lawyers & Mediators

95 Barber Greene Road
Suite 100
Toronto ON
Canada M3C 3E9
Tel 416-449-1400

msi Spergel Inc.
Trustee-in Bankruptcy
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8

August 30, 2017

File: MSISP011
Invoice: 176811

RE: Receivership of 2203284 Ontario Inc.

To our fee for professional services rendered on the dates set out below:

Jul 31, 2017	Review of draft agreement of purchase and sale; telephone call with Trevor Pringle and Deborah Hornbostel	1.10	605.00	OHC
Jul 31, 2017	Telephone conference call with clients re draft agreement (NO CHARGE)	0.80	0.00	SLH
Aug 1, 2017	Prepare updated version of Agreement of Purchase and Sale to be used in Tender Package	1.40	770.00	OHC
Aug 9, 2017	Further modifications to draft agreement of purchase and sale; send copy to Trevor Pringle with comments	1.10	605.00	OHC
Aug 9, 2017	Correspondence with client re withdrawal of proof of claim	0.30	148.50	SLH
Aug 10, 2017	Emails from Trevor Pringle, Deborah Hornbostel with comments on draft Agreement of Purchase and Sale; modifications to draft Agreement	0.30	165.00	OHC
Aug 21, 2017	Telephone call with Ruggiero re costs; correspondence with client	0.10	49.50	SLH
Aug 23, 2017	Telephone call with client (Trevor Pringle) re handling of deposits of purchasers	0.10	49.50	SLH
Aug 23, 2017	Telephone with client (Deborah Hornbostel) re negotiation of cheque from 221 Ontario	0.10	49.50	SLH
Aug 23, 2017	Prepare draft response letter	0.30	148.50	SLH
Aug 25, 2017	Telephone call with Zimmerman re costs and cheque which was provided to him by debtor	0.10	49.50	SLH
Aug 25, 2017	Telephone call with client re Zimmerman	0.20	99.00	SLH

Total Fees \$2,739.00

HST on Fees \$356.10

Total Fees & Taxes \$3,095.10

Invoice #: 176811

August 30, 2017

FEE SUMMARY:

Lawyer	Hours	Amount
OHC	3.90	2,145.00
SLH	5.20	594.00

Total Disbursements and Taxes as per attached schedule

\$536.64

Total Fees, Disbursements & Taxes for this invoice

\$3,631.74

Payment is due on receipt. Payment may be made by cheque payable to "Devry Smith Frank LLP" (quoting file and invoice numbers on the front of the cheque), or by VISA or MasterCard. To pay by credit card, please call 416.446.3301 to provide your credit card details, or click the "Make A Payment" link found at the bottom of www.devrylaw.ca. Please do not email your credit card information.

HST Number R-122563950

Total HST \$416.62

Prior Unpaid Account(s)

\$8,993.26

DEVRY SMITH FRANK LLP



Lawrence Hansen

E. & O. E. Interest will be charged on amounts outstanding more than 30 days at the rate of 12% per annum in accordance with the Solicitors Act.

Invoice #: 176811

August 30, 2017

DISBURSEMENTS

Particulars	Amount
Faxes	5.25
Postage	0.82
CITI-SERV invoice 15588 File: Motion Record and Affidavit of Service, July 18/17, Toronto Commercial List Court, Mileage, Rush Filing	166.10
CITI-SERV invoice 15600 Serve: Desjardins Financial Security c/o Avison Young Property Management Services Ontario Inc., At: Mississauga, ON, Mileage, Rush	180.25
Lawrence Hansen Lawrence Hansen: Mileage to downtown Toronto re hearing	16.68
Lawrence Hansen Lawrence Hansen: Parking re order to require production of documents	13.27
CITI-SERV invoice 15673 Issue and Enter Order, July 26/17, Toronto Court	60.00
Parcel Register, Other Lro Pin: 17171-0009 Receivership	8.45
Parcel Register, Other Lro, Additional Pages Pin: 17171-0009 Receivership	2.10
Parcel Register, Other Lro Pin: 17171-0009 Receivership	21.10
Parcel Register, Other Lro, Additional Pages Pin: 17171-0009 Receivership	2.10
Total Disbursements:	\$476.12
HST on Disbursements	\$60.52
Total Disbursements & Taxes	\$536.64

An invoice for disbursements incurred prior to but not captured by this invoice, may follow.



DEVRY SMITH FRANK LLP
Lawyers & Mediators

95 Barber Greene Road
Suite 100
Toronto ON
Canada M3C 3E9
Tel 416-449-1400

msi Spergel Inc.
Trustee-in Bankruptcy
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8

October 31, 2017

File: MSISP011
Invoice: 180338

RE: Receivership of 2203284 Ontario Inc.

To our fee for professional services rendered on the dates set out below:

Aug 28, 2017	Correspondence to Zimmerman re cheque replacement	0.10	49.50	SLH
Sep 5, 2017	Correspondence from and to client re Zimmerman	0.10	49.50	SLH
Sep 6, 2017	Correspondence to Zimmerman re amount to be returned	0.10	49.50	SLH
Sep 7, 2017	Correspondence from City re communication; correspondence with client re contact directly with City	0.10	49.50	SLH
Sep 19, 2017	Telephone discussion with Lawrence and Trevor to review offers received, discuss offer by CorFinancial, its letter and why it should be rejected	0.30	165.00	OHC
Sep 19, 2017	Draft text and report on it to client re CORFinancial	0.10	49.50	SLH
Sep 20, 2017	Telephone conference call with secured creditors re offer to purchase property	0.10	49.50	SLH
Sep 21, 2017	Review, provide comments on changes to offer made by Lifestyle Custom Homes	0.80	440.00	OHC
Sep 21, 2017	Telephone call to client re status	0.10	49.50	SLH
Sep 25, 2017	Correspondence from and to client	0.10	49.50	SLH
Sep 26, 2017	Consider Seth Zuk's comments on my comments; Telephone call with Seth Zuk to discuss outstanding issues; email to Trevor Pringle	0.70	385.00	OHC
Sep 28, 2017	Email from Seth Zuk with amended agreement; email to Trevor Pringle reporting, recommendations; telephone call with Seth Zuk; amendments agreement and email amended agreement to Seth Zuk; email to Trevor Pringle	0.70	385.00	OHC
Sep 28, 2017	Confirmation from agent and Seth Zuk that agreement of purchase and sale has now been signed, conditional date is November 12, 2017	0.20	110.00	OHC
Oct 11, 2017	Correspondence from and to prospective purchaser	0.20	99.00	SLH
Oct 13, 2017	Telephone call with client re communication from lawyer acting for unsecured creditors	0.10	49.50	SLH
Oct 16, 2017	Telephone call to unsecured creditor's lawyer re handling of sale process; report to client	0.10	49.50	SLH

Invoice #: 180338

October 31, 2017

Oct 17, 2017	Email from Seth Zuk with authorization for Government agencies to release information; review it and forward to Trevor for signature; receipt of signed authorization and forward it to Seth Zuk	0.30	165.00	OHC
Oct 17, 2017	Telephone call with client re dealing with deposits	0.10	49.50	SLH
Oct 20, 2017	Correspondence from and to client re order registered on title; discussions with OC and LS about this	0.30	148.50	SLH
Oct 23, 2017	prepare and register application to register court order;	0.60	360.00	LOS
Oct 23, 2017	Report to client about attempts to reach lawyer acting for CorFinancial	0.10	49.50	SLH
Oct 26, 2017	Discussion with OC re security etc	0.20	99.00	SLH
Oct 27, 2017	Telephone call to Atkinson re process for sale of property	0.20	99.00	SLH
Oct 27, 2017	Report to client about requisition letter and about discussions with CorFinancial lawyer	0.20	99.00	SLH
Oct 30, 2017	Review security held by Duca, including mortgage, GSA, assignment of rents; review search results, including PPSA, title search; play Minary notes on validity of security and instructions to conduct additional searches; memo and meeting with Stuart Clark regarding preparation of vetting letter	0.90	495.00	OHC
Oct 30, 2017	Review requisition letter; exchange of emails with Lawrence, Trevor and Deborah regarding construction lien registered by architect and recommendations on how to deal with it	0.30	165.00	OHC
Oct 30, 2017	Telephone call to receiver about handling	0.20	99.00	SLH

Total Fees

\$3,907.50

HST on Fees

\$508.04

Total Fees & Taxes

\$4,415.54

FEE SUMMARY:

Lawyer	Hours	Amount
LOS	0.60	360.00
OHC	4.20	2,310.00
SLH	2.50	1,237.50

Total Disbursements and Taxes as per attached schedule

\$174.46

Total Fees, Disbursements & Taxes for this Invoice

\$4,590.00

Payment is due on receipt. Payment may be made by cheque payable to "Devry Smith Frank LLP" (quoting file and invoice numbers on the front of the cheque), or by VISA or MasterCard. To pay by credit card, please call 416.446.3301 to provide your credit card details, or click the "Make A Payment" link found at the bottom of www.devrylaw.ca. Please do not email your credit card information.

HST Number R-122563950

Total HST \$519.60

Prior Unpaid Account(s)

\$12,625.00

Invoice #: 180338

October 31, 2017

DEVRY SMITH FRANK LLP

A handwritten signature in dark ink, appearing to read "Lawrence Hansen", written in a cursive style.

Lawrence Hansen

E. & O. E. Interest will be charged on amounts outstanding more than 30 days at the rate of 12% per annum in accordance with the Solicitors Act.

Invoice #: 180338

October 31, 2017

DISBURSEMENTS

Particulars	Amount
Copies & Duplication	52.25
Parcel Register, Other Lro Pin: 17171-0009 Receivership	21.10
Parcel Register, Other Lro, Additional Pages Pin: 17171-0009 Receivership	2.10
Image - Download Instrument We1231330 Receivership	3.00
Parcel Register, Other Lro Pin: 17171-0009 Receivership	8.45
Parcel Register, Other Lro, Additional Pages Pin: 17171-0009 Receivership	2.10
PAYEE: Teraview; REQUEST#: 139654; DATE: 10/20/2017. - Application to Register Court Order	63.35
PAYEE: Teraview; REQUEST#: 139654; DATE: 10/20/2017. - Application to Register Court Order	10.55
Total Disbursements:	<hr/> \$162.90
HST on Disbursements	\$11.56
Total Disbursements & Taxes	<hr/> \$174.46

An invoice for disbursements incurred prior to but not captured by this invoice, may follow.



DEVRY SMITH FRANK LLP
Lawyers & Mediators

95 Barber Greene Road
Suite 100
Toronto ON
Canada M3C 3E9
Tel 416-449-1400

msi Spergel Inc.
Trustee-in Bankruptcy
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8

November 30, 2017

File: MSISP011
Invoice: 182001

RE: Receivership of 2203284 Ontario Inc.

To our fee for professional services rendered on the dates set out below:

Oct 31, 2017	Drafting; Security Opinion for client, Bank Act and Bankruptcy Searches	3.60	936.00	SGC
Oct 31, 2017	Correspondence from client about listing of property for sale	0.10	49.50	SLH
Oct 31, 2017	Letter to Paul Mazza re status of receivership	0.10	49.50	SLH
Nov 2, 2017	Conduct searches - PPSA, Bank Act and bankruptcy	0.20	45.00	CLB
Nov 3, 2017	Response to email from CorFinancial about status of sale process	0.10	49.50	SLH
Nov 6, 2017	Letter to David Van Der Woerd demanding he discharge Construction Lien registered by Architect; report Deborah and Trevor	0.30	165.00	OHC
Nov 6, 2017	Correspondence from and to client about steps taken by CorFinancial	0.10	49.50	SLH
Nov 9, 2017	finalize review of security documents, search results, review, amend and finalize opinion on validity and enforceability of DUCA security	1.50	825.00	OHC
Nov 9, 2017	email and telephone call from Seth Zuk asking for extension of conditional period; email to Trevor Pringle and Deborah Hornbosel	0.20	110.00	OHC
Nov 10, 2017	Exchange of email with Trevor Pringle regarding extending conditions; review approve amending agreement, send to Trevor for signature; send to Seth Zuk	0.30	165.00	OHC
Nov 13, 2017	Receipt of amending agreement extending conditions	0.10	55.00	OHC
Nov 15, 2017	Receipt of Acknowledgment and Direction for Charge obtained by Minden Gross; finalize opinion on DUCA security and send to Trevor Pringle	0.40	220.00	OHC
Nov 17, 2017	Telephone call with Renata Kis at Ross & McBride regarding Architect's construction lien; email to Spergel reporting; telephone call with Trevor Pringle; email to Renata Kis	0.50	275.00	OHC
Nov 24, 2017	Email from and telephone attendance with Trevor Pringle about purchaser's expected request to have closing in February, reduce price to \$8.8M; prepare reply to requisitions, draft closing documents	1.80	990.00	OHC

Invoice #: 182001

November 30, 2017

Nov 27, 2017	Email from purchaser's lawyer with draft amending agreement, assigning agreement, changing price and changing deposit amount; telephone conference call with Trevor Pringle and representatives of other creditors; Conversation with Seth Zuk - he advises that his intent was that deposit would be reduced to \$440,000; further telephone conversation with Trevor; further telephone conversation with and exchange of email with Seth Zuk regarding timing of deposits, requirement that Lifestyle be released upon receipt of replacement deposit; further exchange of email with Trevor and Deborah	1.50	825.00	OHC
Nov 27, 2017	Review proposed amending agreement telephone conference call; discussions with OC	0.80	396.00	SLH
Nov 27, 2017	Telephone call with client	0.20	99.00	SLH
Nov 28, 2017	Emails from Seth Zuk suggesting extension of conditional period while we work on amendment, further email declaring transaction as at an end; telephone attendance with Seth Zuk to confirm Hue still wants to complete deal and discuss basis of amending agreement; call to Trevor Pringle to update him; further call with Seth Zuk to discuss timing and contents of amending agreement; email to Trevor reporting	0.60	330.00	OHC
Nov 28, 2017	Telephone call with client re status of negotiations with purchaser	0.10	49.50	SLH

Total Fees \$5,683.50

HST on Fees \$738.88

Total Fees & Taxes \$6,422.38

FEE SUMMARY:

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
CLB	0.20	45.00
OHC	7.20	3,960.00
SGC	4.80	936.00
SLH	1.70	742.50

Total Disbursements and Taxes as per attached schedule \$84.14

Total Fees, Disbursements & Taxes for this invoice
\$6,506.52

Payment is due on receipt. Payment may be made by cheque payable to "Devry Smith Frank LLP" (quoting file and invoice numbers on the front of the cheque), or by VISA or MasterCard. To pay by credit card, please call 416.446.3301 to provide your credit card details, or click the "Make A Payment" link found at the bottom of www.devrylaw.ca. Please do not email your credit card information.

HST Number R-122563950

Total HST \$748.57

Prior Unpaid Account(s)

\$17,215.00

DEVRY SMITH FRANK LLP

Invoice #: 182001

November 30, 2017

A handwritten signature in black ink, appearing to read "Lawrence Hansen", written in a cursive style.

Lawrence Hansen

E. & O. E. Interest will be charged on amounts outstanding more than 30 days at the rate of 12% per annum in accordance with the Solicitors Act.

Invoice #: 182001

November 30, 2017

DISBURSEMENTS

Particulars	Amount
Copies & Duplication	6.00
Postage	2.85
Image - Download Instrument We1048988 Receivership	3.00
Cyberbahn:Ppsa Search Verbal 2203284 Ontario Inc.	21.10
ESC Corporate Services Ltd.	41.50
VENDOR: ESC Corporate Services Ltd.; INVOICE#: H462239; DATE: 02/11/2017 - Pre Check/Canada; Bank Act, Ontario, Certified Search Notice of Intention; Government and General Disbursement	

Total Disbursements:	\$74.45
HST on Disbursements	\$9.69
Total Disbursements & Taxes	\$84.14

An invoice for disbursements incurred prior to but not captured by this invoice, may follow.



DEVRY SMITH FRANK LLP
Lawyers & Mediators

95 Barber Greene Road
Suite 100
Toronto ON
Canada M3C 3E9
Tel 416-449-1400

msi Spergel Inc.
Trustee-in Bankruptcy
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8

December 21, 2017

File: MSISP011
Invoice: 183574

RE: Receivership of 2203284 Ontario Inc.

To our fee for professional services rendered on the dates set out below:

Nov 24, 2017	Correspondence from client re modified offer; telephone conference about this	0.20	99.00	SLH
Nov 29, 2017	Email to Seth Zuk following up for amending agreement, email to Trevor reporting	0.10	55.00	OHC
Nov 30, 2017	Telephone call from Zuk - Lifestyles will not revive agreement, he does ha replacement from Hue yet, Lifestyles want its deposit back and we can contract with Hue directly	0.30	165.00	OHC
Dec 5, 2017	Review Hue Agreement for differences between it and agreement with Lifestyles; discussion with Lawrence; email to Trevor and Deborah pointing out differences, what is acceptable and what is not	0.80	440.00	OHC
Dec 5, 2017	Review terms of agreement; discussion with OC about it; report to client	0.90	445.50	SLH
Dec 5, 2017	Correspondence from client re who is acting for Hue; correspondence to Torkin Manes about retainer	0.10	49.50	SLH
Dec 5, 2017	Correspondence from and to client re	0.10	49.50	SLH
Dec 6, 2017	Telephone call with Matthew Zuk re retainer, agreement of purchase and sale, etc	0.20	99.00	SLH
Dec 6, 2017	Report and telephone conversation with client about discussions with Matthew Zuk	0.10	49.50	SLH
Dec 6, 2017	Correspondence with Hue's lawyer re status of retainer; report to client	0.10	49.50	SLH
Dec 8, 2017	Telephone call with purchaser's lawyer	0.20	99.00	SLH
Dec 8, 2017	Report to client about attempts to put deal to bed	0.30	148.50	SLH
Dec 8, 2017	Telephone call with client	0.10	49.50	SLH
Dec 12, 2017	Consider exchange of email between Lawrence and Matthew Zuk; email to Matthew Zuk with my comments on last mark-up of APS	0.60	330.00	OHC
Dec 12, 2017	Correspondence to Hue's lawyer to follow up on status; report to client about the foregoing	0.10	49.50	SLH

Invoice #: 183574

December 21, 2017

Dec 12, 2017	Telephone call with purchaser's lawyer	0.20	99.00	SLH
Dec 12, 2017	Report to client re agreement of purchase and sale; discussions with Orent about this	0.30	148.50	SLH
Dec 13, 2017	Correspondence to and from Hue's lawyer re status	0.10	49.50	SLH
Dec 13, 2017	Correspondence from purchasers' lawyer re status	0.10	49.50	SLH
Dec 13, 2017	Correspondence to client re status	0.10	49.50	SLH
Dec 14, 2017	Telephone call with client about issues raised by purchaser's lawyer; correspondence to client reporting to status; discussions with OC re status of firming up deal	0.40	198.00	SLH
Dec 15, 2017	Review Matthew Zuk's comments yesterday on my comment on previous counsel's requested changed to agreement, set up telephone call; phone call with Matthew Zuk - Hue advises deal is dead, he is surprised, but his client is concerned that they cannot build as many units as they thought, Lifestyle sold them on something different than what could be built; discussion with Lawrence	0.40	220.00	OHC
Dec 15, 2017	Telephone call with client about withdrawal of Hue offer; report to client about the foregoing	0.10	49.50	SLH
Dec 15, 2017	Telephone call with Hue's lawyer about withdrawal of offer; report to	0.10	49.50	SLH
Dec 15, 2017	Further telephone call with client re withdrawal of offer	0.10	49.50	SLH
Dec 15, 2017	Further report to clients about communication from Hue's lawyer about trying to put the deal back together again	0.10	49.50	SLH
Dec 18, 2017	Telephone call to Hue's lawyer re deal (voicemail); report to client about attempt to reach Hue's lawyer	0.10	49.50	SLH
Dec 18, 2017	Telephone call with client re status	0.10	49.50	SLH
Dec 18, 2017	Report to client about CorFinancial's attempt at contact.	0.10	49.50	SLH
Dec 19, 2017	Correspondence from Hue's lawyer; forward to client	0.10	49.50	SLH
Dec 19, 2017	Correspondence with CorFinancial's lawyer re contact with him	0.10	49.50	SLH
Dec 19, 2017	Correspondence from and to client re letter to purchasers, including review of draft letter	0.10	49.50	SLH
Dec 19, 2017	Telephone call with Hue's lawyer	0.20	99.00	SLH
Dec 19, 2017	Report to client about status	0.20	99.00	SLH
Dec 19, 2017	Further discussions with client re handling of matter	0.10	49.50	SLH

Total Fees

\$3,734.50

HST on Fees

\$485.60

Total Fees & Taxes

\$4,220.10

Invoice #: 183574

December 21, 2017

FEE SUMMARY:

Lawyer	Hours	Amount
OHC	2.20	1,210.00
SLH	5.10	2,524.50

Total Fees, Disbursements & Taxes for this invoice

\$4,228.10

Payment is due on receipt. Payment may be made by cheque payable to "Devry Smith Frank LLP" (quoting file and invoice numbers on the front of the cheque), or by VISA or MasterCard. To pay by credit card, please call 416.446.3301 to provide your credit card details, or click the "Make A Payment" link found at the bottom of www.devrylaw.ca. Please do not email your credit card information.

HST Number R-122583950

Total HST \$485.60

Prior Unpaid Account(s)

\$23,721.52

DEVRY SMITH FRANK LLP



Lawrence Hansen

E. & O. E. Interest will be charged on amounts outstanding more than 30 days at the rate of 12% per annum in accordance with the Solicitors Act.

Invoice #: 183574

December 21, 2017

DISBURSEMENTS

Particulars	Amount
--------------------	---------------

Receiver General For Canada	8.00
VENDOR: Receiver General For Canada; INVOICE#: BNK-304759; DATE: 07/12/2017 - Insolvency Searches November 2017	

Total Disbursements:	\$8.00
Total Disbursements & Taxes	\$8.00

An invoice for disbursements incurred prior to but not captured by this invoice, may follow.



DEVRY SMITH FRANK LLP

Lawyers & Mediators

95 Barber Greene Road
Suite 100
Toronto ON
Canada M3C 3E9
Tel 416-449-1400

msi Spergel Inc.
Trustee-in Bankruptcy
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8

February 26, 2018

File: MSISP011
Invoice: 186810

RE: Receivership of 2203284 Ontario Inc.

To our fee for professional services rendered on the dates set out below:

Nov 30, 2017	Telephone call with client re status of deal; discussions with OC re status of consummation of deal	0.40	198.00	SLH
Dec 20, 2017	Telephone call to Hue's lawyer; report to client about this	0.20	99.00	SLH
Dec 20, 2017	Telephone conference call about relisting property	0.20	99.00	SLH
Jan 8, 2018	Telephone call with Hue's lawyer about potential sale	0.10	49.50	SLH
Jan 8, 2018	Telephone call with receiver re handling of Hue	0.10	49.50	SLH
Jan 10, 2018	Telephone call with Hue's lawyer about potential sale	0.10	53.00	SLH
Jan 10, 2018	Telephone call to First General Ontario's lawyer; report to client about the foregoing	0.20	106.00	SLH
Jan 22, 2018	Conference call to review and discuss latest offer; memo to file; ,email, to to Trevor regarding need to review agreement for any small, undisclosed changes; call to Mat Zuk for blackline version of latest offer	0.50	280.00	OHC
Jan 23, 2018	Review and revise of APS; Correspondence to and from Client regarding same; Telephone call with OH Re: APS	0.70	371.00	SLH
Jan 29, 2018	Correspondence from Client regarding status of deal	0.20	106.00	SLH
Feb 2, 2018	Discussions with Client regarding status of deal	0.10	53.00	SLH
Feb 6, 2018	Review amended offer, suggest changes around vendor making application for absolute title; attendance on conference call with Trustee and other stakeholders	0.50	280.00	OHC
Feb 6, 2018	Quick review of new offer from Hue; report to client about it; telephone call with client about offer	0.20	106.00	SLH
Feb 6, 2018	Provide some wording on proposed agreement of purchase and sale	0.20	106.00	SLH
Feb 6, 2018	Telephone calls re Agreement of Purchase and Sale	0.20	106.00	SLH
Feb 8, 2018	Telephone call with client re consummation of sale (x2), telephone call with Hue's lawyer re sale (x2); report to client about the foregoing	0.20	106.00	SLH
Feb 9, 2018	Correspondence from and to client re offer	0.10	53.00	SLH

Invoice #: 186810

February 26, 2018

Feb 9, 2018	Correspondence from and to Hue's lawyer re status of APS	0.10	53.00	SLH
Feb 13, 2018	Correspondence with client re handling	0.10	53.00	SLH
Feb 14, 2018	Exchange of email and telephone call with Matthew Zuk about who will be bringing application for conversion to Land Titles Absolute; email to Trevor reporting	0.30	168.00	OHC
Feb 14, 2018	Review draft letter from receiver; correspondence to receiver about it	0.00	0.00	SLH
Feb 20, 2018	Correspondence from and to client re consummation of deal	0.10	53.00	SLH

Total Fees

\$2,548.00

HST on Fees

\$331.25

Total Fees & Taxes

\$2,879.25

FEE SUMMARY:

Lawyer	Hours	Amount
OHC	1.30	728.00
SLH	3.50	1,820.00

Total Disbursements and Taxes as per attached schedule

\$21.19

Total Fees, Disbursements & Taxes for this Invoice

\$2,900.44

Payment is due on receipt. Payment may be made by cheque payable to "Devry Smith Frank LLP" (quoting file and invoice numbers on the front of the cheque), or by VISA or MasterCard. To pay by credit card, please call 416.446.3301 to provide your credit card details, or click the "Make A Payment" link found at the bottom of www.devrylaw.ca. Please do not email your credit card information.


HST Number R-122563950

Total HST \$333.69

Prior Unpaid Account(s)

\$4,228.10

DEVRY SMITH FRANK LLP



Lawrence Hansen

E. & O. E. Interest will be charged on amounts outstanding more than 30 days at the rate of 12% per annum in accordance with the Solicitors Act.

Invoice #: 186810

February 26, 2018

DISBURSEMENTS

Particulars	Amount
Copies & Duplication	18.75
Total Disbursements:	\$18.75
HST on Disbursements	\$2.44
Total Disbursements & Taxes	\$21.19

An invoice for disbursements incurred prior to but not captured by this invoice, may follow.



DEVRY SMITH FRANK LLP
Lawyers & Mediators

95 Barber Greene Road
Suite 100
Toronto ON
Canada M3C 3E9
Tel 416-449-1400

msi Spergel Inc.
Trustee-in Bankruptcy
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8

April 30, 2018

File: MSISP011
Invoice: 190116

RE: Receivership of 2203284 Ontario Inc.

To our fee for professional services rendered on the dates set out below:

Feb 26, 2018	Correspondence from and to receiver re letter to go to condo-unit purchasers, correspondence to lawyer acting for purchaser about letter to condo-unit purchasers	0.10	53.00	SLH
Feb 27, 2018	Correspondence from Hue's lawyer re review of letter; report to client about this	0.10	53.00	SLH
Mar 1, 2018	Correspondence to and from Client regarding Purchaser's Letter; Report to Client regarding the foregoing	0.10	53.00	SLH
Mar 7, 2018	Correspondence from Hue's Lawyer; Report to client regarding same	0.10	53.00	SLH
Mar 26, 2018	Correspondence from and to client about status of conversion of property to LT (A)	0.10	53.00	SLH
Mar 27, 2018	Report to client about attempts to contact Hue's lawyer	0.10	53.00	SLH
Apr 3, 2018	Correspondence to Hue's lawyer about where matters stand	0.10	53.00	SLH
Apr 4, 2018	Correspondence from Hue's lawyer re conversion; report to client; attempt at call to Hue's lawyer	0.10	53.00	SLH
Apr 8, 2018	Exchange of email with Deborah about Architect's construction lien; exchange of email with Kis about lien; consider Zuk's reply about not being able to reach his client, need for us to start Land Titles conversion process; email to Deborah about need for survey; email from Renata Kis	0.40	224.00	OHC
Apr 9, 2018	Correspondence from and to client about	0.20	106.00	SLH
Apr 9, 2018	Further correspondence with	0.20	106.00	SLH
Apr 10, 2018	Report to client re motion for vesting order	0.10	53.00	SLH
Apr 11, 2018	Call with Matthew Zuk about Land Titles application	0.20	112.00	OHC
Apr 12, 2018	Report to client about 9:30 appointment	0.10	53.00	SLH
Apr 16, 2018	Contact title searcher to obtain 40-year search required, surveyor to obtain draft reference plan required for Application for Absolute Title	0.60	336.00	OHC
Apr 16, 2018	Review draft report and provide comments on it; discussion with	0.40	212.00	SLH

Invoice #: 190116

April 30, 2018

	SM re handling; correspondence from and to client re hearing for a vesting order		
Apr 16, 2018	To review draft report; to comments to trustee	1.20	378.00 SMO
Apr 17, 2018	Attend 9:30 appointment to obtain date for hearing of vesting order motion, including discussions with receiver and other parties	1.20	636.00 SLH
Apr 17, 2018	Telephone call and email exchanges with receiver about Diversified Capital and other secured creditors	0.30	159.00 SLH
Apr 18, 2018	Exchange of email with surveyor, providing them with authorization to proceed with draft reference plan; telephone conversation with survey air-he advises that the Lyle from Lifestyles has also asked him to work on Condo; Email to lawyer for Diversified to get copy of Facility Letter and any other security they may have other than registered mortgage	0.40	224.00 OHC
Apr 18, 2018	Telephone call with receiver re claims process	0.10	53.00 SLH
Apr 19, 2018	To draft notice of motion; to email comments to LH	2.00	630.00 SMO
Apr 20, 2018	Letter to Santaguida's lawyer re information, etc	0.10	53.00 SLH
Apr 25, 2018	Report to client about report, etc	0.10	53.00 SLH
Apr 26, 2018	Correspondence to client re Mimico material	0.10	53.00 SLH
Apr 27, 2018	Email from Dominique Michaud with Diversified security documents and Commitment Letter, explanation of how it arrived holding that security; emails to Dominique Michaud asking for additional/missing documents	1.10	616.00 OHC

Total Fees \$4,481.00

HST on Fees \$582.53

Total Fees & Taxes \$5,063.53

FEE SUMMARY:

Lawyer	Hours	Amount
OHC	2.70	1,512.00
SLH	3.70	1,961.00
SMO	3.20	1,008.00

Total Disbursements and Taxes as per attached schedule \$69.06

Total Fees, Disbursements & Taxes for this Invoice

\$5,132.59

Payment is due on receipt. Payment may be made by cheque payable to "Devry Smith Frank LLP" (quoting file and invoice numbers on the front of the cheque), or by VISA or MasterCard. To pay by credit card, please call 416.446.3301 to provide your credit card details, or click the "Make A Payment" link found at the bottom of www.devrylaw.ca. Please do not email your credit card information.

HST Number R-122563950

Total HST \$590.48

Prior Unpaid Account(s)

\$7,128.54

Invoice #: 190116

April 30, 2018

DEVRY SMITH FRANK LLP

A handwritten signature in cursive script, appearing to read "L. Hansen", is positioned above a horizontal line.

Lawrence Hansen

E. & O. E. Interest will be charged on amounts outstanding more than 30 days at the rate of 12% per annum in accordance with the Solicitors Act.

Invoice #: 190116

April 30, 2018

DISBURSEMENTS

Particulars	Amount
Copies & Duplication	16.75
Lawrence Hansen	14.12
Lawrence Hansen: Mileage to downtown Toronto re set motion date	
Lawrence Hansen	21.24
Lawrence Hansen: Parking re set motion date	
Image - Download Instrument We1141288	3.00
Image - Download Instrument We1231330	3.00
Image - Download Instrument We1242330	3.00
Total Disbursements:	\$61.11
HST on Disbursements	\$7.95
Total Disbursements & Taxes	\$69.06

An Invoice for disbursements incurred prior to but not captured by this invoice, may follow.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.
Applicant

and

2203284 ONTARIO LTD.
Respondent

Court File No.: CV-17-11827-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceeding commenced at

TORONTO

AFFIDAVIT

DEVRY SMITH FRANK LLP
Lawyers & Mediators
95 Barber Greene Road, Suite 100
Toronto, ON M3C 3E9

LAWRENCE HANSEN
LSUC #41098W

Tel.: 416-449-1400
Fax: 416-449-7071

Lawyers for the receiver
msi Spergel Inc.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.
Applicant

and

2203284 ONTARIO LTD.
Respondent

Court File No.: CV-17-11827-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceeding commenced at

TORONTO

MOTION RECORD
(returnable May 16, 2018)

DEVRY SMITH FRANK *LLP*
Lawyers & Mediators
95 Barber Greene Road, Suite 100
Toronto, ON M3C 3E9

LAWRENCE HANSEN
LSUC No. 41098W

SARA MOSADEQ
LSUC No. 67864K

Tel.: 416-449-1400
Fax: 416-449-7071

Lawyers for the receiver msi Spergel Inc.