Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondents

MOTION RECORD OF THE RECEIVER

(Returnable: August 17,2026)

July 24, 2026

HARRISON PENSA LLP
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

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Email: thogan@harrisonpensa.com

Lawyers for the Receiver,
msi Spergel inc.

TO SERVICE LIST

SERVICE LIST

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AND
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AND
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AND
TO: **HIS MAJESTY THE KING IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTRY OF FINANCE**
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Mississauga, ON

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Email: waskhan05@gmail.com

Purchaser

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Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondents

IN THE MATTER OF AN APPLICATION PURSAUNT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3. AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, RSO 1990, c C43, AS AMENDED

NOTICE OF MOTION

msi Spergel inc. ("**Spergel**") in its capacity as Court-appointed receiver (in such capacity, the "**Receiver**") of 10503452 Canada Inc. (the "**Debtor**"), will make a Motion to a Judge.

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

☐In writing under subrule 37.12.1 (1) because it is;

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

☐In person;

☐By telephone conference;

☒By video conference.

On Monday, August 17, 2026, at 12:15PM or as soon after that time as the Motion can be heard at Toronto, Ontario.

THE MOTION IS FOR:

1. An Approval and Vesting Order, substantially in the form attached hereto at Schedule “A”, *inter alia*:

    a. approving the sale transaction contemplated by the Agreement of Purchase and Sale dated October 7, 2025, entered between 1001334444 Ontario Inc. (the “**Purchaser**”) and the Receiver, as Vendor, as amended on November 19, 2025, and on April 23, 2026 (collectively, the “**Sale Agreement**”) with respect to the Real Property (as defined below), and authorizing the Receiver to complete the transaction thereby (the “**Transaction**”); and,

    b. vesting in the Purchaser all of the Debtor’s rights, title and interest in and to the Real Property, free and clear of any claims and encumbrances, including the Trust Notice (as defined in the First Report), save and except for “Permitted Encumbrances” as defined at Schedule “D” to the APS.

2. An Ancillary Order, substantially in the form attached hereto at Schedule “B”, *inter alia*:

    a. Abridging the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable on August 17, 2026;

    b. Approving the First Report of the Receiver dated July 22, 2026 (the “**First Report**”), and the activities and conduct of the Receiver set out therein provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the First Report;

    c. Sealing the Confidential Appendices (as defined herein) to the First Report until the earlier of the completion of the Transaction or until further Order of this Court;

    d. Approving the Receiver’s Interim Statement of Receipts and Disbursements as detailed in the First Report; and,

    e. Approving the fees and disbursements of the Receiver, and the fees and disbursements of its counsel, and authorizing payment of same;

    f. Approving the Proposed Distributions (as defined in the First Report);

3. The costs of this motion on a substantial indemnity basis, if opposed; and,

4. Such further and other relief as counsel may request and this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

The Appointment of the Receiver

1. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice dated May 14, 2024 (the "**Appointment Order**"), on application by Duca Financial Services Credit Union Ltd. ("**Duca**"), Spergel was appointed as the Receiver, without security, of assets, undertakings and properties of the Debtor.

2. The Property (as defined in the Appointment Order) includes the real property municipally known as 740-748 Sheppard Avenue West, Toronto, legally described as:

    PART OF LOT 6 PLAN 3062 DESIGNATED AS PARTS 1 AND 2 ON PLAN 66R-26936; CITY OF TORONTO (10171-0602 (LT))
    (the "**Real Property**").

The Receiver's Activities

3. The Receiver's activities since its appointment have concentrated on, among other things:

    a. Securing possession of the Real Property, arranging for insurance coverage of same, regularly attending at and otherwise dealing with necessary maintenance and repairs to the Real Property, as applicable, and communicating with the City of Toronto in respect of outstanding property taxes;

    b. Monitoring, approving and arranging payment for the ongoing operating expenses, and continued various insurance policies in the name of the Receiver; and,

    c. Entered into a listing agreement with Colliers for the Real Property and managed the Sales Process (as defined in the First Report).

4. The Receiver requests that this Honourable Court approve its actions, as outlined in the First Report.

The Sale Process and Sale Agreement

5. Paragraph 3 (j) of the Appointment Order authorizes the Receiver to market any or all the Property of the Debtor, including advertising and soliciting offers in respect of the Property of the Debtor, and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.

6. Paragraph 3 (k) of the Appointment Order authorizes the Receiver to sell the Property of the Debtor, subject to Court approval, having regard to the monetary limits set out therein.

7. Paragraph 3 (l) of the Appointment Order authorizes the Receiver to apply for a 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.

8. The Receiver recommends the completion of the Transaction which resulted from the completed Sales Process, which the Receiver submits was conducted in accordance with the *Soundair* principles. The Receiver requests that this Honourable Court approve the Transaction.

Trust Notice

9. On title to the Real Property, subsequent in time to the Duca Charge (as defined in the First Report), is a Notice of trust agreement entered into between the Debtor and Orkhan Karimov ("**Karimov**"), which purports the grant Karimov a 50% beneficial interest in the Real Property (the "**Trust Notice**").

10. It is the Receiver position that the Trust Notice is prohibited by section 62(1) of the *Land Titles Act*, and is a "Claim", within the meaning of the draft Approval and Vesting Order attached at Schedule "A" hereto (the "**AVO**"), that is properly vested out under the AVO. The Receiver requests this Honourable Court's declaration to this effect.

Sealing Order

11. Until such time as the Transaction is completed, or until further order of this Court, the Receiver is of the view that the information and documentation contained in the Confidential Appendices should be sealed in order to avoid the negative impact that the dissemination of the confidential information contained therein would have.

12. The disclosure of the information contained in the Confidential Appendices could potentially impair the value maximizing purpose of the sales process as conducted by the Receiver, and the sealing order sought in relation to the Confidential Appendices (i) aligns with the purpose of the sales process and the interest promoted therein; (ii) is fair and reasonable in the circumstances; and (iii) will achieve the desired benefit without unduly impairing the openness of the Court's process.

Professional Fees

13. The Appointment Order requires the Receiver and its legal counsel to pass its accounts from time to time. The Receiver and its counsel have each properly incurred fees and disbursements as detailed in the First Report, which the Receiver requests that this Honourable Court approve and authorize to be paid.

Proposed Distribution

14. The Receiver proposes the following distributions from the proceeds of the Transaction (the "**Proposed Distribution**"):

    a. payment of the Professional Fees (as defined in the First Report);

    b. the Property Tax Arrears Distribution (as defined in the First Report); and,

    c. the Interim Duca Distribution (as defined in the First Report).

15. The Receiver anticipates a surplus in the estate after the above distributions. The Receiver proposes to retain the surplus proceeds to fund its further activities, as the Receiver contemplates further motions for directions with respect to future distributions and the Receiver's discharge.

16. Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;

17. Sections 100 and 137(2) of the *Courts of Justice Act*, R.S.O. 1990, c. C.43;

18. Sections 62(1) and 93(3) of the *Land Titles Act*, R.S.O. 1990, c. L.5;

19. Rules 1.04, 2, 3 and 37, of the R.R.O. 1990, Reg. 194: *Rules of Civil Procedure*; and,

20. Such 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 Appointment Order;

2. The First Report of the Receiver dated July 22, 2026; and,

3. Such materials as counsel may advise and this Honourable Court may permit.

July 24, 2026

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msi Spergel inc.

DUCA FINANCIAL SERVICES CREDIT UNION LTD. v. 10503452 CANADA INC. and ASIF KARIMOV

Applicant Respondents

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

NOTICE OF MOTION

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msi Spergel inc.

Schedule "A"

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERICAL LIST)

THE HONOURABLE	)	MONDAY, THE 17th
	)	
JUSTICE	)	DAY OF AUGUST, 2026

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel Inc., solely in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of 10503452 Canada Inc. and Asif Karimov (together, the "Debtors") for an order approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement (the "Sale Agreement") between the Receiver and 1001334444 Ontario Inc. (the "Purchaser") dated October 7, 2025, as amended, and vesting in the Purchaser all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report of the Receiver and Appendices thereto and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Sydney Inghelbrecht sworn, July 24, 2026, filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved,

with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtors’ right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Conway dated May 14, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Toronto (No. 66) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the “Real Property”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

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

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

6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtors' past and current employees, including personal information of those Assumed Employees, if any, as defined in the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.

7. THIS COURT ORDERS that, notwithstanding:

   a. the pendency of these proceedings;

   b. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and

   c. any assignment in bankruptcy made in respect of the Debtors;

8. THIS COURT ORDERS that the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it

constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

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

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Justice, Ontario Superior Court of Justice - Commercial List

Schedule A – Form of Receiver's Certificate

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERICAL LIST)

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

\- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "Court") dated May 14, 2024, msi Spergel Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of 10503452 Canada Inc. and Asif Karimov (together, the "Debtors").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of October 7, 2025 (the "Sale Agreement") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of 10503452 Canada Inc. and Asif Karimov, and 1001334444 Ontario Inc. (the "Purchaser"), and provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at ________ [TIME] on _______ [DATE].

msi Spergel Inc., solely in its capacity as Receiver of the undertaking, property and assets of 10503452 Canada Inc. and Asif Karimov and not in its personal capacity

Per: ________________________________

Name:
Title:

Schedule B – Purchased Assets

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

PART OF LOT 6 PLAN 3062 DESIGNATED AS PARTS 1 AND 2 ON PLAN 66R-26936; CITY OF TORONTO (PIN 10171-0602 (LT))

Known municipally as 740-748 Sheppard Avenue West, Toronto, Ontario

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

1. AT5664920, being a charge in favour of DUCA Financial Services Credit Union Ltd. registered March 1, 2021;
2. AT5664963, being a notice of assignment of rents in favour of DUCA Financial Services Credit Union Ltd. registered March 1, 2021;
3. AT6441978, being a notice in favour of Orkhan Karimov registered October 17, 2023;
4. AT6514558, being a construction lien in favour of Tregebov Cogan Architecture Ltd. registered February 15, 2024;
5. AT6520108, being a certificate in favour of Tregebov Cogan Architecture Ltd. registered February 27, 2024.

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

(unaffected by the Vesting Order)

1. NY647545, being an agreement registered September 21, 1973;
2. TR57844, being a notice in favour of Her Majesty The Queen in Right of the Department of Transport Canada registered March 27, 2000;
3. AT3039729, being an application to amend legal description registered June 7, 2012;
4. AT3175336, being an application to consolidate registered November 15, 2012;
5. 66R26936, being a reference plan registered July 23, 2013;
6. AT3357602, being an application for absolute title registered July 23, 2013

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DUCA FINANCIAL SERVICES CREDIT UNION LTD. v. 10503452 CANADA INC. and ASIF KARIMOV

Applicant Respondents

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ONTARIO
SUPERIOR COURT OF JUSTICE
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PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

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Lawyers for the Receiver,
msi Spergel Inc.

Schedule “B”

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE JUSTICE	)))	MONDAY, THE 17th DAY OF AUGUST, 2026

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondents

ORDER

THIS MOTION, made by msi Spergel Inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of all the assets, undertakings and properties of 10503452 Canada Inc. (the "**Debtor**"), for an order approving the Receiver's First Report to the Court dated July 22, 2026, including the Confidential Appendices (the "**First Report**"), and the activities and conduct of the Receiver as detailed therein; approving the fees and disbursements of the Receiver, and the Receiver's counsel, Harrison Pensa LLP (all as detailed in the First Report) (the "**Professional Fees**"), and payment of same, be approved, and for other associated relief was heard this day by judicial teleconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion dated July 24, 2026, the First Report, and on hearing the submissions of counsel for the Receiver and all other counsel for such other parties present, all properly served, as it appears from the Affidavit of Service of Sydney Inghelbrecht sworn July 24, 2026, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service, filing and confirmation of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service and confirmation hereof.

CAPITALIZED TERMS

2. **THIS COURT ORDERS** that capitalized terms not defined herein, shall have the meanings ascribed thereto in the First Report.

REPORT AND ACTIVITIES OF THE RECEIVER

3. **THIS COURT ORDERS** that the First Report and the activities and conduct of the Receiver, as set out in the First Report, be and are hereby approved; provided, however, that only the Receiver, in its personal capacity only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements as outlined in the First Report be and is hereby approved.

PROFESSIONAL FEES

5. **THIS COURT ORDERS** that the Professional Fees and payment of same, be and are approved.

SEALING

6. **THIS COURT ORDERS** that the Confidential Appendices to the First Report be and are hereby sealed, pending the completion of the Transaction, or further Order of the Court.

GENERAL

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

8. **THIS COURT ORDERS** that this Order and all of its provisions are effective from the date of this Order and is enforceable without any need for entry or filing.

____

Justice , Ontario Superior Court of Justice

DUCA FINANCIAL SERVICES CREDIT UNION LTD. v. 10503452 CANADA INC. and ASIF KARIMOV

Applicant Respondents

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

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NOTICE OF MOTION

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Lawyers for the Receiver,
msi Spergel inc.

Tab 2

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondent

FIRST REPORT OF MSI SPERGEL INC. IN ITS CAPACITY AS THE RECEIVER OF 10503452 CANADA INC. and ASIF KARIMOV

July 22, 2026

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I. APPOINTMENT AND BACKGROUND

1. This first report ("**First Report**") is filed by msi Spergel inc. ("**Spergel**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") over the real property located at 740-748 Sheppard Avenue West, Toronto, ON (the "**Real Property**") which 10503452 Canada Inc. ("**1050**") is the registered owner.

2. 1050 is a federal corporation with its registered head office located at 477 Wilson Heights Blvd, Toronto, ON.

3. Asif Karimov ("**Asif"**) and Orkhan Karimov ("**Orkhan**") are the directors of 1050.

4. 1050 is the registered owner of Real Property.

5. The Real Property is vacant land with no physical improvements being made to the land.

6. On application made by Duca Financial Services Credit Union Ltd. ("**DUCA")** pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act* (the "**BIA**") and section 101 of the *Courts Justice Act* (the "**CJA**"), Spergel was appointed as the Receiver over the property located at 740-748 Sheppard Avenue West, Toronto, ON ("**Real Property**") by the Order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (the "**Court**") on May 14, 2024 but did not take effect until May 17, 2024 at 3pm ("**Receivership Order**"). A copy of the Receivership Order and Endorsement of the Honourable Madam Justice Conway are attached to this First Report as **Appendices "1" and "2"**.

7. The Receiver retained Harrison Pensa LLP (the "**Receiver's Counsel**") as its independent legal counsel.

II. PURPOSE OF THIS FIRST REPORT AND DISCLAIMER

8. The purpose of this First Report is to report to the Court regarding the Receiver's activities and conduct since the Receiver's appointment on May 17, 2024, and to seek Orders from this Court:

i. approving this First Report of the Receiver dated July 22, 2026, and the appendices thereto (the "**First Report**") and the activities of the Receiver described therein;

ii. approving the Receiver's Interim Statement of Receipts and Disbursements as of July 17, 2026;

iii. approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale dated October 16, 2025 (the "**Sale Agreement**" or "**1001 APS**") between 1001334444 Ontario Inc. (the "**Purchaser**" or "**1001**") and the Receiver for the purchase and sale of 740-748 Sheppard Avenue West, Toronto, ON, and as amended on November 19, 2025 and April 23, 2026, and attached as **Confidential Appendices "1" and "2"** to the First Report and authorizing the Receiver to do all things and execute all documentation necessary to complete the Transaction;

iv. vesting the right, title, and interest of 1050 in the Purchased Property in and to the Purchaser, free and clear of encumbrances, including the Trust Notice (as defined herein), except as permitted by the 1001 APS;

v. sealing the Confidential Appendices 1 through 6 to this First Report until the earlier of the completion of the Transaction or further Order of this Honourable Court;

vi. authorizing and directing the Receiver to make a distribution to Duca Financial Services Credit Union Ltd. ("**DUCA**"), or such other party, as directed by DUCA, in the amount of $50,000.00, plus interest, upon closing of the Transaction, to repay the Borrowings (as defined herein) (the "**Interim Duca Distribution**");

vii. authorizing and directing the Receiver to make a distribution to the City of Toronto in the amount of $130,744.65, plus any other amounts accrued at the closing of the Transaction, for the outstanding realty taxes (the "**Property Tax Arrears Distribution**");

viii. an Order approving the Receiver's fees for the period of up to and including June 30, 2026, in the amount of $69,373.15**,** all of the foregoing being inclusive of HST and disbursements, as well as authorizing the Receiver to make payment of such amounts from the sale proceeds;

ix. an Order approving the legal fees of the Receiver's Counsel for the period up to and including July 17, 2026, in the amount of $37,664.65**,** all of the foregoing being inclusive of HST, as well as authorizing the Receiver to make payment of such amounts to Harrison Pensa LLP from the sale proceeds; and,

(8 (vi) to (ix) collectively, the "**Proposed Distribution**")

x. such further and other relief as counsel may advise and this Court may permit.

9. The Receiver will not assume responsibility or liability for losses incurred by the reader due to the circulation, publication, reproduction, or use of this First Report for any other purpose.

10. In preparing this First Report, the Receiver has relied upon certain information provided to it by the Debtors and or its principals. The Receiver has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises or International Financial Reporting Standards. Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information.

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

ACTIONS OF THE RECEIVER

12. Immediately upon its appointment, the Receiver directly or through the Receiver's Counsel attended to the following:

    i. secured possession of the premises, arranged for insurance coverage, and dealt with all necessary maintenance and repairs where applicable;

    ii. opened a dedicated trust account for the receivership entity and dealt with existing bank accounts;

    iii. arranged for the registration of the Receiver's interest on the title to Real Property, where applicable;

    iv. regularly attending at the premises to conduct inspections and deal with any maintenance issues;

    v. monitoring, approving, and arranging payment for the ongoing operating expenses;

    vi. arranged for the continuation of various insurance policies in the name of the Receiver;

    vii. communications with the City of Toronto with respect to the outstanding property taxes;

    viii. entered into a listing agreement with Colliers for Real Property;

    ix. assisted Colliers with the compilation of information for the data room for the sale process;

    x. managed the sale process in conjunction with Colliers as detailed in this First Report;

    xi. communicated with the various stakeholders including unsecured creditors throughout the receivership;

    xii. notified the office of the Superintendent of Bankruptcy of its appointment as Receiver;

xiii. prepared and filed all documents mandated by the *Bankruptcy and Insolvency Act.*; and

xiv. communicated with the Canada Revenue Agency ("**CRA**") with respect to setting up the Receiver's Harmonized Sales Tax account.

IV. SALES PROCESS AND THE TRANSACTION

13. Pursuant to the terms of the Receivership Order, the Receiver was empowered and authorized to, among other things, market any or all of the Debtors' assets, including advertising and soliciting offers in respect of the assets and negotiating such terms and conditions of sale as the Receiver, in its discretion, deemed appropriate.

14. The Receiver engaged the services of Antec Appraisal Group ("**Antec**") and Colliers International Realty Advisors Inc. ("**Colliers**") to attend and conduct full narrative appraisals of the Real Property. The Receiver obtained appraisals in relation to the Real Property from Antec on June 13, 2024, and from Colliers on June 12, 2024. Copies of the appraisal reports are attached to this First Report as **Confidential Appendices "3" and "4"**.

15. The Receiver requested sales and marketing proposals from two GTA commercial real estate brokers, Cushman & Wakefield ("**Cushman**"), and Colliers International ("**Colliers**"). The Receiver chose Collier's proposal as their commission structure was lower, their valuation was in line with the appraisals received, and they were familiar with the market area. A copy of the sales and marketing proposal of Colliers with valuations redacted is attached to this First Report as **Appendix "3"**. The unredacted copy of the sales and marketing proposals is attached to this First Report as **Confidential Appendix "5"**.

16. The Receiver entered into an MLS Listing Agreement with Collier's dated June 18, 2024, at a list price of $1.00 (the "**Listing Agreement**"). A copy of the Listing Agreement is attached to this First Report as **Appendix "4"**.

17. Collier's marketing for the Real Property consisted of the following:

    i. Targeted email campaigns to Colliers' proprietary developer and land investor database (approx. 3,000 contacts).

    ii. Dedicated listing webpage continuously maintained during both formal and soft marketing periods.

    iii. MLS exposure during each active listing phase to ensure maximum visibility.

    iv. Large signage erected on the Property throughout the marketing period.

    v. Direct outreach to known multifamily and redevelopment groups with active mandates in mid-rise and infill markets.

    vi. Continuous buyer follow-up and relationship management during soft periods to maintain engagement and awareness.

    vii. A total of 46 Confidentiality Agreements were executed throughout the sales process.

    (collectively, the "**Sales Process**")

18. The Sales Process was designed to ensure that the marketing process was fair and reasonable, and that prospective interested parties had the ability to make an offer to purchase the Real Property.

19. Colliers widely marketed the Real Property to garner maximum interest, with twenty-four confidential agreements by interested parties signed prior to the bid deadline. The Receiver in consultation with Colliers set an initial bid deadline for September 18, 2024. At that time, the Receiver received multiple offers, however the offers were not acceptable.

20. On September 26, 2024, the Receiver through Colliers had the property re-listed with a list price of $5,950,000. A copy of the amended listing agreement is attached to this First Report as **Appendix "5".** The original listing agreement with Colliers was set to expire on December 19, 2024, but was extended further to February 19, 2025, attached to this First Report as **Appendix "6"** is a copy of the listing extension dated December 20, 2024. During this time, no acceptable offers were received.

21. On September 23, 2025, the Receiver entered into a new listing agreement with Colliers. Attached to this First Report as **Appendix "7"** is a copy of the new listing agreement.

22. On October 2, 2025, the Receiver received an offer from 1001 and the Receiver subsequentially expended efforts to negotiate with 1001, with negotiations resulting in the Receiver accepting 1001's firm offer on October 16, 2025 (the "**Offer**") which was amended at the request of 1001 as follows:

    i. on November 19, 2025, increasing the deposit held and extending closing to May 18, 2026;

    ii. On April 23, 2026, extending the closing date to August 31, 2026.

    Attached to this First Report as **Appendices "8" and "9"** is a copy of the redacted 1001 APS and the two amendments to the 1001 APS.

23. Over the course of the Sales Process, 46 Non-Disclosure Agreements were executed, and a total of six offers were received. Attached to this First Report as **Appendix "10"** is a copy of Collier's redacted sale process summary. Attached to this First Report as **Confidential Appendix "6"** is a copy of the unredacted sales process summary.

24. The Receiver is of the view that the Sales Process was conducted in a commercially reasonable manner and that the market was extensively canvassed pursuant to Collier's marketing efforts, as detailed above. Further, the Receiver is of the opinion that the efforts of Collier's through the listing on MLS and their

internal and external network have provided sufficient exposure of the Real Property to the market.

25. It is the opinion of the Receiver that the terms and conditions contained in the 1001 APS are commercially reasonable in all respects and that the purchase price in the 1001 APS is within market value of the Real Property and is the best outcome in the circumstances. The Real Property is being sold on an "as is, where is" basis.

26. The benefits of proceeding with the 1001 APS include:

    i. the Transaction has the highest deal certainty with closing subject only to the granting of an Approval and Vesting Order;

    ii. the Purchaser has conducted significant due diligence;

    iii. the complete of the Transaction will allow the Receiver to look to complete the administration of the estate in a timely and cost-effective manner.

27. The Receiver has consulted with DUCA, the first mortgagee, in respect to the 1001 APS and DUCA supports the completion of the Transaction.

28. Therefore, the Receiver recommends that the Court approve the 1001 APS. If the Transaction is approved, it will close in accordance with the terms of the 1001 APS.

29. Accordingly, the Receiver is seeking, among other things, an Approval and Vesting Order in respect of the Transaction contemplated by the 1001 APS.

30. The Receiver has made several attempts through Colliers to contact 1001 with respect to the closing of the Transaction and the name of 1001's counsel. To date 1001 has been none responsive to Colliers.

31. Attached to this First Report as **Appendices "11" and "12",** respectively, are copies of the Parcel Register for the Real Property dated June 18, 2026, and a report of registrations against 1050 under the Personal Property Security Act ("**PPSA**") current to June 17, 2026.

32. Duca is the only creditor with a registration under the PPSA as against 1050 in relation to the Real Property.

33. The registered encumbrances as against the Real Property are summarized as follows, and include a first in time registered Charge in favor if Duca as against the Real Property in the principal sum of $4,670,000 (the "**Duca Charge**"):

2019/11/01	Transfer	$6,040,000	Royal Lane Sheppard North Ltd.	10503452 Canada Inc.
2021/03/01	**Charge**	**$4,670,000**	**10503452 Canada Inc.**	**DUCA Financial Services Credit Union Ltd.**
2021/03/01	**No Assgn Rent Gen**		**10503452 Canada Inc.**	**DUCA Financial Services Credit Union Ltd.**
2023/10/17	Notice	$2	Karimov, Orkhan	
2024/02/15	Construction Lien	$67,869	Tregebov Cogan Architecture Ltd.	
2024/02/27	Certificate		Tregebov Cogan Architecture Ltd.	
2024/05/28	APL Court Order		Ontario Superior Court of Justice (Commercial List)	msi Spergel inc.

34. The Receiver is in correspondence with counsel to the lien claimant, Tregebov Cogan Architecture Ltd., and with counsel to Karimov (as further defined and described below).

35. The Receiver's Counsel has provided its opinion that the security comprised of the first mortgage held by DUCA is valid and enforceable in accordance with its terms.

Attached to this First Report as **Appendix** "**13**" is a copy of Harrison Pensa LLP's opinion to the Receiver dated June 18, 2026.

36. The Receiver has concluded that the first mortgage held by DUCA is a senior charge over the Real Property, subject to the claims under the Receivership Order

37. 1050 has executed a Confidentiality Undertaking dated November 7, 2025. On November 20, 2025. The Receiver did provide the Respondent with a copy of the 1001 APS, and the amendment dated November 18, 2025. Attached to this First Report as **Appendix "14"** is a copy of the Confidentiality Undertaking dated November 7, 2025.

V. TRUST AGREEMENT BETWEEN 1050 AND KARIMOV

38. The Receiver is aware of a trust agreement dated October 22, 2020, entered into between 1050 and Orkhan Karimov ("**Karimov"**) which purports to grant to Karimov a 50% beneficial interest in the Real Property (the "**Trust Agreement**"), with notice of same receipted on title to the Real Property on October 17, 2023 (the "**Trust Notice**"). Attached to this First Report as **Appendix "15"** is a copy of the Trust Agreement, and as **Appendix "16"** is a copy of the Trust Notice.

39. The Trust Notice, registered on October 17, 2023, was registered on title to Real Property following the registration of the Duca Charge, which was registered March 1, 2021.

40. The Receiver's Counsel has provided its position that the Trust Notice, which seeks to assert an unregistered estate, right, interest or equity in the Real Property, is prohibited pursuant to section 62(1) of the *Land Titles Act*. Specifically, the Receiver's Counsel has provided its position that an asserted trust or beneficial claim in land is not a registrable encumbrance pursuant to section 62(1) of the *Land Titles Act*; and that the Trust Agreement, which purports a promised share of net sale proceeds to Karimov, does not automatically become an interest in land.

41. It is the Receiver’s position that the Trust Notice is a claim that is properly vested out under the Approval and Vesting Order sought herein.

42. The construction lien and certificate in favor of Tregebov Cogan Architecture Ltd. (the “Lien Claim”) is also a claim properly vested out under the Approval and Vesting Order sought herein.

43. The Receiver’s Counsel, in advising Karimov of the Sale Agreement in early November 2025 and prior to the two amendments, has been advised by counsel for Karimov that Karimov intends to assert his priority in the Real Property.

44. The Receiver’s Counsel has made requests to counsel as to Karimov’s position on the sale approval motion and has not received a response to date. Attached to this First Report as **Appendix “17”** is a copy of correspondence between the Receiver’s Counsel and counsel for Karimov.

VI. REQUEST FOR A SEALING ORDER

45. The Receiver is seeking a sealing order with respect of the Confidential Appendices to this First Report as they each contain commercially sensitive information, the release of which prior to the completion of the sale transaction with 1001 would be prejudicial to the stakeholders of 1050.

VII. CANADA REVENUE AGENCY

46. On July 29, 2025, the Receiver received a deemed trust claim from Canada Revenue Agency (“**CRA**”) for HST in the amount of $22,961.12 with respect to the outstanding periods of December 3, 2023, to May 14, 2024. Attached to this First Report as **Appendix “18”** is a copy of CRA’s HST claim.

VIII. FEES AND DISBURSEMENTS OF THE RECEIVER AND COUNSEL

47. Attached to this First Report as **Appendix "19"** is the Affidavit of Trevor Pringle, sworn July 17, 2026, (the "**Pringle Affidavit**") which incorporates, by reference a copy of the time dockets pertaining to the receivership 1050 for the period to and including June 30, 2026.

48. The fees and disbursements of the Receiver in respect of the receivership of 1050 for the period to and including June 30, 2026, fees of $69,373.15 (inclusive of HST and disbursements) were charged by Spergel as detailed in the Pringle Affidavit. This represents a total of 141.50 hours at an effective rate of $422.49 per hour;

49. Attached to this First Report as **Appendix "20"** is the Affidavit of Victoria Adams, sworn July 17, 2026, (the "**Adams Affidavit**") which incorporates, by reference a copy of the time dockets for the period up to and including July 17, 2026 (the "**Harrison Fee Period**").

50. The fees and disbursements of Harrison in respect of the Harrison Fee Period amount to $37,664.65 (inclusive of HST and disbursements), as detailed in the Adams Affidavit.

(the sums at paragraphs 47 and 49 collectively, the "**Professional Fees**")

51. The Receiver has reviewed the Receiver's Counsel's accounts and given the Receiver's involvement in this matter, the Receiver is of the view that all the work set out in Receiver's Counsel's accounts was carried out and was necessary. The hourly rates of the lawyers who worked on this matter were reasonable considering the services required, and the services were carried out by lawyers with the appropriate level of experience.

IX. RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

52. Attached to this First Report as **Appendix "21"** is a copy of the Receiver's Interim Statement of Receipts and Disbursements as of July 17, 2026.

X. PROPOSED DISTRIBUTIONS

53. Pursuant to the Receivership Order, the Receiver borrowed monies from DUCA in the principal amount of $50,000.00 plus interest (the "**Borrowings**") to fund certain expenses in these proceedings, which funding is secured by the Receiver's Borrowing Charge, as provided for in the Receivership Order. Attached to this First Report as **Appendix "22"** is a copy of the Receiver's Certificate representing the Borrowings to date.

54. The City of Toronto ("**Toronto**") has a priority charge to the existing mortgages in respect of property tax arrears that have accrued in respect of the Real Property. Attached to this First Report as **Appendix "23"** is a copy of the property tax statement issued by Toronto on May 6, 2026, confirming the balance owed, in the amount of $130,744.65.

55. Accordingly, the Receiver is proposing to make a distribution (after payment of the fees and disbursements of both the Receiver and the Receiver's Counsel, as outlined in this First Report) as follows:

   i. to the City of Toronto in the amount of $130,744.65 or such amount accrued at the closing of the Transaction for outstanding property tax arrears (the "**Property Tax Arrears Distribution")**;

   ii. To DUCA, or such other party as DUCA might direct, for the repayment of the Borrowings, pursuant to Receiver Certificate in the amount of $50,000.00, plus interest thereon, in accordance with Receiver's Certificate that was issued to DUCA (the "**Interim Duca Distribution**");

56. The Receiver anticipates a surplus in the estate after the above distributions. As the administration of the receivership is not completed, the Receiver proposes to retain the surplus proceeds to fund its further activities and contemplates the need for a further motion(s) to the Court for directions with regards to a future distribution with respect to the Trust Notice and the Lien Claim and with respect to the Receiver's discharge.

XI. RECOMMENDATION

57. For the reasons outlined in this First Report, the Receiver respectfully requests that the Court grant the relief specified at paragraph 8 of this First Report.

Dated at Hamilton this 22nd day of July 2026.

msi Spergel inc.
solely in its capacity as the Court-appointed
Receiver of 10503452 Canada Inc. and not in its personal
or corporate capacity.
Per:

Trevor B. Pringle, CFE, CIRP, LIT
Partner

APPENDIX 1

Court File No. CV-24-00716425-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MADAM	)	TUESDAY, THE 14th
	)	
JUSTICE CONWAY	)	DAY OF MAY, 2024

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

\- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondents

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant, DUCA Financial Services Credit Union Ltd. ("**DUCA**"), 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 capacity, the "**Receiver**") without security, over the real property municipally described as 740-748 Sheppard Avenue West, Toronto as further described in Schedule "A", and all personal assets, undertakings and properties of 10503452 Canada Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Ivan Bogdanovich, sworn April 5, 2024 and the Exhibits thereto, the factum of DUCA, and on hearing the submissions of counsel for DUCA, counsel for the Debtor, counsel for Orkhan Karimov, and all other counsel as set out in the Counsel Slip, no one appearing for any other party although duly served as appears from the affidavit of service of Alexandra Teodorescu sworn April 8, 2024, and on reading the consent of msi Spergel Inc. to act as the Receiver,

SERVICE

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

EFFECTIVE DATE OF RELIEF

2. **THIS COURT ORDERS** that this Order shall not take effect until 3:00 p.m. on May 17, 3024 (the "**Effective Date**"). On the Effective Date, this Order shall immediately take effect without any further Order of the Court, unless all indebtedness, liabilities and obligations of the Debtor to the Applicant have been repaid in full by the Effective Date.

APPOINTMENT

3. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, msi Spergel Inc. is hereby appointed Receiver, without security, of the real property municipally described as 740-748 Sheppard Avenue West, Toronto as further described in Schedule "A", and all personal assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

4. **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 $50,000.00, provided that the aggregate consideration for all such transactions does not exceed $250,000.00; and

    (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the

Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

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

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or

relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

22. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

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

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

GENERAL

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

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

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give

effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

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

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

Conway J.

SCHEDULE "A"

10171-0602 (LT)

PART OF LOT 6 PLAN 3062 DESIGNATED AS PARTS 1 AND 2 ON PLAN 66R-26936; CITY OF TORONTO

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. ______________

AMOUNT $_____________________

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver (the “**Receiver**”) of the assets, undertakings and properties of 10503452 Canada Inc. (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the “**Property**”) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the 11th day of April, 2024 (the “**Order**”) made in an action having Court file number CV-24-00716425-00CL, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of $___________, being part of the total principal sum of $___________ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the _____ day of ______________, 20__.

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

Per: ___________________________________

Name:
Title:

Court File No. CV-24-00716425-00CL

DUCA FINANCIAL SERVICES CREDIT UNION LTD. -and- 10503452 CANADA INC. et al.

Applicant Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT **TORONTO**

ORDER

BLANEY MCMURTRY LLP
Barristers & Solicitors
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

Timothy R. Dunn (LSO #34249I)
Tel: (416) 597-4880
Email: tdunn@blaney.com

Alexandra Teodorescu (LSO #63889D)
Tel: (416) 596-4279
Email: ateodorescu@blaney.com

Lawyers for the Applicant

APPENDIX 2

ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00716425-00CL **DATE: May 14, 2024**

NO. ON LIST: 1

TITLE OF PROCEEDING: Duca Financial Services Credit Union Ltd v. 10503452 Canada Inc., *et al*

BEFORE: JUSTICE CONWAY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Alexandra Teodorescu	Counsel for the Applicant, *Duca Financial Services Credit Union Ltd.*	ateodorescu@blaney.com
Timothy Dunn		tdunn@blaney.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Faraz Khan	Counsel for the Respondents, 10503452 Canada Inc and Asif Karimov	Faraz.khan@khanllp.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Eldar Babayev	Counsel for Orkhan Karimov	eldar@esblaw.ca

ENDORSEMENT OF JUSTICE CONWAY:

[1] This application for the appointment of a receiver returned to me today after two previous adjournments to permit the respondent company (10503452 Canada Inc. ("**105**")) to refinance. Mr. Khan for 105 advised that the Vector financing has progressed and security documents have been drafted but 105 needs more time for the transaction to close.

[2] I am denying a further adjournment. This matter was before me on April 11th and April 30th, at which times I adjourned the application. On April 11, 2024, and as set out in my endorsement of that date, Mr. Khan advised that 105 consented to the receivership order if the refinancing did not close by April 30th. It is now May 14, 2024.

[3] Although I am not granting an adjournment and putting Duca to the expense of another attendance, I am prepared to give a few more days (as requested by Mr. Khan) for the refinancing to close, if indeed it is that close. I will delay the effectiveness of the order until **3 p.m. on May 17, 2024**. Counsel for Duca shall advise the court forthwith thereafter whether the indebtedness has been paid out and the order has or has not come into effect.

[4] Ms. Teodorescu advised that Duca will provide Mr. Khan with a discharge statement forthwith and no later than 3 p.m. tomorrow.

[5] With respect to the order itself, I am satisfied that the appointment of a receiver is just and convenient in this case. 105 owes over $4.3 million to Duca and has been in default since the loan matured on January 1, 2024. Duca holds both a first mortgage and a General Security Agreement. The required notices have been sent. The security held by Duca provides for the appointment of a receiver on default.

[6] Mr. Babayev for Orkhan has not filed any responding materials on this application. He requested that the receivership order be more clearly restricted to the real property at 740-748 Sheppard Avenue, the subject matter of Duca's first mortgage, and not the adjacent real property. Ms. Teodorescu was agreeable to that clarification and has now amended the draft appointment order. With respect to Orkhan's alleged trust interest in the property, the trust agreement was registered on title over 2.5 years after the Duca mortgage was registered. According to Duca,105 did not disclose the alleged Orkhan beneficial interest in the property to Duca at the time the credit agreement was signed. Section 62(1) of the *Land Titles Act*, RSO 1990, c. L5 precludes the registration of a notice of trust on title. I accept Duca's submission that this alleged beneficial interest does not stand in the way of making the appointment order. Any interest asserted by Orkhan can be addressed at a later stage, such as on a motion for an AVO or a distribution motion.

[7] Considering all of the circumstances, I consider it just and convenient to grant the appointment order and have now signed the amended version. Order to go as signed by me

and attached to this Endorsement. This order is effective from the date provided therein and is enforceable without the need for entry and filing.

Conway J.

APPENDIX 3

740 - 748 Sheppard Ave W

Toronto, ON

June 6th, 2024

Proposal for Real Estate Services

Steve Keyzer*
Executive Vice President
+1 416 804 3558
steve.keyzer@colliers.com

Ian Gragtmans**
Executive Vice President
+1 416 565 6670
ian.gragtmans@colliers.com

Alex Holiff*
Vice President
+1 416 620 2803
alex.holiff@colliers.com

Colliers | SPERGEL

Accelerating success.

Table of Contents

Executive Summary

June 6th, 2024

It is our understanding that msi Spergel Inc. as court-appointed receiver (the "Client") intends to dispose of the real property municipally described as 740-748 Sheppard Avenue West, Toronto, Ontario (the "Property" or “Subject Site”). Given the Property’s location with zoning approvals in place for a boutique mid-rise development project, it should be exposed to the open market by a highly qualified team that specializes in mixed-use redevelopment to drive premium pricing.

Our team has extensive experience working with various receivers, including msi Spergel Inc., on a wide array of distressed assets throughout Toronto and the GTA.

Our in-depth underwriting and sales processes are designed to create economic transparency, compelling builders to bid honestly and reach their full potential. Enclosed, you will find a comprehensive marketing strategy plan, a detailed project timeline, and an estimated valuation based on a proven industry development pro forma.

We have meticulously created and reviewed pro formas under three scenarios:

1. Building as-is; and
2. Optimizing the project by removing Parking Level 2
3. Optimizing the project by removing Parking Level 2 and increasing saleable density

[redacted]

Our strategy aims to maximize value, ensure certainty, and mitigate risk. We are confident that our approach will deliver the best possible outcome for the Property

We are eager to work with you and can provide references upon request.

Sincerely,

Steve Keyzer
Executive Vice President

Ian Gragtmans
Executive Vice President

Alex Holiff
Vice President

The **Team**

Consider us an extension of your team

Team Leads

Steve
Keyzer*
Executive Vice President

Ian
Gragtmans*
Executive Vice President

Alex
Holiff*
Vice President

Dedicated Team Support

Preethi
Suresh
Senior Urban Planner

Stephanie
Plos*
Brokerage Projects Specialist

Corporate Support

Brian
Rosen
Chief Executive Officer

Dan
Holmes
President, Brokerage Services

Leadership

Robert
Frost
Senior Managing Director, Investments

Analysis / Research

Roni
Pachenko
Manager, Financial Analysis Team

Russell
Wills
Senior Research Analyst

Marketing

Men
Lee
Associate Director, Marketing Studio

Team Leads Professional Summary

Steve
Keyzer

Executive Vice President
Toronto Brokerage
steve.keyzer@colliers.com

Professional Summary

Steve is a key leader within the multifamily, redevelopment, and intensification vertical in the GTA. He acts on behalf of an ever-increasing number of private, corporate, institutional, and governmental urban real estate/landowners, as well as insolvency, bankruptcy, and restructuring firms to maximize the value of their properties. He brings certainty with a focused and diligent approach to process while establishing highest & best use for a given asset. He is able to guide property owners through the value maximization and/or redevelopment process to align value expectations for sale as well as Joint Venture projects.

Steve has extensive experience with high density transit-oriented development sites having transacted on numerous projects that are adjacent to or integrate transit.

Ian
Gragtmans

Executive Vice President
Toronto Brokerage
ian.gragtmans@colliers.com

Professional Summary

Ian's 32 years of experience in assembling and leading highly effective teams to maximize value creation while maintaining certainty are well known. His integrity, strategy creation, transparency and execution of process coupled with his connectivity to and understanding of capital markets has made him a valuable asset for his clients.

Ian is a regular television on-air guest and commentator at the Canadian Broadcasting Corporation (CBC) and the Business News Network (BNN) where he educates the business community about current market conditions and future trending in the commercial real estate industry.

Alex
Holiff

Vice President
Toronto Brokerage
alex.holiff@colliers.com

Professional Summary

Alex is a member of Colliers' Redevelopment Advisory Group, a team of professionals dedicated to maximizing value for owners of high-density redevelopment properties across the GTA. Over his 8-year brokerage career, Alex has sold more than $500m of urban redevelopment properties on behalf private property owners, receivers, developers and public-sector clients.

Prior to commercial real estate sales, Alex worked for Scotiabank's real estate department, in various leasing, property and asset management roles.

Alex obtained his MBA and HBA from the Richard Ivey School of Business in London, Ontario in 2016 and 2012 respectively.

Preethi
Suresh

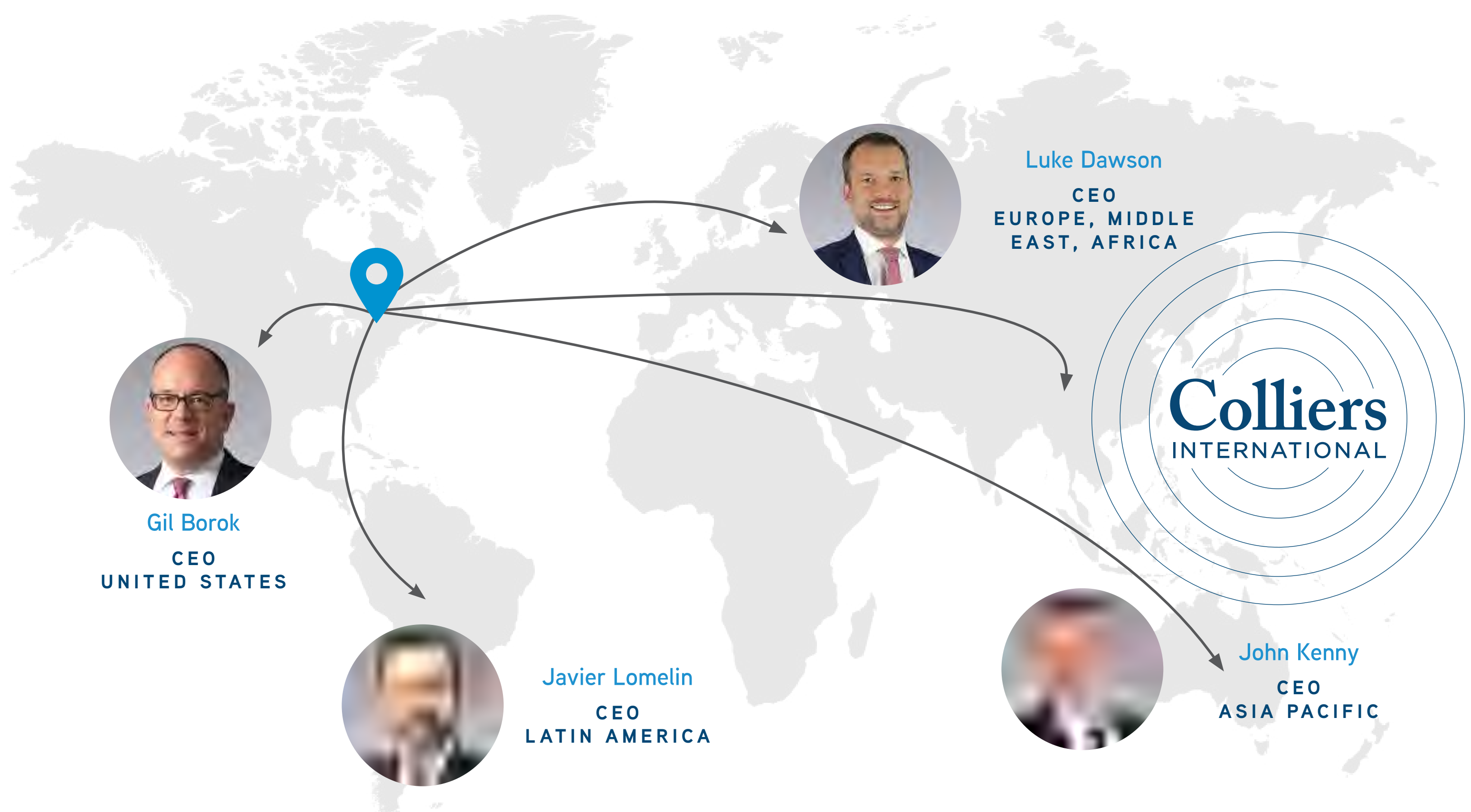
Senior Urban Planner
Toronto Brokerage
preethi.suresh@colliers.com

Professional Summary

Preethi is a Registered Professional Planner with experience in land use planning, real estate market analysis, and development feasibility. She has experience reviewing existing and emerging planning policy frameworks, developing multi-site conceptual massing diagrams, and producing statistical floor area information to determine the financial feasibility of projects. Her education in Urban and Regional Planning and professional background in real estate consulting has provided her with a strong foundation in analyzing both the built form and market dynamics associated with each development.

Colliers,
Global Reach

Direct access to foreign Investor / Developer Groups



$100bn+ Transaction Volumes in 2021

2500+ Number of Transactions

1500+ Capital Markets Professionals

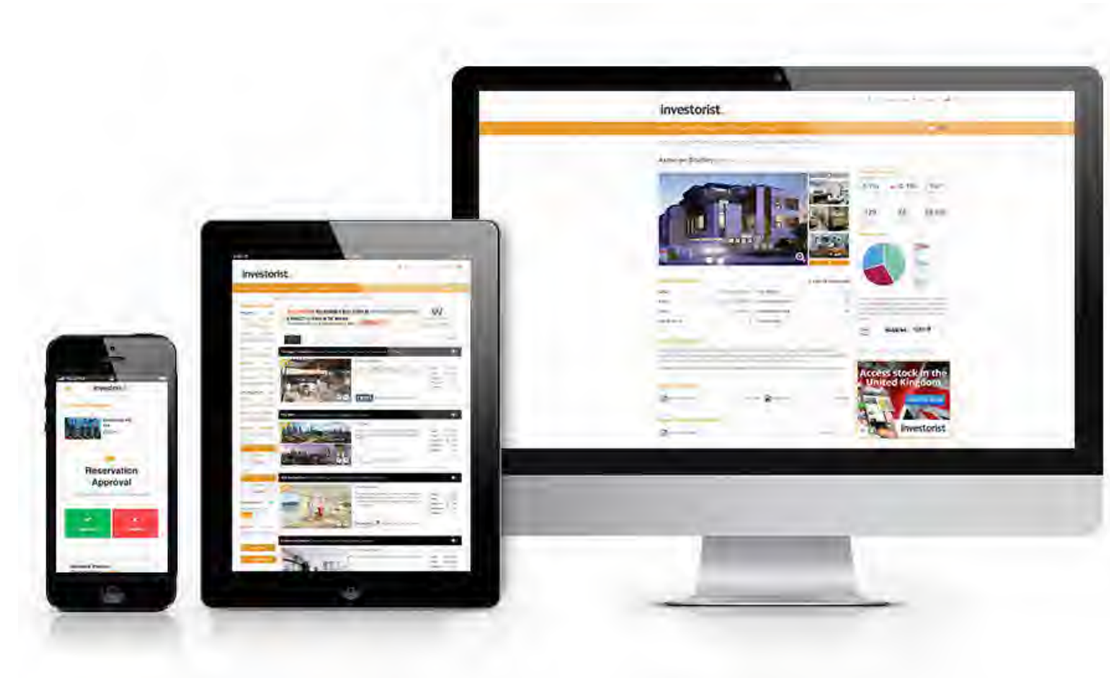
100+ International Investor Meetings

20% Meeting New Capital Sources

490+ Capital Markets Offices Worldwide

1. Direct marketing to key Local, National, and International Colliers hubs.

2. Leverage PropTech Specializing in Foreign Investors



3. Tap Into Colliers' Global Capital Markets

Team Record of **Distressed Transactions**

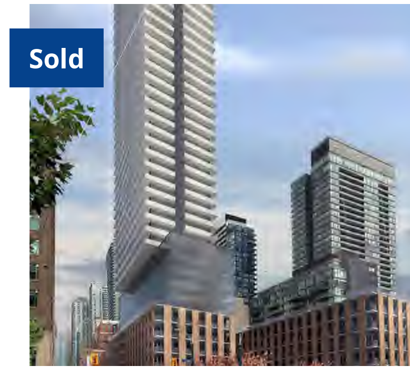
30 Front Street N, Haldimand
71 acres | 66 Single-Family Estate Lots
Approved 66 Lot Subdivision Land

2849-2857 Islington Ave, Toronto
0.84 acres | 74,971 SF Approved GFA
Approved Mid-rise Redevelopment Site

301-317 Queen St E, Toronto
0.44 acres | 131,319 SF potential GFA
OLT Approved Development Site

250 Danforth Road, Toronto
3.40 acres | 266,617 SF potential GFA
Approved High Density Development

10747 Bayview Ave, Richmond Hill
9.21 acres |388,000 SF+ potential GFA
Approved Low Rise Development

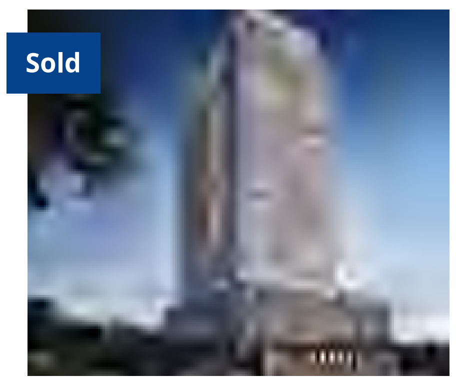


Adelaide & Charlotte, Toronto
0.32 acres |328,000 SF potential GFA
48 & 6-Storeys - Mixed-Use Heritage
Sold Price: $90,000,000

160-178, 186 Main St, Unionville
1.37 acres | 36,000 SF potential GFA
Mixed-Use Heritage
Sold Price: $14,100,000

110-116 Avenue Rd, Toronto
0.35 acres | 55,000 SF potential GFA
Mixed-Use Development
Sold Price: $16,100,000

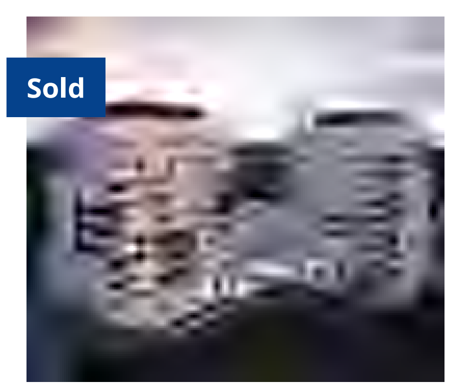
Carriage Ridge & Hills Resort
27.83 acres |11 Buildings & 491 Units
Horseshoe Valley Timeshares
Sold Price: $60,000,000



3070 Ellesmere Rd, Toronto
1.30 acres | 261,772 SF potential GFA
Mixed-Use Development
Sold Price: $15,000,000

51 Bradford St, Barrie
8.66 acres | 1.7M SF Potential GFA
Mixed-Use Development
Sold Price: $14,900,000

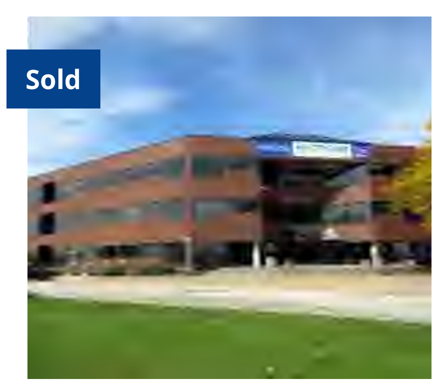
520 Ellesmere Rd, Toronto
6.78 acres | 105,000 rentable SF
Medical Office Building
Sold Price: $26,000,000



58-62 Shepherd Rd, Oakville
1.37 acres | Two 10-Storey Condos
Mixed-Use Development
Sold Price: $16,000,000

16 Lock St & 12 Lakeport Rd
1.11 acres | 23,000 SF of commercial
Community Commercial - St Catharines
Sold Price: $8,100,000

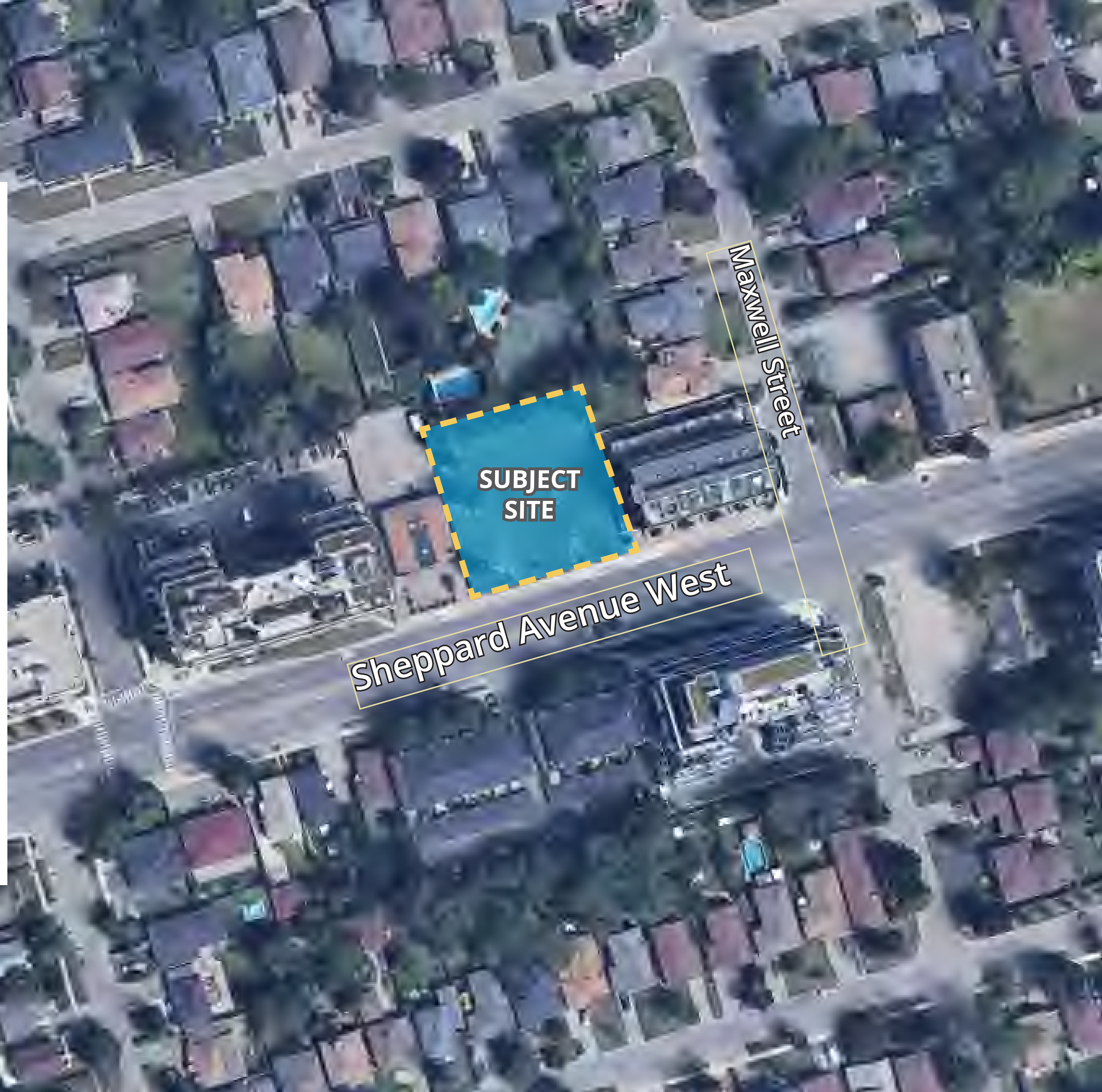
Hemlock & Vince Ave, Toronto
0.36 acres | Low Rise Residential
Complex / Townhomes
Sold Price: $4,900,000



1450 Don Mills Rd, Toronto
4.63 acres | 150,000 rentable SF
Office Building
Sold Price: $24,900,000

Property **Overview**

Civic Address	740-748 Sheppard Avenue West, Toronto
Legal Description	PART OF LOT 6 PLAN 3062 DESIGNATED AS PARTS 1 AND 2 ON PLAN 66R-26936 CITY OF TORONTO
PIN	033244510
Location	Fronting on Sheppard Avenue West, west of Bathurst Street
Site Area	18,855 SF (0.18 acres)
Current Status	Vacant Land
Zoning	CR – Commercial Residential
Official Plan	Mixed Use Areas



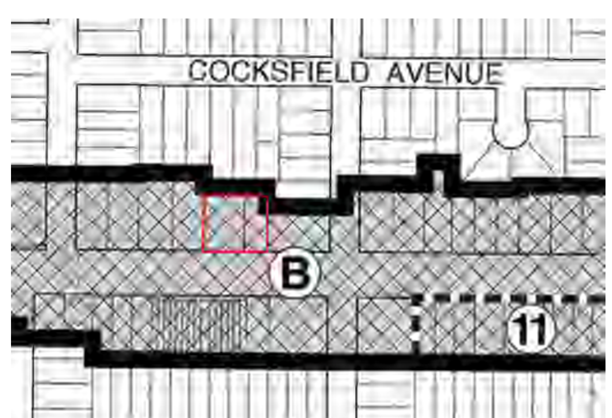
Planning & Development **Overview**

Official Plan

In accordance with Map 16 – Land Use Plan in the City of Toronto Official Plan, the Property is designated 'Mixed Use Areas'. This designation allows for commercial, residential, and institutional uses, in single or mixed-use buildings, as well as parks, open spaces and utilities. The Property's frontage along Sheppard Avenue West is identified as an "Avenue" within the Urban Structure map, with a right-of-way width of 36 metres. Avenues are corridors along major streets intended for reurbanization to create new mixed-use opportunities.

Sheppard West/Dublin Secondary Plan

The Property is designed as 'Mixed Use Area B' on Map 23-1 within the Secondary Plan. In these areas, the preferred form of mixed-use development includes ground floor commercial uses with upper floor residential uses. The Secondary Plan provides greater densities for parcels that provide a mix of uses and have a frontage along Sheppard Avenue West greater than 30 metres. The maximum permitted density of the Property under the Secondary Plan is 2.0 FSI and a maximum building height of 5 storeys.



Zoning By-law

Within the City of Toronto Zoning By-law 569-2013, the Property is zoned as 'CR – Commercial Residential'. The CR zoning permits residential and commercial uses including apartment buildings, retail, office, and other commercial uses. The total density permitted within the CR zone is 2.5 FSI with a maximum building height of 46 metres. The Property is subject to exception 40, which indicates that a maximum of 82 dwelling units and 6,500 SM of GFA is permitted, among other matters.

Development Overview

The Property has been approved for Official Plan and Zoning By-law Amendments, with a Site Plan Application currently under review. The development includes a 9-storey, 70-unit mixed-use building. A total of 59,430 SF of gross floor area is proposed, with 1,669 SF of retail uses and an FSI of approximately 3.2 times the lot area. Of the 70 residential units, the suite mix includes 4 studio units, 38 one-bedroom units, 20 two-bedroom units and 8 two-bedroom units. A total of 71 parking spaces are provided across two underground parking levels.

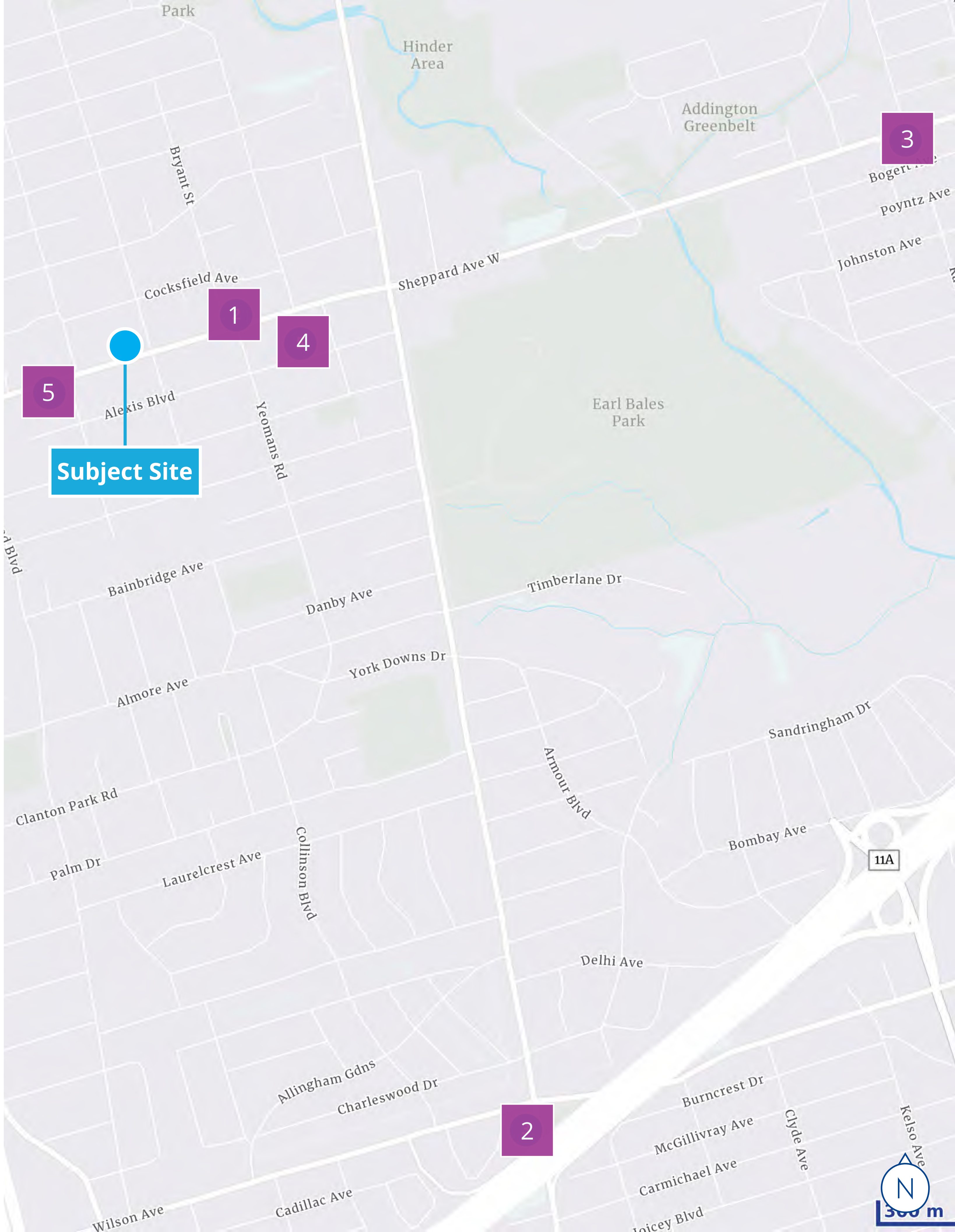
Project Statistics

Building Height	9 storeys
Total GFA (SF)	59,430
Site Area (SF)	18,855
FSI	3.2
No. of Units	70

Market **Overview**

Land sale comps within the vicinity of the Subject Site

	Address / Buyer	Sold Date	Acres	Sold Price	Price Per Acre	Price PSF Buildable
1	**678-680 Sheppard Avenue West & 57 Cocksfield Avenue /** 1000515819 Ontario Corp.	Dec-23	0.8	$7,000,000	$8,739,076	-
2	**3742-3750 Bathurst Street, 11-15 Richelieu Road/** 2226396 Ontario Inc.	Jul-22	1.3	$30,950,000	$24,123,149	$76.82
3	**245-255 Sheppard Avenue West, 250-256 Bogert Avenue /** JFJ Development Inc.	Jun-22	0.7	$6,978,988	$9,857,328	$54.99
4	**665-671 Sheppard Avenue West /** El Regency Group	Dec-22	0.7	$9,400,000	$13,467,049	$50.0
5	**795-799 Sheppard Avenue West & 128-12 Gorman Park Road /** Pinemount Developments Ltd.	Jun-22	0.9	$13,999,999	$15,118,789	$84.18
				Average:	**$14,261,078**	**$66.52**

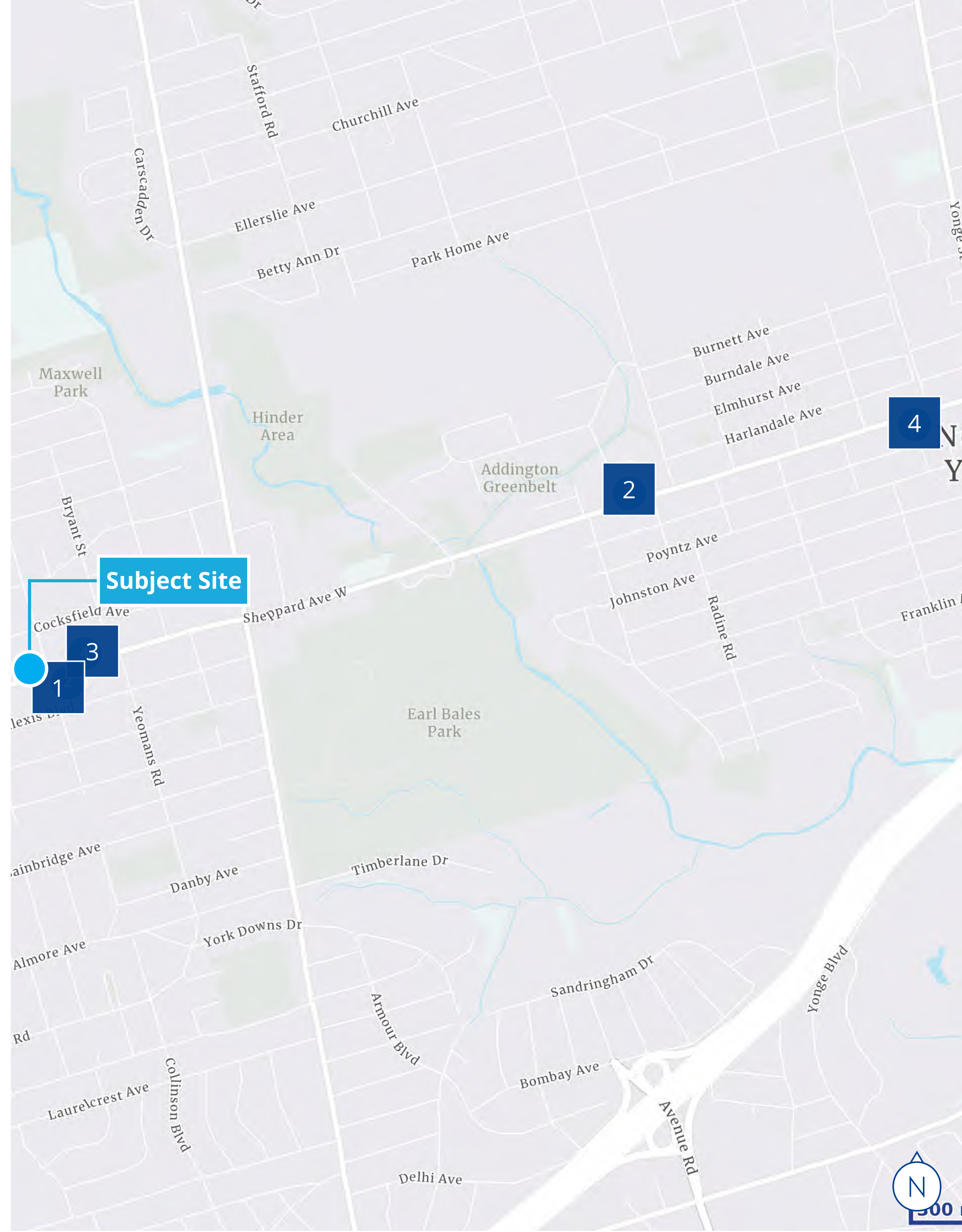


Market **Overview**

Recent revenue comps within the vicinity of the Subject Site

	Address / Developer	Opening Date	Storeys	Units	% Sold	Avg Sold Price PSF	Status
1	**719 Sheppard Avenue West /** 719 Sheppard Avenue West Ltd.	Jul-23	9	90	22%	$1,313	Pre
2	**1 Addington Avenue /** Addington Developments	May-23	9	179	60%	$1,433	Pre
3	**700-716 Sheppard Avenue West /** Quadcam Development Group	Nov-22	10	134	59%	$1,420	UC
4	**53 Sheppard Avenue West /** Fieldgate Homes & Westdale Properties	Nov-22	16	359	88%	$1,489	Pre

Average: $1,414



Project **Valuation**

In estimating the market value of the Property, Colliers used our recent experience in marketing mixed-use assets of similar scale as well as our industry-leading experience in selling medium to high density in the Greater Toronto Area.

Sale Price

Our recommendation is to go to the market unpriced with a deadline to submit offers.

What is a Reasonable Value Range?

- Accurate value expectations are critical to a successful transaction
- Value is determined by a combination of density and market pricing per buildable square foot
- Educated valuations will typically congregate within a fairly tight range
- Uneducated or "extreme" valuations (high or low) are often referred to as outliers and commonly caused by two factors:
  - Lack of effort to understand the asset prior to submitting an offer
  - Lack of intellect
- The probability of transaction success with an uneducated or extreme value is low
- Outliers will typically gravitate towards the mean
- It is essential to manage expectations and mitigate risk through the entire process

[redacted]

We note that in 2012 the owner at the time originally submitted a development application for a 9-storey, 80-residential-unit mid-rise project, with 76 parking spots and a total GFA of 67,962 SF. In 2016, the application was revised and increased to 82 residential units, with 81 parking spots, and a total GFA of 69,891 SF. The application was then finally revised and approved based on a 9-storey 70-residential-unit mixed-use building with 71 parking spots, and an FSI of 3.2x, and a total GFA of 59,430 SF.

Within the new and more aggressive city planning and development regime, we believe a prospective purchaser can push to try and obtain minor variance and/or rezoning permission(s) to:

- Reduce the project's parking count by removing the costly Parking Level 2 (40 units), building only 31 parking units across Parking Level 1
- Increase the project's density to 3.5x FSI (previously permissible per zoning by-law exception 40, which can increase unit count and GFA by approximately 6,550 SF)

Option 1 – Work Through Site Plan and Build As-Is

Sensitivity Analysis		
Profit	16%	20%
[redacted]		

Option 2 - Optimizing the Project - Remove Level 2 of Parking ("P2")

Obtain minor variance or rezoning approval to remove costly P2 parking requirements (40 units), building only 31 parking units across P1.

Sensitivity Analysis		
Profit	16%	20%
[redacted]		

Option 3 – Optimizing the Project - Remove P2 & Increase Density and Unit Count

Obtain minor variance or rezoning approval to not only remove P2, but also increase density by approximately 6,550 sf and the number of units sold from 70 to 80. While we anticipate this option adding time to the overall project, which increases financing costs and reduces land value, the incremental saleable density would make the option worthwhile.

Sensitivity Analysis		
Profit	**16%**	**20%**
[redacted]		

Conclusion

[redacted]

Target **Market**

Utilizing our combined 50 years of team experience and Colliers CRM database, we curate a unique lost of qualified and probable buyer prospects that best align with the offering's attributes.

Colliers CRM+

Upon completion of the target market list, they are further segmented based on their respective awareness and interest levels as the marketing plan progresses.

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

450+
Advisors contributing market data daily

+175K
Buyers in Canada tracked

35
Dedicated data associates reviewing data daily

Local developers and buyers

- Existing relationships with City of Toronto staff and 3rd party
- Proven Greater Toronto Area (GTA) reputation and success

Investors, local and off-shore

- Meaningful capital capabilities
- Ability to pair capital with local execution partners/entities

Institutional

- Competitive cost of capital
- Domestic and international experience and reach

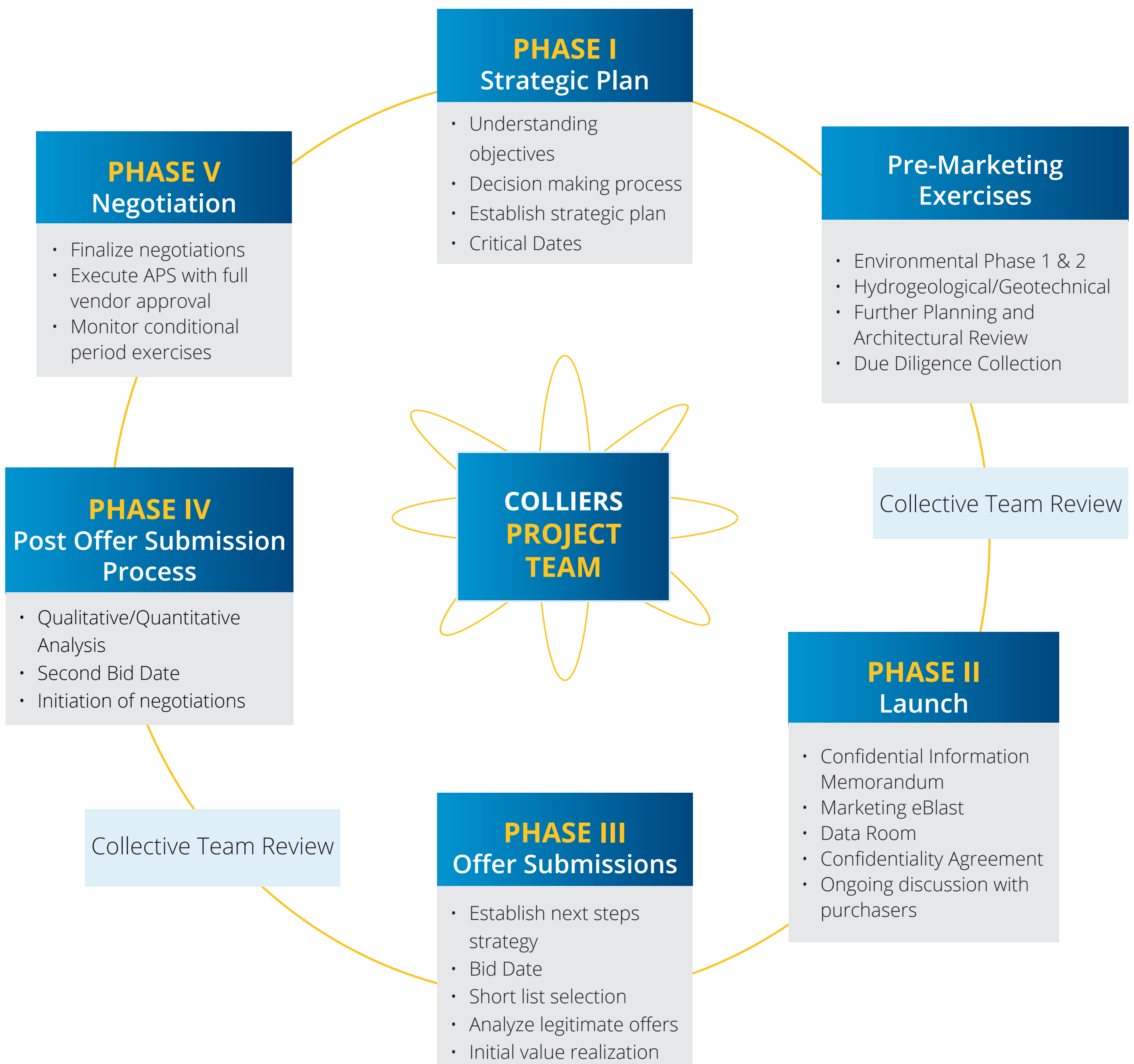
Colliers CRM+

Potential Developer Buyers - Sample List

ICON
BRIXEN
PINEMOUNT DEVELOPMENTS LTD.
Greenpark Group
HAVEN DEVELOPMENTS
MALIBU
TORBEL
Devron
FORMAT
COLLECDEV
Starlight
GRAYWOOD AN INTELLIGENT MOVE
QUADCAM DEVELOPMENT GROUP
Fernbrook HOMES
CITYZEN

Strategy **Approach**

Offering Process



Tender Bid Process & Timing

Colliers provides a full service advisory team to guide you throughout the transaction process. Our methodology focuses on credibility, confidentiality and transparency. An organized and efficient approach to multiple offers through an unpriced offering and specified bid date ensures that the value of the Subject Site is maximized.

PRE-MARKETING PERIOD

- Formulate initial development scheme showing the possible redevelopment options
- Identify easements and/or site specific development restrictions
- Create ideal transaction structure to favour owner
- Environmental assessment(s) and remediation
- Recommendations for the preparation of the asset and lands for marketing
- Crafting of disposition strategy
- Finalize public relations and marketing strategies
- Create owner approved documentation
- Customize data room information on secure electronic platform for due diligence items

MARKETING PERIOD

- A transparent tender/bid process including the following:
- Marketing period followed by a defined bid date
- Confidential tender bid process with contact directly to development and investment community
- Educate purchaser to level the playing field Maximized leverage to obtain favourable terms
- Target ideal purchaser to:
  - > Maximize value
  - > Ensure transaction certainty
  - > Mitigate risk and false starts

BID PERIOD

Round One Bid Date

- Collect all bids on either custom owner approved standardized documentation. All bids to be summarized in bid matrix for the ease of review and understanding
- Select short list of proponents based on ability to deliver on the project
- Create a final bid resubmission environment to allow short listed proponents the opportunity to improve their offer(s)

Round Two Bid Date

- Select proponent
- Finalize transaction

Transaction Timeline

A straightforward process

Total value maximization timeline

16 -19 weeks

01 — Exclusive Listing Agreement Approved and Signed

Duration: 1 week

02 — Preparation of Marketing Campaign & Pre-Marketing Due Diligence

Prepare advertising and marketing tools, information package, standard offer; compile due diligence information

Duration: 3 weeks

03 — Marketing Launch

Colliers and Vendor to mutually agree on optimal launch timing

04 — Execution of Marketing Program

Distribution of Info Package to interested parties (upon execution of confidentially agreement)

Duration: 8 weeks

05 — Bid date

Submission of offers via bid process

Summarization of offers and presentation to Vendor

06 — Negotiation, Finalization and Execution of Agreement

Finalization and execution of offer(s)

Duration: 1 week

07 — Due Diligence

Duration: 3 - 4 weeks

08 — Completion of Sale

Duration: 3 - 5 weeks

Business **Terms**

Accountability & Reporting	• Progress of the disposition activity; • Response levels to marketing; • Level of interest expressed by prospective purchasers within the target market; • Companies contacted in target market and their accompanying feedback; • Incoming inquiries, who and where they are coming from and how they are hearing about the opportunity; and • Profile of the businesses that express serious interest.
Initial Listing Term	6 Months
Success Fee	2.50% + HST of the total sale price if sold exclusively by the Colliers listing team, or 3.25% if sold with a co-operating brokerage.
Cooperation	Colliers will fully co-operate with any other registered real estate brokerage and offer a co-operating fee of 0.75%.
Expenses	Colliers will pay for the cost of design, implementation and distribution for all conventional marketing costs. Upon award of contract, Colliers will discuss additional proposed marketing initiatives and tactics with the Vendor.

Marketing **Strategy**

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

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

Property Marketing Fundamentals

- Collaborative Process
- Professional Photography
- Listing on CollierSCanada.com
- Cold Calling
- Local Broker Outreach
- Direct Presentations
- Project Tours
- Property Brochure
- Email Blasts

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

Strategic Marketing Tactics

Print Advertising
Advertising in trade and national publications

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

Advertising in Asia
Coordinate with a third-party media agency who specializes in promoting real estate projects to Asian audience

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

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

Custom Website
A custom branded website reinforces the brand and identity of the Project

Google Advertising
A digital awareness campaign about the building or property

Social Media Advertising
LinkedIn, Facebook, WeChat and Instagram campaigns generate interest and awareness

Marketing Tactics

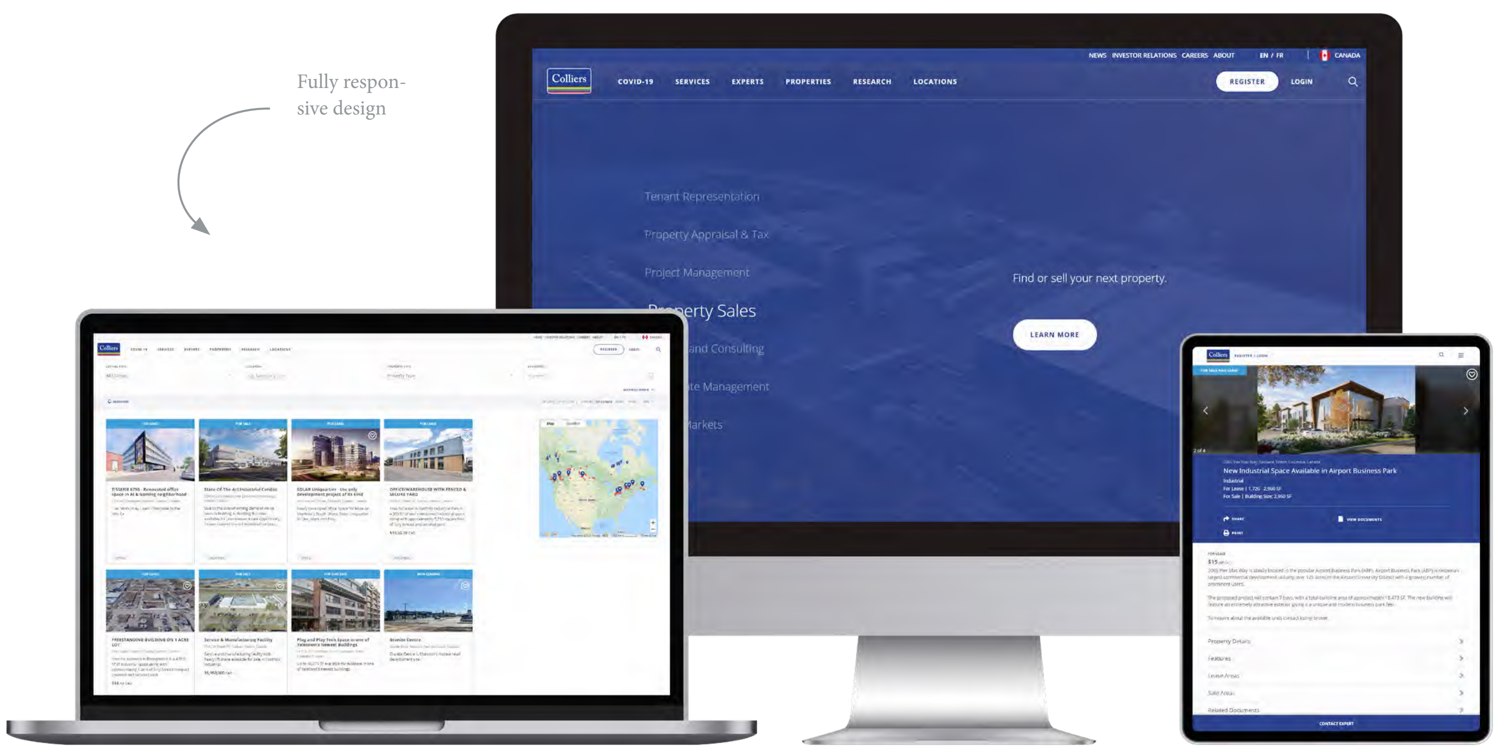
We develop bespoke marketing strategies to maximize interest and set your property apart from its competitive set.

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

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

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

Fully responsive design

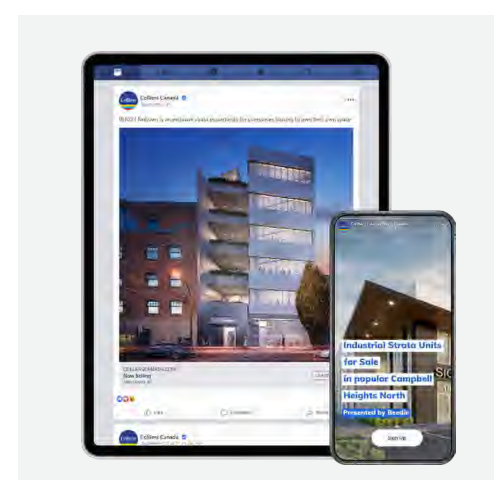


10x winner at the International Property Awards

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

Brochures

Confidential Information Memorandum (CIM)



Digital
Advertising

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

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

The Key Benefits of Digital Campaigns

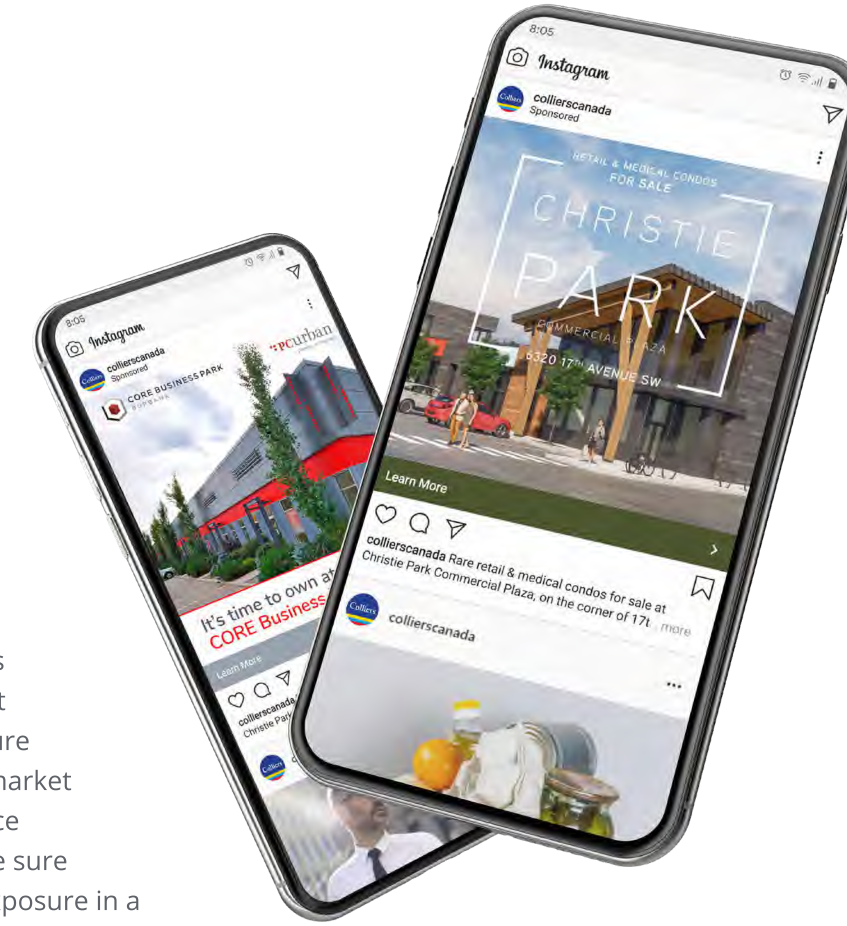
- Reach a specific target audience beyond your existing contact list
- Drive more qualified traffic to your specific property listing
- Gain measurable results for your property listing through real-time analytics
- Give your listing unprecedented exposure and stand out among your competition

89%

of B2B researchers use the Internet during the B2B research process.

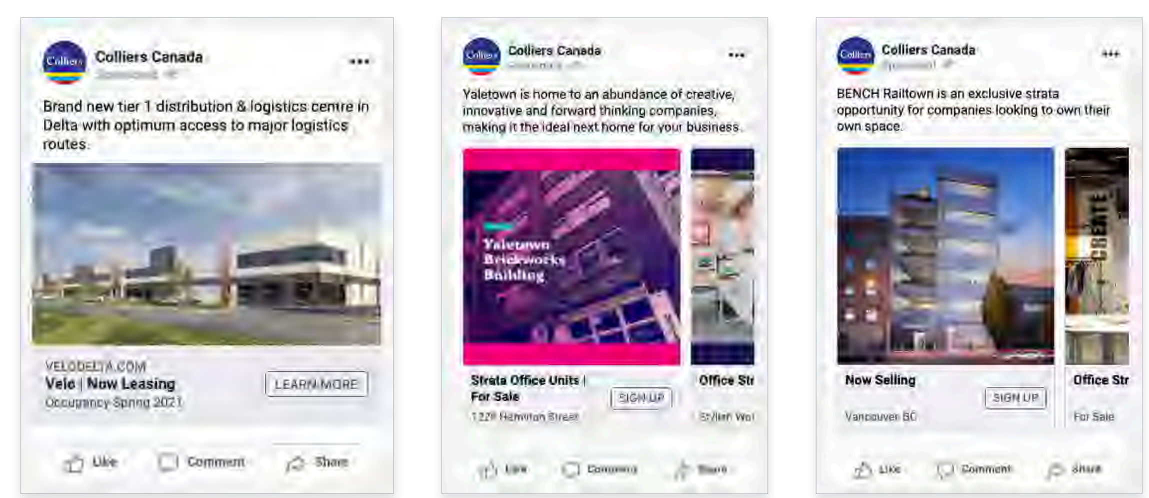
Source: Think with Google

Social
Campaigns



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

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



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

Why **Colliers**

The knowledge of the team

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

Unparalleled access to data

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

Exceptional execution skills

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

Commitment to service excellence

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

An extension of your team

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

Results and process-driven

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

Our integrated platform

- Occupier Representation
- Landlord Representation
- Property Sales
- Corporate Solutions
- Project Management Services
- Real Estate Management Services
- Valuation & Advisory Services

At Colliers, we are **enterprising.**

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

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

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

AON BESTEMPLOY GOLD | CANADA

NASDAQ: CIGI
TSX: CIGI

Last updated: March 2023

$13.7B
Transaction Value (USD)

483
Advisors

45
Offices

2,264
Professionals

67M
SF Managed

Colliers

WEBSITE
www.collierscanada.com

FACEBOOK
www.facebook.com/collierscanada

TWITTER
@collierscanada

INSTAGRAM
@collierscanada

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APPENDIX 4

Docusign Envelope ID: 8A7E8BF7-3854-4BD4-A537-76DA31D6EFAF

OREA Ontario Real Estate Association

Form 593
for use in the Province of Ontario

Listing Agreement - Commercial
Seller Designated Representation Agreement
Authority to Offer for Sale

This is a Multiple Listing Service® Agreement (Seller's Initials) **OR** **Exclusive Listing Agreement** EXCLUSIVE (Seller's Initials)

BETWEEN:
BROKERAGE: Colliers Macaulay Nicolls Inc., Brokerage

181 Bay Street, Unit 1400, Toronto, ON M5J 2V1 (the "Listing Brokerage") Tel. No. 416-777-2200

SELLER: msi Spergel Inc., in its capacity as Court-Appointed Receiver of 10503452 Canada Inc. (the "Seller")

DESIGNATED REPRESENTATIVE(S): Steve Keyzer, Ian Gragtmans & Alex Holiff
(Name of Salesperson/Broker/Broker of Record)

The Designated Representative will be providing services and representation to the Seller and the Brokerage provides services but not representation.

In consideration of the Listing Brokerage listing the real property for sale known as 740-748 Sheppard Avenue West, Toronto, ON M3H 2S8 (the "Property")

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

commencing at 10:00 (a.m./p.m.) on the ~~20~~ ~~26~~ 16 day of ~~June~~ July, 20 24,

and expiring at 11:59 p.m. on the 19 day of December, 20 24, (the "Listing Period"),

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

to offer the Property for sale at a price of: Dollars (CDN$) $1.00 FOR SALE

One Dollars

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

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

Schedule A, ~~B~~ A ~~out the details with respect to the~~ Schedule A

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

2. **COMMISSION:** In consideration of the Listing Brokerage listing the Property, the Seller agrees to pay the Listing Brokerage a commission of 3.25 % of the sale price of the Property or 2.50% of the total sale price if sold exclusively by the Colliers listing team (designated representatives)

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period, as may be acceptable to the Seller. The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage) and to offer to pay the co-operating brokerage a commission of 0.75 % of the sale price of the Property or

out of the commission the Seller pays the Listing Brokerage.
The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on the Seller's behalf within 180 days after the expiration of the Listing Period (Holdover Period), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

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

~~The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or~~ accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.
Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.
~~In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller.~~
All amounts set out as commission are to be paid plus applicable taxes on such commission.

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

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will require the Seller's written consent to represent both the Seller and the buyer for the transaction. The Seller understands and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer.
However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:
- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer, unless otherwise directed in writing by the Seller.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.
The Brokerage shall not be appointed or authorized to be agent for either the Seller or the buyer for the purpose of giving and receiving notices where the Brokerage represents both the Seller and the buyer (multiple representation) or where the buyer or the seller is a self-represented party.

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

~~4. **FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the Commission as described above.~~

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

6. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property for sale during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.

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

8. **INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. ~~The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the Commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement, including the accompanying data form.~~ The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property ~~and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.~~

~~9. **ENVIRONMENTAL INDEMNIFICATION:** The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems.~~

~~10. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.~~

11. **VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.

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

PROPERTY LS

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

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling: consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property	Does	Does Not

LS

~~**13. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.~~

14. CONFLICT OR DISCREPANCY: If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Listing Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.

15. ELECTRONIC COMMUNICATION: This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.

16. ELECTRONIC SIGNATURES: If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act, 2000*, S.O. 2000, c17 as amended from time to time.

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

Lindsay Stiles .... 7/15/2024 | 5:20 PM EDT .... Donald Campbell
(Authorized to bind the Listing Brokerage) (Date) (Name of Person Signing)

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

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

msi Spergel inc., in its capacity as Court-Appointed Receiver of 1050... 10503452 CANADA INC
(Name of Seller)

.... (Seal) JUNE 18 2024 ....
(Signature of Seller/Authorized Signing Officer) (Seal) (Date) (Tel. No.)

.... (Seal) ....
(Signature of Seller/Authorized Signing Officer) (Seal) (Date) (Tel. No.)

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

.... (Seal) ....
(Spouse) (Seal) (Date) (Tel. No.)

DECLARATION OF INSURANCE

The Salesperson/Broker/Broker of Record Steve Keyzer
(Name of Salesperson/Broker/Broker of Record)

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

DocuSigned by: Steve Keyzer
(Signature(s) of Salesperson/Broker/Broker of Record)

ACKNOWLEDGEMENT

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

MSI SPERGEL INC. IN ITS CAPACITY AS COURT-APPOINTED RECEIVER
(Signature of Seller) (Date)

....
(Signature of Seller) (Date) 6/27/24

Schedule A

1. Notwithstanding any other provision contained in this Agreement, the Seller shall only be liable to pay the commission provided for in the Listing Agreement if the transaction contemplated herein is completed (a "**Transaction**"). The Listing Brokerage (hereinafter, the "**Brokerage**") acknowledges that any sale of the Property must be approved by Order of the Ontario Superior Court of Justice ("**Court Approval**") is a pre-condition to completion of a Transaction. The Seller cannot guarantee that Court Approval for any such Transaction will be obtained. The Brokerage also acknowledges that the purchaser of the Property may include in the agreement of purchase and sale certain conditions which the Seller is required to fulfil prior to closing (collectively, "**Conditions**") including, without limitation, the delivery of vacant possession. The fulfilment of such Conditions by the Seller cannot be guaranteed. The parties agree that no commission shall be payable if a Transaction is not completed because Court Approval is not obtained or if the Conditions are not met or are impracticable to meet.

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

3. Notwithstanding any other provision of this Agreement, the Vendor makes no representations or warranties regarding the Property, the condition of the Property, the existence of any insurance or its ability to enter into this listing agreement nor does the Vendor provide the Brokerage with any indemnification regarding any such matters.

4. In the event of any conflict between the provisions of this Schedule "A" and the provisions of the pre-printed portions of the Listing Agreement, the provisions of this Schedule "A" shall override and shall govern and prevail for all purposes.

5. Any prospective purchaser agrees to use the Vendor's Form of Offer which will be provided by the Brokerage to such prospective purchaser.

6. Notwithstanding the foregoing paragraphs in this Listing Agreement or Schedule A, if a transaction is not completed due to (i) the redemption of the mortgage debt owing on the property to DUCA Financial Services Credit Union Ltd. ("**DUCA**"), or (ii) DUCA assigning its mortgage security to a third party, then the Brokerage shall be entitled to a one-time payment, from the Seller, of $60,000.00 ~~in full and final satisfaction of any commission obligation of the Seller or DUCA relating to the Transaction.~~ +HST

7. The Designated Agents are providing full service representation to the client.

DS
LS

Docusign Envelope ID: 6A7E8BF7-3654-4BD4-A537-76DA31D6EFAF

Toronto Regional Real Estate Board — TREB COMMERCIAL NETWORK

COMMERCIAL – SALE
MLS® DATA INFORMATION FORM

MLS® MULTIPLE LISTING SERVICE

MLS® LISTING #

FOR BOARD USE ONLY FOR A NEW LISTING OR TO BE COMPLETED FOR A RE-RUN.

Mandatory Field All Property Types | Optional Field All Property Types

PROPERTY INFORMATION

ASSESSMENT ROLL NUMBER (ARN): 190805413001810

PIN #: 101710602

AREA: Toronto

MUNICIPALITY: C06

COMMUNITY: Bathurst Manor

* MANDATORY IF AVAILABLE

STREET NUMBER	STREET NAME	ABBREV	DIR	APT/UNIT #	POSTAL CODE
740 - 748	Sheppard	Ave	W		M3H 2S8

LEGAL DESCRIPTION (LOT, PLAN, CONCESSION): PART OF LOT 6 PLAN 3062 DESIGNATED**

PROPERTY MANAGEMENT COMPANY

LOT FRONT	LOT DEPTH	LOT/BLDG/UNIT CODE	LOT SIZE CODE	LOT IRREGULARITIES
141.08	143.18	X	X Feet	Irregular

NOT MANDATORY FOR COMMERCIAL CONDO

ZONING (40 characters): CR - Commercial Residential

DIRECTION/MAIN CROSS STREETS: Sheppard Ave W / Maxwell St

HST APPLICABLE TO SALE PRICE (CIRCLE CHOICE): CALL LBO | INCLUDED | NO | YES

AMOUNTS/DATES

LIST PRICE	LIST PRICE CODE	MIN. RENTAL TERM (MONTHS)	MAX RENTAL TERM (MONTHS)	TAXES	TAX YEAR
$1.00	FOR SALE			$42,057.46	2023

TAX TYPE	ASSESSMENT	ASSESSMENT YEAR	CONTRACT COMMENCEMENT	EXPIRY DATE	POSSESSION DATE
X Annual			~~06 20 2024~~ 07/16/2024	12 15 2024	MMDDYYYY

06/20/2024

POSSESSION REMARKS (18 characters): TBD

HOLDOVER DAYS: 180

SELLER NAME: msi Spergel Inc., in its capacity as Court-Appointed Receiver of**

MORTGAGE COMMENTS

CONDO MAINTENANCE FEES (MONTHLY)

MANDATORY FOR COMMERCIAL & INDUSTRIAL CONDO ONLY

FORM 590

SELLER'S INITIALS

DETAILS

TYPE	CATEGORY (check 1)	USE (check 1)
Commercial Retail Property (Do not use for Sale of Business)	Commercial Condo Highway Commercial Institutional* Multi-Use Retail Service	Automotive Related; Hospitality/Food Related; Retail Store Related; Service Related; Health & Beauty Related; Other Bank*; Church*; School*; Other* *uses for institutional category only
Sale of Business	Without Property With Property	Apparel; Art Gallery; Art Supplies; Automotive Related; Bakery; Banquet Hall; Bar/Tavern/Pub; Beauty Salon; Bed & Breakfast; Butcher/Meat; Cabins/Cottages; Café; Car Wash; Caterer/Cafeteria; Coffee/Donut Shop Coin Laundromat; Convenience/Variety; Copy/Printing; Crafts/Hobby; Dairy Products; Day Care; Delicatessen; Delivery/Courier; Distributing; Drugstore/Pharmacy; Dry Cleaning/Laundry; Electronics; Entertainment; Fast Food/Takeout; Fitness/Training Florist; Food Court Outlet; Footwear; Fruit/Vegetable/Market; Funeral Home; Furniture; Garden/Landscaping; Gas Station; Golf Course; Golf Driving Range; Gravel Pit/Quarry; Grocery/Supermarket; Hair Salon; Hardware/Tools; Home Improvement Hotel/Motel/Inn; Jewellery; Manufacturing; Marine; Medical/Dental; Office; Pizzeria; Real Estate Office; Restaurant; Self Storage; Service Related; Spa/Tanning; Sporting Goods; Sports/Entertainment; Travel Agency; Wood Working
Store With Apartment/Office	Store With Apartment/Office	
Investment	Accommodation [1] Apartment [2] Retail Industrial Office Recreational [3]	[illegible]
Office	Office	Medical/Dental; Professional Office; Other
Industrial	Free Standing Industrial Condo Multi-Unit	Crude/Storage [illegible]; Factory/Manufacturing; Other; Warehouse; Food Processing; Laboratory; Transportation
Farm	Agricultural	Cash Crop; Hobby; Livestock; Other; Dairy Products; Horse
☒ Land	☒ Designation Plan of Subdivision Official Plan	Bush; Golf; Gravel Pit/Quarry; Industrial Hospitality; Office; Other Parking Lot; Recreational; ☒ Residential Institutional; Retail; Waterfront

FREESTANDING
Yes ☒ No

TOTAL AREA
1 8 8 5 5

TOTAL AREA CODE (check 1)
Acres
Hectares
☒ Square Feet
Sq. Ft. Divisible
Sq. M. Divisible
Square Metres

% BUILDING

OFFICE/APT AREA

OFFICE/APT AREA CODE (check 1)
%
Square Feet
Sq. Ft. Divisible
Square Metres
Sq. M. Divisible

INDUSTRIAL AREA

INDUSTRIAL AREA CODE (check 1)
%
Square Feet
Sq. Ft. Divisible
Square Metres
Sq. M. Divisible

RETAIL AREA

RETAIL AREA CODE (check 1)
%
Square Feet
Sq. Ft. Divisible
Square Metres
Sq. M. Divisible

SELLER'S INITIALS

UTILITIES

BAY SIZE

AMPS

VOLTS

WATER

BASEMENT

CLEAR HEIGHT

SPRINKLERS

AIR CONDITIONING

HEAT TYPE

Other

Propane Gas

SHIPPING DOOR TYPES

TRUCK LEVEL SHIP DOORS #

DOOR HEIGHT FT IN

DOOR WIDTH FT IN

DOUBLE MAN SHIP DOORS #

DOOR HEIGHT FT IN

DOOR WIDTH FT IN

DRIVE-IN LEVEL SHIP DOORS #

DOOR HEIGHT FT IN

DOOR WIDTH FT IN

GRADE LEVEL SHIP DOORS #

DOOR HEIGHT FT IN

DOOR WIDTH FT IN

ELEVATOR

GARAGE TYPE

OUTSIDE STORAGE

RAIL

SEWERS

COMMENTS

The Opportunity represents vacant, shovel-ready development land, with an area of 18,855 SF and with 141' fronting on Sheppard Ave W. The Property has already been approved for Official Plan and Zoning By-law Amendments, with a site plan application under review. The current development scheme is a 9-storey mixed use building with 70 residential units and 1,669 SF or retail space, for a total GFA or 59,430 SF. This scheme has a suite mix of different unit sizes and 71 parking spaces across 2 underground levels. It is well located, being a short bus ride to Sheppard West TTC Station and close to Highway 401 and Yorkdale Shopping Centre.

Legal Description Continued: **AS PARTS 1 AND 2 ON PLAN 66R-26936 CITY OF TORONTO

Seller name continued: **10503452 Canada Inc. Please contact listing agents for more information or data room access. The price is not $1, please speak with agents.

FINANCIAL STATEMENT | CHATTELS | FRANCHISE | DAYS OPEN | EMPLOYEES

SEATS | LLBO

EXPENSES

BROKERAGE INFORMATION / OTHER

LISTING BROKERAGE
Colliers Macaulay Nicolls Inc.

LB PHONE 416 777 2200

LB FAX NO 416 777 2222

BROKER 1/SALESPERSON 1
Steve Keyzer

416 643 3770

Alex Holiff

416 620 5373

COMMISSION TO CO-OPERATING BROKERAGE
0.75%

SPIS

DISTRIBUTE TO INTERNET | DISPLAY ADDRESS ON INTERNET | DISTRIBUTE TO DDF™/IDX | PERMISSION TO CONTACT LB TO ADVERTISE

CHOOSE ONE OPTION AND TYPE INTO APPOINTMENTS FIELD: GO DIRECT | LOCKBOX | SEE BROKERAGE REMARKS | SHOWING SYSTEM | LIST BROKERAGE | LIST SALESPERSON

OCCUPANCY | CONTACT AFTER EXPIRED

PHOTO OPTIONS

MSI SPERGEL INC, IN ITS CAPACITY AS COURT-APPOINTED RECEIVER

JUNE 18, 2024

FORM 590

APPENDIX 5

OREA Ontario Real Estate Association

Form 521
for use in the Province of Ontario

Amendment to Listing Agreement - Commercial
Authority to Offer for Sale

RE: LISTING AGREEMENT - COMMERCIAL AUTHORITY TO OFFER FOR SALE (Agreement) FOR:

PROPERTY ADDRESS: 740-746 Sheppard Ave W, Toronto, Ontario M3H 2S8

BETWEEN:
SELLER: msi Spergel Inc., in its capacity as Court-Appointed receiver of 10503452 Canada Inc.

AND
BROKERAGE: COLLIERS MACAULAY NICOLLS INC., Brokerage

MLS® NUMBER(S): C9043238 **L/BR ID. #**

INTERBOARD MLS® NUMBER: **BOARD:**

LISTING EXPIRY DATE: December 19th, 2024

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

1. LISTING PRICE:
Current Listing Price $1.00 (FOR SALE) **New** Listing Price $5,950,000.00 (FOR SALE) (Seller's Initials)

2. EXPIRY DATE:
Current Expiry Date **New** Expiry Date (Seller's Initials)
Seller acknowledges that the length of time period for the Agreement is negotiable between the Seller and the Brokerage, however, in accordance with the Trust in Real Estate Services Act, 2002 (TRESA), **the Brokerage must obtain the Seller's initials.** (Seller's Initials)

3. OTHER AMENDMENTS:
a) (Seller's Initials)
b) (Seller's Initials)

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

An extension of the expiry date must be signed and dated prior to expiration of the Agreement. The Brokerage agrees to immediately notify the Real Estate Board(s) of the amendment(s) in accordance with the MLS® Rules and Regulations, provided that this is an MLS® listing.
This Amendment to Listing Agreement - Commercial shall not take effect unless signed by all parties set out below, and initialled where applicable.
For the purposes of this Amendment to Listing Agreement - Commercial: "Seller" includes vendor and Real Estate Board(s) includes Real Estate Association(s).

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

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

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

(Seller)	(Seal)	Sept. 26/24 (Date)	msi Spergel Inc., in its capacity as Court-Appointed receiver of 10503452 Canada Inc. (Print Name of Person Signing)
(Seller)	(Seal)	(Date)	(Print Name of Person Signing)

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

(Spouse)	(Seal)	(Date)	(Print Name of Person Signing)

COLLIERS MACAULAY NICOLLS INC., Brokerage
(Name of Brokerage)

DocuSigned by:
561F579D53794A8...

(Authorized to bind the Brokerage)	9/26/2024 | 8:49 AM PDT (Date)	Donald Campbell (Print Name of Person Signing)

APPENDIX 6

EXCLUSIVE AUTHORITY TO SELL (LISTING AGREEMENT) EXTENSION

December 20, 2024

RE:	LISTING AGREEMENT FOR 740-748 SHEPPARD AVENUE WEST
DATED:	JULY 16, 2024
BETWEEN:	MSI SPERGEL INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF 10503452 CANADA INC. (the "Vendor") and
	COLLIERS MACAULAY NICOLLS INC., BROKERAGE (the "Agent")

THIS EXCLUSIVE AUTHORITY TO SELL EXTENSION hereby revises the expiry date in the above-referenced agreement (Listing Commencement and Expiry Date, Page 1 of the Agreement)

The expiry date of the Exclusive Authority to Sell (currently to December 19th, 2024) is hereby extended until February 19th, 2025.

All other terms in the Exclusive Authority to Sell (Listing Agreement) shall remain unchanged and be in full force and effect.

The signatures below represent both parties confirmation of this Exclusive Authority to Sell (Listing Agreement) Extension.

We hereby acknowledge acceptance of this agreement.

MSI SPERGEL INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF 10503452 CANADA INC.

Per: ______________________ Date

Name and Title: T. PRINGLE, LIT

I have the authority to bind the corporation.

COLLIERS MACAULAY NICOLLS INC., BROKERAGE

DocuSigned by:

Per: ______________________ 12/20/2024 | 12:26 PM EST Date

561F579D53794A8...

Name and Title: Donald Campbell, Broker of Record

I have the authority to bind the corporation.

APPENDIX 7

OREA Ontario Real Estate Association

Form 593
for use in the Province of Ontario

Listing Agreement - Commercial
Seller Designated Representation Agreement
Authority to Offer for Sale

This is a Multiple Listing Service® Agreement MLS® TP (Seller's Initials) **OR** **Exclusive Listing Agreement** EXCLUSIVE (Seller's Initials)

BETWEEN:
BROKERAGE: Colliers Macaulay Nicolls Inc., Brokerage
181 Bay Street, Unit 1400, Toronto, ON M5J 2V1 (the "Listing Brokerage") Tel. No. 416-777-2200

SELLER: msi Spergel Inc., in its capacity as Court-Appointed Receiver of 10503452 Canada Inc. (the "Seller")

DESIGNATED REPRESENTATIVE(S): Steve Keyzer & Alex Holiff
(Name of Salesperson/Broker/Broker of Record)

The Designated Representative will be providing services and representation to the Seller and the Brokerage provides services but not representation.

In consideration of the Listing Brokerage listing the real property **for sale** known as 740-748 Sheppard Avenue West, Toronto, ON M3H 2S8 (the "Property")

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

commencing at 10:00 ☑(a.m./p.m.)☐ on the 23 day of September, 20 25,

and expiring at 11:59 p.m. on the 23 day of March, 20 26 (the "Listing Period"),

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

to offer the Property **for sale** at a price of: Dollars (CDN$) $1.00 FOR SALE

One Dollars

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

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

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

1. [illegible]

2. **COMMISSION:** In consideration of the Listing Brokerage listing the Property: Through Designated Agents: As listed above.

(i) the Seller agrees to pay the Listing Brokerage a commission of 4.5 % of the sale price of the Property or .... ("total commission") for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period, as may be acceptable to the Seller.

(ii) the Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage) and to offer to pay the co-operating brokerage a commission of 0.75 % of the sale price of the Property or ....

Payment to the co-operating brokerage shall be made by the Listing Brokerage out of the total commission calculated above.

The Seller further agrees that the total commission calculated above shall be payable to the Listing Brokerage even if there is no co-operating brokerage.

The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on the Seller's behalf within 180 days after the expiration of the Listing Period **(Holdover Period)**, so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period.

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

All amounts set out as commission are to be paid plus applicable taxes on such commission.

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

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

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

~~**4. FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the Commission as described above~~.

5.

(5) days following the Listing Brokerage's written demand therefor.

6.

gross negligence or wilful act.

7.

8. INDEMNIFICATION AND INSURANCE: The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. ~~The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the Commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement and, if attached, the accompanying data form.~~ The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.

~~**9. ENVIRONMENTAL INDEMNIFICATION:** The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems~~.

~~**10. FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided~~.

11. VERIFICATION OF INFORMATION: The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.

INITIALS OF LISTING BROKERAGE: Initial JO **INITIALS OF SELLER(S):** DS TP

TP JO property

12. [illegible] TP JO TP JO

would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling: consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.	Does	TP Does Not

TP JO **13.** ~~**SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.~~

14. [illegible] Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.

15. ELECTRONIC COMMUNICATION: This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.

16. ELECTRONIC SIGNATURES: If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act, 2000*, S.O. 2000, c17 as amended from time to time.

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

Signed by:
Jonathan Olynick
A30EDAF729C246E...
9/23/2025 | 9:02 AM PDT

[illegible]

DocuSigned by:
Trevor Pringle
3E54996B92F2462...
9/23/2025 | 9:45 AM PDT

[illegible]

DocuSigned by:
Steve Keyzer
F3581F365C294F3...

[illegible]

9/23/2025 | 9:45 AM PDT

DocuSigned by:
Trevor Pringle
3E54996B92F2462...

9/23/2025 | 9:45 AM PDT

[illegible]

OREA Ontario Real Estate Association

Form 593
for use in the Province of Ontario

Schedule A
Listing Agreement - Commercial Seller Designated Representation Agreement Authority to Offer for Sale

This Schedule is attached to and forms part of the Listing Agreement - Commercial Seller Designated Representation Agreement, Authority to Offer for Sale (Agreement) between:

BROKERAGE: Colliers Macaulay Nicolls Inc., Brokerage, and

SELLER: msi Spergel Inc., in its capacity as Court-Appointed Receiver of 10503452 Canada Inc.

PROPERTY: 740 748 Sheppard Avenue West, Toronto, ON M3H 2S8

This Schedule to the Agreement, *inter alia*, sets out the details of the provision of services by the Brokerage and the provision of services, confidentiality and representation by the Designated Representative of the Brokerage, and subject to the terms of Clause 14 in the Agreement (Conflict or Discrepancy), is in addition to provision of services, confidentiality and representation set out in the Agreement.

[illegible]

This form must be initialled by all parties to the Agreement.

INITIALS OF LISTING BROKERAGE: Initial JA   INITIALS OF SELLER(S): DS TP

Schedule B

1. Notwithstanding any other provision contained in this Agreement, the Seller shall only be liable to pay the commission provided for in the Listing Agreement if the transaction contemplated herein is completed (a "**Transaction**"). The Listing Brokerage (hereinafter, the **"Brokerage")** acknowledges that any sale of the Property must be approved by Order of the Ontario Superior Court of Justice **("Court Approval")** is a pre-condition to completion of a Transaction. The Seller cannot guarantee that Court Approval for any such Transaction will be obtained. The Brokerage also acknowledges that the purchaser of the Property may include in the agreement of purchase and sale certain conditions which the Seller is required to fulfil prior to closing (collectively, **"Conditions")** including, without limitation, the delivery of vacant possession. The fulfilment of such Conditions by the Seller cannot be guaranteed. The parties agree that no commission shall be payable if a Transaction is not completed because Court Approval is not obtained or if the Conditions are not met or are impracticable to meet.

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

3. Notwithstanding any other provision of this Agreement, the Vendor makes no representations or warranties regarding the Property, the condition of the Property, the existence of any insurance or its ability to enter into this listing agreement nor does the Vendor provide the Brokerage with any indemnification regarding any such matters.

4. In the event of any conflict between the provisions of this Schedule "A" and the provisions of the pre-printed portions of the Listing Agreement, the provisions of this Schedule "A" shall override and shall govern and prevail for all purposes.

5. Any prospective purchaser agrees to use the Vendor's Form of Offer which will be provided by the Brokerage to such prospective purchaser.

6. Notwithstanding the foregoing paragraphs in this Listing Agreement or Schedule A, if a transaction is not completed due to (i) the redemption of the mortgage debt owing on the property to DUCA Financial Services Credit Union Ltd. ("**DUCA**"), or (ii) DUCA assigning its mortgage security to a third party, then the Brokerage shall be entitled to a one-time payment, from the Seller, of $60,000.00, in full and final satisfaction of any commission obligation of the Seller or DUCA relating to the Transaction. **+HST** DS TP Initial JA

7. The Designated Agents are providing full service representation to the client.

PropTx

COMMERCIAL – SALE
MLS® DATA INFORMATION FORM

MLS MULTIPLE LISTING SERVICE

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

MLS® LISTING #:

LOCATION

ASSESSMENT ROLL # (ARN)	PIN #	ADDITIONAL PIN #
190805413001310		

AREA: Toronto

MUNICIPALITY: C06

COMMUNITY *: Bathurst Manor

STREET DIRECTION PREFIX (Check 1)	STREET #	STREET NAME (50 characters)
☐ E ☐ N ☐ S ☐ W ☐ NW ☐ NE ☐ SW ☐ SE	740-748	Sheppard

ABBREV.	STREET DIRECTION	APT/UNIT #	POSTAL CODE
Ave	☐ E ☐ N ☐ S ☒ W ☐ NW ☐ NE ☐ SW ☐ SE		M3H 2S8

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

PART OF LOT 6 PLAN 3062 DESIGNATED AS PARTS 1 AND 2 ON PLAN 66R-26936 CITY OF TORONTO

PROPERTY MANAGEMENT COMPANY (60 characters)	LOT FRONT ***	LOT DEPTH ***
	141.08	143.18

LOT/BUILDING/UNIT CODE *	LOT SIZE CODE *	LOT IRREGULARITIES (40 characters)
■ Lot ☐ Building ☐ Unit	☒ Feet ☐ Acres ☐ Metres	

LOT SHAPE (Check 1)

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

LOT SIZE SOURCE (Check 1)	LOT SIZE AREA
☒ GeoWarehouse ☐ MPAC ☐ Other ☐ Survey	18855

LOT SIZE AREA CODE (Check 1)

☐ Acres ☐ Hectares ☐ Sq. Ft. Divisible ☐ Sq. M. Divisible ☐ Square Meters ☒ Square Feet

WINTERIZED (Check 1)	ZONING (50 characters)
☐ Fully ☐ Partial ☐ No	RD(f15;a550*5), RD

DIRECTIONS (250 characters)

MAIN CROSS STREETS (250 characters)

Sheppard Ave W / Maxwell St

* MANDATORY IF AVAILABLE ** NOT MANDATORY FOR COMMERCIAL CONDO *** IF NOT APPLICABLE ENTER "0"

SELLERS' INITIALS: DS TP

AMOUNTS/DATES

LIST PRICE
$1.00

HST APPLICABLE TO SALE PRICE (Max 1)
☒ In Addition To ☐ Included In ☐ Not Subject to HST

DEVELOPMENT CHARGES PAID (Max 1)
☐ Credit ☐ No ☐ Partial
☐ Unknown ☐ Yes

LIST PRICE CODE (Check 1)
☒ For Sale ☐ Gross Lease ☐ Hectares ☐ Net Lease ☐ Other ☐ Per Acre
☐ Per Sq Ft ☐ Plus Stock ☐ Sq Ft Gross ☐ Sq Ft Net ☐ Sq M Gross ☐ Sq M Net

MINIMUM RENTAL TERM MONTHS

MAXIMUM RENTAL TERM MONTHS

TAXES
$51,603.37

TAX YEAR
2024

TAX TYPE (Check 1)
☒ Annual ☐ N/A ☐ T&O ☐ TMI

ASSESSMENT

ASSESSMENT YEAR

CONTRACT COMMENCEMENT
09 / 23 / 2025

EXPIRY DATE
03 / 23 / 2026

POSSESSION DATE *
/ /

POSSESSION REMARKS * (75 characters)
TBD

POSSESSION TYPE (Check 1)
☐ Immediate ☒ Flexible ☐ Other ☐ 1-29 days ☐ 30-59 days ☐ 60-89 days ☐ 90+ days

HOLDOVER DAYS
180

SELLER NAME (200 characters)
msi Spergel Inc., in its capacity as Court -Appointed Receiver of of 10503452 Canada Inc.

MORTGAGE COMMENTS (140 characters)

CONDO MAINTENANCE FEES MONTHLY **

PHASED IN TAX ASSESSED VALUE

ROAD ACCESS FEE

LEASED LAND FEE

LOCAL IMPROVEMENTS
☐ Yes ☐ No

LOCAL IMPROVEMENTS COMMENTS (250 characters)

* ONE OF POSSESSION DATE OR POSSESSION REMARKS IS MANDATORY
** MANDATORY FOR COMMERCIAL & INDUSTRIAL CONDOS ONLY

DETAILS

TYPE (Check 1)	CATEGORY (Check 1)	USE (Check 1)
☐ Commercial Retail *(Do not use for Sale of Business)*	☐ Commercial Condo ☐ Highway Commercial ☐ Institutional (*1) ☐ Multi-Use ☐ Retail ☐ Service	☐ Automotive Related ☐ Bank (*1) ☐ Church (*1) ☐ Health & Beauty Related ☐ Hospitality/Food Related ☐ Other (*1) ☐ Retail Store Related ☐ School (*1) ☐ Service Related (*1) USE FOR "INSTITUTIONAL" CATEGORY ONLY
☐ Farm	☐ Agricultural	☐ Cash Crop ☐ Livestock ☐ Dairy Products ☐ Other ☐ Hobby ☐ Horse
☐ Industrial	☐ Free Standing ☐ Industrial Condo ☐ Multi-Unit	☐ Cooler/Freezer/Food Inspect ☐ Factory/ Manufacturing ☐ Laboratory ☐ Other ☐ Transportation ☐ Warehouse

TYPE Option Continues on Next Page

SELLERS INITIALS DS TP

DETAILS (CONTINUED)

TYPE (Check 1)	CATEGORY (Check 1)	USE (Check 1)
☐ Investment	☐ Accomodation	☐ Bed & Breakfast ☐ Cabins/Cottages ☐ Hotel/Motel/Inn ☐ Other
	☐ Apartment	☐ Apts - 2 to 5 Units ☐ Apts - 6 to 12 Units ☐ Apts - 13 to 20 Units ☐ Apts - Over 20 Units ☐ Other ☐ Senior Residence
	☐ Industrial	
	☐ Office	☐ Medical/Dental ☐ Other ☐ Professional Office
	☐ Recreational	☐ Campground ☐ Golf ☐ Marina ☐ Other ☐ Sports/Entertainment
	☐ Retail	
☒ Land	☒ Designated ☐ Raw (Outside Off Plan)	☐ Bush ☐ Office ☐ Restricted ☐ Golf ☐ Other ☐ Retail ☐ Gravel Pit/Quarry ☐ Parking Lot ☐ Waterfront ☐ Hospitality ☐ Recreational ☐ Industrial ☒ Residential
☐ Office	☐ Office	☐ Medical/Dental ☐ Other ☐ Professional Office
☐ Sale of Business ¤1	☐ Without Property ☐ With Property	☐ Apparel ☐ Day Care ☐ Gravel Pit/Quarry ☐ Art Gallery ☐ Delicatessen ☐ Grocery/Supermarket ☐ Art Supplies ☐ Delivery/Courier ☐ Hair Salon ☐ Automotive Related ☐ Distributing ☐ Hardware/Tools ☐ Bakery ☐ Drugstore/Pharmacy ☐ Home Improvement ☐ Banquet Hall ☐ Dry Cleaning/Laundry ☐ Hotel/Motel/Inn ☐ Barber/Beauty ☐ Electronics ☐ Jewellery ☐ Bar/Tavern/Pub ☐ Entertainment ☐ Manufacturing ☐ Beauty Salon ☐ Fast Food/Takeout ☐ Marina ☐ Bed & Breakfast ☐ Fitness/Training ☐ Medical/Dental ☐ Butcher/Meat ☐ Florist ☐ Other ☐ Cabins/Cottages ☐ Food Court Outlet ☐ Pizzeria ☐ Café ☐ Footwear ☐ Real Estate Office ☐ Car Wash ☐ Fruit/Vegetable/Market ☐ Restaurant ☐ Caterer/Cafeteria ☐ Self Storage ☐ Coffee/Donut Shop ☐ Funeral Home ☐ Service Related ☐ Coin Laundromat ☐ Furniture ☐ Spa/Tanning ☐ Convenience/Variety ☐ Garden/Landscaping ☐ Sporting Goods ☐ Copy/Printing ☐ Gas Station ☐ Sports/Entertainment ☐ Crafts/Hobby ☐ Golf Course ☐ Travel Agency ☐ Dairy Products ☐ Golf Driving Range ☐ Woodworking
☐ Store W Apt/Office	☐ Store W Apt/Office	

FREESTANDING ¤2	TOTAL AREA ¤3	TOTAL AREA CODE ¤3 (Check 1)
☒ Yes ☐ No	18,855	☐ Acres ☐ Hectares ☒ Square Feet ☐ Sq Ft Divisible ☐ Sq M Divisible ☐ Square Meters

¤1 USE IS MANDATORY IF "SALE OF BUSINESS" TYPE IS CHECKED
¤2 MANDATORY IF TYPE IS → COMMERCIAL RETAIL; INDUSTRIAL; INVESTMENT; OFFICE; STORE WITH APT/OFFICE
¤3 MANDATORY IF TYPE IS → COMMERCIAL RETAIL; FARM; INDUSTRIAL; INVESTMENT; LAND; OFFICE; STORE WITH APT/OFFICE

SELLERS' INITIALS DS TP

DETAILS (CONTINUED)

% BUILDING

OFFICE/APT AREA ø4

OFFICE APARTMENT AREA CODE ø4 (Check 1)
☐ % ☐ Sq Ft ☐ Sq Ft Divisible ☐ Square Meters ☐ Sq M Divisible

INDUSTRIAL AREA ø5

INDUSTRIAL AREA CODE ø5 (Check 1)
☐ % ☐ Sq Ft ☐ Sq Ft Divisible ☐ Square Meters ☐ Sq M Divisible

RETAIL AREA ø6

RETAIL AREA CODE ø6 (Check 1)
☐ % ☐ Sq Ft ☐ Sq Ft Divisible ☐ Square Meters ☐ Sq M Divisible

APPROXIMATE AGE (Check 1)
☐ New ☐ 0-5 ☐ 6-15 ☐ 16-30
☐ 31-50 ☐ 51-99 ☐ 100+

AREA INFLUENCES (Max 2)
☐ Greenbelt/Conservation ☐ Major Highway ☐ Public Transit
☐ Recreation/Community Centre ☐ Skiing ☐ Subways

PHYSICALLY HANDICAPPED-EQUIPPED
☐ Yes ☐ No

BASEMENT ø
☐ Yes ☐ No

UFFI (Check 1)
☐ No ☐ Partially Removed ☐ Removed ☐ Yes

CLEAR HEIGHT ø8
Feet ____ Inches ____

SPRINKLERS ø12
☐ No
☐ Partial
☐ Yes

UTILITIES ø
☒ Available
☐ None
☐ Yes

BAY SIZE
Width Feet ____ Width Inches ____ Length Feet ____ Length Inches ____

AMPS

VOLTS

WATER (Check 1)
☐ Both ☒ Municipal ☐ None ☐ Other ☐ Well

WATER SUPPLY TYPE (Max 4)
☐ Bored Well ☐ Chlorination ☐ Cistern ☐ Comm Well ☐ Drilled Well ☐ Dug Well ☐ Iron/Mineral Filter
☐ Lake/River ☐ None ☐ Reverse Osmosis ☐ Sediment Filter ☐ Shared Well ☐ Water System

AIR CONDITIONING ø
☐ No
☐ Partial
☐ Yes

HEAT TYPE ø (Check 1)
☐ Baseboard ☐ Gas Forced Air Closed ☐ Oil Forced Air ☐ Propane Gas ☐ Water Radiators
☐ Electric Forced Air ☐ Gas Forced Air Open ☐ Oil Hot Water ☐ Radiant ☐ Woodburning
☐ Electric Hot Water ☐ Gas Hot Water ☐ Oil Steam ☐ Solar
☐ Fan Coil ☐ None ☐ Other ☐ Steam Radiators

WASHROOMS

TRUCK LEVEL SHIPPING DOORS # ø5

TRUCK LEVEL SHIPPING DOORS DIMENSIONS ø5
Height Feet ____ Height Inches ____ Width Feet ____ Width Inches ____

DOUBLE MAN SHIPPING DOORS # ø5

DOUBLE MAN SHIPPING DOORS DIMENSIONS ø5
Height Feet ____ Height Inches ____ Width Feet ____ Width Inches ____

DRIVE-IN LEVEL SHIPPING DOORS # ø5

DRIVE-IN LEVEL SHIPPING DOORS DIMENSIONS ø5
Height Feet ____ Height Inches ____ Width Feet ____ Width Inches ____

ø3 MANDATORY IF TYPE IS —> COMMERCIAL RETAIL; FARM; INDUSTRIAL; INVESTMENT; LAND; OFFICE; STORE WITH APT/OFFICE
ø4 MANDATORY IF TYPE IS —> OFFICE; STORE WITH APT/OFFICE
ø5 MANDATORY IF TYPE IS —> INDUSTRIAL
ø6 MANDATORY IF TYPE IS —> COMMERCIAL RETAIL; STORE WITH APT/OFFICE
ø7 MANDATORY IF TYPE IS —> SALE OF BUSINESS; STORE WITH APT/OFFICE
ø8 MANDATORY IF TYPE IS —> COMMERCIAL RETAIL; INDUSTRIAL; INVESTMENT; OFFICE; SALE OF BUSINESS; STORE W APT/OFFICE
ø9 NOT MANDATORY IF TYPE IS —> LAND
ø10 MANDATORY IF TYPE IS —> OFFICE
ø11 MANDATORY IF TYPE IS —> LAND
ø12 MANDATORY IF TYPE IS —> COMMERCIAL RETAIL; INDUSTRIAL; OFFICE; STORE WITH APT/OFFICE

SELLERS' INITIALS DS TP

Docusign Envelope ID: C3A3E72E-493F-4999-9101-E9D12F80D413

DETAILS (CONTINUED)

GRADE LEVEL SHIPPING DOORS # ¤5

GRADE LEVEL SHIPPING DOORS DIMENSIONS ¤5

Height Feet | Height Inches | Width Feet | Width Inches

ELEVATOR ¤10 (Check 1)

☐ Freight+Public ☐ Freight ☐ None ☐ Public

GARAGE TYPE ¤8 (Check 1)

☐ Boulevard ☐ Covered ☐ Double Detached ☐ In/Out ☐ Lane ☐ None ☐ Other ☐ Outside/Surface ☐ Pay ☐ Plaza ☐ Public ☐ Reserved Assigned ☐ Single Detached ☐ Street ☐ Underground ☐ Valet ☐ Visitor

PARKING SPACES

NUMBER OF TRAILER PARKING SPOTS

OUTSIDE STORAGE ☐ Yes ☐ No

RAIL ¤5 (Check 1) ☐ Available ☒ No ☐ Yes

CRANE ☐ Yes ☐ No

SURVEY ☐ Yes ☐ No

SOIL TEST (Check 1) ☐ Construction Audit ☐ Construction+Environmental ☐ Environmental Audit ☐ No ☐ Yes

SEWERS ¤ (Check 1)

☐ None ☐ Septic Available ☐ Sanitary ☐ Septic ☐ Sanitary Available ☐ Storm ☒ Sanitary+Storm ☐ Storm Available ☐ Sanitary+Storm Available

FARM FEATURES (Max 26)

☐ Barn Cleaner ☐ Barn Hydro ☐ Barn Water ☐ Barn Well ☐ Cold Storage ☐ Dry Storage ☐ Equipment Included ☐ Feed System ☐ Fence - Electric ☐ Irrigation System ☐ Liquid Tank ☐ Loading Yard ☐ Manure Pit ☐ Milking System ☐ Paddock ☐ Pasture ☐ Quotas ☐ Slats ☐ Stalls ☐ Track ☐ Tractor Access ☐ Windbreak ☐ Other ☐ None

YEAR BUILT

YEAR BUILT SOURCE

☐ MPAC ☐ Appraiser ☐ Assessor ☐ Builder ☐ Estimated ☐ LBO Provider ☐ Other ☐ Owner ☐ Plans

¤5 MANDATORY IF TYPE IS —> INDUSTRIAL
¤6 MANDATORY IF TYPE IS —> COMMERCIAL RETAIL; STORE WITH APT/OFFICE
¤7 MANDATORY IF TYPE IS —> SALE OF BUSINESS; STORE WITH APT/OFFICE
¤8 MANDATORY IF TYPE IS —> COMMERCIAL RETAIL; INDUSTRIAL; INVESTMENT; OFFICE; SALE OF BUSINESS; STORE W APT/OFFICE
¤9 NOT MANDATORY IF TYPE IS —> LAND
¤10 MANDATORY IF TYPE IS —> OFFICE
¤11 MANDATORY IF TYPE IS —> LAND
¤12 MANDATORY IF TYPE IS —> COMMERCIAL RETAIL; INDUSTRIAL; OFFICE; STORE WITH APT/OFFICE

SELLERS INITIALS DS TP

COMMENTS

REMARKS FOR CLIENTS (2000 characters)

The Opportunity represents vacant, shovel-ready development land, with an area of 18,855 SF and with 141' fronting on Sheppard Ave W. The Property has already been approved for Official Plan and Zoning By-law Amendments, with a site plan application under review. The current development scheme is a 9-storey mixed use building with 70 residential units and 1,669 SF or retail space, for a total GFA or 59,430 SF. This scheme has a suite mix of different unit sizes and 71 parking spaces across 2 underground levels. It is well located, being a short bus ride to Sheppard West TTC Station and close to Highway 401 and Yorkdale Shopping Centre.

OFFER REMARKS (SELLER DIRECTION) (500 characters)

SELLERS INITIALS DS TP

COMMENTS (CONTINUED)

INCLUSIONS (1000 characters)

EXCLUSIONS (300 characters)

RENTAL ITEMS/UNDER CONTRACT (250 characters)

UNDER CONTRACT MONTHLY COSTS (250 characters)

REALTOR ONLY REMARKS (1050 characters)

Please contact listing agents for more information or data room access. The price is not $1, please speak with agents.

SELLERS INITIALS DS TP

FINANCIAL INFORMATION

FINANCIAL STATEMENT * ☐ Yes ☐ No

CHATTELS * ☐ Yes ☐ No

FRANCHISE * ☐ Yes ☐ No

DAYS OPEN * ☐ Open 1 Day ☐ Open 2 Days ☐ Open 3 Days ☐ Open 4 Days ☐ Open 5 Days ☐ Open 6 Days ☐ Open 7 Days ☐ Varies

HOURS OPEN (255 characters)

EMPLOYEES *

SEATS *

L.L.B.O. * ☐ Yes ☐ No

BUSINESS/BUILDING NAME (100 characters)

TAXES EXPENSE	INSURANCE EXPENSE	MANAGEMENT EXPENSE	MAINTENANCE EXPENSE
HEAT EXPENSE	**HYDRO EXPENSE**	**WATER EXPENSE**	**OTHER EXPENSE**
GROSS INCOME/SALES	**VACANCY ALLOWANCE**	**OPERATING EXPENSE**	**NET INCOME BEFORE DEBT**

ESTIMATED INVENTORY VALUE AT COST

COMMON AREA UPCHARGE

PERCENTAGE RENT

EXPENSES ACTUAL/ESTIMATED ** ☐ Actual ☐ Estimated

YEAR EXPENSE **

* MANDATORY IF TYPE "SALE OF BUSINESS" IS CHECKED IN DETAILS SECTION ** COMPLETE ONLY IF YOU HAVE ENTERED ANY AMOUNT(S)

OTHER

LISTING BROKERAGE	LISTING BROKERAGE PHONE	LISTING BROKERAGE FAX
Colliers Macaulay Nicolls Inc.	416-777-2200	416-777-2222

SALESPERSON 1	SALESPERSON 1 PHONE
Steve Keyzer	416-643-3770

SALESPERSON 2 BROKERAGE
Colliers Macaulay Nicolls Inc.

SALESPERSON 2	SALESPERSON 2 PHONE
Alex Holiff	416-620-5373

SALESPERSON 3 BROKERAGE

SALESPERSON 3	SALESPERSON 3 PHONE

SALESPERSON 4 BROKERAGE

SALESPERSON 4	SALESPERSON 4 PHONE

COMMISSION TO CO-OPERATING BROKERAGE (50 characters)
0.75% + HST

SELLER PROPERTY INFO STATEMENT ☐ Yes ☒ No

ENERGY CERTIFICATE ☐ Yes ☐ No

SELLERS' INITIALS DS TP

OTHER (CONTINUED)

CERTIFICATE LEVEL (25 characters)

GREEN PROPERTY INFO STATEMENT
☐ Yes ☐ No

DISTRIBUTE TO INTERNET
☒ Yes ☐ No

DISPLAY ADDRESS ON INTERNET
☒ Yes ☐ No

DISTRIBUTE TO DDF/IDX
☒ Yes ☐ No

PERMISSION TO CONTACT LISTING BROKER TO ADVERTISE
☐ Yes ☒ No

REALTOR® SIGN ON PROPERTY
☐ Yes ☐ No

APPOINTMENTS/SHOWING REMARKS (250 characters)

SHOWING REQUIREMENTS (Max 6)
☐ Go Direct ☐ Lockbox ☐ See Brokerage Remarks ☐ Showing System ☐ List Brokerage ☒ List Salesperson

OCCUPANCY (Check 1)
☐ Owner + Tenant ☐ Owner ☐ Partial ☐ Tenant ☒ Vacant

CONTACT AFTER EXPIRED
☐ Yes ☒ No

UNBRANDED VIRTUAL TOUR URL 1 (255 characters)

UNBRANDED VIRTUAL TOUR URL 2 (255 characters)

BRANDED VIRTUAL TOUR URL 1 (255 characters)

BRANDED VIRTUAL TOUR URL 2 (255 characters)

SALES BROCHURE URL (255 characters)

ADDITIONAL PICTURES URL (200 characters)

ALTERNATE FEATURE SHEET URL (200 characters)

MAP LOCATION URL (255 characters)

SOUND BITE URL (255 characters)

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

SIGNATURE DocuSigned by: Trevor Pringle 3E54996B92F2462... DATE 09 / 23 / 2025 (MM / DD / YYYY)

SIGNATURE ______________________ DATE ___ / ___ / ___ (MM / DD / YYYY)

APPENDIX 8

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT dated as of the 7th day of October, 2025.

BETWEEN:

MSI SPERGEL INC., in its capacity as Court-appointed receiver of the assets, undertakings and properties of **10503452 CANADA INC. and ASIF KARIMOV** and not in its personal or corporate capacity and without personal or corporate liability.

(the "**Vendor**")

OF THE FIRST PART

- and -

1001334444 ONTARIO INC.

(the "**Purchaser**")

OF THE SECOND PART

WHEREAS

A. Pursuant to the Receivership Order, msi Spergel Inc. was appointed receiver to, among other things, market and sell the Purchased Assets;

B. Subject to the Court issuing the Approval and Vesting Order, the Purchaser has agreed to purchase from the Vendor, and the Vendor has agreed to sell to the Purchaser, the right, title and interest of the Debtors in and to the Purchased Assets on the terms and conditions set out herein.

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

1. <u>DEFINITIONS</u>

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

(a) "**Act**" means, for purposes of Section 22 hereof only, the *Excise Tax Act* (Canada);

(b) "**Agreement**" means this agreement of purchase and sale, together with the attached schedules;

(c) "**Approval and Vesting Order**" means an order of the Court substantially in the form of the template Approval and Vesting Order for use on the Commercial List of the Court approving the transaction provided for in this Agreement and ordering that the Debtors' right, title and interest in the Purchased Assets be vested in the Purchaser free and clear of encumbrances except for Permitted Encumbrances upon satisfaction by the Purchaser of its obligations under this Agreement, a draft of which is attached hereto at **Schedule "C"**;

(d) **"Assignment of Contracts"** means an assignment and assumption of the right, title and interest and obligations of the Debtor in the Assumed Contracts to the Purchaser in the form mutually agreed upon between the Vendor and the Purchaser, each acting reasonably;

(e) "**Business Day**" means any day other than a Saturday or a Sunday or a statutory holiday in the Province of Ontario;

(f) "**Closing**" shall have the meaning ascribed to it in Section 9 hereof;

(g) **"Closing Adjustments"** shall have the meaning ascribed to it in Section 7(a) hereof;

(h) **"Closing Documents"** means the Vendor's closing deliveries and the Purchaser's Closing deliveries together as set forth in Sections 16 and 17 hereof;

(i) "**Court**" means the Ontario Superior Court of Justice (Commercial List);

(j) "**Damages**" shall have the meaning ascribed to it in Section 17(i) hereof;

(k) "**Date of Closing**" shall have the meaning ascribed to it in Section 9 hereof;

(l) "**Debtors**" mean, together, 10503452 Canada Inc. and Asif Karimov;

(m) "**Deposit**" shall have the meaning ascribed to it in Section 6(a) hereof;

(n) "**DRA**" shall have the meaning ascribed to it in Section 10(a)(i) hereof;

(o) "**Environmental Activity**" means any past or present activity, event or circumstance in respect of any Hazardous Materials, including its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation or its release, escape, leaching, dispersal, emission, discharge or migration into the natural environment, including movement through or in the air, soil, subsoil, surface water or ground water, or in indoor spaces;

(p) "**Environmental Law**" means all applicable federal, provincial, municipal, and local laws, by-laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives, authorizations, rules, codes, permits, licenses, agreement or other governmental restrictions having the force of law relating to the environment, occupational health and safety, health protection, Hazardous Materials or any Environmental Activity;

(q) **"ETA Election** shall have the meaning ascribed to it in Section 19(c) hereof;

(r) "**Excluded Assets"** means the following assets, property, rights, and interests of the Debtors:

(i) all cash on hand, bank deposits, guaranteed investment certificates, securities and other similar cash or cash equivalent items;

(ii) all notes receivable and other debts due or accruing due to the Debtors, whether or not related to the Debtors' business;

(iii) all prepaid expenses not related to the Debtors' business;

(iv) all income tax refunds, HST refunds and all other tax refunds and amounts that may be due to the Debtors from Canada Revenue Agency or any provincial tax authorities;

(v) all corporate records, minute books, tax records and returns, and other records having to do with the corporate organization of the Debtors;

(vi) any goods and chattels located on the Lands and owned by a third party; and

(vii) all information and materials in electronic and physical form of the Debtors not specifically related to or used in connection with the Debtors' business.

(s) "**Government Authority**" means any person, body, department, bureau, agency, board, tribunal, commission, branch, or office of any federal, provincial, or municipal government having or claiming to have jurisdiction over part or all of the Purchased Assets, the transaction contemplated in this Agreement and/or one or both of the parties hereto and shall include a board or association of insurance underwriters;

(t) "**Hazardous Materials**" means any substance, material, matter or thing defined or regulated by any Environmental Law, contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any "contaminants", "dangerous substances", "hazardous materials", "hazardous substances", "hazardous wastes", "industrial wastes", "liquid wastes", "pollutants" and "toxic substances", all as defined in, referred to or contemplated in any Environmental Law and, not to limit the generality of the foregoing, includes asbestos, mould, urea formaldehyde foam insulation and mono- or poly-chlorinated biphenyl wastes;

(u) "**HST**" shall have the meaning ascribed thereto in Section 19(a) hereof;

(v) "**ICA**" shall have the meaning ascribed thereto in Section 13(f)13(b) hereof;

(w) "**Lands**" means the lands and premises municipally known as 740-748 Sheppard Avenue West, Toronto, Ontario as legally described on **Schedule "A"** hereto;

(x) **"Material Damage"** shall have the meaning ascribed to it in Section 11 hereof;

(y) "**Permitted Encumbrances**" means the encumbrances listed in **Schedule "B"** hereof;

(z) "**Potential Tenancies**" means any tenants which may be located on or residing at the Lands pursuant to leases with the Debtors, or any of them, as well as any such leases governing the relationship between such tenants and the Debtors;

(aa) "**Purchase Price**" shall have the meaning ascribed thereto in Section 6 hereof;

(bb) "**Purchased Assets**" means, collectively:

(i) The Lands;

(ii) The Rights.

and the interest of the Debtors in same;

(cc) "**Purchaser**" means **1001334444 ONTARIO INC.**;

(dd) "**Purchaser's Solicitor**" means ____;

(ee) "**Receivership Order**" means the order of the Honourable Madam Justice Conway dated the 14th day of May, 2024 in the receivership proceeding of the Debtors whereby the

Vendor was appointed receiver of the assets, undertakings, and properties of the Debtors;

(ff) "**Registry Office**" shall have the meaning ascribed to it in Section 10(a) hereof;

(gg) "**Rights**" means the right, title, and interest, if any, of the Debtors in all benefits, advantages, licences, guarantees, warranties, indemnities, income, rents, and options relating to the Land;

(hh) "**TERS**" shall have the meaning ascribed to it in Section 10(a) hereof;

(ii) "**Vendor**" means msi Spergel Inc., in its capacity as Court-appointed receiver of the assets, undertakings and properties of the Debtors, and not in its personal or corporate capacity and without personal or corporate liability; and

(jj) "**Vendor's Solicitors**" means the firm of Harrison Pensa LLP.

2. **SCHEDULES**

The following Schedule are appended to this Agreement:

Schedule "A"	Legal Description of Lands
Schedule "B"	Permitted Encumbrances
Schedule "C"	Approval and Vesting Order (Draft)

3. **NATURE OF TRANSACTION**

The Purchaser shall purchase, and the Vendor shall sell all of the right, title, and interest, if any, of the Debtors in the Purchased Assets, upon and subject to the terms of this Agreement.

4. **OBLIGATIONS EXCLUDED**

The Purchaser is not assuming and shall not be responsible for any liabilities or obligations of the Debtors other than those liabilities and obligations arising from the Purchased Assets and Assumed Contracts, if any.

5. **EXCLUDED ASSETS**

(a) The Vendor is not selling, and the Purchaser is not purchasing the Excluded Assets, all of which are excluded from the Purchased Assets and the purchase and sale hereunder.

(b) If any of the Excluded Assets or any proceeds thereof shall at any time come into the possession of or under the control of the Purchaser, such assets and/or proceeds shall be held by the Purchaser, in trust for the benefit of the Vendor. Upon the Purchaser becoming aware that it has come into possession of such assets and/or proceeds, the Purchaser shall forthwith so advise the Vendor in writing of same and shall, if so, requested by the Vendor, account and deliver over to the Vendor, at the Vendor's cost, any such assets and/or proceeds.

6. **PURCHASE PRICE**

The aggregate purchase price payable by the Purchaser to the Vendor for the Purchased Assets [redacted]

(a) **Deposit**: The Vendor acknowledges receipt from the Purchaser prior to the date of this Agreement of a deposit in the principal amount [redacted] **"Deposit"**), which sum shall be held by the Vendor, in trust, as a deposit pending Closing or termination of this Agreement. Subject only to the terms of this Agreement, the Deposit is to be credited on account of the Purchase Price upon completion of the transaction contemplated in this Agreement. If this Agreement is not completed due to the Purchaser's default, then the Vendor, in addition to any other remedies that it may have, shall be entitled to retain the Deposit as liquidated damages and not as a penalty. If this Agreement is terminated for any reason whatsoever other than the default of the Purchaser, the Deposit shall be returned to the Purchaser forthwith, without interest or deduction, and the Purchaser shall have no recourse against the Vendor and this Agreement shall become null and void. The buyer agrees to give further deposit [redacted] days after the acceptance of the offer

(b) **Balance Due at Closing**: the balance of the Purchase Price, net of the Deposit and subject to the adjustments contained in this Agreement, by payment at Closing to the Vendor by way of certified cheque, bank draft or wire transfer drawn upon one of Canada's chartered banks or other financial institution acceptable to the Vendor.

7. **CLOSING AND POST-CLOSING ADJUSTMENTS**

(a) **Closing Adjustments**: Adjustment shall be made, as of 12:01 a.m. on the Date of Closing, for realty taxes, local improvement rates, municipal/provincial levies and charges, water and assessment rates, utilities, fuel costs, and any other items which are usually adjusted in purchase transactions involving commercial properties in Ontario. The Date of Closing shall be for the account of the Purchaser. The Vendor shall not be required to re-adjust after closing any item on or omitted from the statement of adjustments.

(b) **Reduction in Property Taxes:** The Purchaser acknowledges and agrees that the Vendor shall be entitled to the benefit of any reduction in the property taxes payable with respect to the Lands for the period prior to the Closing Date. To the extent that the Purchaser receives any amounts from the applicable municipality in respect of any reduction of property taxes relating to the period prior to the Date of Closing, the Purchaser shall forthwith forward such amounts to the Vendor.

8. **TERMS OF PURCHASE**

(a) "**As Is, Where Is**": The Purchaser acknowledges that the Vendor is selling and the Purchaser is purchasing the Purchased Assets on an "as is, where is" basis subject to whatever defects, conditions, impediments, Hazardous Materials or deficiencies which may exist on the Date of Closing, including, without limiting the generality of the foregoing, any latent or patent defects in the Purchased Assets and such defects as may be revealed in the Vendor's Deliveries. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets that the Purchaser shall have conducted such inspections of the condition and title to the Purchased Assets as it deems appropriate and shall have satisfied itself regarding these matters. No representation, warranty or condition expressed or implied, statutory or non-statutory, oral or written has been or will be given by the Vendor as to title, encumbrances, description, fitness for any present or intended purpose or use, the existence or non-existence of Hazardous Materials, compliance or non-compliance with any Environmental Law, any Environmental Activity from, on or in relation to the Lands, the existence, state, nature, identity, extent or effect of any investigations, administrative orders, control orders, stop orders, compliance orders or any other orders, proceedings or actions under any Environmental Law in relation to the Lands, merchantability, condition, or quality, cost, state of repair, degree of maintenance, durability or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Vendor to sell same save and except as expressly provided for in this Agreement. Without limiting the generality of the foregoing, all conditions, warranties, or representations expressed or implied pursuant to the *Sale of Goods Act* of Ontario do not apply hereto and have been waived by the Purchaser. The descriptions of the Purchased Assets contained in this Agreement are for the purposes of identification only and no representation, warranty or condition has or will be given by the Vendor concerning the accuracy of such descriptions. Any documentation, materials or information provided by the Vendor to the Purchaser regarding the Purchased Assets, or any part thereof, was provided solely for the convenience of the Purchaser and is not warranted or represented to be complete or accurate and does not form part of this Agreement. The Purchaser shall and shall be deemed to rely entirely on its own inspections and investigations concerning the Purchased Assets. The Purchaser acknowledges that it shall have no recourse to the Vendor with respect to the environmental condition of the Lands and has satisfied itself with respect to same. If the Closing occurs, the Purchaser shall assume all risks relating to the physical condition of the Purchased Assets which existed on or prior to the Closing Date. Neither the Purchaser nor any permitted occupant of the Lands shall have any recourse to the Vendor because of the nature or condition of the Purchased Assets. This section shall not merge on Closing and is deemed incorporated by reference into all Closing documents and deliveries. The Purchaser further acknowledges that:

(i) The Vendor makes no representations, warranties, or guarantees as to the existence of any Potential Tenancies in relation to the Lands, and has taken no efforts to determine the existence of any such Potential Tenancies. The Purchaser hereby acknowledges and agrees that it shall take title to the said Lands subject to any such Potential Tenancies. The Purchaser further acknowledges and agrees that all due diligence in relation to any such Potential Tenancies, as well as any action necessary to terminate such Potential Tenancies, if in existence, is the sole responsibility of the Purchaser, and the Vendor has no responsibility in relation to the Potential Tenancies.

(b) **Title**: The Purchaser acknowledges that it shall, at its own expense, examine title to the Lands and satisfy itself as to the state thereof, satisfy itself as to outstanding work orders affecting the Lands, satisfy itself as to the use of the Lands being in accordance with applicable zoning requirements. The Purchaser further acknowledges and agrees that notwithstanding any law whether statutory or otherwise to the contrary, the Purchaser has satisfied itself as to title and agrees that it has no right to submit requisitions: (i) in respect of the title and accepts same subject to the Permitted Encumbrances and the encumbrances to be extinguished pursuant to the Approval and Vesting Order; nor (ii) in respect of any zoning matter, land use, work orders or property standards compliance orders and the Purchaser shall accept title to the Lands subject to the foregoing and shall satisfy itself as to compliance therewith. The Vendor shall not be required to furnish or produce any survey, abstract, deed, declaration or document or evidence of title except those in its possession.

9. DATE OF CLOSING

Subject to the provisions of Section 14 hereof, the transaction contemplated hereunder shall be completed (the moment of completion shall be referred to as "**Closing**") on the first Business Day following the date upon which the time to appeal the Approval and Vesting Order has expired, or, in the event that an appeal from the Appeal and Vesting Order is filed, the first Business Day following the final dismissal of the appeal (the "**Date of Closing**"), unless the parties hereto otherwise agree to such other date in writing. Closing date will be December 18, 2025. In case the court order do not deleiver then seller has a right to extend the closing til such order issued.

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10. ELECTRONIC REGISTRATION

(a) In the event that the electronic registration system ("**TERS**") is operative in the relevant land registry office (the "**Registry Office**"), the following provisions shall apply:

(i) The Purchaser shall be obliged to retain a solicitor who is an authorized TERS user, has the necessary computer facilities to complete the transaction via TERS and is in good standing with the Law Society of Ontario to represent the Purchaser in connection with the completion of the transaction and shall authorize such solicitor to enter into the Vendor's Solicitor's standard form of escrow closing agreement or document registration agreement which will establish the procedures and timing for closing this transaction, provided they are in accordance with Law Society guidelines (the "**DRA**").

(ii) The delivery and exchange of the closing documents:

(1) shall not occur contemporaneously with the registration of the Application for Vesting Order and other registerable documentation; and

(2) shall be governed by the DRA, pursuant to which the Vendor's Solicitors and Purchaser's Solicitor shall hold all closing documents in escrow and will not be entitled to release them except in strict accordance with the provisions of the DRA.

(b) The Purchaser expressly acknowledges and agrees that the Vendor will not release the Receiver's Certificate confirming the effectiveness of the Approval and Vesting Order for until the balance of funds due on Closing, in accordance with the statement of adjustments, are remitted by personal delivery to the Vendor's Solicitors (or in such other manner as the Vendor or Vendor's Solicitors may direct).

(c) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Vendor upon the Purchaser when the Vendor's Solicitors have:

(i) delivered to the Purchaser's Solicitor all closing documents required to be delivered by the Vendor to the Purchaser pursuant to Section 16 hereof;

(ii) advised the Purchaser's Solicitor in writing that the Vendor is ready, willing, and able to complete the transaction in accordance with the terms and provisions of this Agreement; and

(iii) completed all steps required by TERS to complete this transaction that can be performed or undertaken by the Vendor's Solicitors without the cooperation or participation of the Purchaser's Solicitor, and specifically when the "completeness signatory" for the Application for Vesting Order has been electronically "signed" by the Vendor's Solicitors, without the necessity of personally attending upon the Purchaser or the Purchaser's Solicitor with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.

(d) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Purchaser upon the Vendor, when the Purchaser's Solicitor has:

(i) Delivered to the Vendor's Solicitor the balance due at Closing and all Closing Documents required to be delivered by the Purchaser to the Vendor pursuant to Section 17 hereof;

(ii) advised the Vendor's Solicitors in writing that the Purchaser is ready, willing, and able to complete the transaction in accordance with the terms and provisions of this Agreement; and

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

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

(e) If through no fault of the Purchaser's Solicitor or the Vendor's Solicitors TERS is unavailable on the Closing Date, such that the Purchaser's Solicitor is unable to register the Application for Vesting Order, then the transaction contemplated by this Agreement shall be completed in escrow in accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Vendor's Solicitors shall advise the Purchaser's Solicitor forthwith and the parties shall arrange to complete the registration of the Application for Vesting Order as expeditiously as possible, whereupon the escrow shall be released.

In the event of any conflict or inconsistency between the terms of this Section 10 and the terms of the DRA, the terms of this Section 10 shall prevail.

11. **<u>PRE-CLOSING RISK AND POST-DAMAGE ENTITLEMENTS</u>**

The Purchased Assets are and shall remain at the Vendor's risk until Closing. In the event of damage to the Purchased Assets prior to the Closing Date, in excess of two hundred and fifty thousand ($250,000) Dollars, as determined by an independent third party expert appointed by the Vendor ("**Material Damage**"), the Purchaser may, at its option: (a) complete the transaction contemplated by this Agreement without reduction of the Purchase Price, in which event all proceeds of insurance or compensation shall be payable to the Purchaser; or (b) rescind this Agreement, and the parties hereto shall have no further rights and remedies against each other and the Deposit shall be returned to the Purchaser forthwith, without interest or deduction, and the Purchaser shall not be entitled to any other compensation of any kind whatsoever with respect to the failure to close as a result of such loss or damage. The Vendor shall use its best efforts to advise the Purchaser, in writing, within twenty-four (24) hours of the Vendor learning of any Material Damage to the Purchased Assets. The Purchaser shall have five (5) days, or such longer period as the Vendor in its sole and absolute discretion may agree to in writing, from delivery of such notice to advise the Vendor in writing as to its election, if any. In the event that the Purchaser fails to notify the Vendor in writing as to its election within the prescribed time period, the Vendor may terminate this Agreement immediately by providing written notice to the Purchaser and the parties hereto shall have no further rights and remedies against each other and the Deposit shall be returned to the Purchaser forthwith, without deduction, failing which, the Purchaser shall be deemed to have elected to complete the transaction in accordance with subparagraph (a) above.

12. VENDOR'S REPRESENTATIONS AND WARRANTIES

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

(a) **Non-Residency**: The Vendor is not now and does not intend to become, prior to Closing, a non-resident of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada) and the Vendor is not now and does not intend to become, prior to Closing, an agent, or a trustee of such non-resident;

(b) **Receivership Order**: The Receivership Order is in full force and effect; and

(c) **HST Registration:** The Vendor shall be registered for the purposes of the ETA prior to the Closing and shall provide its registration number to the Purchaser on or prior to the Closing.

13. PURCHASER'S REPRESENTATIONS AND WARRANTIES

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

(a) **Corporate Matters Regarding Purchaser**: the Purchaser is a corporation duly incorporated, organized and validly subsisting under the laws of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement; neither the execution of this

Agreement nor the performance (such performance shall include, without limitation, the exercise of any of the Purchaser's rights and compliance with each of the Purchaser's obligations hereunder) by the Purchaser of the transaction contemplated hereunder will violate:

(i) the Purchaser's articles of incorporation and by-laws;

(ii) any agreement to which the Purchaser is bound or is a party;

(iii) any judgement or order of a court of competent authority or any Government Authority; or

(iv) any applicable law;

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

(b) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid, and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms;

(c) there are no orders or proceedings pending before any Government Authority, or threatened to be brought by or before any Government Authority by or against the Purchaser, affecting the legality, validity or enforceability of this Agreement or the consummation of the transaction contemplated hereby by the Purchaser;

(d) the Purchaser has made adequate arrangements to have sufficient funds available to satisfy its obligations to pay the cash portion of the Purchase Price to the Vendor on Closing;

(e) the Purchaser will be responsible for and will remit to or reimburse, as applicable, all taxes, including (without limitation) land transfer tax, levies or the like that arise from the sale of the Purchased Assets unless otherwise specified in this Agreement;

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

(g) the Purchaser acknowledges that it is responsible for conducting its own searches and investigations of the current and past uses of the Purchased Assets;

(h) the Purchaser acknowledges the Vendor makes no representation or warranty of any kind that the present use or future intended use by the Purchaser of the Purchased Assets is or will be lawful or permitted;

(i) the Purchaser is satisfied with the Purchased Assets and all matters and things connected therewith or in any way related thereto;

(j) the Purchaser is relying entirely upon its own investigations and inspections in entering into this Agreement;

(k) **<u>Brokers</u>:** The Purchaser has not engaged any broker or other agent in connection with the transaction provided for in this Agreement and, accordingly, there is no commission, fee or other remuneration payable to any broker or agent who purports or may purport to have acted for the Purchaser;

(l) **<u>HST Registration:</u>** The Purchaser shall be registered for the purposes of the ETA prior to the Closing and shall provide its registration number to the Vendor on or prior to the Closing.

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

14. <u>CONDITIONS OF CLOSING IN FAVOUR OF THE VENDOR</u>

(a) The Vendor's obligations contained in this Agreement shall be subject to the fulfilment at or prior to Closing, of each of the following conditions:

   (i) **<u>Representations and Warranties</u>**: Each of the Purchaser's representations and warranties contained in this Agreement shall be true at and as of the date hereof and each of such representations and warranties shall continue to be true as at Closing;

   (ii) **<u>Covenants/Agreements</u>**: The Purchaser shall have complied with each, and every covenant/agreement made by it herein and required to be completed at or prior to Closing;

   (iii) **<u>No Legal Action</u>**: no action or proceeding shall be pending or threatened by any person to enjoin, restrict, or prohibit the completion of the transaction contemplated by this Agreement or the right of the Purchaser to own the

Purchased Assets after the time of Closing and no Order restraining or prohibiting Closing shall have been made by the Court.

(v) **Approval and Vesting Order:** The Vendor shall have obtained the Approval and Vesting Order.

(vi) **No Stay or Appeal:** The Approval and Vesting Order shall not have been stayed, varied, or vacated and shall be in full force and effect and no appeal of the Approval and Vesting Order shall have been commenced and be outstanding; and

(vii) **Corporate Steps and Proceedings**: all necessary corporate steps and proceedings shall have been taken by the Purchaser to permit the Purchaser's execution of this Agreement and performance of each of the Purchaser's obligations hereunder.

For greater certainty, each of the conditions contained in this Section 14(a) have been inserted for the benefit of the Vendor.

(b) The Vendor covenants to use reasonable commercial efforts to fulfil or cause to be fulfilled the condition contained in Section 14(v) and the Purchaser covenants to use its reasonable commercial efforts to fulfil or cause to be fulfilled the conditions contained in Section 14 hereof prior to Closing which are under the Purchaser's control.

(c) In the event that any of the foregoing conditions shall not be fulfilled, in whole or in part, at or prior to Closing, the Vendor may, in its absolute and unfettered discretion, terminate this Agreement by written notice to the Purchaser without penalty or liability whatsoever to the Vendor, subject to the provisions of Section 6(a) hereof with respect to the Deposit, and otherwise without cost or other compensation and each of the Vendor and the Purchaser shall be released from its obligations and liabilities hereunder.

15. CONDITIONS OF CLOSING IN FAVOUR OF THE PURCHASER

(a) The Purchaser's obligations contained in this Agreement shall be subject to the fulfilment, at or prior to Closing, of each of the following conditions:

(i) **Representations and Warranties:** each of the Vendor's representations and warranties contained in this Agreement shall be true at and as of the date hereof and each of such representations and warranties shall continue to be true as at Closing;

(ii) **Covenants/Agreements:** The Vendor shall have complied with each, and every covenant/agreement made by it herein and required to be completed at or prior to Closing;

(iii) **No Legal Action**: no action or proceeding shall be pending or threatened by any person to enjoin, restrict, or prohibit the completion of the transaction contemplated by this Agreement or the right of the Purchaser to own the Purchased Assets after the time of Closing and no Order restraining or prohibiting Closing shall have been made by the Court; and

(iv) **Approval and Vesting Order:** The Purchaser shall have obtained the Approval and Vesting Order; and

(v) **No Stay or Appeal:** The Approval and Vesting Order shall not have been stayed, varied, or vacated and shall be in full force and effect and no appeal of the Approval and Vesting Order shall have been commenced and be outstanding.

For greater certainty, each of the conditions contained in this Section 15 (a) have been inserted for the benefit of the Purchaser.

(b) The Vendor covenants to use reasonable commercial efforts to fulfil or cause to be fulfilled all the conditions contained in section 15 which are under the Vendor's control.

(c) In the event that any of the foregoing conditions shall not be fulfilled at or prior to Closing, the Purchaser may, in its absolute and unfettered discretion, terminate this Agreement by written notice to the Vendor without any penalty or liability whatsoever to the Purchaser, subject to the provisions of Section 6(a) hereof with respect to the Deposit, and otherwise without cost or other compensation and each of the Vendor and the Purchaser shall be released from all other obligations hereunder.

16. **VENDOR'S CLOSING DELIVERIES**

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

(a) **Approval and Vesting Order**: A copy of the issued and entered Approval and Vesting Order;

(b) **Statement of Adjustments**: a statement of adjustments prepared in accordance with Section 9 hereof, to be delivered not less than two (2) Business Days prior to Closing;

(c) **Vendor's Certificate**: The Vendor's Certificate setting out that each of the Vendor's representations and warranties contained in this Agreement are true as of Closing and that each of the conditions in Section 14 have been fulfilled, performed, or waived as of the Time of Closing;

(d) **Direction Regarding Funds**: a direction from the Vendor designating the party or parties to which the balance of the Purchase Price described in Subsection 6(b)hereof shall be paid; in the event that the Vendor designates more than one party then it shall also designate amounts payable to each of the parties;

(e) **ETA Election:** the ETA Election, if applicable;

(f) **Receiver's Certificate**: The Receiver's Certificate as provided for in the Approval and Vesting Order;

(g) **Certificate Re: Appeals:** a certificate of the Vendor certifying that except as disclosed in the Certificate, the Vendor has not been served with any notice of appeal with respect to the Receivership Order or the Approval and Vesting Order, or any notice of any application, motion or proceeding seeking to set aside or vary the Receivership Order or Approval and Vesting Order or to enjoin, restrict or prohibit the transaction provided for in this Agreement.

(h) **Non-Residence Certificate**: The Vendor's certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada) and is not the agent nor trustee of a "non-resident";

(i) **Receipt:** a receipt from the Vendor for the Purchase Price; and

(j) **Further Documentation**: such further documentation relating to the completion of this Agreement as may be reasonably required by the Purchaser or the Purchaser's Solicitor, provided that such further documentation is in a form satisfactory to the Vendor, taking into consideration the fact that the Vendor is selling the Purchased Assets as Receiver.

17. PURCHASER'S CLOSING DELIVERIES

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

(a) **Undertaking To Re-Adjust**: the Purchaser's undertaking to re-adjust any item on or omitted from the statement of adjustments, subject to the limitation contained in Subsection 7(a) hereof;

(b) **Purchaser's Certificate**: The Purchaser's certificate setting out that each of the Purchaser's representations and warranties contained in this Agreement are true as at Closing and that each of the conditions in Section 14 have been fulfilled, performed, or waived as of the Time of Closing;

(c) **<u>Directors' Resolution</u>**: a certified copy of a resolution of the board of directors of the Purchaser authorizing the execution of this Agreement and performance of each of the Purchaser's obligations hereunder;

(d) **<u>Property Tax Reduction</u>**: such directions, acknowledgments and other documents as may be necessary or desirable to ensure that the benefit of any reduction in the property taxes payable with respect to the Lands for the period prior to the Closing Date is received by the Vendor;

(e) **<u>Taxes</u>**: payment or evidence of payment of applicable federal and provincial taxes or alternatively, the ETA Election, if applicable, or appropriate self-assessment or exemption documentation;

(f) **<u>HST Indemnity</u>**: the indemnity provided for under Subsection 19(d) hereof;

(g) **<u>Direction re Title</u>**: provided that the Vendor has consented to an assignment of this Agreement in accordance with Section 38 hereof, a direction from the Purchaser designating the transferee(s) in the Approval and Vesting Order along with an assignment and assumption of this Agreement whereby the assignee agrees to assume all of the Purchaser's obligations and liabilities hereunder as if it were the original purchaser party to this Agreement (required only in the event that the Approval and Vesting Order is to be inscribed in favour of a person/entity other than the Purchaser);

(h) **<u>Certificate of Incumbency</u>**: a certificate of incumbency setting out the names and specimen signatures of each of the directors and officers of the Purchaser;

(i) **<u>Environmental Indemnity</u>**: an environmental indemnity indemnifying and holding the Vendor harmless from any and all damages, claims, actions, losses, costs, liabilities or expenses (collectively "**Damages**") suffered or incurred by the Vendor, directly or indirectly, as a result of or in connection with any of the following, and without restricting the generality of the foregoing, which include Damages incurred in addressing an administrative order by a Government Authority or in addressing a notice, investigation or other process which could reasonably be anticipated to result in such an order:

    (i) the presence or release of any Hazardous Materials in, on or under the Lands or the threat of a release;

    (ii) the presence of any Hazardous Materials in, on or under properties adjoining or proximate to the Lands;

    (iii) any other environmental matters relating to the Lands;

(iv) the breach by the Purchaser or those for whom it is responsible at law of any Environmental Law applicable to the Lands; or,

(v) the release or threatened release of any Hazardous Materials owned, managed, generated, disposed of, controlled, or transported by or on behalf of the Purchaser.

(j) **Balance Due at Closing**: the balance of the Purchase Price described in Subsection 6(b) hereof; and

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

18. **PLANNING ACT (ONTARIO)**

The Purchaser acknowledges that the parcels forming the Lands have merged pursuant Part VI of the *Planning Act* (Ontario), and that the Vendor has no obligation to seek any form of consent, validation, rectification, or any other form of relief at law or equity in relation to such merger, which shall be the Purchaser's sole obligation.

This Agreement shall be effective to create an interest in the Lands for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing or, if a Court orders the completion of the Transaction notwithstanding what would otherwise be non-compliance with Part VI of the *Planning Act* (Ontario).

19. **HARMONIZED GOODS AND SERVICES TAX**

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

(b) **HST Registration**: The Purchaser is registered for the purposes of the *Act,* and its HST number is ________________________or shall be registered as of Closing.

(c) **Self-Assessment**: If part or all the said transaction is subject to HST then, where applicable, the Purchaser shall have the option of furnishing the Vendor with appropriate exemption certificates and/or self-assessment indemnification documentation in form satisfactory to the Vendor. If available, the Vendor agrees to execute an election pursuant to s. 167(1) of the *Act* to have the sale of the Purchased Assets take place without the requirement for the collection or remittance of HST to the extent possible (the "**ETA Election"**). In such case, the Purchaser agrees to file such election in accordance with the provisions of the *Act.*

(d) **<u>HST Indemnity</u>**: The Purchaser shall indemnify and save harmless the Vendor from all claims, liabilities, penalties, interest, costs, and legal and other expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the transaction contemplated hereunder.

20. **<u>POSSESSION</u>**

The Vendor shall remain in possession of the Purchased Assets until the time of Closing. Upon the completion of the transaction, the Vendor shall yield up possession of the Purchased Assets to the Purchaser and the Purchaser shall take possession of the Purchased Assets where situate. Title to the Purchased Assets shall not pass to the Purchaser until the completion of the transaction provided for herein and the Receiver's Certificate has been delivered to the Purchaser. The Vendor shall be entitled, but shall not be obligated, to remove any chattels, books, records, documents, or other personal property situate on the Lands which does not form part of the Purchased Assets. Any original books and records of the Debtors which remain on the Lands at Closing shall be retained by the Purchaser and made available to the Vendor for inspection for a period of six (6) years after the Date of Closing or such longer period as may be required by applicable laws.

21. **<u>NOTICE</u>**

Any notice given hereunder shall be in writing and delivered or communicated by facsimile or electronic transmission to:

in the case of the Purchaser to:

(a) In the case of the Purchaser:

Attention:
Tel.: 647-927-7864
Fax:
Email: ahmed.ikon9@gmail.com
anishasan1967@gmail.com

and with a copy to the Purchaser's Solicitor:

____
____
____

Attention: ________________________
Tel.: _____________________________
Fax: _____________________________
Email: ____________________________

and in the case of the Vendor to:

msi Spergel Inc., in its Capacity as
Court-Appointed Receiver of
Ten 4 System Ltd., 1000043321 Ontario Inc.
And 1000122550 Ontario Inc.
1100-200 Yorkland Blvd.,
Toronto, ON M2J 5C1

Attention:

Trevor Pringle
Email: trpingle@spergel.ca
Tel.: (905) 527-2227
Telecopier: (905) 527-6670 and

with a copy to the Vendor's Solicitors at:

Harrison Pensa LLP
1101-130 Dufferin Ave.
London, ON N6A5R2

Attention: Tim Hogan
Email: thogan@harrisonpensa.com
Tel: 519-661-6743
Fax: 519-667-3362

Such notice shall be deemed to have been delivered upon delivery or communicated upon transmission unless such notice is delivered or transmitted outside of usual business hours, in which event the notice shall be deemed to have been delivered or transmitted on the next

Business Day. A party may change its address and/or telecopier machine number by providing notice in accordance with this Section 21.

22. **WAIVER OF CONDITIONS**

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

23. **SEVERABILITY**

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

24. **DIVISION/HEADINGS**

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

25. **ENTIRE AGREEMENT**

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

26. **CUMULATIVE REMEDIES**

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

27. **INTERPRETATION**

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

28. **REFERENCES TO STATUTES**

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

29. **TIME OF ESSENCE**

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

30. **CANADIAN FUNDS**

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

31. **TENDER**

Any tender of notices, documents and/or monies hereunder may be made upon the Vendor or the Purchaser or their respective solicitors. Monies may be tendered by a negotiable cheque certified by a Canadian chartered bank or by an official bank draft drawn upon one of Canada's five largest chartered banks.

32. **FURTHER ASSURANCES**

Except as otherwise expressed herein to the contrary, each party shall, without receiving additional consideration, therefore, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Agreement. Provided that upon the discharge of the Vendor as receiver, the Vendor's obligation under this paragraph shall be at an end and the Vendor shall have no continuing obligation under this paragraph.

33. CONFIDENTIALITY

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

(a) to facilitate the procurement of financing for the Purchased Assets;

(b) to enforce any of its rights/remedies hereunder;

(c) to enforce any of its other rights/remedies, if any, pursuant to common law, equity, or statute; or

(d) to comply with laws requiring disclosure.

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

34. NON-BUSINESS DAYS

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

35. DOCUMENTATION PREPARATION AND REGISTRATION

The Purchaser shall prepare or cause to be prepared the land transfer tax affidavit to be attached to the Application for Vesting Order. Each of the parties shall deliver draft documentation to the other not less than five (5) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and have substance satisfactory to the Vendor and the Purchaser, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the transaction contemplated in this Agreement. Except as otherwise expressly provided in this Agreement, each of the Vendor and the Purchaser shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

36. LAND TRANSFER TAXES AND SALES TAXES

The Purchaser shall pay on or prior to Closing all applicable federal and provincial taxes exigible in connection with the transaction hereunder including, without limitation, HST and land transfer taxes (as required pursuant to the *Land Transfer Tax Act* (Ontario)).

37. **GOVERNING LAWS**

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario and each of the parties irrevocably attains to the Courts of the Province of Ontario.

38. **ASSIGNMENT AND ENUREMENT**

The Purchaser shall not assign part or all its interest under this Agreement without the prior written consent of the Vendor, which consent may be arbitrarily withheld. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

39. **NON-REGISTRATION OF AGREEMENT**

The Purchaser acknowledges that this Agreement is personal to the Purchaser and that this Agreement, or any monies paid hereunder do not create an interest in the Lands and the Purchaser further acknowledges that upon any breach of this Agreement by the Vendor, the Purchaser has an adequate remedy in damages. The Purchaser agrees that it will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Lands, and the Purchaser shall be deemed to be in default under this Agreement if it makes any registration or causes or permits any registration to be made on title to the Lands prior to the Date of Closing.

40. **VENDOR'S CAPACITY**

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

41. **FURTHER ASSURANCES**

Each of the parties shall promptly do, make, execute, deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other parties hereto may reasonably require from time to time after Closing at the expense of the requesting party for the purpose of giving effect to this Agreement and shall use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement. Provided that upon the discharge of the Vendor as receiver, the Vendor's obligations under this paragraph shall be at an end and neither the Vendor nor msi Spergel Inc. shall have any continuing obligation under this paragraph.

42. **WAIVER, AMENDMENT**

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

43. **SUCCESSORS AND ASSIGNS**

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

44. **COUNTERPARTS**

This Agreement may be executed in any number of original counterparts, with the same effect as if all the parties had signed the same document and will become effective when one or more counterparts have been signed by all the parties and delivered to each of the other parties. All counterparts will be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the reference date set out above and accepted on the date of the last signature, and only one of which need be produced for any purpose.

45. **TIME FOR ACCEPTANCE**

The offer to purchase comprising this Agreement shall be irrevocable by the Vendor and open for acceptance by the Purchaser until 5:00 o'clock p.m. on the 14th day of October, 2025, after which time, if not accepted and notice of such acceptance communicated to the Vendor, then the said offer to purchase shall be null and void and of no further force and effect. This Agreement may be accepted by giving a copy thereof to the Vendor with the Purchaser's acceptance endorsed thereon personally or by facsimile or other electronic transmission. If accepted prior to the expiration hereof, this Agreement shall constitute a binding contract between the parties to purchase and sell the Purchased Assets on the terms and conditions set forth herein and is not subject to any conditions precedent.

DATED ___________________, Ontario as of the date first mentioned above.

1001334444 ONTARIO INC.

By: AHMED KHAJA

Name: AHMED KHAJA

Title: Director

I have authority to bind the Corporation.

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

DATED at Toronto, Ontario this 7th day of October, 2025.

msi Spergel Inc., in its capacity as Court-Appointed Receiver of the assets, undertakings and properties of 10503452 Canada Inc. and Asif Karimov and not in its personal or corporate capacity and without personal or corporate liability

By: ______________________________

Name: Trevor Pringle

Title: Partner

I have authority to bind the Corporation.

Schedule "A" – LEGAL DESCRIPTION

PART OF LOT 6 PLAN 3062 DESIGNATED AS PARTS 1 AND 2 ON PLAN 66R-26936; CITY OF TORONTO (PIN 10171-0602 (LT))

Known municipally as 740-748 Sheppard Avenue West, Toronto, Ontario

Schedule "B" – PERMITTED ENCUMBRANCES

1. Any undetermined or inchoate liens and charges incidental to the Purchased Assets.

2. The reservations, limitations, provisos, conditions, restrictions, and exceptions expressed in the letters patent or grant from the Crown and all statutory exceptions to title;

3. The provisions of governing municipal by-laws;

4. Municipal taxes, liens, charges, including hydro and water charges, rates and assessments accruing from day to day and not yet due and payable;

5. Any defects or minor encroachments which might be revealed by an up-to-date survey of the Lands;

6. Any right of expropriation conferred upon, reserved to or vesting in Her Majesty the Queen in Right of Canada and Ontario;

7. Any registered restrictions or covenants that run with the Lands provided that same have been complied with in all material respects;

8. Any easements, rights of way or right of re-entry in favour of a developer, not materially or adversely impairing the present use of the Lands;

9. Any agreements with municipal, utilities or public authorities provided that same have been complied with in all material respects;

10. The following instruments registered on title to the Lands in the applicable Land Registry Office:

    (a) NY647545, begin an agreement registered September 21, 1973;

    (b) TR57844, being a notice in favour of Her Majesty The Queen in Right of the Department of Transport Canada registered March 27, 2000;

    (c) AT3039729, being an application to amend legal description registered June 7, 2012;

    (d) AT3175336, being an application to consolidate registered November 15, 2012;

    (e) 66R26936, being a reference plan registered July 23, 2013;

(f) AT3357602, being an application for absolute title registered July 23, 2013.

Schedule "C" – DRAFT APPROVAL AND VESTING ORDER

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERICAL LIST)

THE HONOURABLE	)	, THE
	)	
JUSTICE	)	DAY OF , 2024

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by msi Spergel Inc., solely in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of 10503452 Canada Inc. and Asif Karimov (together, the "Debtors") for an order approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement (the "Sale Agreement") between the Receiver and [NAME] (the "Purchaser") dated [DATE] and vesting in the Purchaser all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

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

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Conway dated May 14, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Middlesex (No. 33) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed

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

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

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

6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtors' past and current employees, including personal information of those Assumed Employees, if any, as defined in the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.

7. THIS COURT ORDERS that, notwithstanding:

   a. the pendency of these proceedings;

   b. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and

   c. any assignment in bankruptcy made in respect of the Debtors;

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

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

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

____

Justice, Ontario Superior Court of Justice - Commercial List

Schedule A – Form of Receiver's Certificate

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERICAL LIST)

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

10503452 CANADA INC. and ASIF KARIMOV

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "Court") dated May 14, 2024, msi Spergel Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of 10503452 Canada Inc. and Asif Karimov (together, the "Debtors").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE] (the "Sale Agreement") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of 10503452 Canada Inc. and Asif Karimov, and [NAME] (the "Purchaser"), and provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at ________ [TIME] on _______ [DATE].

msi Spergel Inc., solely in its capacity as Receiver of the undertaking, property and assets of 10503452 Canada Inc. and Asif Karimov and not in its personal capacity

Per: ______________________________

Name:

Title:

Schedule B – Purchased Assets

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

PART OF LOT 6 PLAN 3062 DESIGNATED AS PARTS 1 AND 2 ON PLAN 66R-26936; CITY OF TORONTO (PIN 10171-0602 (LT))

Known municipally as 740-748 Sheppard Avenue West, Toronto, Ontario

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

1. AT5664920, being a charge in favour of DUCA Financial Services Credit Union Ltd. registered March 1, 2021;
2. AT5664963, being a notice of assignment of rents in favour of DUCA Financial Services Credit Union Ltd. registered March 1, 2021;
3. AT6441978, being a notice in favour of Orkhan Karimov registered October 17, 2023;
4. AT6514558, being a construction lien in favour of Tregebov Cogan Architecture Ltd. registered February 15, 2024;
5. AT6520108, being a certificate in favour of Tregebov Cogan Architecture Ltd. registered February 27, 2024.

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

(unaffected by the Vesting Order)

1. NY647545, begin an agreement registered September 21, 1973;
2. TR57844, being a notice in favour of Her Majesty The Queen in Right of the Department of Transport Canada registered March 27, 2000;
3. AT3039729, being an application to amend legal description registered June 7, 2012;
4. AT3175336, being an application to consolidate registered November 15, 2012;
5. 66R26936, being a reference plan registered July 23, 2013;
6. AT3357602, being an application for absolute title registered July 23, 2013

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DUCA FINANCIAL SERVICES CREDIT UNION LTD. v. 10503452 CANADA INC. and ASIF KARIMOV

Applicant | Respondents

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

HARRISON PENSA LLP
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel : (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Lawyers for the Receiver,
msi Spergel Inc.

Dropbox Sign

Audit trail

Title	AA1050-R APS
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Audit trail date format	MM / DD / YYYY
Status	Signed

Document history

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10 / 07 / 2025 12:53:24 UTC-4	Viewed by Trevor Pringle (tpringle@spergel.ca) IP: 103.218.253.107
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APPENDIX 9

AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

This amendment (this "**Amendment**") is made as of November 19, 2026, between

> **MSI SPERGEL INC.**, in its capacity as Court-appointed receiver of the assets, undertakings and properties of **10503452 CANADA INC. and ASIF KARIMOV** and not in its personal or corporate capacity and without personal or corporate liability.
>
> (the "**Vendor**")
>
> -and-
>
> **1001334444 ONTARIO INC.**
>
> (the "**Purchaser**")

WHEREAS the Purchaser and Vendor previously entered into an agreement of purchase and sale dated the 7th day of October, 2025 (the "**Purchase Agreement**") in respect of the sale by the Vendor to the Purchaser of the Purchased Assets;

AND WHEREAS any capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Purchase Agreement;

AND WHEREAS the Purchaser and Vendor now wish to amend the Purchase Agreement to provide for a new Date of Closing and an additional deposit;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

1. Section 6(a) of the Purchase Agreement is hereby amended as follows:

   [redacted] after the acceptance of the offer."

   [redacted]

2. Upon execution of this Amendment, the Purchaser agrees to pay to the Vendor, in [redacted] Deposit to be held and dealt with by the Vendor in the same manner as the Deposit.

3. Section 9 of the Purchase Agreement is hereby amended as follows:

   DELETE: "Closing date will be December 18, 2025. In case the court order do not deliver then seller has a right to extend the closing till such order issued."

   INSERT: "Notwithstanding the foregoing, the Date of Closing shall be May 18, 2026, subject to the other terms and conditions of this Agreement including, without limitation, that the Vendor shall have obtained the Approval and Vesting Order and that the Approval and Vesting Order shall not have been stayed, varied, or vacated and shall be in full force and effect without appeal."

4. The remainder of the Purchase Agreement remains unamended and in full force and effect.

5. This Amendment may be executed by facsimile or electronically by PDF document or DocuSign or other electronic means and in any number of counterparts and all such counterparts taken together shall be deemed to constitute one and the same instrument.

The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF the Purchaser and Vendor have executed this Agreement as of the day and year first above written.

1001334444 ONTARIO INC.

By: AHMED KHAJA 11/19/25

Name: AHMED KHAJA

Title: DIRECTOR

I have authority to bind the Corporation.

MSI SPERGEL INC., in its capacity as Court-Appointed Receiver of the assets, undertakings and properties of 10503452 Canada Inc. and Asif Karimov and not in its personal or corporate capacity and without personal or corporate liability

By:

Name: Trevor Pringle
Title: Partner

I have authority to bind the Corporation.

SECOND AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

This second amendment (this "**Amendment**") is made as of April 23, 2026, between:

MSI SPERGEL INC., in its capacity as Court-appointed receiver of the assets, undertakings and properties of **10503452 CANADA INC. and ASIF KARIMOV** and not in its personal or corporate capacity and without personal or corporate liability.

(the "**Vendor**")

-and-

1001334444 ONTARIO INC.

(the "**Purchaser**")

WHEREAS the Purchaser and Vendor previously entered into an agreement of purchase and sale dated the 7th day of October, 2025, as amended by an amendment to agreement of purchase and sale dated the 19th day of November, 2025, as amended (collectively, the "**Purchase Agreement**") in respect of the sale by the Vendor to the Purchaser of the Purchased Assets;

AND WHEREAS any capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Purchase Agreement;

AND WHEREAS the Purchaser and Vendor now wish to further amend the Purchase Agreement to provide for a new Date of Closing;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

1. Section 9 of the Purchase Agreement is hereby amended as follows:

   DELETE: "Notwithstanding the foregoing, the Date of Closing shall be May 18, 2026, subject to the other terms and conditions of this Agreement including, without limitation, that the Vendor shall have obtained the Approval and Vesting Order and that the Approval and Vesting Order shall not have been stayed, varied, or vacated and shall be in full force and effect without appeal."

   INSERT: "Notwithstanding the foregoing, the Date of Closing shall be August 31, 2026, subject to the other terms and conditions of this Agreement including, without limitation, that the Vendor shall have obtained the Approval and Vesting Order and that the Approval and Vesting Order shall not have been stayed, varied, or vacated and shall be in full force and effect without appeal."

2. The remainder of the Purchase Agreement remains unamended and in full force and effect.

3. This Amendment may be executed by facsimile or electronically by PDF document or DocuSign or other electronic means and in any number of counterparts and all such counterparts taken together shall be deemed to constitute one and the same instrument.

The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF the Purchaser and Vendor have executed this Agreement as of the day and year first above written.

1001334444 ONTARIO INC.

By: Ahmed Khaja

Name: Ahmed Khaja

Title: Partner

I have authority to bind the Corporation.

MSI SPERGEL INC., in its capacity as Court-Appointed Receiver of the assets, undertakings and properties of 10503452 Canada Inc. and Asif Karimov and not in its personal or corporate capacity and without personal or corporate liability

By:

Name: Trevor Pringle

Title: Partner

I have authority to bind the Corporation.

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DUCA FINANCIAL SERVICES CREDIT UNION LTD. v. 10503452 CANADA INC. and ASIF KARIMOV

Applicant | Respondents

Court File No. CV-24-00716425-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

FIRST REPORT OF THE RECEIVER

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Lawyers for the Receiver,
msi Spergel inc.

DUCA FINANCIAL SERVICES CREDIT UNION LTD. v. 10503452 CANADA INC. and ASIF KARIMOV

Applicant | Respondents

Court File No. CV-24-00716425-00CL

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MOTION RECORD OF THE RECEIVER

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