

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

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

MOTION RECORD

February 14, 2024

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as the Court-appointed liquidator of 1827403
Ontario Inc., 1853997 Ontario Inc., 1885926
Ontario Inc., 1950940 Ontario Inc., 1950941
Ontario Inc. and 1950979 Ontario Inc.**

TO: THE SERVICE LIST

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TAB 1

Court File No. CV-22-00679109-00CL

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

B E T W E E N:

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

APPLICATION UNDER SECTIONS 207, 209 AND 210 OF THE
BUSINESS CORPORATIONS ACT, R.S.O. 1990, c. B.16

NOTICE OF MOTION
(Motion returnable February 21, 2024)

ALBERT GELMAN INC. in its capacity as the Court-appointed liquidator of all the assets, undertakings and properties of 1827403 Ontario Inc. ("**1827403**"), 1853997 Ontario Inc. ("**1853997**"), 1885926 Ontario Inc. ("**1885926**"), 1950940 Ontario Inc. ("**1950940**"), 1950941 Ontario Inc. ("**1950941**") and 1950979 Ontario Inc. ("**1950979**" and, collectively, the "**Companies**") will make a motion to the Honourable Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) on Wednesday, February 21, 2024, at 10 am, or as soon after that time as the motion can be heard.

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

in writing under subrule 37.12.1 (1) because it is on consent, unopposed or made without notice;

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

in person;

by telephone conference;

by video conference.

Video conference coordinates will be uploaded to Caselines.

THE MOTION IS FOR:

1. An order substantially in the form included as Tab 2 to the Liquidator's Motion Record (the "**Claims Process Order**") that approves a claims solicitation and barring process (the "**Claims Procedure**") for claims against 1950979 and/or 1827403 (together, the "**Solvent Companies**"); and

2. An order in the form included as Tab 3 to the Liquidator's Motion Record (the "**Ancillary Order**") that, among other things:

a. authorizes the Liquidator to assign each of 1950941, 1853997, 1885926 and 1950940 (collectively, the "**Insolvent Companies**", being all Companies except the Solvent Companies) into bankruptcy;

b. authorizes the Liquidator to release the Surplus Funds to the 888 Whitefield Purchaser (as those terms are defined below);

c. approves the Fifth Report of the Liquidator dated November 23, 2023, the Sixth Report of the Liquidator dated February 14, 2024 (together with appendices

to it, the “**Sixth Report**”), the Liquidator’s activities described in those reports, and the Liquidator’s Interim SR&Ds (as defined below); and

d. approves the fees and disbursements of the Liquidator for the period from August 29, 2023 to February 6, 2024, including those of the Liquidator’s independent counsel, Reconstruct LLP, for the period from July 1, 2023 to January 31, 2024;

3. Such further and other relief as may be requested and this Honourable Court deems just.

THE GROUNDS FOR THIS MOTION ARE:

4. Capitalized terms not otherwise defined in this notice of motion have the meaning given to them in the Sixth Report.

Claims Process Order

5. The Claims Process Order is an order to be made under the OBCA and that sets out a process for the final identification, resolution, and barring of claims against the Solvent Companies.

6. The Solvent Companies are solvent such that this Honourable Court has jurisdiction to grant the Claims Process Order under the OBCA.

7. The Claims Procedure is a typical claims process in the form regularly approved by the Court in OBCA liquidation proceedings.

8. Among other things, the Claims Procedure Solicitation Process provides for:
 - a. the Liquidator's advertisement of the Claims Procedure in the National Post (National Edition);
 - b. a Claims Bar Date of March 30, 2024 at 5 p.m., at which time all Claims that are not Proven Claims shall be forever barred and extinguished, except the Excluded Claims, being Claims by the Liquidator and its counsel, and all Claim(s) that will be reflected in a clearance certificate obtained by the Liquidator from CRA prior to the Liquidator proceeding to any distribution;
 - c. the Liquidator's review and determination of the validity and amount of all Claims filed in accordance with the Claims Procedure as of the Claims Bar Date;
and
 - d. a process for Creditors to appeal, within 10 Business Days of the Notice Provision Date, the Liquidator's determination to this Court, should they wish to do so, by way of a true appeal (and not a *de novo*) process.

9. The Liquidator believes that the Claims Procedure and the Claims Process Order are typical, reasonable, expedient, necessary and appropriate to achieve the purpose of these liquidation proceedings, namely, the liquidation and distribution of the Companies' assets to their creditors – and, in the case of the Solvent Companies, the distribution of any balance to shareholders.

Authorization to Assign the Insolvent Companies in Bankruptcy

10. The Insolvent Companies, being all the Companies except the Solvent Companies, are “insolvent” within the meaning of the BIA.

11. The Liquidator intends to assign the Insolvent Companies into bankruptcy and act as trustee-in-bankruptcy pursuant to the BIA in order to ascertain claims against the Insolvent Companies and distribute the assets of the Insolvent Companies to their respective creditors.

12. AGI is a Licensed Insolvency Trustee that has ample experience acting as trustee-in-bankruptcy in corporate bankruptcies under the BIA.

13. The Appointment Order provides that nothing in the Appointment Order shall prevent the Liquidator from acting as trustee-in-bankruptcy of the Companies.

14. The Liquidator believes that such bankruptcy process is necessary, appropriate, expedient, and in the best interest of the creditors of the Insolvent Companies.

Approval of Liquidator’s Reports and Activities

15. The Liquidator’s activities since the Fourth Report are detailed in the Sixth Report, and the Interim SR&Ds are appended as Appendix “I” to the Sixth Report.

16. The approval of the reports, activities and Interim SR&Ds would be beneficial to these liquidation proceedings as it would, among other things, provide stability heading into the Claims Procedure and the bankruptcy process for the Insolvent Companies.

Authorization to Pay Surplus Funds to the 888 Whitefield Purchaser

17. On November 23, 2023, this Court granted an updated approval and vesting order approving the 888 Whitefield APS and the transaction contemplated therein, being the sale of the interest of the 888 Whitefield Prior Owner (i.e. 1950979, one of the Solvent Corporations) in the 888 Whitefield Property to the 888 Whitefield Purchaser.

18. The 888 Whitefield APS provides among other things that the rights and obligations of the 888 Whitefield Prior Owner under the CMHC Mortgage are assigned to the 888 Whitefield Purchaser.

19. On October 1, 2021, CMHC advanced a lump sum to the 888 Whitefield Prior Owner, including \$124,953 advanced as Surplus Funds, under the CMHC Mortgage on the basis that the Surplus Funds would be set aside and only used for specific purposes having to do with capital improvements and maintenance.

20. The 888 Whitefield Prior Owner has not used the Surplus Funds, which were in its bank accounts when the Liquidator took possession under the Appointment Order.

21. The Liquidator is of the view that the 888 Whitefield Purchaser is entitled to the benefit of the Surplus Funds as assignee of the 888 Whitefield Prior Owner's rights and obligations under the CMHC Mortgage.

Approval of Liquidator's and Liquidator's Counsel's Professional Fees and Disbursements

22. Such fees and disbursements are set out in the Sixth Report. The professional fees and disbursements are supported by detailed invoices as well as affidavits confirming *inter alia* that the abovementioned fees are comparable to those charged by other Licensed Insolvency Trustee and law firms for similar services in Toronto.

23. Such further and other grounds set out in the Sixth Report.

24. The provisions of the BIA, including Section 2, definition of “insolvent person”;

25. The provisions of the Ontario *Business Corporations Act*, R.S.O. 1990, c. B.16, including without limitation Sections 209, 221, 222, and 223;

26. The *Rules of Civil Procedure*, R.S.O. 1990, Reg 194, including without limitation rules 1.04, 2.03, and 3.02;

27. The inherent and equitable jurisdiction of this Honourable Court; and

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

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED ON THE HEARING OF THE MOTION:

29. The Sixth Report;

30. The fee affidavits of Bryan Gelman and R. Brendan Bissell respectively sworn February 8, 2024 and February 14, 2024;

31. Such further and other evidence as counsel may advise and this Honourable Court may permit.

February 14, 2024

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TO: THE SERVICE LIST

PAUL JOSEPH DIETRICH
Applicant

STEVEN ROBERT MCLAREN
Respondent

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

NOTICE OF MOTION
(Motion returnable February 21, 2024)

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TAB 2

Court File No.: CV-22-00679109-00CL

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

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

SIXTH REPORT OF ALBERT GELMAN INC.

**in its capacity as court-appointed liquidator pursuant to the *Business Corporations Act*,
R.S.O. 1990, c. B.16**

(Dated February 14, 2024)

I. PURPOSE OF THIS SIXTH REPORT

1. This sixth report ("**Sixth Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as liquidator (in such capacity, the "**Liquidator**") appointed over all of the assets, undertakings and properties of 1827403 Ontario Inc. ("**1827403**"), 1853997 Ontario Inc. ("**1853997**"), 1885926 Ontario Inc. ("**1885926**"), 1950940 Ontario Inc. ("**1950940**"), 1950941 Ontario Inc. ("**1950941**") and 1950979 Ontario Inc. ("**1950979**") and, collectively, the "**Companies**") by order of the Ontario Superior Court of Justice, Commercial List (the "**Court**") dated April 4, 2022 (the "**Appointment Order**") made pursuant to the *Business Corporations Act*, R.S.O. 1990, c. B.16 (the "**OBCA**"). A copy of the Appointment Order is attached as **Appendix "A"**.

2. The Applicant and the Respondent (together, the "**Shareholders**") are the sole shareholders of the Companies. The Shareholders set up the Companies to operate their real estate development business in Peterborough, Ontario. There is litigation between the Shareholders, currently under arbitration. The Court granted the Appointment Order with the consent of the Shareholders.

3. Since the Appointment Order, the Court made the following orders in this proceeding:
 - a. on June 13, 2022, an order which, among other things, approved the Liquidator's payment of 1827403's corporate taxes and amended the Appointment Order to expressly provide that the Liquidator can pay post-appointment liabilities as and when they become due.
 - b. on October 13, 2022, an order which, among other things, authorized the Liquidator to pay pre-appointment liabilities if certain conditions are met.
 - c. on December 21, 2022, an order which, among other things, approved the sale transaction contemplated by an agreement of purchase and sale between the Liquidator and 100035384 Ontario Inc. dated October 9, 2022 and vesting in 100035384 Ontario Inc. all of 1950941's right, title and interest in and to the real property municipally known as 144 Brock Street, Peterborough, Ontario.
 - d. on December 21, 2022, an order which, among other things, approved the Third Report (except one subparagraph which was subsequently approved by order dated September 11, 2023) and the Liquidator's activities described therein.
 - e. on September 11, 2023, an order (the "**888 Whitefield AVO**") which, among other things, approved the sale transaction contemplated by an agreement of purchase and sale between the Liquidator, as seller, and 2117467 Ontario Inc., as purchaser, dated May 25, 2023, as amended (the "**888 Whitefield APS**"), and vesting in 2117467 Ontario Inc. all of the right, title and interest of 1950979 (the "**888 Whitefield Prior Owner**") in and to the real property municipally known as 888 Whitefield Drive, Peterborough, Ontario ("**888 Whitefield**").
 - f. on September 11, 2023, an order which, among other things, approved the Fourth Report and the Liquidator's activities described therein, and approved the Liquidator and its counsel's fees and disbursements up to August 28, 2023 and June 30, 2023, respectively.
 - g. on November 23, 2023, an updated approval and vesting order (the "**Updated 888 Whitefield AVO**") updating the 888 Whitefield AVO following an assignment of the 888 Whitefield APS to a new purchaser corporation incorporated for that purpose (the "**888 Whitefield Purchaser**").
4. The aforementioned orders, this Sixth Report, all prior reports of the Liquidator, and all other court materials delivered in this proceeding are available on the Liquidator's website at [albertgelman.com/corporate-solutions/other-engagements] and will remain available on the website for a period of six (6) months following the Liquidator's discharge.

II. PURPOSE OF THIS REPORT

5. This Sixth Report is filed:
 - a. to report on the Liquidator's activities in these liquidation proceedings since the date of the Fourth Report;
 - b. in support of the Liquidator's motion for an order substantially in the form included as Tab 2 to the Liquidator's Motion Record that approves the Claims Solicitation Process for the Solvent Companies (terms defined below) (the "**Claims Process Order**"); and

c. in support of the Liquidator's motion for an order (the "**Ancillary Order**") in the form included as Tab 3 to the Liquidator's Motion Record that, among other things:

i. authorizes the Liquidator to assign each of 1950941, 1853997, 1885926 and 1950940 (collectively, the "**Insolvent Companies**", being all the Companies except the Solvent Companies) into bankruptcy;

ii. authorizes the Liquidator to release the Surplus Funds (defined below) to the 888 Whitefield Purchaser;

iii. approves the Fifth Report of the Liquidator dated November 23, 2023 (the "**Fifth Report**"), this Sixth Report, the Liquidator's activities described in those reports, and the Liquidator's Interim SR&Ds (as defined below);

iv. approves the fees and disbursements of the Liquidator for the period from August 29, 2023 to February 6, 2024; and

v. approves the fees and disbursements of the Liquidator's independent counsel, Reconstruct LLP, for the period from July 1, 2023 to January 31, 2024.

III. SCOPE AND TERMS OF REFERENCE

6. In preparing this Sixth Report, the Liquidator has obtained and relied upon certain unaudited financial information of the Companies and the Companies' books and records, and had ongoing discussions with respective counsel for the Applicant and the Respondent.

7. While the Liquidator has reviewed the various documents provided, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises ("**ASPE**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Liquidator expresses no opinion or other form of assurance pursuant to ASPE or IFRS or otherwise with respect to such information except as expressly stated herein.

8. This Sixth Report has been prepared for the purposes described above. Accordingly, the reader is cautioned that this Sixth Report may not be appropriate for any other purpose.

9. All monetary amounts referenced herein are in Canadian dollars.

IV. BACKGROUND INFORMATION

10. The Shareholders are the Companies' sole shareholders. They each own 50% of the shares of each of the Companies. They are also directors and officers of each of the Companies. 1853997 has one additional director, Greg Landry.

11. The Court granted the Appointment Order with the consent of the Shareholders in the context of litigation between them. That matter is currently under arbitration.

12. Prior to the litigation, the Shareholders were partners in a residential and commercial land development business in the Peterborough area. They incorporated the Companies to operate the business. The affidavit of Paul Dietrich sworn March 30, 2022, filed in support of the application for the Appointment

Order, further sets out the background facts, including the litigation. A copy of that affidavit, without exhibits, is attached as **Appendix “B”**.

13. The Shareholders provided the Liquidator with trial balance reports for each of the Companies summarizing their assets and liabilities as of January 31, 2022 (the **“Balance Reports”**). The Liquidator’s summary of the Balance Reports is attached as **Appendix “C”**.

V. CLAIMS PROCESS ORDER

14. The Appointment Order directs and empowers the Liquidator to proceed to the liquidation of the Companies’ assets and contemplates the distribution of proceeds to creditors pursuant to a further order of the Court.

15. Prior to any distribution, the Liquidator must conclusively determine the universe of creditors and claims against the Companies. To do so in the case of 1950979 and 1827403 (together, the **“Solvent Companies”**), the Liquidator requires the Claims Process Order, which sets out a process for the final identification, resolution, and barring of claims against the Solvent Companies. Capitalized terms used in this section and not otherwise defined in this Sixth Report have the meanings given to them in the Claims Process Order.

16. The Liquidator is satisfied that the Solvent Companies are solvent. The Court therefore has jurisdiction to grant the Claims Process Order under its jurisdiction pursuant to the OBCA. Among other things, the Liquidator has reviewed the Balance Reports and has examined the Solvent Companies’ books, records, bank accounts, and affairs. The table below summarizes the Solvent Companies’ assets, as inventoried by the Liquidator, and the Solvent Companies’ known and probable liabilities, as determined by the Liquidator, as of January 24, 2024:

1950979 ONTARIO INC.

ASSETS		LIABILITIES		
Nature	Amount	Creditor	Amount	Nature of Claim
Segregated Surplus Funds (discussed below)	\$124,953	888 Whitefield Purchaser	\$124,953	Surplus Funds
TD Canada Trust bank account balance	\$305,209	Parkview Homes Inc. (“PHI”) ¹	\$699,071	Intercompany loan

¹ As discussed below, pursuant to an order of the Court dated October 11, 2023, PHI was assigned in bankruptcy and AGI was appointed as trustee-in-bankruptcy of PHI.

ASSETS		LIABILITIES		
Liquidator's trust account balance for 1950979 (including proceeds of sales of assets)	\$2,668,267	Canada Revenue Agency ("CRA")	TBD (per clearance certificate)	Capital gain tax from sale of assets
TOTAL:	\$3,098,429	TOTAL:	\$824,024	

1827403 ONTARIO INC.

ASSETS		LIABILITIES		
TD Canada Trust bank account balance	\$15,996	CRA	\$42,072	Income tax balance for financial year ended Oct. 31, 2021 – principal
Liquidator's trust account balance for 1827403	\$180	CRA	\$18,775	<i>Id.</i> – estimated interest and penalties
Account receivable from PHI ²	\$1,717,000	TOTAL:	\$60,847	
TOTAL:	\$1,733,176			

17. If, at any time during the Claims Solicitation Process, the Liquidator believes that the Solvent Companies are or could likely be insolvent, the Liquidator will move before the Court for an appropriate order.

18. The Claims Solicitation Process set out in the Claims Process Order is a typical claims process in the form regularly approved by the Court in insolvency and OBCA liquidation proceedings. In general terms, the Claims Solicitation Process provides for the Liquidator's advertisement of the Claims Solicitation Process in the National Post (National Edition), a Claims Bar Date of March 30, 2024, the Liquidator's review and determination of the validity and amount of all Claims filed in accordance with the Claims Solicitation Process as of the Claims Bar Date, and a process for Creditors to appeal the Liquidator's determination to this Court should they wish to do so.

19. The Claims Process Order provides that all Claims that are not Proven Claims shall be forever barred and extinguished as of the Claims Bar Date. Proven Claims, as defined in the Claims Process Order, are Claims in respect of which the Liquidator has received a duly completed proof of claim before the Claims Bar Date, to the extent of (i) the amount for which the Liquidator considers the Claim proven of a balance of probabilities, or (ii) the amount of the Claim as determined by the Court on a successful appeal of the Liquidator's disallowance of the Claim in accordance with the Claims Process Order.

20. The Claims Process Order provides that Creditors may appeal the Liquidator's determination of a Claim by way of a motion to the Court delivered within ten (10) Business Days of the Notice Provision Date.

² *Id.*

The Claims Process Order further provides that any such appeal shall be a true appeal and not a *de novo* process. In the Liquidator's experience, this is a usual provision that is intended to balance, among other things, the right of appeal and the requirement for celerity and efficiency in the claims determination and liquidation process.

21. The Claims Process Order contemplates two types of Excluded Claims, which are not required to be proven in the Claims Solicitation Process and will not be extinguished as of the Claims Bar Date, namely: (i) Claims by the Liquidator and its counsel, and (ii) all Claim(s) that will be reflected in a clearance certificate obtained by the Liquidator from CRA prior to the Liquidator proceeding to any distribution. It is not necessary for CRA to be subject to the Claims Solicitation Process because the Liquidator requires and will obtain a clearance certificate from CRA prior to any distribution. The clearance certificate will either (i) confirm that there are no amounts owing to CRA and authorize the distribution, or (ii) set out all amounts owing to CRA, which amounts must be paid prior to distribution.

22. Upon completion of the Claims Solicitation Process, the Liquidator will report to the Court on the outcome and will bring a motion for a distribution order when appropriate.

23. The Liquidator believes that the Claims Solicitation Process and the Claims Process Order are typical, reasonable, expedient, necessary and appropriate to achieve the purpose of these liquidation proceedings, namely, the liquidation and distribution of the Companies' assets to their creditors (and any balance to shareholders).

VI. ANCILLARY ORDER

a. Authorization To Assign the Insolvent Companies in Bankruptcy

24. The Liquidator has determined that the Insolvent Companies, being all the Companies except the Solvent Companies, are "insolvent" within the meaning of the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"). The Liquidator has, among other things, reviewed the Balance Reports and has examined the Insolvent Companies' books, records, bank accounts, and affairs. The Insolvent Companies have no operations and their known liabilities exceed the liquidation value of their assets. The table below summarizes the Insolvent Companies' assets and liabilities:

	1950941	1853997	1885926	1950940
	Ontario Inc.	Ontario Inc.	Ontario Inc.	Ontario Inc.
Assets				
Funds in Liquidators Trust account (Feb 5/24)	\$ 514,299	4,050	31,538	2,733
Liabilities				
Due to Parkview Homes Inc.	(1,006,000)	-	-	(49,000)
Due to 1950979 Ontario Inc.	(44,071)	(4,590)	(4,590)	(4,590)
Estimated amounts owed to related parties for funding of fees		(28,250)	(28,250)	(28,250)
Net assets over liabilities (negative if insolvent)	(535,772)	(28,790)	(1,302)	(50,857)

25. Given that the Insolvent Companies are insolvent, a bankruptcy process under the BIA is available and necessary to ascertain claims against the Insolvent Companies and distribute the assets of the Insolvent

Companies to their respective creditors. The Liquidator intends to proceed to the liquidation of the Insolvent Companies' assets by assigning the Insolvent Companies into bankruptcy and acting as trustee-in-bankruptcy pursuant to the BIA.

26. AGI is a Licensed Insolvency Trustee that has ample experience acting as trustee-in-bankruptcy in corporate bankruptcies under the BIA. The BIA provides the simplest, most expeditious and most cost-efficient process to liquidate the Insolvent Companies' assets.

27. The Appointment Order does not specifically authorize the Liquidator to assign the Companies into bankruptcy. The Appointment Order does provide, however, that nothing in the Appointment Order shall prevent the Liquidator from acting as trustee-in-bankruptcy of the Companies. Accordingly, the Liquidator requires, as part of the Ancillary Order, an order specifically authorizing the Liquidator to assign the Insolvent Companies in bankruptcy.

b. Authorization to Pay Surplus Funds to the 888 Whitefield Purchaser

28. The 888 Whitefield APS provides among other things that the rights and obligations of the 888 Whitefield Prior Owner (being 1950979, one of the Solvent Corporations) under a Canada Mortgage and Housing Corporation mortgage (the "**CMHC Mortgage**") are assigned to the 888 Whitefield Purchaser. A copy of the 888 Whitefield APS is appended as **Appendix "D"**.

29. On October 1, 2021, CMHC advanced a lump sum to the 888 Whitefield Prior Owner, including \$124,953 advanced as "surplus funds", under the CMHC Mortgage (the "**Surplus Funds**"). The Surplus Funds represent the undrawn balance of the CMHC Mortgage facility after completion of the construction work on 888 Whitefield financed under the CMHC Mortgage. A letter from CMHC dated October 6, 2021 sets out certain categories of expenses which CMHC authorized the 888 Whitefield Prior Owner to pay with Surplus Funds. Copies of the CMHC Mortgage and the October 6, 2021 letter are appended as **Appendices "E"** and **"F"**, respectively.

30. The CMHC Mortgage provides that the 888 Whitefield Prior Owner shall hold the Surplus Funds in a segregated account. As of the Appointment Order, the Surplus Funds were not in a segregated account and were held in the 888 Whitefield Prior Owner's general operating account along with other funds. However, CMHC advanced the Surplus Funds as part of a larger lump sum advance. Moreover, as of the Appointment Order, the 888 Whitefield Prior Owner had approximately \$1.2 million in its bank accounts, and CMHC confirmed to the Liquidator that the 888 Whitefield Prior Owner had not used any of the Surplus Funds. The Liquidator has confirmed that the bank account of the 888 Whitefield Prior Owner did not go below the amount of the Surplus Funds from the time that they were received to the time of the Liquidator's appointment, such that the Liquidator concludes that the Surplus Funds were still identifiable notwithstanding their comingling in the general account.

31. The 888 Whitefield Purchaser's position was and is that it is entitled to be transferred the Surplus Funds as the assignee of the 888 Whitefield Prior Owner's rights and obligations under the CMHC Mortgage. The closing of the sale of 888 Whitefield was done on the basis that the Liquidator agreed to maintain a reserve in the amount of the Surplus Funds that would not be released without either consent of the parties or further order of the Court.

32. Considering among other things that 1950979 is solvent and did not use any of the Surplus Funds as confirmed by CMHC, the Liquidator agrees with the 888 Whitefield Purchaser's position. For clarity, the

Liquidator is of the view, considering the above, that the 888 Whitefield Purchaser should be entitled to the benefit of the Surplus Funds notwithstanding that the 888 Whitefield Prior Owner seemingly did not hold the Surplus Funds in a segregated account.

33. The Liquidator therefore respectfully requires, as part of the Ancillary Order, the authorization of the Court to transfer the Surplus Funds to the 888 Whitefield Purchaser. The Liquidator does not believe the request will be opposed, but this motion is on notice to the service list, including CMHC and the principal of the 888 Whitefield Prior Owner, being the Respondent.

c. Approval of Liquidator's Reports and Activities Since Fourth Report

34. The Fifth Report was a short report delivered in support of the Liquidator's motion for the Updated 888 Whitefield AVO, and did not set out in detail the actions and activities of the Liquidator since the Fourth Report of the Liquidator dated September 11, 2023 (the "**Fourth Report**"). Copies of the Fourth Report and Fifth Report, without appendices, are appended as **Appendices "G"** and "**H"**, respectively.

35. In addition to the other activities set out in this Sixth Report, the Liquidator's activities since the Fourth Report include the following.

a. On November 30, 2023, the Liquidator closed the 888 Whitefield transaction in accordance with the Updated 888 Whitefield AVO. A copy of the Liquidator's certificate confirming the closing of the 888 Whitefield transaction is appended as **Appendix "I"**. The Liquidator holds the proceeds in trust pending a motion for distribution, which the Liquidator will bring when appropriate.

b. The Liquidator filed an application to the Court for an order, among other things, assigning PHI in bankruptcy. On October 11, 2023, the Court granted the order and appointed AGI as trustee-in-bankruptcy of PHI. A copy of the Court's endorsement is attached as **Appendix "J"**.

c. The Liquidator retained BDO Canada Ltd. ("**BDO**"), the Companies' accountant prior to the Appointment Order, to prepare and file the 2022 fiscal year-end corporate income tax returns for each of the Companies.

d. On April 5, 2023, BDO filed a Notice of Objection with respect to the reassessment by CRA of interest and penalties owed by 1950979 on account of HST. On January 5, 2024, CRA advised the Liquidator that it allowed the objection in full. Attached hereto as **Appendix "K"** is a copy of the January 5, 2024 letter from CRA. The letter refers to a revised statement of account which the Liquidator has not yet received as of the date of this Sixth Report.

e. The Liquidator delivered the Fifth and Sixth Report.

36. The Liquidator's interim statements of receipts and disbursements for each of the Companies as at February 6, 2024 are attached as **Appendix "L"** (collectively, the "**Interim SR&Ds**"). The Liquidator respectfully submits that the Interim SR&Ds are detailed, accurate and complete.

37. The Liquidator believes that the Interim SR&Ds, the Fourth, Fifth and Sixth Reports, and the activities of the Liquidator set out therein, are appropriate. The approval of same would be beneficial to these liquidation proceedings as it would, among other things, provide stability heading into the Claims Solicitation Process and the bankruptcy process for the Insolvent Companies.

d. Approval of Liquidator's and Liquidator's Counsel's Professional Fees and Disbursements

38. Paragraph 18 of the Appointment Order requires the Liquidator and its independent legal counsel to pass their accounts with the Court. The Liquidator and its independent legal counsel have maintained detailed records of their time and costs since the Appointment Order.

39. The Liquidator has incurred fees of \$56,125.50 plus HST of \$4,490.04 totaling \$63,421.82 for the period from August 29, 2023 to February 6, 2024. A copy of the detailed billings of the Liquidator, supported by the Affidavit of Bryan Gelman sworn February 8, 2024 is attached hereto as **Appendix "M"**.

40. The Liquidator's legal counsel, Reconstruct LLP, have incurred fees of \$34,615.92 and disbursements of \$740.92, plus HST of \$4,500.07, totaling \$39,115.99 for the period from July 1, 2023 to January 31, 2024. A copy of the Liquidator's counsel's detailed billings, supported by the Affidavit of Brendan Bissell sworn February 14, 2024 is attached hereto as **Appendix "N"**.

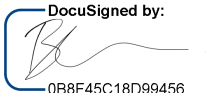
41. The Liquidator reports that the foregoing professional fees and disbursements are fair and reasonable in the circumstances and supported by detailed invoices as well as affidavits confirming *inter alia* that the abovementioned fees are comparable to those charged by other Licensed Insolvency Trustee and law firms for similar services in Toronto.

VII. RECOMMENDATION

42. The Liquidator respectfully requests the Claims Process Order and the Ancillary Order providing for the relief set out in paragraph 4 of this Sixth Report.

All of which is respectfully submitted this 14th day of February 2024

**ALBERT GELMAN INC., solely in its
capacity as Court-Appointed Liquidator of the Companies
and not in its personal or any other capacity**

Per:  _____
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Bryan Gelman, *CIRP, LIT*

APPENDIX A

Applicant and the Respondent and those parties listed on the counsel slip, no one else appearing for any other person although duly served as appears from the affidavit of service of Danny Nunes sworn April 1, 2022, filed

SERVICE

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

WINDING UP AND APPOINTMENT OF LIQUIDATOR

2. **THIS COURT ORDERS** that the Companies shall be wound up pursuant to sections 207(b)(iii) and (iv) of the BCA.

3. **THIS COURT ORDERS** that pursuant to sections 207 and 210 of the BCA, AGI is hereby appointed Liquidator, without security, of all the Companies' Property with the powers set forth herein and those set forth in Part XVI of the BCA. To the extent that there is an inconsistency between the powers provided to the Liquidator under the BCA and this Order, the terms of this Order shall govern to the extent that they restrict or limit the powers of the Liquidator.

LIQUIDATOR'S POWERS

4. **THIS COURT ORDERS** that in addition to all the powers provided in Part XVI of the BCA, including without limitation those set out in section 223 of the BCA, the Liquidator 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 Liquidator is hereby expressly empowered and authorized to do any of the following where the Liquidator 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 Companies, 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 Companies;
- (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 Liquidator'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 Companies or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Companies and to exercise all remedies of the Companies in collecting such monies, including, without limitation, to enforce any security held by the Companies;
- (g) to settle, extend or compromise any indebtedness owing to the Companies, with the exception of any indebtedness owed to any of the Companies by Parkview Homes Inc. and its related and affiliated companies (collectively, the “**Parkview Group**”);
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Liquidator's name or in the

name and on behalf of the Companies, 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 Companies, the Property or the Liquidator, 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 Liquidator in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$25,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;
- (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 Liquidator deems appropriate on all matters relating to the Property, and to share information, subject to such terms as to confidentiality as the Liquidator 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 Liquidator, in the name of the Companies;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Companies, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Companies;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Companies may have;
- (r) to apply to the Court for an order dissolving the Companies; and
- (s) 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 Liquidator 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 Companies, and without interference from any other Person.

5. **THIS COURT ORDERS** that, without limiting any of the powers set out in paragraph 4 of this Order, the Liquidator is authorized and directed to enter into one or more standard listing agreements with one or more duly licensed commercial real estate agents (a “**Realtor**”) for the purpose of listing, marketing and selling the properties municipally known as 144 Brock Street and 888 Whitefield Drive, Peterborough, Ontario (the “**Real Property**”), at such listing prices as may be recommended by the respective Realtor and approved or agreed to by the Liquidator as appropriate in the circumstances and the Liquidator may, if deemed advisable by the Liquidator in consultation with the Realtor, take such actions or steps as may be required to lease any unit in the Real Property before listing the Real Property for sale, and is hereby authorized to do so.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE LIQUIDATOR

6. **THIS COURT ORDERS** that (i) the Companies, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their 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 Liquidator of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Liquidator, and shall deliver all such Property to the Liquidator upon the Liquidator's request.

7. **THIS COURT ORDERS** that all Persons shall forthwith advise the Liquidator 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 Companies, 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 Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 7 or in paragraph 8 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 Liquidator due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

8. **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 Liquidator for the purpose of allowing the Liquidator 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 Liquidator in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Liquidator. Further, for the purposes of this paragraph, all Persons shall provide the Liquidator with all such assistance in

gaining immediate access to the information in the Records as the Liquidator may in its discretion require including providing the Liquidator with instructions on the use of any computer or other system and providing the Liquidator with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE LIQUIDATOR

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 Liquidator except with the written consent of the Liquidator or with leave of this Court.

NO PROCEEDINGS AGAINST THE COMPANIES OR THE PROPERTY

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

NO INTERFERENCE WITH THE LIQUIDATOR

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

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Companies 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 Companies 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 Liquidator, and that the Liquidator shall be entitled to the continued use of the Companies' 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 Liquidator in accordance with normal payment practices of the Companies or such other practices as may be agreed upon by the supplier or service provider and the Liquidator, or as may be ordered by this Court.

LIQUIDATOR TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Liquidator 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 Liquidator (the "**Post Liquidation Accounts**") and the monies standing to the credit of such Post Liquidation Accounts from time to time, net of any disbursements provided for herein, shall be held by the Liquidator to be paid in accordance with the terms of this Order or any further Order of this Court.

PIPEDA

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Liquidator 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 Liquidator, 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 Companies, and shall return all other personal information to the Liquidator, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Liquidator 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 Liquidator from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Liquidator shall not, as a result of this Order or anything done in pursuance of the Liquidator'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 LIQUIDATOR'S LIABILITY

16. **THIS COURT ORDERS** that the Liquidator 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. Nothing in this Order shall derogate from the protections afforded the Liquidator by Part XVI of the BCA or by any other applicable legislation.

LIQUIDATOR'S ACCOUNTS

17. **THIS COURT ORDERS** that the Liquidator and counsel to the Liquidator 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 Liquidator and counsel to the Liquidator shall be entitled to and are hereby granted a charge (the "**Liquidator'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 Liquidator'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.

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

19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Liquidator 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 Liquidator or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE LIQUIDATION

20. **THIS COURT ORDERS** that the Liquidator be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Liquidator 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 "**Liquidator'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 Liquidator's Charge.

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

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

23. **THIS COURT ORDERS** that the monies from time to time borrowed by the Liquidator pursuant to this Order or any further order of this Court and any and all Liquidator'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 Liquidator's Certificates.

SERVICE AND NOTICE

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

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Liquidator 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 Companies creditors or other interested parties at their respective addresses as last shown on the records of the Companies 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

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

27. **THIS COURT ORDERS** that nothing in this Order shall prevent the Liquidator from acting as a trustee in bankruptcy of the Companies.

28. **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 Liquidator 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 Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Liquidator and its agents in carrying out the terms of this Order.

29. **THIS COURT ORDERS** that the Liquidator 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 Liquidator 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.

30. **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 Liquidator and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



SCHEDULE "A"

LIQUIDATOR'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Albert Gelman Inc., the liquidator (the "**Liquidator**") of the assets, undertakings and properties of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc. (collectively, the "**Companies**") including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of _____, 20__ (the "**Order**") made in an action having Court file number CV-22-00679109-00CL, has received as such Liquidator from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Liquidator 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 Liquidator 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 the right of the Liquidator 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

Liquidator 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 Liquidator to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Liquidator 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__.

Albert Gelman Inc., solely in its capacity
as Liquidator of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

PAUL JOSEPH DIETRICH

and

STEVEN ROBERT MCLAREN

Applicant

Respondent

APPLICATION UNDER Sections 207, 209 and 210 of the *Business Corporations Act*, R.S.O. 1990, c. B16, as amended

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

PROCEEDINGS COMMENCED AT TORONTO

**ORDER
(Liquidator's Appointment)**

DLA PIPER (CANADA) LLP
1 First Canadian Place, Suite 6000
100 King Street West
Toronto, ON M5X 1E2

Danny M. Nunes (LSO No. 53802D)
Tel.: 416.365.3421
Fax: 416.369.7945
Email: danny.nunes@dlapiper.com

Lawyers for the Applicant

APPENDIX B

Court File No. CV-22-00679109-00CL

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

BETWEEN:

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

APPLICATION UNDER sections 207, 209 and 210 of the *Business Corporations Act*, R.S.O.
1990, c. B16, as amended.

AFFIDAVIT OF PAUL JOSEPH DIETRICH

I, Paul Joseph Dietrich, of the City of Peterborough, in the Province of Ontario, MAKE
OATH AND SAY:

1. I am an officer, director and shareholder of each of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc. (collectively, the "**Residual Companies**"). As such, I have knowledge of the matters deposed to in this affidavit. Where I do not have direct knowledge of a matter, I state the source of my information and believe it to be true.
2. The Respondent, Steven Robert McLaren, and I founded the Parkview Group of Companies (the "**Parkview Group**") in 1989. We were the only shareholders, officers and directors of the companies that comprise the Parkview Group.

3. In January 2022, I sold my beneficial interest in all of the companies that comprise the Parkview Group, other than the Residual Companies, to the Respondent. The Respondent and I remain the only shareholders, officers and directors of the Residual Companies.
4. The Respondent and I, along with certain of the companies that comprise the Parkview Group, entered into a shareholders agreement dated February 14, 2008 (the “**Shareholders Agreement**”).
5. Pursuant to the terms of the Shareholders Agreement, if any controversy relating to the Shareholders Agreement arose amongst the shareholders, the parties would initially attempt to negotiate a resolution to the controversy and if those negotiations were unsuccessful, the dispute would be submitted to a mediator. Finally, if the mediation did not resolve the dispute or either party would not participate in the mediation, the shareholders agreed that the dispute would be settled by way of arbitration pursuant to the *Arbitration Act* (Ontario).
6. The procedures set forth in the preceding paragraph were invoked by the Respondent upon providing me with a Notice of Dispute on November 15, 2019.
7. The Respondent and I were unable to resolve the dispute through negotiation and subsequently retained former justice of the Ontario Superior Court of Justice (Commercial List), the Honourable Frank Newbould, Q.C., to mediate the matter. A mediation was held on February 12, 2020, however, the parties were unable to resolve the dispute.
8. The matter was scheduled to proceed by way of arbitration in August 2020 before the Honourable Mr. Newbould but was adjourned on account of settlement discussions between the parties which were mediated by a third party, commencing July 25, 2020 and which continued from and after that date until approximately December 2020.
9. The settlement discussions were unsuccessful in resolving the dispute amongst the shareholders and the arbitration was scheduled to proceed before the Honourable Mr. Newbould on January 17, 2022.

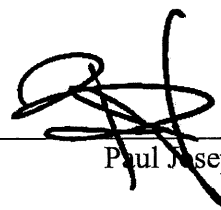
10. Prior to the commencement of the arbitration, the Respondent and I agreed to certain minutes of settlement dated January 18, 2022 (the “**Minutes of Settlement**”) to resolve the arbitration. Pursuant to the Minutes of Settlement, the parties agreed and consented to the form of Order attached to the Minutes of Settlement as Schedule “A” being made in the arbitration.
11. Pursuant to the award of the Honourable Mr. Newbould dated January 18, 2022 (the “**Arbitration Award**”), it was ordered, on the consent of the Respondent and I, that, among other things: (i) the arbitration be dismissed with prejudice and without costs on the terms set out in the Minutes of Settlement; and (ii) the Residual Companies be liquidated, and Bryan Gelman of Albert Gelman Inc. (“**AGI**”) be appointed as liquidator (the “**Liquidator**”). Attached hereto as Exhibit “A” is a copy of the Arbitration Award.
12. To facilitate the orderly liquidation of the Residual Companies, the parties have agreed and consent to the Liquidator’s appointment pursuant to the provisions of the *Business Corporations Act* (Ontario) (the “**BCA**”). I am advised by my counsel, Danny Nunes of DLA (Piper) Canada LLP (“**DLA**”), that the form of draft Order appointing the Liquidator and included in the Application Record, is largely based upon the Court’s model Order for the appointment of receivers and managers and expressly sets forth the Liquidator’s powers which it may assert in liquidating the Residual Companies, in addition to those powers set out in the BCA.
13. AGI has consented to act as Liquidator in these proceedings. Attached hereto as Exhibit “B” is a copy of AGI’s consent to its appointment as Liquidator.
14. I swear this affidavit in support of my application for the Liquidator’s appointment over the Residual Companies and for no other or improper purpose.

SWORN before me by videoconference)
this ^{20th} day of March, 2022 in accordance)
with O. Reg. 421/20, Administering)
Oath or Declaration Remotely.)



A Commissioner for taking oaths

DANNY NUNES



Paul Joseph Dietrich

APPENDIX C

	1950979 Ontario Inc.		1950941 Ontario Inc.		1827403 Ontario Inc.		1853997 Ontario Inc.		1885926 Ontario Inc.		1950940 Ontario Inc.		Debit	Credit
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
1000 · TD Canada Trust	1,214,196		33,274		541,064				30,630		2,885		1,822,049	-
1000 · CIBC - Bank							3,812						3,812	-
11000 · Accounts Receivable		3,248											-	3,248
1050 · Security Deposits			712										712	-
1100 · Prepaid Expenses			6,244										6,244	-
1300 · 144 Brock Street - Land			500,000										500,000	-
1300 · 144 Brock Street - Building			380,087										380,087	-
1300 · 144 Brock Street - Acc. Dep'n				56,113									-	56,113
1310 · Middlefield Phase II					854								854	-
1311 · Thompson Bay					2,742								2,742	-
1410 · Due From Parkview Homes Inc.					1,717,000								1,717,000	-
1500 · 882 Whitefield: Capitalized Costs	6,864,204												6,864,204	-
1500 · 882 Whitefield:1501 · Transferred from 1494282	1,045,045												1,045,045	-
1500 · 144 Brock Street: Capitalized Development Costs			127,788										127,788	-
1600 · Due to Parkview Homes Inc.												19,000	-	19,000
2000 · Accounts Payable		1,236		1,178	281								281	2,414
2100 · Holdbacks Payable		29,014											-	29,014
2100 · Tenant Deposits				2,550									-	2,550
2200 · GST/HST Payable	1,262		545				160						1,967	-
2300 · Tenant Deposits		2,000											-	2,000
2410 · Due to Parkview Homes Inc.		699,071		1,006,000									-	1,705,071
2420 · Due to Parkview Homes Inc.												30,000	-	30,000
2800 · CMHC Construction Loan		8,467,657											-	8,467,657
3000 · Capital Stock		100		100		100		100		100		100	-	600
3500 · Retained Earnings	60,973		19,396		2,261,866		3,872		30,530		46,215		126,584	2,296,268
<u>Income statement items</u>														
4000 · Rental Income		1,901											-	1,901
4300 · Rental Income - Apartments				2,626									-	2,626
4400 · Parking Lot Revenue				640									-	640
6340 · Interest Expense	8,713												8,713	-
6720 · Property - Repairs and Mtce	5,906												5,906	-
6730 · Property - Snow Removal	3,568												3,568	-
6860 · Utilities:6860-01 · Hydro		1,947	1,019										1,019	1,947
6860 · Utilities:6860-10 · Water	1,186		144										1,330	-
8000 · Bank Charges					25								25	-
8300 · Custodial Services	1,017												1,017	-
8400 · Internet Service	104												104	-
TOTAL	9,206,174	9,206,174	1,069,209	1,069,207	2,261,966	2,261,966	3,972	3,972	30,630	30,630	49,100	49,100	12,621,051	12,621,049

APPENDIX D

Confirmation of Co-operation and Representation Buyer/Seller

Form 320
for use in the Province of Ontario

BUYER: 2117467 Ontario Inc

SELLER: Albert Gelman Inc. Solely In Its Cpcty As The Court Appointed Liquidtr

For the transaction on the property known as: 888 Whitefield Drive Peterborough ON K9J 7V8

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, a landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002, (REBBA).

1. LISTING BROKERAGE

- a) The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
 - 1) The Listing Brokerage is not representing or providing Customer Service to the Buyer. (If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)
 - 2) The Listing Brokerage is providing Customer Service to the Buyer.

b) **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, 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.

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.

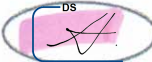
Additional comments and/or disclosures by Listing Brokerage: (e.g., The Listing Brokerage represents more than one Buyer offering on this property.)

2. PROPERTY SOLD BY BUYER BROKERAGE - PROPERTY NOT LISTED

- The Brokeragerepresent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid (does/does not)
 - by the Seller in accordance with a Seller Customer Service Agreement
 - or: by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: (e.g., The Buyer Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

DS


BUYER



CO-OPERATING/BUYER BROKERAGE

DS


SELLER



LISTING BROKERAGE

3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1. [Motion Record Page No. 45]

CO-OPERATING BROKERAGE - REPRESENTATION:

- a) [] The Co-operating Brokerage represents the interests of the Buyer in this transaction.
b) [] The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.
c) [] The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE - COMMISSION:

- a) [] The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property
(Commission As Indicated In MLS® Information) to be paid from the amount paid by the Seller to the Listing Brokerage.
b) [] The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

Form with fields for Name of Co-operating/Buyer Brokerage, Name of Listing Brokerage, Address (304 Brock St S. 2nd Flr Whitby ON L1N4K4), Tel/Fax (905-668-3800 / 905-430-2550), and Signature (DAVID W. WATKINS) with date 5/25/23.

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)

The Buyer and Seller consent with their initials to their Brokerage representing more than one client for this transaction.

Initials of Buyer(s) in a pink oval.

Initials of Seller(s) in a blue oval.

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

DocuSigned by: [Signature] 5/25/2023 | 12:56 PM EDT
Buyer 2117467 Ontario Inc
(Signature of Buyer) (Date)

DocuSigned by: [Signature] 5/25/2023 | 1:42 PM PDT
Seller
(Signature of Seller) (Date)



Agreement of Purchase and Sale Commercial



Form 500

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 25 day of May, 2023

BUYER: 2117467 Ontario Inc, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Albert Gelman Inc. Solely In Its Cpty As The Court Appointed Liquidtr, the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 888 Whitefield Drive

fronting on the East side of Whitefield Drive

in the City of Peterborough

and having a frontage of 300.98 more or less by a depth of 0.00 more or less

and legally described as
Plan 22Q Pt Lt 8 To 9 (See schedule A for full legal description)

(Legal description of land including easements not described elsewhere) (the "property")

PURCHASE PRICE: Dollars (CDN\$) 11,900,000.00

Eleven Million Nine Hundred Thousand Dollars

DEPOSIT: Buyer submits upon acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

Two Hundred Fifty Thousand Dollars (CDN\$) 250,000.00

by negotiable cheque payable to Remax Hallmark First Group "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A B and C & D attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer until 7.00 on the 25 day of May, 2023, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.
(Seller/Buyer) (a.m./p.m.)

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the day of
....., 20..... Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
(For delivery of Documents to Seller)

FAX No.:
(For delivery of Documents to Buyer)

Email Address:
(For delivery of Documents to Seller)

Email Address:
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**
As per Sellers schedule B, clause 9.

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**
Exclude all Tenant chattels and fixtures and other rental equipment belonging to the Tenants.

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:
Any rental equipment rented by and paid for by the Tenants

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the**..... day of.....[Motion Record Page No. 48]...., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (.....27 unit residential apartment building.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. AGREEMENT IN WRITING:** If there is 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 Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time with respect to this Agreement and any other documents respecting this transaction.
- 28. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

29. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned (Motion Record, Page No. 50). SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) DocuSigned by: [Signature] 5/25/2023 | 12:56 PM EDT (Seal) (Date) (Buyer/Authorized Signing Officer) 2117467 Ontario Inc (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) DocuSigned by: [Signature] 5/25/2023 | 1:42 PM PDT (Seal) (Date) (Seller/Authorized Signing Officer) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced 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 give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at this day of 20..... (a.m./p.m.) DocuSigned by: [Signature] 5/25/2023 | 1:42 (Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)
Listing Brokerage RE/MAX HALLMARK FIRST GROUP REALTY LTD., BROKERAGE 905-668-3800 (Tel.No.)
DAVID W. WATKINS (Salesperson/Broker/Broker of Record Name)
Co-op/Buyer Brokerage (Tel.No.)
(Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
DocuSigned by: [Signature] 5/25/2023 | 1:42 PM PDT (Date)
(Seller) (Date)
Address for Service (Tel. No.)
Seller's Lawyer
Address
Email (Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
DocuSigned by: [Signature] 5/25/2023 | 5:06 PM PDT (Date)
(Buyer) 2117467 Ontario Inc (Date)
(Buyer) (Date)
Address for Service (Tel. No.)
Buyer's Lawyer
Address
Email (Tel. No.) (Fax. No.)

FOR OFFICE USE ONLY **COMMISSION TRUST AGREEMENT**
To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
[Signature] (Authorized to bind the Listing Brokerage) [Signature] (Authorized to bind the Co-operating Brokerage)

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Form 500

for use in the Province of Ontario

Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: 2117467 Ontario Inc , and

SELLER: Albert Gelman Inc. Solely In Its Cpty As The Court Appointed Liquidtr

for the purchase and sale of 888 Whitefield Drive Peterborough

ON K9J 7V8 dated the 25 day of May 2023

Buyer agrees to pay the balance as follows:

Legal description: Pt LTS 8 & 9 PL 220(North Monaghan) as in R227329 Lying E of Whitefield Drive, except R235039 S/T easement over pt 8 being Pt.1 45R-12197 in favor of Bell Canada as in LT91763: Peterborough together with an easement over part lot 9 Plan 220 North Monaghan, Part 1,2& 3 Plan 45R16694 as in PE308340.

The Buyer has fully inspected the property and is satisfied with the condition of the property.

The Buyer is familiar with and informed of the income, expenses, and operating systems for the building and accepts them as is.

The Buyer agrees to pay a further sum of one hundred and fifty thousand dollars (\$150,000.00), upon removal or waiver of the buyers condition, to Re/max Hallmark First Group , as an additional deposit to be held in trust pending completion or other termination of this Agreement. This amount is to be credited towards the purchase price on completion of this transaction.

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, to the Seller on completion of this transaction, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

* Completion date will be as per schedule B attached.

** The Title search date will be 15 days prior to the date established by schedule B attached.

The Seller will notify the Tenants of the sale prior to the start of the last month prior to closing and direct them to make future cheques payable to the Buyer, and transfer all deposits to the Buyer on closing.

The Buyer agrees to assume a C.M.H.C. (Canada Mortgage and Housing Corporation) first mortgage of approximately eight million five hundred thousand dollars (\$8,500,000) at 1.21 % interest calculated semi annually, not in advance, repayable in blended monthly payments of principal and interest of (\$18,875.59) eighteen thousand eight hundred and seventy five dollars and fifty nine cents. This mortgage expires on or about 1/10/2029 Loan # 90-769-597

This offer is conditional by the Buyer until 8.00 pm on the 7th day of July 2023 upon the Buyer being approved to assume the C.M.H.C. mortgage, failing which this offer shall be null and void and the Buyers deposit will be returned in full. The Buyer reserves the right to waive this condition at his sole option.

The Buyer agrees to assume all existing tenants. The Seller will provide an updated rent roll, complete with contact information, leases and other tenant information, only such that is in his possession to the Buyer on completion. All rental deposits with accrued interest, if any, will be credited to the Buyer on completion.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

Form 500

for use in the Province of Ontario

Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: 2117467 Ontario Inc and

SELLER: Albert Gelman Inc. Solely In Its Cpty As The Court Appointed Liquidtr

for the purchase and sale of 888 Whitefield Drive Peterborough

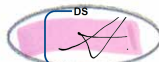
ON K9J 7V8 dated the 25 day of May, 2023

Buyer agrees to pay the balance as follows:

The Buyer shall have the right at any time prior to closing, to assign the within Offer to any person, persons or corporation, either existing or to be incorporated, and upon delivery to the Seller of notice of such assignment, together with the assignee's covenant in favour of the Seller to be bound hereby as Buyer, the Buyer herein before named shall not stand released from all further liability hereunder.


This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



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SCHEDULE "B" TO THE AGREEMENT OF PURCHASE AND SALE
888 Whitefield Drive Peterborough Ontario

1. In the event of any conflict or inconsistency between any provision of this Schedule "B" and any provision of this Agreement of Purchase and Sale not contained in Schedule "B", the provision of Schedule "B" shall govern and prevail.
2. The Property is being sold on an "as is, where is" and "without recourse" basis with no representations, warranties or (except as expressly stated herein) condition, express or implied, statutory or otherwise of any nature and kind whatsoever, including without limitation as to title, encumbrances, description, present or future use, fitness for use, environmental condition including the existence of hazardous substances, merchantability, quantity, defect (latent or patent), condition, location of structures, improvements and mezzanines or the legality thereof, zoning or lawful use of the Property, rights over adjoining properties and any easements, right-of-way, rights of re-entry, restrictions and/or covenants which run with the land, ingress and egress to the Property, the condition or state of repair of any chattels, encroachments on the Property by adjoining properties or encroachments by the Property on adjoining properties, if any, any outstanding work orders, orders to comply, deficiency notices, building permits or building permit applications, municipal or other governmental requirements agreements or requirements (including site plan agreements, development agreements, Subdivision agreements, building or fire codes, building and zoning bylaws and regulations, development fees, imposts, lot levies and sewer charges) or any other matter or thing whatsoever. The Buyer acknowledges having reviewed the state of title to the property and agrees to accept title subject to all of the foregoing, and that it shall, despite any presumption to the contrary at law or otherwise, not be entitled to make any requisition as to title or otherwise.
3. This Agreement is conditional upon the Seller obtaining an Order of the Court approving the said Agreement, as well as conditional upon the Seller obtaining an Order of the Court vesting the Property in the Buyer and, on Closing directing all registered charges to be deleted from title (collectively, the "**Sale Approval and Vesting Order**") and that the Sale Approval and Vesting Order shall not be subject to any appeal period, any appeal or any other judicial process staying its effect. The Buyer shall accept title to the Property subject to all other encumbrances and registrations. On Closing, title will be transferred by the Sale Approval and Vesting Order and not by Transfer/Deed of Land. Buyer acknowledges and agrees that it shall satisfy itself regarding title or any other matter in relation to the Property during the Buyer's Conditional Period (the "Buyer's Conditional Period").
4. The Buyer acknowledges that it has relied entirely on its own judgment, inspection and investigation of the Property and any rights necessary to the access, use and enjoyment of,

appurtenant or otherwise, the Property.

5. The Buyer acknowledges that the Seller is selling the Property pursuant to the order Appointing the Seller as Liquidator of the estate of the owner of the Property, and that the sale shall be pursuant to the Approval and Vesting Order..
6. The Seller shall not be required to furnish any abstracts of title or any survey or other document.
7. The Deposit shall be held in trust by the Deposit Holder and shall be:
 - a) credited to the Buyer as an adjustment against the Purchase Price on the Closing Date if the transaction is completed;
 - b) refunded to the Buyer without interest or deduction if the transaction is not completed, provided that the Buyer is not in default under this Agreement; or,
 - c) retained by the Seller as a genuine pre-estimate of liquidated damages and not as a penalty, in addition to any other rights and remedies that the Seller may have under this Agreement and at law, including offering the Property for sale to another person, if the transaction is not completed as a result of the Seller's breach hereunder.
8. The Buyer acknowledges that the fixtures, improvements and chattels, if any, presently on the Property are to be taken by it, at its own risk completely, without representation or warranty of any kind from the Seller as to the ownership or state of repair of any such fixtures, improvements and chattels, and that the Buyer is solely acquiring the right, title and interest of the Seller, if any, in and to the said chattels. The Buyer further acknowledges that the chattels and fixtures presently on the Property may be subject to security interests.
9. The Buyer acknowledges and agrees that the Buyer is acquiring the Property together with all of the chattels (list to be provided) on an "as is where is" basis." The Buyer represents and warrants to the Seller that the Buyer has absolutely satisfied itself as to the status and condition of the Chattels including without limitation their state of repairs.
10. The Buyer agrees with the Seller that the Buyer takes title to the Property subject to any tenancies in existence. If the Buyer wishes to obtain possession of the Property, the Buyer shall obtain possession of the Property at the Buyer's own expense. The Seller agrees to have Estoppel Certificates signed by all Tenants as prepared by the Buyer's Lawyer confirming the terms of the lease and that there are no claims against the Landlord or property and no set offs against the rents. The form of which is to be approved by the Seller.

11. The Buyer acknowledges that any information supplied to the Buyer by the Seller or its agents or representatives is, and was supplied, without any representation or warranty, and that the responsibility for the verification of any such information shall be wholly the responsibility of the Buyer.
12. The Buyer shall be responsible for payment of all outstanding realty taxes owing on the Property from the Closing Date, and payment of all taxes eligible on sale and transfer of the Property and any Chattels and fixtures, including without limitation, HST as applicable, retail sales tax as applicable and Land Transfer Tax, except any H.S.T. owing prior to completion, which will be the responsibility of the Seller.
13. The Seller shall provide the Buyer with only the keys to the Property that are in its possession.
14. **CLOSING DATE:** The closing date shall occur on the later of (i) the fifth business day after the 30 day period in which the Sale Approval and Vesting Order may be appealed or the dismissal of any appeal from that order (ii) on such later date as the Seller may designate, in its sole discretion.
15. **PROVIDED THAT** in the event that the Court Approval and Vesting Order are for any reason (not including the default of the Buyer) not obtained by the 90th day following the date of this Agreement, this Agreement shall be null and void and the deposit shall be returned to the Buyer.

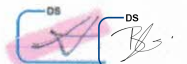
CLOSING DOCUMENTS

Deliveries by Seller

16. The Seller will deliver on closing to the Buyer a certificate signed by the Seller confirming that the Seller is not a non-resident of Canada for the purpose of section 116 of the Income Tax Act, together with the Sale Approval and Vesting Order for registration by the Buyer, with all Land Transfer Taxes to be paid by the Buyer.

Deliveries by Buyer

17. At or before Closing, upon fulfillment by the Seller of all of the conditions herein in favour of the Buyer which have not been waived in writing by the Buyer, the Buyer shall deliver the following, each of which shall be in form and substance satisfactory to the Seller, acting reasonably:
 - a. payment of the Purchase Price pursuant to this Agreement;



- b. a certified copy of the articles of incorporation of the Buyer;
- c. evidence satisfactory to the Seller that the Buyer is registered for HST under the Excise tax Act, including the Buyer's HST number and an undertaking to self-assess for HST; and

such further and other documentation as is referred to in this Agreement or as the Seller may reasonably require to give effect to this Agreement.

CONFIDENTIALITY

18. The Buyer shall not publicly announce the existence of the Agreement of Purchase and Sale or disclose any of its contents except:
- a. in accordance with a written public statement or other form of disclosure satisfactory to both parties; or
 - b. as required in connection with the application for Court approval.

GENERAL

19. Any notice to be given or document to be delivered to the Seller pursuant to this Agreement shall be sufficient if delivered personally or by facsimile transmission to the Seller as follows:

Albert Gelman Inc.
100 Simcoe Street, Suite 125
Toronto, ON M5H 302
Attention: Bryan Gelman
Fax: 416-504-1655
Email: bgelman@albertgelman.com

20. Any notice to be given or document to be delivered to the Buyer pursuant to this Agreement shall be sufficient if delivered personally or by facsimile transmission to the Buyer as follows:

Steve McLaren President, Owner Parkview Homes
637 The Queensway, suite 17, Peterborough Ontario K9J 7J6



Fax:

With a Copy to:

Name:

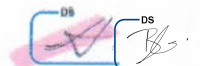
Address:

Attention:

Fax:

Email:

21. Any written notice or delivery of documents given in either manner prior to 5:00 p.m. (Toronto time) on a Business Day shall be deemed to have been given and received on the day of delivery or facsimile transmission. The address for notice to either party may be changed by notice in writing given by such party to the other party.
22. This Agreement shall be interpreted with all changes of gender and number required by the context.
23. This Agreement or any amendments to this Agreement may be delivered by either party by facsimile transmission, email or any similar system reproducing the original with the necessary signatures. Such delivery shall be deemed to be made when the facsimile transmission or email is received by the applicable party. The signatory shall promptly thereafter deliver the original to the recipient if requested to do so.
24. On the closing date, the Buyer shall deliver the balance of the purchase price due on closing by wire transfer in good funds using the LVTS system to the Seller or as Seller shall direct, together with other closing documents as provided above, all not later than 1:00 p.m. on the date set for closing (unless the Seller otherwise agrees in its sole discretion). The parties agree that the transaction shall proceed in accordance with the terms of a Document Registration Agreement to be prepared by the Seller's solicitors in the Seller's solicitors' standard form which shall set out the arrangements more particularly described in section 11 of the Agreement of Purchase and Sale.
25. In the event that the closing date falls on a date on which the court office or the land registry office is not open or available to accept registrations, then in such event the closing shall take place on the next day on which the court office and the land registry office are open.
26. Property taxes only shall be adjusted as of the closing date. The Buyer acknowledges and agrees that the Seller shall not deliver any undertaking to re-adjust on closing.

A DocuSign signature block containing two signatures. The first signature is in blue ink and the second is in black ink. Both are enclosed in a blue rectangular box with 'DS' in the top corners.

27. Sections 10, 16, and 23 of the Agreement of Purchase and Sale are hereby deleted.
28. Notwithstanding anything to the contrary contained in this Agreement, if at any time or times prior to the closing date, the Seller is unable to complete this Agreement as a result of any action taken by an encumbrancer, any action taken by the present registered owner, the refusal by the present registered owner to take any action, the exercise of any right by the present registered owner or other party which is not terminated upon acceptance of this Agreement, a certificate of pending litigation is registered against the Property, a court order is made prohibiting the completion of the sale, or if the Buyer submits a valid title requisition which the Seller is unable or unwilling to satisfy prior to Closing, or if the sale of the Property is restrained or otherwise enjoined at any time by a Court of competent jurisdiction, the Seller may, in its sole and unfettered discretion, elect by written notice to the Buyer to terminate this Agreement, whereupon the deposit and any interest earned thereon shall be returned to the Buyer and neither party shall have any further rights or liabilities hereunder against the other.
29. The Seller, by acceptance of the Offer, is entering into the Agreement solely in its capacity as the Court Appointed Liquidator and not in its personal or any other capacity. Any claim against the Seller shall be limited to, and only enforceable against the property and assets then held by or available to the Seller in its capacity as Liquidator and shall not apply to its personal property and assets held by it in any other capacity. The Seller shall have no personal or corporate liability of any kind, whether in equity, contract, tort or otherwise in relation to this Agreement.
30. The Buyer may not assign any or all rights or benefits under this Agreement to any person without the Seller's written consent which consent shall be in the Seller's sole discretion. Notwithstanding the foregoing, the Buyer may assign this agreement to a related corporation within the meaning of the *Business Corporations Act*, provided that such assignment is made five (5) days before the grant of the Sale Approval and Vesting Order and provided that the Buyer shall remain liable for the performance of this agreement after such assignment. If the Buyer wishes to assign this agreement after the grant of the Sale Approval and Vesting Order and the Seller consents in its sole discretion, the Buyer shall pay all of the costs incurred by the Seller on a solicitor and its own client scale in connection with all proceedings to amend the Approval and Vesting Order or otherwise provide for vesting in the proposed assignee.
31. This Agreement and the schedules attached hereto constitute the entire agreement between the Seller and the Buyer in respect of the Property and the chattels being purchased. 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. Each of the parties agrees that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, shall survive the closing of the transactions contemplated by this Agreement.

32. 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.
33. 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.
34. The parties hereby attorn to the jurisdiction of the Ontario Superior Court of Justice (Commercial List) for any disputes in relation to or arising out of this Agreement.

[end of page]

Agreement of Purchase and Sale - Commercial

Form 505

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: 2117467 Ontario Inc., and

SELLER: Albert Gelman Inc. Solely in capacity as court appointed liquidator

for the purchase and sale of 888 Whitefield Drive Peterborough

dated the ~~19th~~ 25th day of May, 2023

DS

In accordance with Subsection 27 of the Real Estate and Business Brokers Act, 2002 (the "Act"), RE/MAX Hallmark First Group Realty Ltd., Brokerage (the "Brokerage"), will be the deposit holder of the Buyer's deposit which is given to the Brokerage to be held in trust with respect to this Agreement of Purchase and Sale. The deposit will be held by RE/MAX Hallmark First Realty Ltd. in its real estate trust bank account which earns a variable interest rate of TD Canada Trust's Prime rate minus 1.85% per annum (for example, as of March 3, 2022, Prime was 2.70% which resulted in interest paid at a rate of 0.85%).

The beneficial owner of the trust money must provide their Social Insurance Number not later than Thirty (30) days following the completion of the transaction if they would like to receive interest. Corporations do not need to provide a Social Insurance Number. The Buyer is the beneficial owner of trust money and related interest earned until the transaction closes. There is a One Hundred Dollars (\$100.00) administrative fee for each transaction with a deposit. Should the amount of interest calculated be more than \$100.00 the deposit holder will waive the administrative fee and pay the interest it receives on the deposit to the beneficial owner of the trust deposit. If the calculated interest is less than \$100.00 no interest will be paid, and no additional administrative fees will be owing. This agreement and direction must be included in the Agreement of Purchase and Sale by attaching this form as a schedule.

All interest generated by trust deposits that qualify for interest payments in accordance with the prior paragraph will be payable to the beneficial owner of the trust deposit upon completion of this transaction (referred to above). If required, a T5 will be issued for the interest amount as soon as possible after the closing or following the end of each calendar year, whichever comes first. Any interest cheques issued and not negotiated within six (6) months from the date of issue shall be subject to an additional administration fee up to a maximum of \$100.00 or the value of the interest cheque.

Your initials acknowledge receipt of this disclosure and confirms your agreement and direction as to whether or not you would like to receive the interest earned on the deposit. The parties to this Agreement of Purchase and Sale hereby acknowledge and agree that the Brokerage shall be entitled to retain any interest earned or received on the deposit if the conditions precedent to payment of interest have not been satisfied. This agreement and direction for interest on the deposit will supersede any existing disclosures found within this Agreement of Purchase and Sale.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

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**RCFi AMORTIZATION SCHEDULE
FOR INFORMATION PURPOSES ONLY**





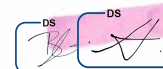
LOAN NUMBER
LOAN AMOUNT
INTEREST RATE
REPAYMENT START DATE
REMAINING AMORTIZATION
REMAINING TERM
MONTHLY PRINCIPAL AND INTEREST PAYMENT

90-769-597
\$ 8,500,000.00
1.21%
01/05/2023
600
76
\$ 18,875.59

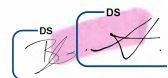
Payment #	Date of Payment	Principal	Interest	Principal Outstanding	Monthly Payment
	01/05/2023			\$ 8,500,000.00	
1	01/06/2023	\$ 10,162.24	\$ 8,713.35	\$ 8,489,837.76	\$ 18,875.59
2	01/07/2023	\$ 10,453.54	\$ 8,422.05	\$ 8,479,384.22	\$ 18,875.59
3	01/08/2023	\$ 10,183.37	\$ 8,692.22	\$ 8,469,200.85	\$ 18,875.59
4	01/09/2023	\$ 10,193.81	\$ 8,681.78	\$ 8,459,007.04	\$ 18,875.59
5	01/10/2023	\$ 10,484.12	\$ 8,391.47	\$ 8,448,522.92	\$ 18,875.59
6	01/11/2023	\$ 10,215.01	\$ 8,660.58	\$ 8,438,307.91	\$ 18,875.59
7	01/12/2023	\$ 10,504.65	\$ 8,370.94	\$ 8,427,803.26	\$ 18,875.59
8	01/01/2024	\$ 10,236.25	\$ 8,639.34	\$ 8,417,567.01	\$ 18,875.59
9	01/02/2024	\$ 10,270.33	\$ 8,605.26	\$ 8,407,296.68	\$ 18,875.59
10	01/03/2024	\$ 10,835.59	\$ 8,040.00	\$ 8,396,461.09	\$ 18,875.59
11	01/04/2024	\$ 10,291.91	\$ 8,583.68	\$ 8,386,169.18	\$ 18,875.59
12	01/05/2024	\$ 10,579.12	\$ 8,296.47	\$ 8,375,590.06	\$ 18,875.59
13	01/06/2024	\$ 10,313.24	\$ 8,562.35	\$ 8,365,276.82	\$ 18,875.59
14	01/07/2024	\$ 10,599.79	\$ 8,275.80	\$ 8,354,677.03	\$ 18,875.59
15	01/08/2024	\$ 10,334.62	\$ 8,540.97	\$ 8,344,342.41	\$ 18,875.59
16	01/09/2024	\$ 10,345.19	\$ 8,530.40	\$ 8,333,997.22	\$ 18,875.59
17	01/10/2024	\$ 10,630.73	\$ 8,244.86	\$ 8,323,366.49	\$ 18,875.59
18	01/11/2024	\$ 10,366.63	\$ 8,508.96	\$ 8,312,999.86	\$ 18,875.59
19	01/12/2024	\$ 10,651.50	\$ 8,224.09	\$ 8,302,348.36	\$ 18,875.59
20	01/01/2025	\$ 10,388.12	\$ 8,487.47	\$ 8,291,960.24	\$ 18,875.59
21	01/02/2025	\$ 10,375.50	\$ 8,500.09	\$ 8,281,584.74	\$ 18,875.59
22	01/03/2025	\$ 11,208.08	\$ 7,667.51	\$ 8,270,376.66	\$ 18,875.59
23	01/04/2025	\$ 10,397.63	\$ 8,477.96	\$ 8,259,979.03	\$ 18,875.59
24	01/05/2025	\$ 10,081.50	\$ 8,194.03	\$ 8,249,297.47	\$ 18,875.59
25	01/06/2025	\$ 10,419.23	\$ 8,456.36	\$ 8,238,878.24	\$ 18,875.59
26	01/07/2025	\$ 10,702.49	\$ 8,173.10	\$ 8,228,175.75	\$ 18,875.59



27	01/08/2025	\$	10,440.89	\$	8,434.70	\$	8,217,734.86	\$	18,875.59
28	01/09/2025	\$	10,451.59	\$	8,424.00	\$	8,207,283.27	\$	18,875.59
29	01/10/2025	\$	10,733.83	\$	8,141.76	\$	8,196,549.44	\$	18,875.59
30	01/11/2025	\$	10,473.31	\$	8,402.28	\$	8,186,076.13	\$	18,875.59
31	01/12/2025	\$	10,754.87	\$	8,120.72	\$	8,175,321.26	\$	18,875.59
32	01/01/2026	\$	10,495.07	\$	8,380.52	\$	8,164,826.19	\$	18,875.59
33	01/02/2026	\$	10,505.83	\$	8,369.76	\$	8,154,320.36	\$	18,875.59
34	01/03/2026	\$	11,325.91	\$	7,549.68	\$	8,142,994.45	\$	18,875.59
35	01/04/2026	\$	10,528.21	\$	8,347.38	\$	8,132,466.24	\$	18,875.59
36	01/05/2026	\$	10,808.05	\$	8,067.54	\$	8,121,658.19	\$	18,875.59
37	01/06/2026	\$	10,550.08	\$	8,325.51	\$	8,111,108.11	\$	18,875.59
38	01/07/2026	\$	10,829.24	\$	8,046.35	\$	8,100,278.87	\$	18,875.59
39	01/08/2026	\$	10,571.99	\$	8,303.60	\$	8,089,706.88	\$	18,875.59
40	01/09/2026	\$	10,582.83	\$	8,292.76	\$	8,079,124.05	\$	18,875.59
41	01/10/2026	\$	10,860.97	\$	8,014.62	\$	8,068,263.08	\$	18,875.59
42	01/11/2026	\$	10,604.81	\$	8,270.78	\$	8,057,658.27	\$	18,875.59
43	01/12/2026	\$	10,882.26	\$	7,993.33	\$	8,046,776.01	\$	18,875.59
44	01/01/2027	\$	10,626.84	\$	8,248.75	\$	8,036,149.17	\$	18,875.59
45	01/02/2027	\$	10,637.73	\$	8,237.86	\$	8,025,511.44	\$	18,875.59
46	01/03/2027	\$	11,445.16	\$	7,430.43	\$	8,014,066.28	\$	18,875.59
47	01/04/2027	\$	10,660.37	\$	8,215.22	\$	8,003,405.91	\$	18,875.59
48	01/05/2027	\$	10,936.08	\$	7,939.51	\$	7,992,469.83	\$	18,875.59
49	01/06/2027	\$	10,682.51	\$	8,193.08	\$	7,981,787.32	\$	18,875.59
50	01/07/2027	\$	10,957.53	\$	7,918.06	\$	7,970,829.79	\$	18,875.59
51	01/08/2027	\$	10,704.69	\$	8,170.90	\$	7,960,125.10	\$	18,875.59
52	01/09/2027	\$	10,715.66	\$	8,159.93	\$	7,949,409.44	\$	18,875.59
53	01/10/2027	\$	10,989.65	\$	7,885.94	\$	7,938,419.79	\$	18,875.59
54	01/11/2027	\$	10,737.92	\$	8,137.67	\$	7,927,681.87	\$	18,875.59
55	01/12/2027	\$	11,011.20	\$	7,864.39	\$	7,916,670.67	\$	18,875.59
56	01/01/2028	\$	10,760.21	\$	8,115.38	\$	7,905,910.46	\$	18,875.59
57	01/02/2028	\$	10,793.40	\$	8,082.19	\$	7,895,117.06	\$	18,875.59
58	01/03/2028	\$	11,325.40	\$	7,550.19	\$	7,883,791.66	\$	18,875.59
59	01/04/2028	\$	10,816.01	\$	8,059.58	\$	7,872,975.65	\$	18,875.59
60	01/05/2028	\$	11,086.82	\$	7,788.77	\$	7,861,888.83	\$	18,875.59
61	01/06/2028	\$	10,838.40	\$	8,037.19	\$	7,851,050.43	\$	18,875.59
62	01/07/2028	\$	11,108.51	\$	7,767.08	\$	7,839,941.92	\$	18,875.59
63	01/08/2028	\$	10,860.83	\$	8,014.76	\$	7,829,081.09	\$	18,875.59
64	01/09/2028	\$	10,871.94	\$	8,003.65	\$	7,818,209.15	\$	18,875.59
65	01/10/2028	\$	11,141.00	\$	7,734.59	\$	7,807,068.15	\$	18,875.59
66	01/11/2028	\$	10,894.44	\$	7,981.15	\$	7,796,173.71	\$	18,875.59
67	01/12/2028	\$	11,162.80	\$	7,712.79	\$	7,785,010.91	\$	18,875.59
68	01/01/2029	\$	10,916.99	\$	7,958.60	\$	7,774,093.92	\$	18,875.59
69	01/02/2029	\$	10,906.37	\$	7,969.22	\$	7,763,187.55	\$	18,875.59
70	01/03/2029	\$	11,688.04	\$	7,187.55	\$	7,751,499.51	\$	18,875.59
71	01/04/2029	\$	10,929.53	\$	7,946.06	\$	7,740,569.98	\$	18,875.59
72	01/05/2029	\$	11,196.82	\$	7,678.77	\$	7,729,373.16	\$	18,875.59
73	01/06/2029	\$	10,952.21	\$	7,923.38	\$	7,718,420.95	\$	18,875.59



74	01/07/2029	\$	11,218.79	\$	7,656.80	\$	7,707,202.16	\$	18,875.59
75	01/08/2029	\$	10,974.94	\$	7,900.65	\$	7,696,227.22	\$	18,875.59
76	01/09/2029	\$	10,986.19	\$	7,889.40	\$	7,685,241.03	\$	18,875.59



APPENDIX E

SCHEDULE TO MORTGAGE

1. **Loan Agreement:** This Mortgage is granted pursuant to the Loan Agreement (as hereinafter defined).

2. **Definitions:** In this Mortgage, unless otherwise defined herein, capitalized terms which are defined in the Loan Agreement shall have the meanings ascribed thereto in the Loan Agreement. In addition, in this Mortgage, unless there is something in the subject matter or text that is inconsistent therewith or unless the context otherwise specifies or requires, the following terms shall have the meanings herein specified:
 - (a) **“Charged Premises”** means, collectively, the undertaking, property and assets of the Mortgagor mortgaged, hypothecated, charged, assigned or subjected to a security interest pursuant to Section 8;
 - (b) **“Consent”** means, with respect to any Contractual Right in respect of which a default would arise or a right of termination could be triggered by another party thereto as a result of the creation of or any registration or filing of this Mortgage, any agreement, waiver, acknowledgment, consent, approval or similar document that: (i) a party to such Contractual Right; or (ii) an Encumbrancer of the Mortgagor’s interest in such Contractual Right or any undertaking, property or asset that is the subject matter of such Contractual Right, is required to be obtained from any other party to such Contractual Right in order that the creation of or any registration or filing in respect of this Mortgage will not give rise to such default or trigger such right of termination;
 - (c) **“Contractual Rights”** has the meaning ascribed thereto in Section 8;
 - (d) **“Freehold Lands”** means each and every parcel of land described in Schedule “A-1”, which for greater certainty includes all licences, air, lateral support, drainage and oil and gas rights, easements, rights-of-way and rights in the nature of easements, in each case appurtenant or appertaining thereto;
 - (e) **“Improvements”** means, with respect to the Property, all improvements, buildings, structures on or under the applicable lands and includes all fixed machinery, plant, equipment, apparatus and fittings and other fixtures incorporated into the Property (as constituted from time to time), but excluding any fixed machinery, plant, equipment, apparatus and fittings and other fixtures which are removable by any lessees pursuant to their Leases;
 - (f) **“Indebtedness”** means, collectively, all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Mortgagor to the Secured Party or remaining unpaid by the Mortgagor to the Secured Party under or in connection with the Loan Documents, and whether incurred by the Mortgagor alone or with another or others and whether as

principal or surety and all interest, fees, legal and other costs, charges and expenses relating thereto or under or in connection with this Mortgage;

- (g) “**Lands**” means, collectively, the Freehold Lands and the Leasehold Lands;
- (h) “**Leasehold Lands**” means the leasehold estate of the Mortgagor in each and every parcel of the lands described in Schedule “A-2”, which for greater certainty includes (i) all licences, air, lateral support, drainage and oil and gas rights, easements, rights-of-way and rights in the nature of easements, in each case appurtenant or appertaining to such leasehold estate, (ii) all Leasehold Estate Agreements, and (iii) all Leasehold Option Rights;
- (i) “**Leasehold Estate Agreements**” means, collectively, all present and future leases, offers to lease, letter agreements, occupancy or tenancy agreements, lease proposals and lease amending agreements pursuant to which the Mortgagor has acquired a right or estate in and to any Leasehold Lands, as the same may be amended, restated, modified, supplemented, augmented, renewed, extended, assigned, assumed and/or replaced from time to time;
- (j) “**Leasehold Option Rights**” means all rights of first refusal, rights of renewal and options to purchase and other real property interests appurtenant or relating to any Leasehold Lands, as the same may be amended, restated, modified, supplemented, augmented, renewed, extended, assigned, assumed and/or replaced from time to time;
- (k) “**Loan Agreement**” means the Loan Agreement dated as of the 2nd day of August, 2019 among 1950979 Ontario Inc., as borrower, the Mortgagee, as Lender, and others;
- (l) “**Mortgage**”, “**this Mortgage**”, “**hereto**”, “**hereof**”, “**herein**”, “**hereby**”, “**hereunder**” and similar expressions mean or refer to this Mortgage, as the same may be amended, restated, modified, supplemented, augmented, assigned, assumed and/or replaced from time to time, and any agreement or instrument supplemental or ancillary hereto or in implementation hereof and the expressions “**Section**” and “**Schedule**” followed by a number or letter mean and refer to the specified Section or Schedule of this Mortgage;
- (m) “**Mortgagee**” means Canada Mortgage and Housing Corporation and its successors and assigns;
- (n) “**Mortgagor**” means 1950979 Ontario Inc.;
- (o) “**Property**” means, collectively, each parcel comprising the Lands and the Improvements related thereto;
- (p) “**Receiver**” means a receiver and/or receiver and manager appointed pursuant to Section 14(a);

- (q) “**Receiver’s Certificates**” has the meaning ascribed thereto in Section 15(k);
- (r) “**Secured Obligations**” means all obligations of the Mortgagor to the Mortgagee under or in connection with the Loan Documents, including but not limited to the Indebtedness; and
- (s) “**Secured Party**” means the Mortgagee, being the mortgagee hereunder, together with all Persons from time to time defined as “Lender” or “Service Provider” under the Loan Agreement in their various capacities, as creditors under the Loan Documents. In this definition, the “Secured Party” shall be interpreted as “the Secured Party or any of them”.

3. **Interpretation Not Affected by Headings, etc.:** In this Mortgage:

- (a) the division of this Mortgage into separate Sections and the insertion of headings and marginal notes and references are for convenience of reference only and shall not affect the construction or interpretation of this Mortgage;
- (b) words importing the singular number shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter genders;
- (c) grammatical variations of any terms defined herein have similar meanings;
- (d) the word “**including**” shall mean “**including, without limitation,**”;
- (e) any reference to a statute shall mean the statute in force as of the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced from time to time, and any successor statute thereto;
- (f) any reference to the Loan Documents, including this Mortgage, shall include all amendments, restatements, modifications, supplements, augmentations, renewals, extensions, assignments, assumptions and replacements thereto from time to time;
- (g) all dollar amounts are expressed in Canadian dollars and the principal, interest and other moneys payable hereunder shall be paid in lawful money of Canada;
- (h) any defined term or other provision incorporated by reference to any other Loan Document shall continue to apply and be effective notwithstanding any full or partial release, termination or discharge of such other Loan Document or any security constituted thereby;
- (i) this Mortgage is the result of negotiations between the parties hereto and shall not be construed in favour of or against any party by reason of the extent to which any party or its legal counsel participated in its preparation;

- (j) if more than one Person is named as or otherwise becomes or assumes the obligations and liabilities of the Mortgagor, then all such obligations and liabilities of such Person shall be joint and several and solidarily;
- (k) all of the obligations of the Mortgagor will be deemed to be covenants by the Mortgagor in favour of the Mortgagee;
- (l) all provisions of this Mortgage shall have full force and effect notwithstanding any Applicable Laws to the contrary unless specifically provided by such Applicable Laws; and
- (m) if any term, covenant, obligation or agreement contained in this Mortgage or the application thereof to any Person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Mortgage or the application of such term, covenant, obligation or agreement to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, obligation or agreement herein contained shall be separately valid and enforceable to the fullest extent permitted by law.

4. **Extended Meaning:** A reference to any one or more of the Mortgagor, the Mortgagee or the Mortgagee shall be deemed to be a reference to the respective heirs, executors, administrators, legal representatives, successors and assigns of such party.

5. **Time of Essence:** Time shall be of the essence in this Mortgage.

6. **Promise to Pay:** The Mortgagor, for value received, hereby acknowledges itself indebted and promises to pay on demand to, or to the order of, the Mortgagee for and on behalf of the Mortgagee, the principal sum of EIGHT MILLION, FIVE HUNDRED THOUSAND DOLLARS (\$8,500,000.00) in lawful money of Canada at the offices of the Mortgagee at 700 Montreal Road, Ottawa, Ontario, or at such other place in Canada as the Mortgagee may designate by notice in writing to the Mortgagor, and to pay interest thereon from the date hereof at the rate of 25% per annum, calculated and compounded semi-annually, not in advance, in like money at the same place **ON DEMAND**; and, if the Mortgagor should at any time make default in the payment of any principal or interest, to pay interest on the amount in default at the same rate in lawful money of Canada at the same place.

7. **Continuing and Additional Security:** This Mortgage shall not be considered as satisfied or discharged by any intermediate payment of a part of the principal sum herein stipulated but shall constitute and be a continuing security to the Mortgagee and shall be in addition to and not in substitution for any other security now or hereafter held by the Mortgagee in respect of the Secured Obligations.

8. **Mortgage and Charge:** As continuing security for the due payment of all Indebtedness and the performance by the Mortgagor of all of its covenants comprising the Secured

Obligations, subject only to the reservation as to leaseholds contained in Section 9 and Permitted Encumbrances:

- (a) the Mortgagor hereby grants, mortgages and charges in favour of the Mortgagee, as and by way of a fixed and specific charge and a grant of a security interest, all of the Mortgagor's undertaking, property (including all present and after acquired personal property of the Mortgagor) and assets, both present and future, now owned or hereafter acquired by it, of whatsoever nature and kind and wheresoever situate, including in and to the following:
 - (i) (A) the Freehold Lands; and
(B) as by way of a sublease or assignment, the Leasehold Lands;
 - (ii) all Leases and all rents and other monies payable thereunder to the Mortgagor relating to the Property and all benefits, advantages and powers to be derived therefrom and the benefit of any existing and future guarantees or indemnities with respect to any Lease relating to the Property, with full power and authority to demand, sue for, recover, receive and give receipts for all rents and other monies payable thereunder to the Mortgagor and otherwise to enforce the rights of the landlord thereunder in the name of the Mortgagor;
 - (iii) all chattels, machinery, equipment, apparatus and fittings and other fixtures situated on or within the Property or used in connection therewith and owned or leased by the Mortgagor, including all washing machines, stoves, dryers, refrigerators, dishwashers, heating, lighting, incinerating, loading, unloading and power equipment, boilers, dynamos, stokers, engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lifting, cleaning, fire prevention, fire extinguishing, ventilating and communications apparatus, air cooling and air conditioning apparatus and building materials;
 - (iv) all debts, demands and choses in action which are now due, owing or accruing due or which may hereafter become due, owing or accruing due to the Mortgagor relating to the Property and all monies owned or acquired by the Mortgagor relating to the Property and all claims at any time which the Mortgagor now has or may hereafter have relating to the Property;
 - (v) with respect to the personal property described in paragraphs (ii), (iii) and (iv), above, all books, accounts, invoices, letters, papers, documents and other records in any form (including computer tapes and disks) evidencing or relating thereto and all contracts, securities, instruments and other rights and benefits in respect thereof to the extent assignable;

- (vi) all goodwill, patents, trademarks, copyrights and other intellectual property and all other intangibles now or hereafter owned by the Mortgagor in relation to the Property, to the extent assignable;
 - (vii) all contracts, permits and approvals pertaining to the use, operation and ownership of the Property or the construction of any improvements thereon, to the extent assignable;
 - (viii) all insurance proceeds pertaining to the Property;
 - (ix) all monies and/or investments from time to time held by the Mortgagee or any other Secured Party and all collateral for the Secured Obligations from time to time held by the Mortgagee (or any other Secured Party) and which, in each case, under the Loan Agreement, are to be held as part of the Charged Premises, including any account established pursuant to the Loan Documents and, subject to the foregoing, all monies and investments comprising all such accounts;
 - (x) any and all expropriation awards or payments, including interest paid or payable thereon, and the right to receive the same which may be made with respect to the Property, or any part thereof;
 - (xi) the fee simple estate in and to any Leasehold Lands should such estate be acquired by the Mortgagor; and
 - (xii) all materials, supplies, inventories, machinery, implements, furniture, equipment and apparatus of every kind not constituting part of, affixed on or situate at the Property but ordered or acquired or intended to be affixed thereto, situate thereon or incorporated therein or used exclusively in connection therewith; and
- (b) the Mortgagor hereby grants, mortgages and charges, as and by way of a floating charge and security interest in favour of the Mortgagee, all of the Mortgagor's undertaking, property and assets, both present and future, now owned or hereafter acquired by it, of whatsoever nature and kind and wheresoever situate, relating to the Property (other than such property and assets as are effectively and validly subject to the fixed and specific charge and security interest contained in Subsection (a) hereof).

TO HAVE AND TO HOLD the Charged Premises, the mortgages, pledges, charges, assignments and security interests hereunder and all rights hereby conferred unto the Mortgagee forever, but in trust, nevertheless, and for the uses and purposes and with the powers and authorities and subject to the terms and conditions herein set forth.

For greater certainty and notwithstanding anything else herein to the contrary: (i) subject to subparagraph (ii) immediately below and Section 9, the security constituted hereby shall extend to, and the Charged Premises shall include, all present and future undertaking, property and assets described in this Section 8 of the Person resulting from

any merger, consolidation or amalgamation of the Mortgagor into or with any other Person, and so on from time to time; and (ii) the security constituted hereby does not and shall not extend or attach to, and the Charged Premises shall not include, any agreement, right, franchise, licence, lease, sublease, sub-sublease, permit or other obligation of whatever nature or kind (the “**Contractual Rights**”) to which the Mortgagor is a party, is bound by, or has the benefit of, to the extent that a Consent is required with respect thereto; however, the Mortgagor shall hold its interest in such Contractual Rights in trust, to the extent permitted, for the Mortgagee, and shall upon the request of the Mortgagee, assign such interest to the Mortgagee forthwith upon obtaining the Consent.

For greater certainty and notwithstanding anything else herein to the contrary, the security constituted hereby shall extend to and the Charged Premises (subject to subparagraph (ii) in the previous paragraph and Section 9) shall include, and the Mortgagor hereby grants the Mortgagee a security interest in, to the extent not already included, all present and future acquired personal property (as such terms are defined in the *Personal Property Security Act* (Ontario)) of the Mortgagor relating to or forming part of the Property.

9. **Reservation of Last Day of Term:** Provided always that the last day of the Term of any lease, sublease or sub-sublease, including the Mortgagor’s interest as lessee under any Leasehold Estate Agreement, is hereby and shall be excepted out of the security constituted by this Mortgage or by any other instrument supplemental hereto, and does not and shall not form part of the Charged Premises, but the Mortgagor shall stand possessed of the last day of any lease, sublease, sub-sublease or agreement therefor relating to the Property, including the Mortgagor’s interest as lessee under any Leasehold Estate Agreement, and forming part of the Charged Premises in trust for the Mortgagee for the purpose of these presents to assign and dispose thereof as the Mortgagee shall, for such purpose, direct and, in the case of any such lease, sublease, sub-sublease or agreement therefor, including the Mortgagor’s interest as lessee under any such Leasehold Estate Agreement, now or hereafter acquired by the Mortgagor as lessee, upon any sale or sales of any such leasehold interest or any part thereof, the Mortgagee, for the purpose of vesting the aforesaid residue of any such Term or any renewal thereof in any purchaser or purchasers thereof, shall be entitled by deed or writing to appoint such purchaser or purchasers or any other Person or Persons, a new holder or holders of the aforesaid residue of any such Term or renewal thereof in the place of the Mortgagor and to vest the same accordingly in the new holder or holders so appointed, freed and discharged from any obligation respecting the same.
10. **Transferable:** This Mortgage shall be transferable by the Mortgagee without regard to any set-off, counterclaim or equities between the Mortgagor and any Secured Party.
11. **Mortgagor to Notify:** The Mortgagor hereby agrees that, upon the reasonable request of the Mortgagee, the Mortgagor shall promptly notify each lessee under a Lease of the assignment of rentals to the Mortgagee.

12. **General Covenants:**

- (a) The Mortgagor hereby agrees that if it acquires the fee simple estate to the Leasehold Lands, it shall execute and deliver to the Mortgagee, contemporaneously with the execution and delivery of the conveyances of the Leasehold Lands to the Mortgagor, a freehold charge having priority to any Encumbrances upon the Leasehold Lands, save and except Permitted Encumbrances affecting the freehold, substantially upon the terms and conditions of this Mortgage or as otherwise agreed upon between the Mortgagor and the Secured Party, of the Leasehold Lands acquired pursuant to such conveyance together with all Improvements then or thereafter constructed, erected or placed thereon with all their appurtenances in favour of the Mortgagee, for an amount equal to the principal sum, hereby secured accrued interest, any additional payments, together with any costs, charges and other moneys then outstanding under this charge at the time of such conveyance.
- (b) The Mortgagor hereby agrees to develop, construct and operate the Project in accordance with the commitments set forth in Schedule "A-3".

13. **Default:** Upon the occurrence of an Event of Default which is continuing, without the necessity of any further act or formality, the security hereby created will become enforceable.

14. **Remedies:** Whenever the security constituted hereby has become enforceable, the Mortgagee may realize upon the Charged Premises and enforce its rights by any one or more of the following remedies, which remedies may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights the Mortgagee may have under the Loan Agreement, the other Loan Documents, at law or in equity:

- (a) appointment by instrument in writing of a Receiver of all or any part of the Charged Premises and removal or replacement from time to time of any such Receiver;
- (b) proceedings in any court of competent jurisdiction for the appointment of a receiver of all or any part of the Charged Premises;
- (c) take possession of all of the Charged Premises or any part or parts thereof with power, among other things, to exclude the Mortgagor therefrom, to preserve and maintain the Charged Premises and make additions and replacements thereto, to receive rents, income and profits of all kinds and pay therefrom all expenses of maintaining, preserving, constructing, completing, improving and protecting and operating the Charged Premises and all charges, payment of which may be necessary to preserve or protect the Charged Premises, and enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including power to advance its own moneys at the rate provided

herein (or such lesser rate as may be payable pursuant to the Loan Agreement, as applicable) and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof;

- (d) proceedings in any court of competent jurisdiction for foreclosure and/or sale of all or any part of the Charged Premises;
- (e) with or without taking possession, take any action or proceedings to enforce the performance of any covenant in favour of the Mortgagor in respect of the Charged Premises;
- (f) amend, negotiate, terminate or modify any agreement forming part of the Charged Premises;
- (g) whether or not the Mortgagee has taken possession of the Charged Premises or any part thereof, sell, lease or otherwise dispose of, or concur in selling, leasing or otherwise disposing of, all or any part of the Charged Premises by public auction, by public tender or by private contract, either for cash or on credit, on such terms as to credit and otherwise and subject to such conditions as the Mortgagee shall determine; in connection therewith, the Mortgagee may buy in or at an auction or rescind or vary any contract for sale without being answerable for any loss occasioned thereby; in the case of a sale on credit, the Mortgagee shall be bound to account to subsequent Encumbrancers and to the Mortgagor only for such money as has been actually received by the Mortgagee and then only after satisfaction of the Secured Obligations;
- (h) filing of proofs of claim and other documents to establish claims in respect of the Secured Obligations in any proceeding relating to the Mortgagor; and
- (i) any other remedy or proceeding authorized or permitted hereby, by the other Loan Documents or by law or equity.

For certainty, if the Charged Premises are located in the Province of New Brunswick, the power of sale provided for under section 44 of the *Property Act* (New Brunswick) is incorporated herein as if this Mortgage were made by deed.

15. **Powers of Receiver:** Any Receiver appointed by instrument in writing shall have power to:

- (a) take possession of, collect and get in all or any part of the Charged Premises and, for that purpose, to take proceedings in the name of the Mortgagor or otherwise;
- (b) carry on or concur in carrying on all or any part of the business of the Mortgagor with respect to the Charged Premises;
- (c) construct, improve, maintain, manage, operate, repair, renew, amend, replace and restore the Charged Premises or any part thereof;

- (d) carry out negotiations for leases and grant options to lease, agree to lease and lease the whole or any part of the Charged Premises until the same is fully sold or leased, without notice and in such manner as may seem advisable to the Receiver and to effect any such negotiation, option to lease, agreement to lease or lease in the name and on behalf of the Mortgagor or otherwise;
- (e) surrender or accept the surrender of any Lease forming part of the Charged Premises;
- (f) amend, negotiate, terminate or modify any agreement forming part of the Charged Premises;
- (g) sell, lease, grant options to purchase or otherwise dispose of, or concur in selling, leasing or otherwise disposing of, all or any part of the Charged Premises by public auction, by public tender or by private contract, either for cash or on credit without notice and in such manner as may seem advisable to the Receiver and on such terms as to credit and otherwise and subject to such conditions as the Receiver shall determine; in connection therewith, the Receiver may effect any such sale, lease, option or other disposition by conveying the Charged Premises or part thereof in the name and on behalf of the Mortgagor or otherwise and buy in or at an auction or rescind or vary any contract for sale without being answerable for any loss occasioned thereby; in the case of a sale on credit, the Receiver shall be bound to account to subsequent encumbrancers and to the Mortgagor only for such money as has been actually received by the Mortgagee from purchasers after satisfaction of the Secured Obligations;
- (h) resell or re-lease the whole or any part of the Charged Premises without being answerable for any loss occasioned thereby, subject to the last paragraph of this Section 15;
- (i) rescind or vary any contract or agreement of sale or lease in respect of the whole or any part of the Charged Premises;
- (j) make any stipulation as to title or conveyance or commencement of title;
- (k) borrow or raise money on the security of all or any part of the Charged Premises in priority to this Mortgage or otherwise for such purposes as may be approved by the Mortgagee, including the power to borrow money for the purpose of carrying on the business of the Mortgagor in respect of the Charged Premises or constructing, improving, maintaining, managing, operating, repairing, renewing, amending, replacing or restoring the Charged Premises or otherwise in such amount and in such manner as will, in the opinion of the Receiver, be sufficient for obtaining upon the security of the Charged Premises or part thereof the amounts from time to time required, and in so doing the Receiver may issue certificates ("**Receiver's Certificates**") which may be payable at such time or times as the Receiver may think expedient and may bear interest as shall be stated therein and the amounts from time to time payable by virtue of such Receiver's

Certificates shall form a mortgage, security interest and charge upon the Charged Premises in priority to the mortgages, security interests and charges constituted by this Mortgage;

- (l) make any arrangement or compromise which the Receiver considers expedient, acting reasonably, in the interests of the Mortgagee in relation to the Charged Premises, or release in whole or in part the Charged Premises and exchange any part or parts of the Charged Premises for any other property upon such terms as the Receiver considers expedient, acting reasonably, either with or without payment of money for equality of exchange or otherwise;
- (m) execute and prosecute all suits, proceedings and actions in the name of the Mortgagor or otherwise in relation to the Charged Premises, defend all suits, proceedings and actions against the Mortgagor or the Receiver in relation to the Charged Premises, appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted and appeal any suit, proceeding or action in relation to the Charged Premises, which the Receiver considers necessary, acting reasonably, for the reasonable and proper protection of the Charged Premises; and
- (n) engage and retain accountants, Mortgagees, appraisers, assistants, lawyers, managers and other experts.

The Receiver shall be vested with such other powers and discretion of the Mortgagee as are granted in the instrument of appointment and any supplement thereto. The Receiver shall, subject to Applicable Law, for all purposes be deemed to be the agent of the Mortgagor and not of the Mortgagee, and the Mortgagor shall be solely responsible for the Receiver's acts, omissions or defaults (other than those resulting from the Receiver's gross negligence or wilful misconduct) and for his remuneration. Proceeds from time to time received by the Receiver shall be applied in accordance with the applicable provisions of the Loan Agreement. Unless required by law, neither the Mortgagee nor any Receiver appointed by it will be required to give the Mortgagor any notice of any sale, lease or other disposition of the Charged Premises or any part thereof or the date after which any private disposition of the Charged Premises or any part thereof is to be made.

16. **Mortgagee and Receiver as Attorney:** To enable the Mortgagee and the Receiver to exercise the powers granted to them pursuant to Sections 14 and 15, the Mortgagor hereby irrevocably appoints each of the Mortgagee and the Receiver following the occurrence of any Event of Default and for so long as such Event of Default is continuing, to be an attorney of the Mortgagor (such power of attorney, being coupled with an interest, shall not be revoked by the dissolution, surrender of charter, winding-up, bankruptcy or insolvency of the Mortgagor) in relation to the Charged Premises, including to carry out any sale, lease or other disposition of the Charged Premises or any part thereof following the occurrence of an Event of Default which is continuing, by conveying the same in the name and on behalf of the Mortgagor but under the seal of the Mortgagee or the Receiver, as the case may be, and any deed, transfer or other document

signed by the Mortgagee or the Receiver under the seal of the Mortgagee or the Receiver, as the case may be, pursuant hereto shall have the same effect as if it had been executed under the common seal of the Mortgagor in the presence of the Mortgagor's duly authorized officers in that behalf, and for the purposes hereof the Mortgagor hereby irrevocably appoints each of the Mortgagee and Receiver as authorized signatory of the Mortgagor.

17. **Persons Dealing with Mortgagee or Receiver:** The Mortgagor agrees that no Person dealing with the Mortgagee or the Receiver shall be required to inquire whether the security constituted hereby has become enforceable, or whether the powers which the Mortgagee or the Receiver are purporting to exercise have become exercisable, or whether any amount remains owing in respect of the Secured Obligations, or as to the necessity or expediency of the stipulations and conditions subject to which any sale, lease or other disposition or any other dealing is to be made, or otherwise as to the propriety or regularity of any sale, lease or other disposition or of any other dealing by the Mortgagee or the Receiver with the Charged Premises or any part thereof, or to see to the application of any amount paid to the Mortgagee or the Receiver, and the Mortgagor hereby waives each and every claim it may have against any Person dealing with the Mortgagee or the Receiver; and, in the absence of fraud on the part of such Person, such dealings shall be deemed, in so far as regards the safety and protection of such Person, to be within the powers hereby and by the Loan Agreement conferred and to be valid and effectual accordingly.
18. **Surrender by the Mortgagor:** Upon the occurrence of an Event of Default that is continuing, the Mortgagor will yield up possession of the Charged Premises to the Mortgagee or to any Receiver upon demand in writing and agrees to put no obstacle in the way of, but to facilitate by all means, the action of the Mortgagee or the Receiver hereunder and not to interfere with the carrying out of the powers hereby granted by the Mortgagor and, if an Event of Default occurs and is continuing, the Mortgagor will and hereby does consent to the appointment of the Receiver with such powers as the Mortgagee is hereby vested with if so required by the Mortgagee. The Mortgagor shall not, after receiving notice from the Mortgagee or the Receiver that it has taken possession of the Charged Premises, continue in possession thereof, unless with the express written consent and authority of the Mortgagee or the Receiver, and shall forthwith, by and through the authorized representatives of the Mortgagor, execute such documents and transfers as may be necessary to place the Mortgagee or the Receiver, as the case may be, in legal possession of the Charged Premises. After receipt of such notice, all the rights, powers, privileges and functions of each of the directors and officers of the Mortgagor shall cease and determine with respect to the Charged Premises unless specifically continued in writing by the Mortgagee or unless the same shall have been restored to the Mortgagor.
19. **Further Encumbrances; Sales:** The Mortgagor shall not create or suffer to exist any Encumbrance upon the Charged Premises or any part thereof, or interest therein, whether ranking in priority over, *pari passu* with or subordinate to the security constituted by this

Mortgage, except in accordance with, and subject to, the applicable terms of the Loan Agreement. The Mortgagor shall not permit any sale, lease or other disposition of the whole or any part of the Property or any rights or interest therein, except in accordance with, and subject to, the applicable terms of the Loan Agreement.

20. **No Release:** This Mortgage shall remain in full force and effect without regard to:
- (a) any amendment, modification or replacement of or addition or supplement to any Loan Document, any other agreement between the Mortgagor and the Mortgagee or any other Security (which term shall include any guarantee or indemnity) provided to the Mortgagee;
 - (b) any exercise or non-exercise of any right, remedy, power or privilege in respect of this Mortgage, any Loan Document, any other agreement between the Mortgagor and the Mortgagee or any other Security (which term shall include any guarantee or indemnity) provided to the Mortgagee;
 - (c) any waiver, consent, extension, indulgence or other action, inaction or omission under or in respect of this Mortgage, any Loan Document, any other agreement between the Mortgagor and the Mortgagee or any other Security;
 - (d) any default by the Mortgagor under, or any invalidity or unenforceability of, or any limitation on the liability of the Mortgagor or on the method or terms of payment under, or any irregularity or other defect in any Loan Document, any other agreement between the Mortgagor and the Mortgagee or any other Security;
 - (e) any merger, consolidation or amalgamation of the Mortgagor into or with any other Person; or
 - (f) any insolvency, bankruptcy, liquidation, reorganization, arrangement, composition, winding-up, dissolution or similar proceeding involving or affecting the Mortgagor or any other Person.
21. **Mortgagee's Rights Generally:** The Mortgagor covenants and agrees with the Mortgagee that:
- (a) all powers, privileges, remedies and rights of the Mortgagee hereunder are cumulative and no such power, privilege, remedy or right is exhaustive but is in addition to each other power, privilege, remedy and right of the Mortgagee hereunder or under any other agreement or document now or hereafter existing at law or in equity or by statute; and
 - (b) the Mortgagee may realize upon or enforce all or any part of any mortgage, charge or security interest which the Mortgagee now or from time to time may hold from the Mortgagor or any other Person in respect of the Secured Obligations including the mortgages, charges and security interests created hereby in any order the Mortgagee may desire and any realization or enforcement by any means upon any

such charge or security interest shall not bar realization or enforcement upon any other such charge or security interest, notwithstanding any rule of law or equity or statute.

22. **Application of Money:** The money arising from the enforcement of the security created by this Mortgage as a result of the possession by the Mortgagee or the Receiver of the Charged Premises, or any part thereof or from any sale, lease or other disposition of, or realization of security on, the Charged Premises or any part thereof (except following foreclosure or other acceptance of the Charged Premises or part thereof in satisfaction of the Secured Obligations) will be applied by the Mortgagee or the Receiver in the manner contemplated in the Loan Agreement.
23. **Discharge:** The Mortgagor will not be discharged from this Mortgage except by a release or discharge signed in writing by the Mortgagee.
24. **Waiver:** The Mortgagee may, subject to the terms, if any, of the Loan Agreement, waive any default by the Mortgagor in the observance or performance of any of the terms hereof and of any other agreement or document of which the Mortgagee has the benefit and may, subject to the terms, if any, of the Loan Agreement, waive its rights arising from the occurrence of any Event of Default; provided that each such waiver shall be effective against the Mortgagee only if given by the Mortgagee in writing; and no such waiver and no act or omission of the Mortgagee shall extend to or be taken in any manner whatsoever to affect any other or subsequent default or occurrence or the rights arising therefrom or to effect a waiver thereof. The inspection or approval by the Mortgagee of any document or matter or thing done by the Mortgagor shall not be deemed to be a warranty or holding out of the adequacy, effectiveness or binding effect of such document, matter or thing or a waiver of the Mortgagor's obligations hereunder.
25. **Compromise or Release:** The Mortgagee may, at any time and from time to time, at its option, compound, compromise or release any one or more Persons, including the Mortgagor, of all or any part of the Secured Obligations, or all or any part of the Charged Premises or any other mortgage, charge or security interest held by the Mortgagee in respect of the Secured Obligations, either with or without consideration therefor, without being accountable to any Person for the value thereof or any amount except the amount actually received by the Mortgagee and without releasing the Mortgagor from this Mortgage or from the performance of the covenants contained herein and no such compounding, compromise or release shall diminish the charges and security interests created hereby against the Charged Premises remaining unreleased or any other charges and security interests held by the Mortgagee.
26. **No Merger:** The terms and conditions contained in the Loan Agreement shall survive the execution and delivery of this Mortgage. This Mortgage shall not operate so as to create any merger or discharge of any of the Secured Obligations, or any assignment, transfer, agreement, lien, contract, promissory note, bill of exchange or security interest of any form now held or which may hereafter be held by the Mortgagee from the Mortgagor or

from any other Person whomsoever. Neither the taking of a judgment nor the exercise of any power of seizure and sale with respect to any of the Secured Obligations will operate as a merger of any of the covenants contained in this Mortgage or affect the right of the Mortgagee to interest at the rate hereinbefore specified or such lesser rate as may be payable pursuant to the Loan Agreement.

27. **Expenses**: The Mortgagor shall pay to the Mortgagee forthwith upon demand all costs and expenses, including all reasonable costs, charges and expenses (including legal fees on a solicitor and his own client basis) incurred by the Mortgagee or its agents, including a Receiver, in connection with the recovery or enforcement of payment of any of the monies owing hereunder, including all such costs, charges and expenses in connection with taking possession, protecting, preserving, collecting or realizing upon any part of the Charged Premises, or any part thereof, together with interest thereon at the highest interest rate then payable in connection with any Secured Obligations then outstanding from the date of incurring such costs, charges and expenses. All such sums, together with such interest thereon shall be added to the Secured Obligations and shall be secured hereby.
28. **Charge Valid Irrespective of Advances**: The charges hereby created shall be deemed to be effective and shall have effect whether or not the moneys hereby secured or any part thereof shall be advanced before or after or at the same time as the issue of this Mortgage or before or after or upon the date of the execution of this Mortgage.
29. **Liability of Secured Parties**: Subject to the gross negligence or wilful misconduct of the Secured Party, and except as may be required by Applicable Law, a Secured Party shall not be responsible or liable for any debts contracted by it, for damages to Persons or property or for salaries or non-fulfilment of contracts during any period when such Secured Party shall manage the Charged Premises upon entry, nor shall a Secured Party be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which such Secured Party in possession may be liable. Subject to the gross negligence or wilful misconduct of a Secured Party, such Secured Party shall not be bound to do, observe or perform or to see to the observance or performance by the Mortgagor of any obligations or covenants imposed upon the Mortgagor.
30. **Continuing Security**: This Mortgage is given as general and continuing security for the Secured Obligations and not in substitution for or in satisfaction thereof. The terms and conditions of this Mortgage shall remain binding and effective on the parties hereto until discharged by the Mortgagee as contemplated in the Loan Agreement hereof and shall not merge in or be extinguished by any other Loan Document or any judgment taken against the Mortgagor or any other Person for breach of its obligations under this Mortgage or any other Loan Document. The Secured Obligations will be paid without regard to any equities between the Mortgagor, and the Mortgagee or any other Person or any right of set-off or counterclaim.

31. **No Obligation to Realize:** The Mortgagee shall not be liable or accountable for any failure to collect, enforce or realize, sell or obtain payment of the Charged Premises or any part thereof and shall not be bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the same or for the purpose of preserving any rights of the Mortgagee, the Mortgagor or any other Person in respect of the Charged Premises, and shall have no obligation to take any steps, or cause any steps to be taken, to preserve rights against prior parties to any of the Charged Premises whether or not in the Mortgagee's possession. Further, the Mortgagee shall not be obliged to marshal any of the security held by it in respect of the obligations secured.
32. **After Acquired Property:** The Mortgagor covenants and agrees that if and to the extent that any of its right, title, estate and interest in any of the Charged Premises is not acquired until after delivery of this Mortgage, this Mortgage shall nonetheless apply thereto and the security interests of the Mortgagee hereby created shall attach to any such Charged Premises at the same time as the Mortgagor acquires rights therein, without the necessity of any further mortgage, charge, pledge, assignment or other assurance and thereafter the security interests created hereby in respect of such Charged Premises shall, subject to any limitation set forth in paragraphs (a)(v), (a)(vi), (a)(vii), (b) and the last paragraph of Section 8 and Section 9, be absolute, fixed and specific.
33. **Attachment:** The Mortgagor hereby acknowledges and agrees that there is no agreement between the parties hereto, express or implied, to postpone the attachment of the security interests created hereby.
34. **Copies:** The Mortgagor acknowledges receipt of a fully executed copy of this Mortgage and a copy of the financing statement filed in connection therewith. Notwithstanding the foregoing, to the extent permitted by law, the Mortgagor hereby waives any entitlement to receive any financing statement, financing change statement or verification statement pertaining to a registration of or in respect of this Agreement.
35. **Other Security:** The provisions of this Mortgage shall be in addition to and not in substitution for the provisions of the Security or any other security or evidence of liability in respect of the Secured Obligations, all of which shall be construed as complementary to each other. Nothing contained herein shall prevent the Mortgagee from enforcing any of the Security, or other security or evidence of liability in accordance with its terms. Payment under this Mortgage shall not be deemed to constitute payment under any other fixed and/or floating charge Mortgage granted by any other Person pursuant to the Loan Agreement.
36. **Notices:** Any demand, notice or other communication to be given in connection with this Mortgage shall be given in accordance with the terms of the Loan Agreement. Notwithstanding the foregoing, if any statute in force in the Province or Territory in which the Property is situated relating to the enforcement of this Mortgage requires notice to be given in a manner different from that set forth in the Loan Agreement, notice given in the manner prescribed by such statute shall be effectively made hereunder.

37. **No Partnership:** Nothing herein contained shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and Mortgagee or of partnership or of joint venture between the Mortgagor and the Mortgagee; it being understood and agreed that none of the provisions herein contained or any acts of the Mortgagee or of the Mortgagor, shall be deemed to create any relationship between the Mortgagee and the Mortgagor other than the relationship of Mortgagee and Mortgagor.
38. **Amendments:** No amendment to this Mortgage will be valid or binding unless set forth in writing and duly executed by each of the parties hereto.
39. **Further Assurances:** The Mortgagor covenants and agrees with the Mortgagee that the Mortgagor will, forthwith at any time and from time to time at the request of the Mortgagee and at the cost of the Mortgagor, execute and deliver to the Mortgagee all deeds and documents and do all acts and things which the Mortgagee may reasonably require for the purpose of granting a fixed and floating charge against and security interest in and assuring, confirming, mortgaging, pledging and transferring to the Mortgagee the Charged Premises and carrying into effect the purposes of this Mortgage.
40. **Conflict:** In the event of a conflict between the terms and provisions of this Mortgage and the terms and provisions of the Loan Agreement, the terms and provisions of the Loan Agreement shall prevail, and the terms and conditions of this Mortgage will be deemed to be amended to the extent necessary to eliminate such conflict, ambiguity or inconsistency. Notwithstanding the foregoing, in the event that this Mortgage contains remedies which are in addition to or different from the remedies set forth in the Loan Agreement, the existence of such remedies shall not constitute a conflict with the terms of the Loan Agreement.
41. **Governing Law:** This Mortgage and the rights and obligations of the parties hereunder shall be governed by and be constructed in accordance with the laws of the Province or Territory in which the Property is located and the laws of Canada applicable therein. Each of the Mortgagor and the Mortgagee hereby submit and attorn to the jurisdiction of the Courts of the Province or Territory in which the Property is located.
42. **No Merger of Estates:** There will not be deemed to be any merger of this Mortgage, nor of the rights and interests of the Mortgagee under this Mortgage, with the estate in the Property or with the reversion or rights and interests of the Mortgagor or the Mortgagee under any instrument affecting the Charged Premises by reason only of the fact that the same Person may own or acquire, directly or indirectly, two or more estates, rights or interests in the Charged Premises until all Persons having any interest under this Mortgage, the estate in the Property or with the reversion or rights and interests of the Mortgagor or the Mortgagee under any instrument affecting the Charged Premises, by an appropriate instrument, so declare and provide.

43. **Perfection of Security:** The Mortgagor authorizes the Mortgagee to file such financing statements and other documents and to complete and add schedules identifying all or any part of the Charged Premises, as the Mortgagee may consider appropriate to perfect and continue the security created by this Mortgage, to protect and preserve the interest of the Mortgagee in the Charged Premises and to realize upon the Mortgage.
44. **Binding on Successors, etc.:** This Mortgage will be binding upon the successors and assigns of the Mortgagor and the Mortgagee and shall enure to the benefit of: (a) the Mortgagee and its successors and its assigns; and (b) to the Mortgagor and its permitted successors and permitted assigns. The rights and obligations of the Mortgagee under this Mortgage may be assigned by the Mortgagee in accordance with the provisions of the Loan Agreement. The rights and obligations of the Mortgagor under this Mortgage may not be assigned except in accordance with the provisions of the Loan Agreement.
45. **Ontario Provisions:** If the Property is situated in the Province of Ontario, the implied covenants deemed to be included in a charge under subsection 7(1) of the *Land Registration Reform Act* (Ontario) will be and are hereby expressly excluded from the terms of this Mortgage.

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IN WITNESS WHEREOF the Mortgagor has executed this Mortgage as of the date of registration.

1950979 ONTARIO INC.

Per: 

Name: Paul Dietrich

Title: President

I have the authority to bind the Mortgagor.

SCHEDULE "A-1"

FREEHOLD LANDS

Municipal Address:

882 Whitefield Drive, Peterborough, ON

Legal Description:

PIN 28463-0469 (LT)

PT LT 8 PL 22Q (NORTH MONAGHAN) AS IN R235039 (FIRSTLY) LYING E OF WHITEFIELD DRIVE; PETERBOROUGH

PIN 28463-0470 (LT)

PT LTS 8 & 9 PL 22Q(NORTH MONAGHAN) AS IN R227329 LYING E OF WHITEFIELD DRIVE, EXCEPT R235039, S/T EASEMENT OVER PT LT 8 BEING PT 1 45R-12197 IN FAVOUR OF BELL CANADA AS IN LT91763 ; PETERBOROUGH; TOGETHER WITH AN EASEMENT OVER PART LOT 9, PLAN 22Q NORTH MONAGHAN, PART 1, 2 & 3 PLAN 45R16694 AS IN PE308340

SCHEDULE "A-2"
LEASEHOLD LANDS

None.

SCHEDULE "A-3"

MORTGAGOR COMMITMENTS

The Mortgagor hereby agrees to develop, construct and operate the Project in accordance with the following requirements:

1. Affordability – maintain the Project for a minimum of eleven (11) years from the date first occupancy of the Project is permitted by the relevant Governmental Authority such that:
 - (a) the Project's initial residential rents are at least 10% below the Project's gross achievable rents based on an independent appraisal. The Mortgagor must support market rental rates by way of an up-dated limited scope appraisal report obtained at Rental Achievement, the costs of which can be included in the Budgeted Project Costs and financed by the Loan. An up-dated limited scope appraisal report will not be required if occupancy of the Project is permitted by the relevant Governmental Authority within twelve (12) months from the time of the first Drawdown, and
 - (b) annual confirmation, supported by, but not limited to, a review of the residential rent rolls, that a minimum of 17 units will have rents affordable for Canadians at or below X, of which six (6) units will have rents affordable for Canadians at or below Y, where X and Y are calculated as follows:
$$X = 30.00\% \text{ of the Median Total Income; and}$$
$$Y = 90.00\% \text{ of X;}$$
2. Accessibility – ensure that:
 - (a) the Project has barrier free access;
 - (b) at least three (3) units in the Project are of universal design; and
 - (c) in addition to the foregoing, no less than 10.00% of the units within the Project (i.e., three (3) units) meet or exceed the local accessibility standards as prescribed by the applicable Municipality, Province or Territory, or in the absence of same, the accessibility requirements of the 2015 National Building Code.
3. Energy Efficiency – ensure the Project is designed to achieve a minimum of a 16.60% decrease in energy intensity and a 18.50% decrease in greenhouse gas emissions relative to the requirements of the 2015 Model Building Codes.
4. Contamination - any contamination of the Project Lands shall have been remediated in accordance with the standards of the applicable Municipality, Province or Territory.

The Mortgagor acknowledges that the foregoing covenants are intended to achieve certain social outcomes during the Term and after the repayment of the Loan and are of fundamental

importance to the federal government of Canada and its agencies, including the Mortgagee and the Loan would not be made without the Mortgagor agreeing to the foregoing. Accordingly, this Schedule A-3 shall survive any repayment of the Loan and the discharge of this Mortgage until the eleventh (11th) anniversary first occupancy of the Project is permitted by the relevant Governmental Authority and the Mortgagee shall have the right to bring an action against the Mortgagor for breach of covenant in connection therewith.

6950136

APPENDIX F

October 6, 2021

1950979 Ontario Inc.
637 The Queensway, Suite 17
Peterborough, ON, K9J 7J6

Attention: Paul Dietrich

Dear Sir/Madam:

YOUR CMHC RCFI MORTGAGE TERMS

RCF Number: 1766374 | Mortgage on: 888 Whitefield Drive, Peterborough, ON, K9J 7V8

Loan Details		Current Payment Details	
Approved Loan Amount	\$8,500,000.00	Monthly Interest Payment	See attached payment schedule
Interest Rate	1.21%	First Payment Date	November 1, 2021
Maturity Date	September 1, 2029		

The subject loan is now fully advanced. Please find attached the payment schedule.

Refer to Schedule "A" for details on CMHC's required handling of surplus funds received with the final advance of your loan.

You must ensure that any request to release the surplus funds complies with the terms set out in Schedule "A". Please acknowledge these terms by signing and returning a copy of this letter to the undersigned. Notwithstanding, if any or all parties do not sign the document, they should be aware this does not relieve them of their obligation under the loan.

This letter may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Delivery by electronic mail or other electronic transmission of an executed counterpart of a signature page to this letter shall be effective as delivery of an original executed counterpart of this letter.

All other terms and conditions of the loan agreement as it may have been subsequently renewed, extended or modified and all security collateral thereto will remain in full force and effect.

If you have any questions please contact the undersigned at (604) 282-0654 or sarah.addab@cmls.ca.

Sincerely,

CMLS Financial Ltd.



Sarah Addab
Analyst, Commercial Construction

cc: Adam Rogocki

ACKNOWLEDGED AND AGREED this ____ day of _____, 2021.

Borrower(s)

1950979 Ontario Inc.

Per: _____
I have the authority to bind the corporation
Title:
Print name:

Per: _____
I have the authority to bind the corporation
Title:
Print Name:

Guarantor(s)

1494282 Ontario Inc.

Per: _____
I have the authority to bind the corporation
Title:
Print name:

Per: _____
I have the authority to bind the corporation
Title:
Print Name:

Per: _____
Paul Dietrich

Witness

Per: _____
Steve McLaren

Witness

SCHEDULE "A"
SURPLUS FUNDS

The surplus funds for your loan are \$124,953.00

As a reminder, surplus funds received under the RCFI program need to be managed as per the loan agreement, section 8.1 gg which reads as follows:

Undrawn Amounts: If the Project reaches Total Completion but a portion of the Loan remains undrawn at such time, after the Borrower has paid all applicable Construction Costs, then the Lender shall deposit the entire undrawn amount of the Loan as a reserve to the Project's segregated account and the Borrower will enter into an agreement with the Lender for the terms and conditions for making ongoing progress draws for capital expenses associated with the Project or other expenses associated with the Project as authorized by the Lender.

These surplus funds will need to be held in a segregated account for as long as the COI is valid and can be used only for purposes outlined in the table below:

Permitted Use of Funds

Use of Surplus RCF funds	Eligible Expense	Non-Eligible Expense
HVAC replacement	X	
Roof replacement	X	
Window replacement	X	
Driveway Repairs	X	
Exterior building envelope repairs	X	
Electrical upgrade (may include large scale appliance replacement with energy star rated units)	X	
Garbage management system repairs	X	
Painting (exterior and common areas)	X	
Plumbing replacement (not repairs)	X	
Landscaping (not seasonal)	X	
Common area upgrades/repairs	X	
Laundry room repairs and machines	X	
Improve Energy Efficiency/Reduce Greenhouse gas emissions	X	
Improve accessibility	X	
Tenant improvements for the commercial portion of the building	X	
Tenant support services		X
Automotive costs		X
Travel costs		X
Personal Expenses		X
Building safety inspections		X
Building equipment leases		X

How to request surplus funds

1. Borrower must make a written request to CMLS for the amount needed no more frequently than once a quarter. The request must include the intended use of the funds to be drawn from the RCF surplus account.
2. Minimum request amount is \$10,000.00
3. The Borrower will need to include supporting invoices, professional / qualified consultant report or other documentation in connection with the request being made.

Deposit and investment of surplus funds

Any surplus funds to be advanced to the borrower following completion of the project to which such funds relate shall be deposited into a segregated account opened for the purposes of holding such surplus funds. The Borrower shall be required to grant appropriate security to CMHC over such funds, which may include, but not limited to, a control agreement over such account. In the event the borrower wishes to invest such surplus funds in investments permitted by CMHC (the nature of which are disclosed in the loan agreement) in order to offset interest owing on such funds, the borrower shall be required to assign such investments to CMHC as security for its obligations and enter into such agreements as CMHC may require in respect thereof.

"Permitted Investments" means any bonds, debentures, notes, bills of exchange, securities or other evidence of indebtedness including specific interest and principal payments thereof denominated in Canadian Dollars that are issued or guaranteed by Government of Canada or fixed income securities denominated in Canadian Dollars that are issued by Bank of Montreal, Bank of Nova Scotia, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada or The Toronto-Dominion Bank.

Annual loan review

The Borrower will need to provide a bank statement at the time of the annual review of their loan demonstrating that the stated amount of surplus funds are being held in the segregated account.

APPENDIX G

Court File No.: CV-22-00679109-00CL

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

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

**FOURTH REPORT OF ALBERT GELMAN INC.
in its capacity as court-appointed liquidator pursuant to the *Business Corporations Act*,
R.S.O. 1990, c. B.16**

(Dated August 30, 2023)

I. INTRODUCTION

1. This fourth report ("**Fourth Report**") is filed by Albert Gelman Inc. in its capacity as liquidator (in such capacity, the "**Liquidator**") appointed over all of the assets, undertakings and properties of 1827403 Ontario Inc. ("**1827403**"), 1853997 Ontario Inc. ("**1853997**"), 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. ("**1950941**") and 1950979 Ontario Inc. ("**1950979**" and, together, the "**Companies**") by order of the Ontario Superior Court of Justice, Commercial List (the "**Court**") dated April 4, 2022 (the "**Appointment Order**") made pursuant to the *Business Corporations Act*, R.S.O. 1990, c. B.16. A copy of the Appointment Order is attached as **Appendix "A"**.

2. The Applicant and the Respondent (together, the "**Shareholders**") are the sole shareholders of the Companies. The Shareholders set up the Companies to operate their real estate development business in Peterborough, Ontario. There is litigation between the Shareholders, currently under arbitration. The Court granted the Appointment Order with the consent of the Shareholders. Among other things, the Appointment Order authorizes the Liquidator to sell, convey, transfer, lease or assign the Companies' property with the prior approval of the Court as part of a liquidation and winding-down process.

3. Since the Appointment Order, the Court made the following orders in this proceeding:
- a. an order dated June 13, 2022 which, among other things, approved the Liquidator's payment of 1827403's corporate taxes and amended the Appointment Order to expressly provide that the Liquidator can pay post-appointment liabilities as and when they become due. A copy of the June 13 order and related endorsement are attached together as **Appendix "B"**, and a copy of the Liquidator's report dated June 2, 2022, filed in connection with this motion, is attached, without appendices, as **Appendix "C"**.
 - b. an order dated October 13, 2022 which, among other things, authorized the Liquidator to pay pre-appointment liabilities if certain conditions are met. A copy of the October 13 order and related endorsement are attached together as **Appendix "D"**, and a copy of the Liquidator's report dated October 7, 2022, filed in connection with this motion (the "**Second Report**"), is attached, without appendices, as **Appendix "E"**.
 - c. an order dated December 21, 2022 which, among other things, approved the sale transaction contemplated by an agreement of purchase and sale between the Liquidator and 100035384 Ontario Inc. dated October 9, 2022 and vesting in 100035384 Ontario Inc. all of 1950941's right, title and interest in and to the real property municipally known as 144 Brock Street, Peterborough, Ontario (the "**December 21 AVO**"). A copy of the December 21 AVO is attached hereto as **Appendix "F"**, and a copy of the Liquidator's report dated December 13, 2022 (the "**Third Report**"), filed in connection with this motion, is attached, without appendices, as **Appendix "G"**.
 - d. an order dated December 21, 2022 which, among other things, approved the Third Report, other than paragraph 16(a),¹ and the Liquidator's activities described therein (the "**December Activity Approval Order**"). A copy of the December Activity Approval Order and related endorsement are attached together as **Appendix "H"**.
4. In early January of 2023, the lawyers for each of the Shareholders advised the Liquidator that the Shareholders were negotiating a transaction among them, for the sale by one to the other of the Companies' shares (the "**Shareholder Negotiations**"). The lawyers advised the Liquidator that if the transaction closed it would result of the termination of the liquidation process. The Shareholders' lawyers requested that the

¹ Paragraph 16(a) of the Third Report reads as follows: "To assist the stakeholders and the Court the Liquidator also wishes to briefly update two other items in connection with these liquidation proceedings: a. The first is that the HST payable in respect of 1950979, for which approval to pay was sought in the motion heard on October 13, 2022 and the resulting order, has not been paid. Issues that were discussed in that hearing resulted in considerations by the Liquidator of possible personal liability as a result. Discussions with Messrs. Dietrich and McLaren about arrangements to address that possible liability are ongoing. Until those issues have been addressed to the satisfaction of the Liquidator, it does not intend to pay the HST in question before a claims process and claims bar has been ordered by the Court, which the Liquidator will see following the disposition of all of the assets of the Companies."

Liquidator suspend liquidation efforts pending the Shareholder Negotiations, including, in particular, efforts to sell the property municipally known as 888 Whitefield Road, Peterborough (the “**888 Whitefield Property**”), owned by 1950979.

5. The Liquidator sought the Court’s advice and directions regarding the Shareholders’ request to suspend liquidation efforts. At a case conference held on January 12, 2023, the Court declined to give directions at that time. Attached hereto as **Appendix “I”** is the Court’s endorsement.

6. On January 13, 2023, the Liquidator advised the Shareholders that it would suspend its sale efforts for the 888 Whitefield Property, on certain terms, pending the Shareholder Negotiations. The Shareholders accepted those terms.

7. On April 18, 2023, counsel for the Applicant advised the Liquidator that the Shareholder Negotiations had failed. The Liquidator resumed its sale efforts, including for the 888 Whitefield Property. As further set out below, the Liquidator received multiple offers for the 888 Whitefield Property. On this motion, the Liquidator seeks Court approval of an agreement of purchase and sale.

II. PURPOSE OF THIS REPORT

8. This Fourth Report is delivered in support of the Liquidator’s motion for an order in accordance with the draft included with its motion record (the “**Approval and Vesting Order**”), which order, among other things:

- a. approves this Fourth Report and the Liquidator’s activities described in it, including the Liquidator’s Interim SRDs (term defined below);
- b. approves and authorizes the Liquidator to enter into and carry out the terms of the sale transaction (the “**Transaction**”) contemplated by an Agreement of Purchase and Sale dated May 25, 2023 (together with any amendments that the Liquidator deems appropriate or necessary, the “**Purchase Agreement**”) entered into between the Liquidator, as seller, and 2117467 Ontario Inc., a company owned by the Respondent, as purchaser (the “**Purchaser**”);
- c. vests all of 1950979’s right, title and interest in and to the 888 Whitefield Property in the Purchaser free and clear of all encumbrances, in accordance with the Commercial List model approval and vesting order, upon the Liquidator’s delivery of a certificate confirming that the Purchaser paid the purchase price and that the parties have satisfied or waived all other conditions precedent to closing (the “**Liquidator’s Certificate**”);
- d. amends the December Activity Approval Order to include the approval of paragraph 16(a) of the Third Report;
- e. seals the Confidential Appendices to this Fourth Report pending the earlier of the delivery of the Liquidator’s Certificate or further order of the Court;

- f. approves the fees and disbursements of the Liquidator for the period from December 8, 2022 to August 28, 2023; and
- g. approves the fees and disbursements of the Liquidator's independent counsel for the period from December 1, 2022 to June 30, 2023

III. SCOPE AND TERMS OF REFERENCE

9. In preparing this Fourth Report, the Liquidator has obtained and relied upon certain unaudited financial information of the Companies and the Companies' books and records, and had ongoing discussions with respective counsel for the Shareholders as well as the Companies' external accountant, BDO Canada LLP ("**BDO**").

10. While the Liquidator has reviewed the documents provided, such review does not constitute an audit or verification of the information contained in them for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Liquidator expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

11. This Fourth Report has been prepared for the purposes described above. Accordingly, the reader is cautioned that this Fourth Report may not be appropriate for any other purpose.

12. Unless otherwise noted, all monetary amounts referenced herein are expressed in Canadian dollars.

IV. BACKGROUND INFORMATION

13. The Shareholders are the Companies' sole shareholders. They each own 50% of the shares of each of the Companies. They are also directors and officers of each of the Companies. 1853997 has one additional director, Greg Landry.

14. The Court granted the Appointment Order with the consent of the Shareholders in the context of litigation between them. That matter is currently under arbitration.

15. Prior to the litigation, the Shareholders were partners in a residential and commercial land development business in the Peterborough area. They incorporated the Companies to operate the business. The affidavit of Paul Dietrich sworn March 30, 2022, filed in support of the application for the Appointment Order, furthers sets out the background facts, including the litigation. A copy of that affidavit, without exhibits, is attached as **Appendix "J"**.

16. The Shareholders provided the Liquidator with trial balance reports for each of the Companies summarizing their assets and liabilities as of January 31, 2022. The Liquidator's summary of the trial balance reports is attached as **Appendix "K"**.

V. APPROVAL OF SALE OF 888 WHITEFIELD PROPERTY TO THE PURCHASER

Sale Efforts

17. 1950979 is the current owner and manager of the 888 Whitefield Property, a three-story, 27-unit residential apartment. As of the date of this Fourth Report, tenants occupy 24 of the 27 units. The balance of the units are vacant.

18. The Liquidator obtained a narrative appraisal report from TL Smith Appraisals, including a range of market value as of May 17, 2022. A copy of the appraisal report with the capitalization/discount rate and market value redacted is attached as **Appendix “L”**. An unredacted version of the appraisal is attached as **Confidential Appendix “A”**.

19. As reported in the Second Report, the Liquidator entered into a listing agreement with David Watkins of ReMax (the **“Realtor”**). On July 7, 2022, the Realtor listed the 888 Whitefield Property on the Multiple Listing Service (**“MLS”**) at a listing price of \$11 million.

20. A prior transaction for the 888 Whitefield Property failed. As reported in the Third Report, on or around November 29, 2022 the contemplated purchaser (the **“Prior Offeror”**) declared that he would not proceed with the transaction (the **“Aborted Transaction”**).

21. The Liquidator re-listed the 888 Whitefield Property on MLS on December 9, 2022 with an offer date of January 12, 2023. As noted in paragraphs 4 to 7, above, the Liquidator paused the sale process for the 888 Whitefield Property until April 19, 2023. Thereafter, the Liquidator resumed the sale process with the Realtor with a further offer date of May 25, 2023 (the **“Offer Date”**).

22. The Realtor prepared a marketing package, a copy of which is attached hereto as **Appendix “M”**. The Realtor and the Liquidator sent the marketing package to approximately 2,279 prospective buyers identified by the Realtor.

23. The Liquidator received 7 offers as of the Offer Date. The Realtor’s summary of the offers received is attached at **Confidential Appendix “B”**.

The Purchase Agreement

24. On May 25, 2023, the Liquidator accepted the Purchaser’s proposed Purchase Agreement as it was the best offer received in terms of price and perceived execution risk of the applicable conditions and willingness and ability of a purchaser to close. The Purchaser is a company owned and controlled by the Respondent and is therefore a related party. A copy of the Purchase Agreement, with the purchase price redacted, is attached as **Appendix “N”**. An unredacted copy of the Purchase Agreement is attached as **Confidential Appendix “C”**.

25. As part of the Transaction, the Purchaser will assume the only mortgage on title, being a financing mortgage from the Canadian Mortgage and Housing Corporation (**“CMHC”** and the **“CMHC Mortgage”**). The current balance is approximately \$8.5 million plus interest. CMHC advised the Liquidator and the Purchaser that they approved the assignment of the CMHC Mortgage to the Purchaser, and that formal approval would

come by way an approval letter from CMHC (the “**Approval Letter**”). As of the date of this Fourth Report, the CMHC has not provided the Purchaser with the Approval Letter. CMHC has been served with the Liquidator’s motion materials.

26. The Liquidator obtained an independent legal opinion from its legal counsel confirming, subject to standard assumptions and qualifications, that the CMHC Mortgage is valid and enforceable. A copy of the parcel register for 888 Whitefield Property is attached as **Appendix “O”**.

27. On August 10, 2023, the Purchaser waived the remaining conditions under the Purchase Agreement. The Purchaser paid a total deposit of \$400,000, currently held in trust by the Realtor. The sole remaining condition under the Purchase Agreement is obtaining the Approval and Vesting Order.

28. The Liquidator recommends the approval of the Purchase Agreement and the Transaction for the following reasons:

- a. the 888 Whitefield Property was exposed to the market from April 21 to May 25, 2023 (defined above as the Offer Date) and extensively marketed;
- b. the purchase price is fair market value given the appraisal and extensive exposure to market;
- c. the Transaction is the best offer with the fewest conditions that the Liquidator received;
- d. the Liquidator is satisfied that the Purchaser is willing and able to close, and the Liquidator anticipates closing the Transaction within 10 days of the Approval and Vesting Order;
- e. the Transaction allows the monetization of the 888 Whitefield Property in accordance with the purpose of the liquidation process; and
- f. given the above, the Liquidator can recommend the Transaction with a related party purchaser.

VI. LIQUIDATOR’S OTHER ACTIVITIES SINCE SECOND REPORT

29. The Liquidator’s main activities since the Second Report are summarized in the Third Report and below.

Non-payment of account payable to 1827403 and bankruptcy application

30. As further set out in the Second Report, Parkview Home Inc. (“**Parkview Homes**”), a company owned and operated by the Respondent, owed \$1,717,000 to 1827403 as of October 7, 2022. On that date, the Liquidator sent a demand letter to Parkview Homes demanding payment. A copy of the demand letter is attached as **Appendix “P”**.

31. Parkview Homes is insolvent and failed to pay. On February 21, 2023, the Liquidator made an application to the Ontario Superior Court of Justice (in Bankruptcy) for an order adjudging Parkview Homes bankrupt. A copy of the notice of application is attached hereto as **Appendix “Q”**.

32. On May 29, 2023, Mr. Associate Justice Rappos adjourned the hearing pending service of the Office of the Superintendent of Bankruptcy and the proposed trustee-in-bankruptcy. A copy of the related endorsement is attached as **Appendix “R”**. Service was effected on June 15, 2023. The further hearing on the bankruptcy application is set for September 20, 2023.

Partial payment of 1827403’s corporate income tax debt

33. As discussed in the Second Report, the Liquidator made a partial payment of \$515,000 on account of 1827403’s income tax liability for its fiscal year ended October 31, 2021. According to a letter from the Canada Revenue Agency (“**CRA**”) dated June 20, 2023, 1827403 owed a balance of \$63,173.26 as of June 20, 2023, plus accruing interest. A copy of the June 20, 2023 CRA letter is attached as **Appendix “S”**.

34. 1827403 does not currently have sufficient liquid funds to pay the balance of its tax liability. Once the liquidation process is completed, the proceeds may allow the Liquidator to pay 1827403’s tax debt.

Closing of sale of 144 Brock Street, Peterborough property

35. On January 20, 2023, the Liquidator closed the transaction for the 144 Brock Street, formerly owned by 1950941, in accordance with the December 21 AVO. A copy of the Liquidator’s certificate confirming closing is attached as **Appendix “T”**. The Liquidator currently holds the transaction proceeds in trust pending a motion for distribution, which it will bring when appropriate.

Filing of Notice of Objection to CRA’s reassessment of 1950979’s HST debt

36. As of January 11, 2023, CRA reassessed 1950979’s tax liability on account of unremitted HST to \$795,411.12, plus accruing interest. A copy of the notice of reassessment is attached as **Appendix “U”**.

37. As further set out in the Third Report, the Liquidator was concerned that payment of 1950979’s HST debt could result in personal liability for the Liquidator. The Shareholders agreed to indemnify the Liquidator from any such liability in an indemnification agreement dated January 26, 2023. The Liquidator was satisfied with the indemnity and paid 1950979’s HST liability in two installments, the second one being on February 13, 2023.

38. On April 5, 2023, BDO advised the Liquidator to file a Notice of Objection pursuant to Part IX of the *Excise Tax Act* to dispute a portion of the interest and penalties assessed. The Liquidator did so on April 5, 2023. A copy of the Notice of Objection dated April 5, 2023 is attached as **Appendix “V”**. As of the date of this Fourth Report, CRA has not responded to the Notice of Objection.

39. Paragraph 16(a) of the Third Report addressed, among other things, the Liquidator’s liability concerns and the fact that the Liquidator and the Shareholders would discuss how to address the matter.

Since all parties are satisfied with the progression of this matter, the Liquidator seeks the Court's retroactive approval of paragraph 16(a) as part of this motion.²

Collection of rental arrears

40. On October 14, 2022 the Liquidator filed an application with the Landlord and Tenant Board to collect \$20,7563.01 in rental arrears owed to 1950979 from one of its a former residential tenants. The Liquidator settled with the former tenant and collected \$16,000 in August 2023.

Claim of ReMax

41. The Realtor had claimed in January that it was entitled to a commission from the Prior Offeror in connection with the Aborted Transaction and in light of the intended share purchase agreement between the Applicant and the Respondent, which had the effect of suspending the Realtor's further sale efforts and ability to earn a commission on a further sale. At a case conference held on March 20, 2023, the Court set a timetable for a motion on that claim. With the resumption of the sale efforts by the Liquidator and the Realtor after April 19, 2023, the parties agreed that the planned motion was no longer necessary because any damages claims against the estate of 1950979 for the Aborted Transaction may be reduced or eliminated by payment of a commission to the Realtor on a further sale.

42. The Liquidator has been advised that the Realtor may still wish to make claims against the Prior Offeror for commission that should have been payable under the Aborted Transaction, including under a buyer's representation agreement between the Prior Offeror and the Realtor. The Liquidator's position is that such a claim does not involve the estate of 1950979 and that the relief sought on this motion should not affect such a claim.

VII. LIQUIDATOR'S INTERIM STATEMENTS OF RECEIPTS AND DISBURSEMENTS

43. A copy of the Liquidator's interim statements of receipts and disbursements for each of the Companies as at August 25, 2023 is attached as **Appendix "W"** (collectively, the "**Interim SRDs**").

VIII. APPROVAL OF FEES AND DISBURSEMENTS

² Paragraph 16(a) of the Third Report reads as follows: "To assist the stakeholders and the Court the Liquidator also wishes to briefly update two other items in connection with these liquidation proceedings: a. The first is that the HST payable in respect of 1950979, for which approval to pay was sought in the motion heard on October 13, 2022 and the resulting order, has not been paid. Issues that were discussed in that hearing resulted in considerations by the Liquidator of possible personal liability as a result. Discussions with Messrs. Dietrich and McLaren about arrangements to address that possible liability are ongoing. Until those issues have been addressed to the satisfaction of the Liquidator, it does not intend to pay the HST in question before a claims process and claims bar has been ordered by the Court, which the Liquidator will see following the disposition of all of the assets of the Companies."

44. Paragraph 18 of the Appointment Order requires the Liquidator and its independent legal counsel to pass their accounts with the Court. The Liquidator and its independent legal counsel have maintained detailed records of their time and costs since the Appointment Order.

45. The Liquidator has incurred fees of \$130,224.50 plus HST of \$16,929.19, totaling \$147,153.69 for the period from December 8, 2022 to August 28, 2023. A copy of the detailed billings of the Liquidator, supported by the Affidavit of Bryan Gelman sworn August 30, 2023 is attached hereto as **Appendix “X”**.

46. The Liquidator’s legal counsel, formerly Goldman Sloan Nash & Haber LLP and now Reconstruct LLP,³ have incurred fees of \$47,344.20 and disbursements of \$357.50, plus HST of \$6,167.98, totaling \$53,933.89 for the period from December 1, 2022 to June 30, 2023. A copy of the Liquidator’s counsel’s detailed billings, supported by the Affidavit of Brendan Bissell sworn August 30, 2023 is attached hereto as **Appendix “Y”**.

47. The Liquidator reports that the foregoing professional fees and disbursements are fair and reasonable in the circumstances and supported by detailed invoices as well as affidavits confirming *inter alia* that the abovementioned fees are comparable to those charged by other Licensed Insolvency Trustee and law firms for similar services in Toronto.

IX. RECOMMENDATION

48. The Liquidator respectfully recommends the Approval and Vesting Order, which:

- a. approves this Fourth Report and the activities of the Liquidator described in it, including the Liquidator’s Interim SRDs;
- b. approves and authorizes the Liquidator to enter into and carry out the terms of the Transaction as contemplated in the Purchase Agreement;
- c. vests all of 1950979’s right, title and interest in and to the 888 Whitefield Property in the Purchaser free and clear of all encumbrances upon the Liquidator’s delivery the Liquidator’s Certificate;
- d. seals the Confidential Appendices to this Fourth Report pending the earlier of the delivery of the Liquidator’s Certificate or further order of the Court;
- e. amends the December Activity Approval Order to include the approval of paragraph 16(a) of the Third Report; and
- f. approves the fees and disbursements of the Liquidator and its legal counsel as set out above.

³ The Liquidator’s lawyers, Brendan Bissell and Joel Turgeon, were formerly at Goldman Sloan Nash & Haber and have since joined Reconstruct LLP in March of 2023 and September of 2022, respectively. The Liquidator elected to retain Reconstruct LLP effective March 9, 2023.

* * *

All of which is respectfully submitted this 30th day of August 2023

**ALBERT GELMAN INC., solely in its
capacity as the Court-Appointed Liquidator
of each of the Companies and not in its
Personal or any other Capacity**

Per: _____
Bryan Gelman, *CIRP, LIT*

APPENDIX H

Court File No.: CV-22-00679109-00CL

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

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

**FIFTH REPORT OF ALBERT GELMAN INC.
in its capacity as court-appointed liquidator pursuant to the *Business Corporations Act*,
R.S.O. 1990, c. B.16**

(Dated November 22, 2023)

I. PURPOSE OF THIS FIFTH REPORT

1. This Fifth Report dated November 22, 2023 (this “**Fifth Report**”) is filed by Albert Gelman Inc. in its capacity as liquidator (in such capacity, the “**Liquidator**”) appointed over all of the assets, undertakings and properties of, among other corporations, 1950979 Ontario Inc. (“**979 Inc.**”), by order of the Ontario Superior Court of Justice, Commercial List (the “**Court**”) dated April 4, 2022 (the “**Appointment Order**”) made pursuant to the *Business Corporations Act*, R.S.O. 1990, c. B.16. A copy of the Appointment Order is appended as **Appendix “A”**.

2. The background to this proceeding is more fully set out in the Liquidator’s Fourth Report dated August 30, 2023 (the “**Fourth Report**”). A copy of the Fourth Report, without appendices, is appended as **Appendix “B”**.

3. On September 11, 2023, the Court made an approval and vesting order (the “**Original AVO**”). The Original AVO is in accordance with the Commercial List model approval and vesting order. A copy of the Original AVO is appended as **Appendix “C”**.

4. The Original AVO, among other things:
 - a. approves and authorizes the Liquidator to carry out the terms of the sale transaction (the “**Transaction**”) contemplated by an Agreement of Purchase and Sale dated May 25, 2023 (the “**Purchase Agreement**”) entered into between the Liquidator, as seller, and 2117467 Ontario Inc., a company owned by the Respondent, as purchaser (the “**Original Purchaser**”), for the purchase and sale of 979 Inc.’s right, title and interest in and to the property municipally known as 888 Whitefield Road, Peterborough (the “**Whitefield Property**”); and
 - b. provides that all of 979 Inc.’s right, title and interest in and to the Whitefield Property would vest in the Original Purchaser free and clear of all encumbrances upon the Liquidator’s delivering a certificate certifying, among other things, that the Transaction has closed.
5. The background for the Transaction and the Purchase Agreement, including the Liquidator’s sale efforts, the valuation obtained, and the appropriateness of the Original AVO, are set out in the Fourth Report and are not repeated in this Fifth Report.
6. This Fifth Report is delivered in support of the Liquidator’s motion for an updated approval and vesting order (the “**Amended AVO**”) following an amendment to the Purchase Agreement (the “**Amendment**”) entered into on November 7, 2023 among the Liquidator, as seller, the Original Purchaser, as assignor, and another corporation owned by the Respondent, 1950987 Ontario Inc., as assignee and purchaser (the “**New Purchaser**”). A copy of the Amendment is appended as **Appendix “D”**, and a draft Amended AVO is appended as **Appendix “E”**.
7. Pursuant to the Amendment, subject to Court approval:
 - a. the Original Purchaser is replaced by the New Purchaser;
 - b. the New Purchaser acquires, in addition to the Whitefield Property, a sliver of land that is a distinct parcel adjacent to the Whitefield Property (the “**Sliver Parcel**”, and, together with the Whitefield Property, the “**Purchased Land**”), as part of the Transaction; and
 - c. the Original Purchaser and the New Purchaser are jointly and severally liable for all the Original Purchaser’s obligations under the Purchase Agreement, as amended.
8. The draft Amended AVO is identical to the Original AVO except solely for the adaptations necessary to reflect the Amendment. A comparison between the draft Amended AVO and the Original AVO is appended as **Appendix “F”**.
9. The Amended AVO updates the Original AVO by:
 - a. approving the Transaction and the Purchase Agreement as amended in the Amendment;
 - b. providing that all of 979 Inc.’s right, title and interest in and to the Purchased Land (including the Whitefield Property and the Sliver Parcel) will vest in the New Purchaser free and clear of all

encumbrances upon the Liquidator's delivering a certificate certifying, among other things, that the Transaction, as amended, has closed; and

c. otherwise integrating all the provisions of the Original AVO.

10. This Fifth Report is delivered in support of the Liquidator's request and recommendation to this Honourable Court for the Amended AVO. The Liquidator is not aware of any opposition to the Amended AVO.

II. SCOPE AND TERMS OF REFERENCE

11. In preparing this Fifth Report, the Liquidator has obtained and relied upon certain unaudited financial information of the Companies and the Companies' books and records, and had ongoing discussions with respective counsel for the Applicant and the Respondent.

12. While the Liquidator has reviewed the documents provided, such review does not constitute an audit or verification of the information contained in them for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Liquidator expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

13. This Fifth Report has been prepared for the purposes described above. Accordingly, the reader is cautioned that this Fifth Report may not be appropriate for any other purpose.

14. All monetary amounts expressed in the Fifth Report are in Canadian dollars.

III. BACKGROUND TO AMENDMENT

15. At the time of the Original AVO, the Respondent (who owns the Original Purchaser) believed that the Sliver Parcel was owned by the City of Peterborough and so did not include it in the Transaction. This was mentioned during closing procedures and so the Liquidator sought to validate by reviewing the title of the Sliver Parcel. The Liquidator's review of title revealed that the Sliver Parcel was in fact owned by the same entity as the Whitefield Property, '979 Inc. A copy of a parcel register for the Sliver Parcel is appended as **Appendix "G"**.

16. The Respondent believed this was likely a registration mistake and so the Liquidator's transactional counsel communicated with the Land Registry Office. The Land Registry Office advised that a mistake had likely been made when the Sliver Parcel had been severed and it was probable that at least part of it should be registered as owned by the City. The Liquidator's counsel submitted a request for review and correction to the Land Registry Office. However, the request was ultimately denied.

17. The Liquidator was advised by transactional counsel that since the Whitefield Property and the Sliver Parcel adjoin at least in part and are owned by the same person, the transfer of the Whitefield Property only could be void or voidable under the *Planning Act* (Ontario). It is unclear whether the Original AVO could

approve the Transaction and vest the Whitefield Property in the Original Purchaser notwithstanding potential *Planning Act* issues.

18. Given this potential issue, the Liquidator believed that an updated approval and vesting order was necessary and appropriate. The Liquidator and the Respondent agreed to amend the Purchase Agreement and the Amendment was signed on November 7, 2023 to include the Sliver Parcel as part of the Transaction.

19. The Liquidator believes that the Sliver Parcel has no value and cannot be sold outside of a transaction including the Whitefield Property. This is due, among other things, to the Sliver Parcel being an unimprovable narrow strip of land between two developed parcels, and to the *Planning Act* issues highlighted above. As such, the Liquidator believes that no adjustment to the purchase price was necessary or appropriate under the Amendment.

20. Separately, the Respondent (who owns the Original Purchaser) wished to assign the Purchase Agreement from the Original Purchaser to the New Purchaser. The Liquidator understands that this is because the Original Purchaser operates an active business while the New Purchaser is a single-purpose holding company for title to the Purchased Land. The Respondent agreed that the Original Purchaser and the New Purchaser be jointly and severally liable and so the assignment is acceptable to the Liquidator.

21. The Sliver Parcel is subject to a mortgage in favour of Canada Mortgage Housing Corporation but this mortgage is assumed as part of the Transaction, as provided in the Purchase Agreement and unamended in the Amendment. The Amended AVO therefore provides that this mortgage is unaffected.

IV. RECOMMENDATION

22. In light of the above, the Liquidator respectfully recommends the Amended AVO which updates the Original AVO by:

- a. approving the Amendment;
- b. providing that all of 979 Inc.'s right, title and interest in and to the Purchased Land (including the Whitefield Property and the Sliver Parcel) will vest in the New Purchaser free and clear of all encumbrances upon the Liquidator's delivering a certificate certifying, among other things, that the Transaction, as amended, has closed; and
- c. otherwise integrating all the provisions of the Original AVO.

All of which is respectfully submitted this 22nd day of November 2023.

**ALBERT GELMAN INC., solely in its
capacity as Court-Appointed Liquidator
and not in its personal or any other capacity**

Per: _____
Bryan Gelman, *CIRP, LIT*

APPENDIX I

Court File No. CV-22-00679109-00CL

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

B E T W E E N:

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

APPLICATION UNDER SECTIONS 207, 209 AND 210 OF THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16

LIQUIDATOR'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Madam Justice Gilmore of the Ontario Superior Court of Justice (the "**Court**") dated April 4, 2022, Albert Gelman Inc. was appointed as the Liquidator (in such capacity, the "**Liquidator**") of all of the assets, undertakings and properties of 1950979 Ontario Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated November 23, 2023, the Court approved the agreement of purchase and sale made as of May 25, 2023, as amended (the "**Sale Agreement**") between the Liquidator and 1950987 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Liquidator 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 Liquidator and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Liquidator.

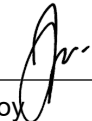
C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE LIQUIDATOR CERTIFIES the following:

1. The Purchaser has paid and the Liquidator 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 Liquidator and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Liquidator.
4. This Certificate was delivered by the Liquidator at Toronto on November 30, 2023.

**ALBERT GELMAN INC., solely in its capacity
as Court-appointed Liquidator of all the
assets, undertakings and properties of
1950979 Ontario Inc., and not in its personal
or corporate capacity**

Per: _____

Name: Tom McElroy 

Title: Licensed Insolvency Trustee

APPENDIX J

COURT FILE NO.: 31-208610-OT

DATE: 20231011

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: *In the Matter of the Bankruptcy of Parkview Homes Inc.*

BEFORE: Associate Justice Rappos

COUNSEL: *Brendan Bissell*, for the Applicant Albert Gelman Inc. as Court appointed liquidator of 1827403 Ontario Inc.

HEARD: October 11, 2023 (in writing)

ENDORSEMENT

[1] This Endorsement is further to my Endorsement dated October 10, 2023.

[2] As requested, the Applicant sent to the Bankruptcy Court Office a copy of the application record that contains the signature of Mr. Larry confirming acceptance of service of the materials on behalf of the Debtor on May 9, 2023.

[3] The Applicant has also sent an e-mail from Mr. Larry dated February 22, 2022 where he stated that it was not anticipated that the Debtor would be responding to the application.

[4] The Debtor has not filed with the Court a notice setting out its opposition to the application.

[5] As a result, the application proceeds on an unopposed basis, and I have jurisdiction to deal with it pursuant to section 192(1)(a) of the *Bankruptcy and Insolvency Act*.

[6] Albert Gelman Inc. has consented to act as trustee in bankruptcy. The OSB has taken no position with respect to the application.

[7] Based on my review of the application materials, I am satisfied that, as required under section 43(1) of the *Bankruptcy and Insolvency Act*, the Debtor owes more than \$1,000 to the Applicant on an unsecured basis, and that the Debtor has committed an act of bankruptcy within the six months preceding the filing of the application.

[8] Accordingly, I hereby grant the Applicant's application for a bankruptcy order to be issued as against the Debtor, with Albert Gelman Inc. appointed as trustee in bankruptcy.

[9] Order to go as electronically amended and signed by me.



Associate Justice Rappos

DATE: October 11, 2023

APPENDIX K



TSO, Penticton BC V2A 1N6

Date Jan 5, 2024
Account Number 79535 7714 RT0001
Case number GB2311 8153 2023

1950979 ONTARIO INC.
C/O ALBERT GELMAN INC
60 SHAFTESBURY AVE
TORONTO ON M4T 1A3

Dear Tom McElroy,

This letter refers to your objection to the goods and services tax/harmonized sales tax (GST/HST) reassessment dated January 6, 2023, for the period of April 1, 2021, to June 30, 2021.

The Minister has made the following decision based on a review of the available information.

We have allowed your objection in full.

Your objection is in respect of the assessment of GST/HST collectible on the self-supply of 888 Whitfield Drive, Peterborough, Ontario, made in accordance with subsection 191(3). As a result of the deemed disposition you were also eligible for a New Residential Rental Property Rebate (NRRPR) in the amount of \$613,481.58.

Your position is that arrears interest assessed in the amount of \$104,195.91, is incorrect as the NRRPR should have been applied to reduce the total tax amount, in accordance with subsection 296(2.1).

Appeals reviewed the relevant return and rebate assessments and the postings to the account for the period ending June 30, 2021, and is in agreement with your position.

The assessment of \$104,195.91 in arrears interest on January 6, 2023, was levied on the full amount of Audit's adjustments, without first being reduced by the eligible NRRPR amount as a result of processing errors. Furthermore, the account postings to the period indicate that the NRRPR in the amount of \$613,481.58, was credited to the balance owing effective September 1, 2022, (instead of July 31, 2021). However, arrears interest in the amount \$12,354.16, payable in respect of the rebate amount owing, was credited to the period as well.

Appeals has submitted a request to Business Accounting to correct the NRRPR effective (received) date to July 31, 2021. This will have the effect of reducing the \$104,195.91 arrears interest assessment and reversing the interest credit of \$12,354.16, posted to the period.

We will send you a revised statement of account soon.

Were you satisfied with the decision on your objection? Your opinion is important to us. Please take 5 minutes to complete an anonymous survey. Go to canada.ca/cra-objections-survey-2

If you have any questions, please contact me at 1-250-368-2861, or by fax at 1-866-443-4955 or 705-670-6649.

To help us serve you better, contact us online using My Business Account at canada.ca/my-cra-business-account. Also, sign up to receive email notifications. Email notifications from the Canada Revenue Agency will let you know when there is mail to view or when important changes are made to the account. Email notifications are available in My Account, My Business Account or Represent a Client (for registered filers). This will allow us to communicate more quickly with you.

Sincerely,

Rhonda White
Senior Appeals Officer GST/HST
Appeals Division

APPENDIX L

In the Matter of the Liquidation of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.

Liquidator's Interim Statement of Receipts and Disbursements

As at February 6, 2024

	1950979 Ontario Inc.	1950941 Ontario Inc.	1950940 Ontario Inc.	1885926 Ontario Inc.	1853997 Ontario Inc.	1827403 Ontario Inc.	Notes
Receipts							
Rental income collected	\$ 956,958	3,320					
Net proceeds from Sale of 888 Whitefield Ave.	2,668,413						
Rental income collected - 1950941 Ontario Inc.	25,864						(Note 1)
Net proceed from Sale of 144 Brock Street		536,394					
GST/HST Refund	77,053	1,560					
Parking Income		4,645					
Parking Income - 1950941 Ontario Inc.	3,440						(Note 1)
CARMA Rebate	35,732						
Property Tax reimbursement from Danhew Holding						371	
Miscellaneous receipts						305	
Insurance refund		1,293					
Interest earned	36,079	21,887	153	1,766	225	13	
Total Receipts	3,803,538	569,099	153	1,766	225	689	
Disbursements							
Liquidator's fees to Feb 6, 2024	443,075						(Note 2)
HST charged on disbursements	85,091	2,379					
Accounting Fees	44,780	2,461					
Pre-appointment expenses	29,806						
Pre-appointment expenses - 1950941 Ontario Inc.	407						(Note 1)
Mail forwarding	1,631						
Mortgage principal and interest payments	171,174						
Liquidator's Legal fees to Feb 6, 2024	136,819	15,841					(Note 2)
Property taxes	120,593					508	
Property appraisal fees	8,200						
Property appraisal fees - 1950941 Ontario Inc.	3,650						(Note 1)
Corporate income tax						515,000	
HST - Self Assessment	802,237						
Repairs and maintenance	106,087						
Repairs and maintenance - 1950941 Ontario Inc.	1,243						(Note 1)
Change of locks	5,904						
License fees	1,140						
Property management fees	41,191						
Property management fees - 1950941 Ontario Inc.	4,887						(Note 1)
Travel and parking	279						
Insurance	21,434						
Software license (QuickBooks)		4,288					

In the Matter of the Liquidation of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.

Liquidator's Interim Statement of Receipts and Disbursements

As at February 6, 2024

	<u>1950979</u> <u>Ontario Inc.</u>	<u>1950941</u> <u>Ontario Inc.</u>	<u>1950940</u> <u>Ontario Inc.</u>	<u>1885926</u> <u>Ontario Inc.</u>	<u>1853997</u> <u>Ontario Inc.</u>	<u>1827403</u> <u>Ontario Inc.</u>	<u>Notes</u>
Disbursements (continued)							
Telephone and intercom	5,810						
Utilities	81,163	10,751					
Waste management (GFL)	17,690						
Bank charges	753	65	115	115		117	
Search fees	795						
Postage, photocopies and delivery	452						
	<u>2,136,290</u>	<u>35,786</u>	<u>115</u>	<u>115</u>	<u>-</u>	<u>515,624</u>	
Net receipts over disbursements	\$ <u>1,667,249</u>	<u>533,313</u>	<u>38</u>	<u>1,651</u>	<u>225</u>	<u>(514,936)</u>	
Bank Balance							
Opening balance Apr 4/22	1,266,044	24,719	2,870	30,630	3,854	531,047	
Add / Less - Net receipts over disbursements	1,667,249	533,313	38	1,651	225	(514,936)	
Transfers between estate trust accounts	40,000	(40,000)					
Segregated Funds - Sale of 888 Whitefield Ave.	124,953						
Unreconciled difference	184						
Bank - Closing balance	<u>3,098,429</u>	<u>518,032</u>	<u>2,908</u>	<u>32,281</u>	<u>4,079</u>	<u>16,112</u>	(Note 3)

Notes:

- (1) Collected or paid by 1950979 Ontario Inc. on behalf of 1950941 Ontario Inc.
- (2) This expense was paid by 1950979 Ontario Inc. and/or 1950941 Ontario Inc. but relates to two or more of the entities set out in this schedule. This expense will be allocated in due course.
- (3) Represents the combined balance of both the company's TD Bank / CIBC account and the Liquidator's trust account.

APPENDIX M

Court File No.: CV-22-00679109-00CL

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

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

LIQUIDATOR'S AFFIDAVIT OF FEES

I, Bryan Gelman, of the City of Toronto, make oath and say as follows:

1. I am a Licenced Insolvency Trustee and principal of Albert Gelman Inc. ("**Liquidator**"), Liquidator of each of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc. and as such have knowledge of the facts herein deposed to.
2. The Liquidator has prepared invoices in connection with its fees as follows:
 - a. An account dated November 27, 2023 for the period from August 28 to November 24, 2023 of \$26,058.00, plus HST thereon;
 - b. An account dated December 31, 2023 for the period from November 26 to December 31, 2023 of \$12,457.50, plus HST thereon; and,
 - c. An account dated February 7, 2024 for the period from January 1 to February 6, 2024 of \$17,610.00, plus HST thereon.
3. A summary of the Liquidator's time by staff member is as follows:

Staff member	Position	Hours worked	Hourly rate	Total
			(\$)	(\$)
Bryan Gelman, CIRP, LIT	Senior Director	14.9	576.74	8,593.50
Joe Albert, CPA, CA, DIFA, CIRP, LIT	Senior Director	0.2	650.00	130.00
Tom McElroy, CPA, CA, CBV, CIRP, LIT	Director (Ontario)	35.5	522.27	18,540.50
Suzette Warner, CFE, CPA, CGA, FCCA	Senion Manager	69.8	413.05	28,831.00
Ashely Robinson	Estate Administrator	0.1	305.00	30.50
		<u>120.5</u>	<u>465.77</u>	<u>56,125.50</u>

4. The Liquidator's total fees are \$56,125.50, its total hours spent is 120.5 and, therefore, its average hourly rate is calculated to be \$465.77.
5. The Liquidator's accounts, including detailed time dockets, are attached hereto as **Exhibit "A"**.
6. This Affidavit is made in support of a motion to approve the accounts of Albert Gelman Inc. and for no improper purpose.

Sworn remotely by Bryan Gelman at Toronto, Ontario }
before me at Toronto, Ontario in accordance with }
O. Reg. 431/20, Administering Oath or Declaration }
Remotely, this 8th day of February 2024 }

 *Bryan Gelman*
SMKJ7HC1NYNC9R2T
Bryan Gelman



Thomas John McElroy, a Commissioner, etc.,
Province of Ontario, for Albert Gelman Inc.
Expires February 14, 2025

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Nov 27, 2023

Invoice No: 6708

Billing Through: Nov 24, 2023

File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-08-28	TMCELROY	Finalize Liquidator's affidavit; Review of Interim SRD and discuss same with S. Warner; Email to counsel re Court hearing;	3.50	\$495.00	\$1,732.50
2023-08-29	SWARNER	Meeting with T McElroy to review interim statement	0.50	\$395.00	\$197.50
2023-08-30	TMCELROY	Review of security opinion re CMHC mortgage prepared by counsel; Review draft notice of motion, AVO and general order; Review of counsel comments to Fourth Report; Amendments to Fourth Report; Finalize Fourth Report and send to B. Gelman; Assemble appendices and send to counsel;	4.50	\$495.00	\$2,227.50
2023-08-30	BGELMAN	Review of draft notice of motion and order and changes to report by Liquidator; First review of the Liquidator's fourth report to Court;	1.20	\$565.00	\$678.00
2023-08-30	BGELMAN	review and approval of Bank reconciliation for July 31, 2023 month end (5 accounts);	0.30	\$565.00	\$169.50
2023-08-30	SWARNER	Reviewed mail though Canada Post ; review cheque received from Danhew re property tax for 1824703 and instructions to I Chen re deposit ; c all with T McElroy regarding	0.40	\$395.00	\$158.00
2023-08-31	TMCELROY	Review and finalize Liquidators Interim SRD; Discuss with B. Gelman his comments re Fourth Report; Call with counsel re various matters;	2.60	\$495.00	\$1,287.00
2023-08-31	BGELMAN	Final review and changes to report to Fourth Court;	0.80	\$565.00	\$452.00
2023-09-01	TMCELROY	Update case website; Review of mortgage re requirement re nature of tenants; Review and respond to email from Forge H. re same;	1.00	\$495.00	\$495.00
2023-09-01	SWARNER	Call with Guardian to discuss unit 107 and 307 and reconciliation of rent accounts ; discussion with Forge Hamu re unit 101 and review Forge's follow-up email for verification	0.50	\$395.00	\$197.50
2023-09-01	BGELMAN	Review, comments and approval to Statement of Receipts and Disbursements;	0.20	\$565.00	\$113.00
2023-09-02	TMCELROY	Email to M. Sabek (CMHC) re status of mortgage approval;	0.20	\$495.00	\$99.00
2023-09-02	SWARNER	Prepared and file RT0002 returns for June & July 2023	1.80	\$395.00	\$711.00
2023-09-10	BGELMAN	Review of update email from Brendan Bissell re questions from Danny Nunes; request that Tom McElroy respond re reassessment of tax;	0.20	\$565.00	\$113.00
2023-09-10	TMCELROY	Email to BDO re status of tax objection; Email to B. Gelman re same;	0.20	\$495.00	\$99.00

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Nov 27, 2023
Invoice No: 6708
Billing Through: Nov 24, 2023
File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

2023-09-11	BGELMAN	Review of report to Court in order to attend hearing for approval and vesting order for sale of Whitefield; Emails to Purchaser and counsel re sale approval; Review of order and instructions to post on case website;	0.90	\$565.00	\$508.50
2023-09-11	TMCELROY	Discuss Court hearing and next steps with B. Gelman; Review and respond to correspondence from counsel; Review of Court Orders and Endorsement; Update case website;	1.10	\$495.00	\$544.50
2023-09-12	BGELMAN	Call from Steve McLaren re closing details; Call with Brendan Bissell re same; Collapse investment certificate;	0.30	\$565.00	\$169.50
2023-09-12	SWARNER	Reviewed and requisition payment for Guardian & EBB Cleaning	0.50	\$395.00	\$197.50
2023-09-13	SWARNER	Reviewed and actioned mail though Canada Post	0.50	\$395.00	\$197.50
2023-09-15	SWARNER	Detailed review of legal bill and requisition payment	0.30	\$395.00	\$118.50
2023-09-18	SWARNER	retrieved and reviewed Bell bills and requisition payment	0.30	\$395.00	\$118.50
2023-09-19	AROBINSON	Prepared August 2023 bank rec	0.10	\$305.00	\$30.50
2023-09-22	BGELMAN	Review of APS on Whitefield and respond to counsel re Estoppel certificates; Call from Brendan Bissell re same and review of his email to brokers changes to Schedule B;	0.80	\$565.00	\$452.00
2023-09-25	TMCELROY	Review and respond to correspondence from counsel re timing of closing sale;	0.10	\$495.00	\$49.50
2023-09-25	SWARNER	Call from CRA to discuss file status and closing of sale	0.20	\$395.00	\$79.00
2023-09-26	TMCELROY	Review and respond to correspondence from counsel;	0.10	\$495.00	\$49.50
2023-09-26	BGELMAN	Review and approval of draft email to realtor;	0.10	\$565.00	\$56.50
2023-09-26	SWARNER	Reviewed and responded to email from Forge Hamu regarding mold issue	0.20	\$395.00	\$79.00
2023-09-27	SWARNER	Reviewed lease agreement etc for new tenant and instructions to D Cherniak re set up of PAP	0.30	\$395.00	\$118.50
2023-09-27	BGELMAN	Review and approval of August 31, 2023 Bank Reconciliation (5 accounts); Call with counsel Brendan Bissell re estoppel certificates; email to property manager re same;	0.40	\$565.00	\$226.00
2023-09-28	TMCELROY	Review, consider and respond to correspondence from J. Becker (external accountant) re 2022 tax filings; Email to Marc Sabek (CMHC) re loan assumption;	0.30	\$495.00	\$148.50
2023-09-29	SWARNER	Updated rent roll with recent new rentals and send to CMHC as requested	0.50	\$395.00	\$197.50
2023-10-02	SWARNER	Reviewed mail through Canada Post	0.20	\$395.00	\$79.00

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Nov 27, 2023

Invoice No: 6708

Billing Through: Nov 24, 2023

File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

2023-10-04	TMCELROY	Review and respond to correspondence from J. Becker (external accountant) re preparation of 2022 tax returns;	0.20	\$495.00	\$99.00
2023-10-06	SWARNER	Reviewed and responded email from Forge re Schindler; reviewed and responded to email from Forge Hamu re tenant deposit	0.30	\$395.00	\$118.50
2023-10-09	SWARNER	Accounting and reconciliation for end of August and September 2023	6.00	\$395.00	\$2,370.00
2023-10-11	SWARNER	Email from Forge re Schinler bill ; reviewed bills and requisition payments for cleaning service and Guardian Property	0.60	\$395.00	\$237.00
2023-10-11	TMCELROY	Review and respond to correspondence from S. McLaren; Review and document financial statements for 1885926;	0.40	\$495.00	\$198.00
2023-10-12	BGELMAN	Review and response to requests from Steve McLaren; call from Brendan Bissell re closing details for Whitefield;	0.30	\$565.00	\$169.50
2023-10-12	TMCELROY	Review and approve financial statements and journal entries for 1950940, 1950941, 1827403 and 1853997;	1.00	\$495.00	\$495.00
2023-10-13	BGELMAN	Review and respond to email from real estate counsel re closing date;	0.10	\$565.00	\$56.50
2023-10-13	SWARNER	Commenced customer account reconciliation ; email with Guardian property regarding Estoppel	1.50	\$395.00	\$592.50
2023-10-14	TMCELROY	Review and approve draft financial statements and journal entries for 1950979;	0.30	\$495.00	\$148.50
2023-10-14	SWARNER	Updated tenants account to October 13th and Reconciliation of tenant account	2.50	\$395.00	\$987.50
2023-10-16	TMCELROY	Email to M. Sabek (CMHC) re status of loan assumption; Review of mortgage assumption approval letter;	0.40	\$495.00	\$198.00
2023-10-16	BGELMAN	Review of emails pertaining to Whitefield;	0.30	\$565.00	\$169.50
2023-10-16	SWARNER	Call with Forge Hamu regarding revision to estoppel agreement ; editing of rent roll	0.70	\$395.00	\$276.50
2023-10-17	SWARNER	Call with Forge Hamu to review information for estoppel and discuss tenants behind in payment	0.30	\$395.00	\$118.50
2023-10-18	BGELMAN	Call with Tom McElory re closing details for Whitefield property; call from Steve McLaren re closing details and memo to counsel re same;	0.40	\$565.00	\$226.00
2023-10-18	SWARNER	email with Steve McLaren regarding updated rent roll, property manager agreement and other matters ; call with Forge Hamu regarding property manager agreement among other things	0.50	\$395.00	\$197.50

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Nov 27, 2023

Invoice No: 6708

Billing Through: Nov 24, 2023

File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

Date	Client	Description	Hours	Rate	Amount
2023-10-19	BGELMAN	Review of email from counsel re purchase of Whitefield; call with B. Bissell re same; Review of intercompany matters relating to 1612328 and 2117467 Corps; Review of update memo from Le Nguyen re \$124k credit to purchaser; Call with Brendan Bissell re update on closing and details re CMHC \$125k funding;	1.10	\$565.00	\$621.50
2023-10-19	TMCELROY	Review and approve 2022 T2 for 1950979;	0.20	\$495.00	\$99.00
2023-10-20	BGELMAN	Call from Le Nguyen re Whitefield closing details; Approval of property tax payment of \$15k;	0.30	\$565.00	\$169.50
2023-10-20	SWARNER	Reviewed mail through Canada Post; call City of Peterborough regarding property tax ; requisition payment of final tax installment; retrieved and requisition payment of Bell bills	1.20	\$395.00	\$474.00
2023-10-22	SWARNER	generated individual tenant reports	3.00	\$395.00	\$1,185.00
2023-10-25	SWARNER	Meeting with Forge Hamu to review tenant accounts and print each individual statement report; call with Wendy R. of CRA regarding status of liquidation files	2.70	\$395.00	\$1,066.50
2023-10-26	SWARNER	Reviewed and requisition payments to BDO for year end financial and T2	0.70	\$395.00	\$276.50
2023-11-01	BGELMAN	Review and approval of proof of claim to be submitted in bankruptcy of Parkview Homes Inc.	0.20	\$565.00	\$113.00
2023-11-01	BGELMAN	Review and approval of September 30, 2023 bank reconciliations;	0.20	\$565.00	\$113.00
2023-11-02	TMCELROY	Review of historical bank statements re segregated funds from CMHC; Review and respond to correspondence from Le N. (counsel); Discuss various operational matters with S. Warner;	0.70	\$495.00	\$346.50
2023-11-02	BGELMAN	Review of email form counsel re assignment agreement and respond to same;	0.10	\$565.00	\$56.50
2023-11-08	BGELMAN	Review and sign amendment to APS;	0.20	\$565.00	\$113.00
2023-11-08	SWARNER	Reviewed and actioned mail; through Canada Post	0.50	\$395.00	\$197.50
2023-11-09	SWARNER	Review bills and requisition payments ; follow up email to Forge regarding insurance for snow removal company	0.50	\$395.00	\$197.50
2023-11-10	TMCELROY	Discuss with B. Bissell and B. Gelman to discuss insolvency of several companies, closing of sale of 888 Whitfield and other matters; Email to Henry C. re request T2 filing re change of control;	0.40	\$495.00	\$198.00
2023-11-10	BGELMAN	Call with Tom McElroy and Brendan Bissell re next steps following Whitefield closing;	0.30	\$565.00	\$169.50
2023-11-15	TMCELROY	Discuss next steps re liquidation process and other administration matters;	0.20	\$495.00	\$99.00

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Nov 27, 2023

Invoice No: 6708

Billing Through: Nov 24, 2023

File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

Date	Staff	Description	Hours	Rate	Amount
2023-11-20	SWARNER	Reviewed and action mail through Canada Post ; retrieved and requisition payment for Bell Canada	0.50	\$395.00	\$197.50
2023-11-21	TMCELROY	Review of Fifth Report drafted by counsel; Review of draft form of amended AVO;	1.00	\$495.00	\$495.00
2023-11-22	BGELMAN	Final review and signing of 5th report to court; Review and respond to email from Le Nguyen re payment of surplus;	0.60	\$565.00	\$339.00
2023-11-22	TMCELROY	Update case website;	0.30	\$495.00	\$148.50
2023-11-23	TMCELROY	Review and respond to correspondence from M. Sabek (CMHC) re amended approval order; Review of amended AVO and endorsement; Update case website;	0.50	\$495.00	\$247.50
2023-11-23	BGELMAN	Review of amended vesting order; review of emails from CMHC re closing; call from Brendan Bissell re closing details regarding \$125k from CMHC and instructions to counsel re same;	0.30	\$565.00	\$169.50
2023-11-24	SWARNER	Reviewed and process payments EB Commercial; final billing and fees	0.40	\$395.00	\$158.00

Total Fees: \$26,058.00

HST/GST: \$3,409.58

Summary by Staff:

Staff	Role	Hours	Rate	Amount
Ashley Robinson	(Estate Administrator)	0.10	\$305.00	\$30.50
Bryan A. Gelman	(Principal, CIRP LIT)	9.60	\$565.00	\$5,424.00
Suzette Warner	(CFE,CPA,CGA,FCCA)	28.10	\$395.00	\$11,099.50
Tom McElroy	(Director, CPA CBV CIRP LIT)	19.20	\$495.00	\$9,504.00

Disbursements:

PHOTOCOPIES:
 POSTAGE:

Total Disbursements: _____

HST/GST:

Amount Due This Invoice: \$29,653.65

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
c/o Albert Gelman Inc., Court-Appointed Liquidator
Toronto, ON M5H 3G2

Invoice

Invoice Date: Nov 27, 2023

Invoice No: 6708

Billing Through: Nov 24, 2023

File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$26,072.66
TOTAL HST/GST:	\$3,411.49
TOTAL AMOUNT DUE:	\$29,653.65

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Dec 31, 2023
Invoice No: 6910
Billing Through: Dec 31, 2023
File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-10-06	BGELMAN	Call with Brendan Bissell re real estate closing; email to property manager re estoppel certificates; respond to same;	0.30	\$565.00	\$169.50
2023-11-25	BGELMAN	Review and approval of final statement of adjustments for Whitefield sale;	0.20	\$565.00	\$113.00
2023-11-25	SWARNER	revised information for statement of adjustments	0.60	\$395.00	\$237.00
2023-11-28	TMCELROY	Voicemail from S. McLaren re closing of 888 Whitefield; Correspondence to/from CMHC re same; Email to insurance broker re renewal of policy re 888 Whitefield; Review of statement of adjustment and Direction letter and comments to B. Gelman re same;	1.00	\$495.00	\$495.00
2023-11-28	SWARNER	Reviewed various email regarding sales process; returned call to Steve McLaren regarding December rent an mortgage payment and process after closing	0.50	\$395.00	\$197.50
2023-11-28	BGELMAN	Review of emails pertaining to closing of property sale, insurance and final adjustments; Review and signing of closing documents from counsel for Liquidator; call with Brendan Bissell re \$125k set aside from purchaser;	0.60	\$565.00	\$339.00
2023-11-29	BGELMAN	Review of statement of adjustments for Whitefield; call with Tom McElroy re closing details;	0.20	\$565.00	\$113.00
2023-11-29	SWARNER	Reviewed and confirmed CMHC payments ; call with forge regarding closing ; review and respond to several emails on closing matters; review, approve and requisition payment re legal bill	1.50	\$395.00	\$592.50
2023-11-29	TMCELROY	Emails to counsel re closing matters; Discuss closing matters with respect to 888 Whitefield with S. Warner;	0.50	\$495.00	\$247.50
2023-11-30	BGELMAN	Review and sign loan assumption document; Call with Le Nguyen to commission sale documents for Whitefield;	0.30	\$565.00	\$169.50
2023-11-30	SWARNER	review and respond with several matters regarding sale and statement of adjustment ; prepared draft tenant notice as requested by buyer ; discussion with Forge re status of sale and next steps	1.00	\$395.00	\$395.00
2023-12-01	TMCELROY	Review and sign Liquidator's certificate re closing of 888 Whitefield; Discuss notice to new tenant with S. Warner;	0.30	\$495.00	\$148.50

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 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Dec 31, 2023
Invoice No: 6910
Billing Through: Dec 31, 2023
File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

2023-12-01	SWARNER	Reviewed email regarding rent roll and provided clarification ; email to Le N re proposed notice to tenants ; respond to email from buyer Lawyer regarding key, access etc and utility cut off date ; prepare detailed email to Steve regarding utility and other services for transfer or new account and provided copies of elevator maintenance report and fire inspection documents ; instructions to D Cherniak re deposit ; instructions to D Cherniak & Ivy C regarding PAP and post dated cheques	1.80	\$395.00	\$711.00
2023-12-02	SWARNER	Octobers accounting and reconciliations and HST	5.50	\$395.00	\$2,172.50
2023-12-03	SWARNER	Accounting and reconciliation for November 2023 ; detailed tenant review	5.00	\$395.00	\$1,975.00
2023-12-04	SWARNER	Meeting with Forge Hamu for detailed review of updated tenant analysis and steps for collecting any outstanding amounts ; edited notice to tenants	1.50	\$395.00	\$592.50
2023-12-04	TMCELROY	Review of trust ledger and statement of adjustments; Emails from counsel; Prepare and post journal entry to record sale; Instructions to D. Cherniak re wire transfer;	1.70	\$495.00	\$841.50
2023-12-05	SWARNER	Finalized notice to tenants ; call with Steve McLaren to discuss notice and other matters; detailed follow-up email to Steve with copy of notice and additional information on utilities ; email to Forge Hamu with directions regarding notice etc ; call with Forge to discuss collection and close out matters	1.50	\$395.00	\$592.50
2023-12-05	TMCELROY	Discuss banking matters with D. Cherniak; Email to D. Worr re return of funds to counsel re overpayment;	0.20	\$495.00	\$99.00
2023-12-06	BGELMAN	Review and approval of October, 2023 bank reconciliation (5 accounts);	0.20	\$565.00	\$113.00
2023-12-06	SWARNER	Reviewed and requisition payment to Guardian Property & BDO	0.60	\$395.00	\$237.00
2023-12-07	SWARNER	Reviewed email from Forge Hamu regarding unit 305 ; reviewed bank account for additional deposits and responded to Forge re unit 305 and 308	0.40	\$395.00	\$158.00
2023-12-12	TMCELROY	Review and approve solicitor accounts; Instructions to D. Cherniak re banking matters;	0.20	\$495.00	\$99.00
2023-12-12	SWARNER	Call from Gemakas and Wendy Shallow regarding rent payments ; call from Steve McLaren re Guardian agreement and December rent	0.70	\$395.00	\$276.50
2023-12-13	TMCELROY	Voicemail from CRA officer re notice of objection re self-supply interest and penalties; Instructions to S. Warner re same;	0.10	\$495.00	\$49.50

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Dec 31, 2023
Invoice No: 6910
Billing Through: Dec 31, 2023
File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

Date	Staff	Description	Hours	Rate	Amount
2023-12-14	SWARNER	Call with CRA to discuss HST objection and provided update to BDO ; reconciliation of December rent collection	1.10	\$395.00	\$434.50
2023-12-15	SWARNER	Reviewed and responded to email from Forge Hamu re rent follow-up	0.20	\$395.00	\$79.00
2023-12-19	TMCELROY	Review of backup of refund to purchaser re rent overpayment; Sign wire transfer re same;	0.20	\$495.00	\$99.00
2023-12-30	SWARNER	File review prepared and file RT0002 returns up to November 2023	1.80	\$395.00	\$711.00

Total Fees: \$12,457.50
HST/GST: \$1,619.48

Summary by Staff:

Staff	Hours	Rate	Amount
Bryan A. Gelman (Principal, CIRP LIT)	1.80	\$565.00	\$1,017.00
Suzette Warner (CFE, CPA, CGA, FCCA)	23.70	\$395.00	\$9,361.50
Tom McElroy (Director, CPA CBV CIRP LIT)	4.20	\$495.00	\$2,079.00

Amount Due This Invoice: \$14,076.99

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$12,457.50
TOTAL HST/GST:	\$1,619.48
TOTAL AMOUNT DUE:	\$14,076.99

Payment of this account is due on receipt
 HST Registration # 83741 9514 RT0001

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Feb 7, 2024

Invoice No: 6974

Billing Through: Feb 6, 2024

File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2024-01-03	SWARNER	File review and prepared letter to TD Bank to freeze bank account	0.60	\$465.00	\$279.00
2024-01-03	JALBERT	Teams call S Warner re: signing authorities at TD bank and sign authorization letter to TD freeze account	0.20	\$650.00	\$130.00
2024-01-03	BGELMAN	Review and approval of letter to TD Bank to freeze account;	0.10	\$615.00	\$61.50
2024-01-04	SWARNER	Reviewed email from GFL and call and email regarding account closure	0.40	\$465.00	\$186.00
2024-01-07	BGELMAN	Review and approval of bank reconciliations for the month of November 2023;	0.20	\$615.00	\$123.00
2024-01-08	TMCELROY	Call with S. McLaren re rents to 888 Whitefield and other matters;	0.20	\$575.00	\$115.00
2024-01-08	BGELMAN	Review of memo from counsel re \$50k held as deposit from Paul D. and emails with counsel re same;	0.20	\$615.00	\$123.00
2024-01-09	BGELMAN	Call with Brendan Bissell re Parkview homes Inc. bankruptcy and collection from Steve McLaren and related co., bankruptcy of 3 other related corporations and next steps for claims process for Whitefield and 182 Corp;	0.90	\$615.00	\$553.50
2024-01-17	TMCELROY	Review and consider letter from CRA re response to HST objection; Correspondence from Kenneth K. (BDO); Voicemail from Rhonda White (CRA appeals) re status of application of adjustment;	0.30	\$575.00	\$172.50
2024-01-17	SWARNER	Reviewed letter from CRA re objection and forward to BDO for review; call with Steve McLaren re CARMA and rent deposit ; reviewed bank account and rent schedule to confirm additional deposit by tenants and confirm CARMA cheque received; email to Henry to advise of amounts received and GFL deduction; reviewed HST refund from CRA and updated file accordingly; considered and responded to email from BDO regarding year end accounting	1.10	\$465.00	\$511.50
2024-01-18	SWARNER	Responded to email from McLaren re property tax and operating statement ; review and requisition payment for legal bills	0.50	\$465.00	\$232.50
2024-01-22	SWARNER	Reviewed and responded to email from McLaren's office re operating statement; reviewed and process payment for Guardian Property for Dec 2023	0.60	\$465.00	\$279.00
2024-01-24	BGELMAN	Meeting with Tom McElroy re next steps in relation to claims process and report to Court; email to Brendan Bissell re same;	0.20	\$615.00	\$123.00

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Feb 7, 2024

Invoice No: 6974

Billing Through: Feb 6, 2024

File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2024-01-26	BGELMAN	Call with Suzette Warner re preparation of tax returns for all entities and next steps for payment of tax;	0.20	\$615.00	\$123.00
2024-01-26	TMCELROY	Draft Liquidators Sixth Report to Court;	4.50	\$575.00	\$2,587.50
2024-01-27	TMCELROY	Email to J. Becker (BDO) re engagement letters;	0.10	\$575.00	\$57.50
2024-01-27	SWARNER	Update December accounting and reconciliations	4.00	\$465.00	\$1,860.00
2024-01-29	BGELMAN	Review and comments to income statement prepared by S. Warner;	0.10	\$615.00	\$61.50
2024-01-29	TMCELROY	Discuss claims process with B. Gelman; Email to counsel re claims solicitation process;	0.50	\$575.00	\$287.50
2024-01-29	SWARNER	Finalized Park view accounting and generate property level P&L ; call from Steve's office re 888 Whitefield cleaning ; GFL account switch over	2.50	\$465.00	\$1,162.50
2024-01-30	SWARNER	Call from Garret re \$124k and email to B Gelman accordingly; email from Forge H. re rent verification and review ledger and responded accordingly	0.30	\$465.00	\$139.50
2024-01-31	BGELMAN	Consider issues relating to \$125k holdback on sale and response to Steve McLaren;	0.10	\$615.00	\$61.50
2024-01-31	SWARNER	pull statements and canceled cheque and responded to email from Garret re property tax	0.20	\$465.00	\$93.00
2024-02-02	TMCELROY	Correspondence from counsel re transfer of title of 888 Whitfield;	0.10	\$575.00	\$57.50
2024-02-02	BGELMAN	Review and respond to email from counsel re court hearing and next steps;	0.10	\$615.00	\$61.50
2024-02-02	BGELMAN	Review and approval of December 31, 2023 bank reconciliation; (for multiple accounts)	0.20	\$615.00	\$123.00
2024-02-05	TMCELROY	Call with counsel to discuss claims process and request to assign several of the companies into bankruptcy; Continue drafting Sixth Report of the Receiver; Discuss same with B. Gelman;	4.20	\$575.00	\$2,415.00
2024-02-05	BGELMAN	Attend call with Joel Turgeon, Brendan Bissell and Tom McElroy re purpose of hearing; review and comments to draft report to Court; Update call with Tom McElroy re solvency test and relief sought at upcoming hearing;	1.20	\$615.00	\$738.00
2024-02-06	TMCELROY	Review and sign six engagement letters with BDO Canada Ltd. re preparation of fiscal 2023 financial statements and T2 corporate income tax returns; Discuss same with S. Warner; Prepare Liquidator's affidavit;	2.20	\$575.00	\$1,265.00
2024-02-06	SWARNER	Updated and reconciled January accounting and prepared interim statement for report to Court	7.80	\$465.00	\$3,627.00

Total Fees: \$17,610.00

1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
 c/o Albert Gelman Inc., Court-Appointed Liquidator
 Toronto, ON M5H 3G2

Invoice

Invoice Date: Feb 7, 2024

Invoice No: 6974

Billing Through: Feb 6, 2024

File ID: PARKVIEWLIQUIDATION

Re: Court Appointed Liquidation

HST/GST: \$2,289.30

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	3.50	\$615.00	\$2,152.50
Joe E. Albert (CIRP, CPA, DIFA. LIT)	0.20	\$650.00	\$130.00
Suzette Warner (CFE, CPA, CGA, FCCA)	18.00	\$465.00	\$8,370.00
Tom McElroy (Director, CPA CBV CIRP LIT)	12.10	\$575.00	\$6,957.50

Disbursements:

PHOTOCOPIES:
 POSTAGE:
 SEARCH FEES:

Total Disbursements: _____

HST/GST: _____

Amount Due This Invoice: \$20,119.33

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$17,804.70
TOTAL HST/GST:	\$2,314.63
TOTAL AMOUNT DUE:	\$20,119.33

Payment of this account is due on receipt
 HST Registration # 83741 9514 RT0001

APPENDIX N

Court File No. CV-22-00679109-00CL

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

B E T W E E N:

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

APPLICATION UNDER SECTIONS 207, 209 AND 210 OF THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16

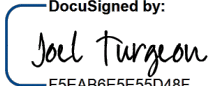
FEE AFFIDAVIT

**AFFIDAVIT OF R. BRENDAN BISSELL
(sworn February 14, 2024)**

I, **R. BRENDAN BISSELL**, of the City of Toronto, hereby MAKE OATH AND SAY:

1. I am a barrister and solicitor qualified to practice in the Province of Ontario and am a partner at the law firm of Reconstruct LLP and therefore have knowledge of the matters in this affidavit. Where this affidavit is based on information and belief, I have stated the source of that information and believe it to be true.
2. Reconstruct LLP are lawyers of record for Albert Gelman Inc. in its capacity as the Court-appointed liquidator (the "**Liquidator**") of the assets and estates of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.
3. Attached as **Exhibit "A"** to this affidavit are copies of the invoices rendered by Reconstruct LLP to the Liquidator for fees and disbursements incurred by Reconstruct LLP in this proceeding for the period from August 1, 2023 to January 31, 2024.

This is **Exhibit "A"** to the Affidavit of **R. Brendan Bissell** SWORN REMOTELY by BRENDAN BISSELL stated as being located in the City of Toronto in the Province of Ontario before me at the City of Toronto, in the Province of Ontario this 14th day of February, 2024, in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely*.

DocuSigned by:

F5EAB8E5E55D48F...

A Commissioner, etc.
Joel Turgeon

**INVOICE**

Invoice # 495594
Date: 09/06/2023
Due On: 10/06/2023

200 Bay Street, Suite 2305, P.O. Box 120
Toronto, ON
M5J 2J3
T: 416.613.8280
F: 416.613.8290

Albert Gelman Inc.
100 Simcoe Street, Suite 125
Toronto, ON
M5H 3G2

00266-Albert Gelman Inc.**Liquidation of 1950941 Ontario Inc.****Services**

Date	Description	Hours	Rate	Total	LP
07/06/2023	Review of emails between B. Gelman and D. Watkins re: further offers during the conditional period on an accepted offer. Email to B. Gelman re: issues with same. Review of further emails re: further offers conditional on the existing offer not going firm.	0.40	\$595.00	\$238.00	BB
07/13/2023	Emails and call with D. Nunes re: status of the conditional offer on 888 Whitefield and timing of the current conditions.	0.30	\$595.00	\$178.50	BB
08/11/2023	Emails with T. McElroy re: independent security opinion on the CMHC mortgage for sale approval. Conference with S. Parsons re: same and timing. Emails with the Court and with counsel for the shareholders re: court date.	0.70	\$595.00	\$416.50	BB
08/14/2023	Conference with J. Turgeon re: preparation of materials for court approval of the 888 Whitefield transaction. Email to L. Nguyen re: closing arrangements for same.	0.40	\$595.00	\$238.00	BB
08/15/2023	Correspondence re: status and next steps; working session with B. Bissell re: same.	0.20	\$485.00	\$97.00	JT
08/15/2023	Emails with D. Nunes re: status of the application for bankruptcy order as against Parkview Homes. Email to and call with L. Nguyen re: closing arrangements on sale of Whitefield.	0.70	\$595.00	\$416.50	BB
08/21/2023	Review of mortgage documents regarding security opinion; Drafting security opinion	1.00	\$385.00	\$385.00	SP

08/22/2023	Review of possible claim by D. Watkins against P. Dietrich's company and emails with J. Turgeon re: same.	0.40	\$595.00	\$238.00	BB
08/23/2023	Emails with B. Gelman re: claims by D. Watkins.	0.40	\$595.00	\$238.00	BB
08/24/2023	Telephone call and emails with B. Gelman re: positions of D. Watkins on commission claims from the prior deal with P. Dietrich's company. Emails with J. Turgeon re: preparation of draft motion materials and issues for same. Emails with G. Weedon re: claims by D. Watkins against P. Dietrich's company for the failed transaction.	1.20	\$595.00	\$714.00	BB
08/25/2023	Telephone call with B. Gelman re: conflict issues for retainer of L. Nguyen. Email to L. Nguyen re: same. Emails with T. McElroy re: timing of motion materials for sale approval motion.	0.40	\$595.00	\$238.00	BB
08/27/2023	Review of file, including past reports and motion materials; review of documents and correspondence re: sale process, assignment of CMHC mortgage, and related matters; review and draft report of liquidator in support of motion for approval and vesting order, approval of fees and activities, and related relief; attendant tasks and verifications.	4.20	\$485.00	\$2,037.00	JT
08/28/2023	Further review of mortgage documents regarding security opinion; Further drafting security opinion; Correspondence with B. Bissell regarding security opinion	4.40	\$385.00	\$1,694.00	SP
08/28/2023	Further draft report of liquidator in support of motion for approval and vesting order, approval of fees and activities, and related relief; further attendant documentary review; draft notice of motion; draft approval and vesting order; review of title for subject property; related tasks.	2.10	\$485.00	\$1,018.50	JT
08/28/2023	Reviewed the draft order to ensure it matched with corresponding documents (e.g. parcel register); reviewed amendments made to the purchase and sale agreement	1.50	\$325.00	\$487.50	SJ
08/29/2023	Draft ancillary order; related verifications.	0.30	\$485.00	\$145.50	JT
08/29/2023	Review of draft security opinion. Review of draft approval and vesting order and email to J. Turgeon re: proposed deletion of a city registration. Review of revised draft report. Email to T. McElroy re: comments on draft report.	1.30	\$595.00	\$773.50	BB
08/30/2023	Swear affidavit of fees; call with T. McElroy re: status and next steps; review of documents following comments from B. Bissell; related tasks and correspondence.	0.40	\$485.00	\$194.00	JT
08/30/2023	Preparation of fee affidavit. Emails with T. McElroy re: further changes to the report and whether to seek a court order for assignment of the CMHC mortgage.	0.40	\$595.00	\$238.00	BB
08/31/2023	Call with T. McElroy re: review of appendices to report, finalization of report, redaction of confidential exhibits, and related matters; finalize draft orders and notice of motion; finalize motion record; draft factum in support of motion for approval and vesting order, approval of fees and activities,	5.50	\$485.00	\$2,667.50	JT

and related relief; legal research into same; related tasks, correspondence and verifications.

08/31/2023	Identified a case where there was a liquidation under a vesting order under the BCA; reviewed schedule A and B of factum	3.50	\$325.00	\$1,137.50	SJ
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Quantity Subtotal 29.7

Services Subtotal \$13,790.50

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
08/29/2023	Expense	Ecore (Corp searches, PPSAs, Parcel Searches etc.): Corp profile search on 1950979 ON INC.	1.00	\$32.30	\$32.30	\$36.50
08/29/2023	Expense	Ecore (Corp searches, PPSAs, Parcel Searches etc.): Search on registration PE315067	1.00	\$30.62	\$30.62	\$34.60
Expenses Subtotal						\$62.92

Time Keeper	Hours	Rate	Total
Brendan Bissell	6.6	\$595.00	\$3,927.00
Shaun Parsons	5.4	\$385.00	\$2,079.00
Joel Turgeon	12.7	\$485.00	\$6,159.50
Simran Joshi	5.0	\$325.00	\$1,625.00
Quantity Total			29.7
Subtotal			\$13,853.42
Tax (13.0%)			\$1,800.94
Total			\$15,654.36
Payment (10/03/2023)			-\$15,654.36
Balance Owing			\$0.00

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
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495829	01/18/2024	\$9,406.12	\$0.00	\$9,406.12
495897	02/08/2024	\$353.69	\$0.00	\$353.69

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495594	10/06/2023	\$15,654.36	\$15,654.36	\$0.00
			Outstanding Balance	\$9,759.81
			Total Amount Outstanding	\$9,759.81

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days.

HST No.: 737783274 RT 0001

**INVOICE**

Invoice # 495699
Date: 10/16/2023
Due On: 11/15/2023

200 Bay Street, Suite 2305, P.O. Box 120
Toronto, ON
M5J 2J3
T: 416.613.8280
F: 416.613.8290

Albert Gelman Inc.
100 Simcoe Street, Suite 125
Toronto, ON
M5H 3G2

00266-Albert Gelman Inc.**Liquidation of 1950941 Ontario Inc.****Services**

Date	Description	Hours	Rate	Total	LP
09/01/2023	Finalize and serve factum in support of motion for approval and vesting orders and related relief; attendant verifications, correspondence and tasks.	0.80	\$485.00	\$388.00	JT
09/01/2023	Review of draft factum for the Sept. 11 motion.	0.20	\$595.00	\$119.00	BB
09/07/2023	Cover letter for confidential appendices to report of liquidator to judge overseeing upcoming motion.	0.20	\$485.00	\$97.00	JT
09/07/2023	Emails with D. Nunes re: closing issues for 888 Whitefield and possible distribution issues for argument.	0.40	\$595.00	\$238.00	BB
09/09/2023	Review of email from D. Nunes re: issues for completion of the administration of the estates and reply email re: same.	0.40	\$595.00	\$238.00	BB
09/10/2023	Prepare oral representations for hearing on motion for approval and vesting order, including review of pleadings, report and appendices; related tasks and verifications.	1.90	\$485.00	\$921.50	JT
09/11/2023	Prepare for and represent liquidator at hearing on liquidator's motion for approval and vesting orders and attendant relief; finalize orders for court's execution and cover letter to judge re: same; related tasks and correspondence.	1.50	\$485.00	\$727.50	JT
09/13/2023	Review of title searches and issues; email to L. Nguyen re: two PIN's for the 888 Whitefield property and how to proceed re: same.	0.60	\$595.00	\$357.00	BB

09/22/2023	Review of email from D. Watkins re: requirement for estoppel certificates; review of signed agreement and prior communications re: same; email to B. Gelman re: same; emails with D. Nunes re: timing of the application for bankruptcy order as against Parkview Homes and of the closing of the sale of the 888 Whitefield property.	1.70	\$595.00	\$1,011.50	BB
09/25/2023	Emails with D. Nunes re: timing of closing of the 888 Whitefield property and disconnect between the comments in the report and the provisions of the agreement.	0.30	\$595.00	\$178.50	BB
09/26/2023	Preparation of draft email to D. Watkins re: alterations to Schedule B in the Liquidator's standard form offer.	0.40	\$595.00	\$238.00	BB
09/27/2023	Review of response from D. Watkins; reply email re: same.	0.40	\$595.00	\$238.00	BB
				Quantity Subtotal	8.8
				Services Subtotal	\$4,752.00

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
09/11/2023	Expense	Court Filing: Filing Motion Record of the Liquidator dated 31-AUG-2023 and Factum of the Liquidator dated 1-SEPT-2023	1.00	\$339.00	\$339.00	\$383.07
					Expenses Subtotal	\$339.00

Time Keeper	Hours	Rate	Total	
Brendan Bissell	4.4	\$595.00	\$2,618.00	
Joel Turgeon	4.4	\$485.00	\$2,134.00	
			Quantity Total	8.8
			Subtotal	\$5,091.00
			Tax (13.0%)	\$661.83
			Total	\$5,752.83
			Payment (11/30/2023)	-\$5,752.83
			Balance Owning	\$0.00

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495829	01/18/2024	\$9,406.12	\$0.00	\$9,406.12
495897	02/08/2024	\$353.69	\$0.00	\$353.69

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495699	11/15/2023	\$5,752.83	\$5,752.83	\$0.00
			Outstanding Balance	\$9,759.81
			Total Amount Outstanding	\$9,759.81

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days.

HST No.: 737783274 RT 0001

**INVOICE**

Invoice # 495825
Date: 11/15/2023
Due On: 12/15/2023

200 Bay Street, Suite 2305, P.O. Box 120
Toronto, ON
M5J 2J3
T: 416.613.8280
F: 416.613.8290

Albert Gelman Inc.
100 Simcoe Street, Suit e 125
Toronto, ON
M5H 3G2

00266-Albert Gelman Inc.**Liquidation of 1950941 Ontario Inc.**

Date	Description	Hours	Rate	Total	LP
10/05/2023	Correspondence re: agent's changes to documents; related verifications.	0.30	\$485.00	\$145.50	JT
10/05/2023	Emails with G. Weedon re: position of D. Watkins.	0.40	\$595.00	\$238.00	BB
10/10/2023	Review of Oct. 10, 2023 endorsement of Associate Justice Rappos; review of file for information requested in the endorsement and email to the Court re: same.	0.50	\$595.00	\$297.50	BB
10/12/2023	Review of emails from S. McLaren and the real estate lawyers re: closings issues; telephone call with B. Gelman re: request by S. McLaren for company funds and email re: same.	0.60	\$595.00	\$357.00	BB
10/13/2023	Correspondence and review re: closing of real estate transaction and bankruptcy order.	0.30	\$485.00	\$145.50	JT
10/13/2023	Receipt of court endorsement and order adjudging Parkview Homes Inc. as bankrupt; emails with D. Nunes re: same; email to B. Gelman re: bankruptcy and next steps.	0.60	\$595.00	\$357.00	BB
10/18/2023	Emails with B. Gelman re: trial balance for Parkview Homes Inc. and amounts owing to the company; emails with L. Nguyen and B. Gelman re: requests from S. McLaren re: manner of taking title to 888 Whitefield and issues with same.	0.90	\$595.00	\$535.50	BB
10/19/2023	Memoranda re: closing status and potential issues; related verifications.	0.30	\$485.00	\$145.50	JT
10/19/2023	Review of correspondence among the real estate lawyers re:	0.60	\$595.00	\$357.00	BB

	company that is taking title; email to B. Gelman re: issues with same and need to possibly amend the approval and vesting order.				
10/20/2023	Memorandum from and correspondence with L. Nguyen re: verifications related to adjacent parcel and suggested actions.	0.30	\$485.00	\$145.50	JT
10/25/2023	Correspondence re: adjacent parcels and potential need for amendment of AVO and APA; correspondence re: status of bankruptcy and closing on real estate transaction.	0.30	\$485.00	\$145.50	JT
10/25/2023	Review of email from L. Nguyen re: extra PIN owned by 195979 Ontario Inc. and need to transfer it with the main PIN; review of email from lawyers for S. McLaren re: wish to close the purchase of 888 Whitefield in a different company; telephone call with B. Gelman re: same and possible costs of a motion to amend the Approval and Vesting Order; email to L. Nguyen re: same.	1.10	\$595.00	\$654.50	BB
10/26/2023	Email from D. Nunes re: issues in the Parkview Homes bankruptcy; email to and telephone call with B. Gelman re: same; reply email to D. Nunes re: same.	0.60	\$595.00	\$357.00	BB
				Quantity Subtotal	6.8

Time Keeper	Hours	Rate	Total
Brendan Bissell	5.3	\$595.00	\$3,153.50
Joel Turgeon	1.5	\$485.00	\$727.50
			Quantity Total
			6.8
			Subtotal
			\$3,881.00
			Tax (13.0%)
			\$504.53
			Total
			\$4,385.53
			Payment (12/19/2023)
			-\$4,385.53
			Balance Owing
			\$0.00

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495829	01/18/2024	\$9,406.12	\$0.00	\$9,406.12

495897	02/08/2024	\$353.69	\$0.00	\$353.69
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Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495825	12/15/2023	\$4,385.53	\$4,385.53	\$0.00
			Outstanding Balance	\$9,759.81
			Total Amount Outstanding	\$9,759.81

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days.

HST No.: 737783274 RT 0001

**INVOICE**

Invoice # 495829
Date: 12/19/2023
Due On: 01/18/2024

200 Bay Street, Suite 2305, P.O. Box 120
Toronto, ON
M5J 2J3
T: 416.613.8280
F: 416.613.8290

Albert Gelman Inc.
100 Simcoe Street, Suite 125
Toronto, ON
M5H 3G2

00266-Albert Gelman Inc.**Liquidation of 1950941 Ontario Inc.****Services**

Date	Description	Hours	Rate	Total	LP
11/02/2023	Emails with T. McElroy re: target closing date for 888 Whitefield and snow removal contracting. Telephone call with L. Nguyen re: amending agreement to add the adjacent sliver of land. Review of draft agreement and email to L. Nguyen re: issues with same and proposed revisions.	0.70	\$595.00	\$416.50	BB
11/03/2023	Correspondence re closing and amendment to AVO.	0.20	\$485.00	\$97.00	JT
11/03/2023	Emails with L. Nguyen re: suggested alternate drafting for the amendment to the agreement of purchase and sale re: assignment issues.	0.30	\$595.00	\$178.50	BB
11/06/2023	Emails with D. Nunes and B. Gelman re: meeting of creditors of Parkview Homes Inc. and materials for same.	0.30	\$595.00	\$178.50	BB
11/07/2023	Emails and telephone call with B. Gelman re: adjusting entries in the books of Parkview Homes Inc. and possible issues with same, and next steps for review.	0.80	\$595.00	\$476.00	BB
11/10/2023	Preparation for and attendance at meeting of creditors in the bankruptcy of Parkview Homes Inc.; telephone call thereafter with B. Gelman re: next steps in that bankruptcy and in the sale efforts for 888 Whitefield and instructions to amend the Approval and Vesting Order.	1.80	\$595.00	\$1,071.00	BB
11/14/2023	Emails with D. Nunes re: earlier Parkview Homes financial statements and plans for distribution and claims processes; conference with J. Turgeon re: motion to amend the	0.60	\$595.00	\$357.00	BB

Approval and Vesting Order for 888 Whitefield.						
11/21/2023		Correspondence with court re: time for hearing; draft report of liquidator in support of motion for amended AVO; draft notice of motion and draft amended AVO; call with L. Nguyen re: details of title and Land Registry officers' decision; review documents of title; correspondence with client re: same; related tasks and verifications.	2.90	\$485.00	\$1,406.50	JT
11/22/2023		Final review and finalization of all materials; package motion record in accordance with electronic filing rules and best practices; serve same; related tasks, verifications and correspondence.	1.20	\$485.00	\$582.00	JT
11/22/2023		Review of and revisions to draft motion materials for an amended approval and vesting order for the sale of 888 Whitefield; telephone call with B. Gelman re: request by the purchaser of 888 Whitefield for credit for the \$125,000 reserve that should have been kept; emails with L. Nguyen and with counsel for the purchaser re: same; further emails with purchaser's counsel re: funds on hand at the date of appointment.	1.40	\$595.00	\$833.00	BB
11/23/2023		Prepare for and attend court re: amended AVO; ensure issuance, filing and service of order; correspondence and verifications re: closing; related tasks.	0.80	\$485.00	\$388.00	JT
11/23/2023		Preparation for and attendance at Zoom meeting with L. Nguyen, Z. Khan and G. Nichols re: issues in the approx. \$125,000 reserve that should have been kept by the company that owns 888 Whitefield and impact on closing arrangements.	0.60	\$595.00	\$357.00	BB
11/28/2023		Review of closing documents from L. Nguyen. Review of prior reports of the Liquidator; report to B. Gelman re: funds on hand at the date of appointment and impact on the \$125,000 reserve being claimed by the purchaser of 888 Whitefield; telephone call with B. Gelman re: same and re: seeking court direction.	2.20	\$595.00	\$1,309.00	BB
11/30/2023		Correspondence re: closing.	0.20	\$485.00	\$97.00	JT
11/30/2023		Emails with D. Nunes re: amounts available for distribution from 1950979 Ontario Inc. and timing of same.	0.40	\$595.00	\$238.00	BB
					Quantity Subtotal	14.4
					Services Subtotal	\$7,985.00

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
11/22/2023	Expense	Court Filing: Filing Motion Record.	1.00	\$339.00	\$339.00	\$383.07
					Expenses Subtotal	\$339.00

Time Keeper	Hours	Rate	Total
Brendan Bissell	9.1	\$595.00	\$5,414.50
Joel Turgeon	5.3	\$485.00	\$2,570.50
Quantity Total			14.4
Subtotal			\$8,324.00
Tax (13.0%)			\$1,082.12
Total			\$9,406.12

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495897	02/08/2024	\$353.69	\$0.00	\$353.69

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495829	01/18/2024	\$9,406.12	\$0.00	\$9,406.12
Outstanding Balance				\$9,759.81
Total Amount Outstanding				\$9,759.81

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address: Royal Bank of Canada
Main Branch - Toronto
Royal Bank Plaza
200 Bay Street
Toronto, ON M5J 2J5

Account Number: 1570423
Transit Number: 00002
Bank Number: 003

Name/Account #: Reconstruct LLP

SWIFT: ROYCCAT2

Payment by e-transfer: accounts payable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 495829 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

**INVOICE**

Invoice # 495897
Date: 01/09/2024
Due On: 02/08/2024

200 Bay Street, Suite 2305, P.O. Box 120
Toronto, ON
M5J 2J3
T: 416.613.8280
F: 416.613.8290

Albert Gelman Inc.
100 Simcoe Street, Suit e 125
Toronto, ON
M5H 3G2

00266-Albert Gelman Inc.**Liquidation of 1950941 Ontario Inc.**

Date	Description	Hours	Rate	Total	LP
12/01/2023	Correspondence re: closing; completion of liquidator's certificate.	0.20	\$485.00	\$97.00	JT
12/01/2023	Emails with L. Nguyen re: flow of funds at closing.	0.20	\$595.00	\$119.00	BB
12/12/2023	Correspondence regarding registration of transfer and related issues.	0.20	\$485.00	\$97.00	JT
Quantity Subtotal					0.6

Time Keeper	Hours	Rate	Total
Brendan Bissell	0.2	\$595.00	\$119.00
Joel Turgeon	0.4	\$485.00	\$194.00
Quantity Total			0.6
Subtotal			\$313.00
Tax (13.0%)			\$40.69
Total			\$353.69

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495829	01/18/2024	\$9,406.12	\$0.00	\$9,406.12

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495897	02/08/2024	\$353.69	\$0.00	\$353.69
Outstanding Balance				\$9,759.81
Total Amount Outstanding				\$9,759.81

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address: Royal Bank of Canada
Main Branch - Toronto
Royal Bank Plaza
200 Bay Street
Toronto, ON M5J 2J5

Account Number: 1570423
Transit Number: 00002
Bank Number: 003

Name/Account #: Reconstruct LLP

SWIFT: ROYCCAT2

Payment by e-transfer: accounts payable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 495897 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

**INVOICE**

Invoice # 495971
Date: 02/12/2024
Due On: 03/13/2024

200 Bay Street, Suite 2305, P.O. Box 120
Toronto, ON
M5J 2J3
T: 416.613.8280
F: 416.613.8290

Albert Gelman Inc.
100 Simcoe Street, Suite e 125
Toronto, ON
M5H 3G2

00266-Albert Gelman Inc.**Liquidation of 1950941 Ontario Inc.**

Date	Description	Hours	Rate	Total	LP
01/08/2024	Emails with D. Nunes re: \$50,000 deposit paid by P. Dietrich's firm on the 2022 offer to purchase Whitefield; email to and telephone call with B. Gelman re: same.	0.70	\$640.00	\$448.00	BB
01/09/2024	Emails with D. Nunes re: \$50,000 deposit on the former transaction for the Whitefield property; emails and MS Teams meeting with B. Gelman re: same, next steps in the liquidation process, issues in the Parkview Homes bankruptcy, and re: instructions; email to D. Nunes re: no claim to the deposit; email to D. Nunes and J. Larry re: proposed next steps in the liquidation process; further email to J. Larry re: issues in the Parkview Homes bankruptcy and possible resolution of same.	2.10	\$640.00	\$1,344.00	BB
01/18/2024	Correspondence re: resolving claims in bankruptcy; related verifications.	0.30	\$485.00	\$145.50	JT
01/18/2024	Telephone call with B. Gelman re: issues to discuss in MS Teams meeting with S. McLaren re: Parkview Homes bankruptcy; attendance at MS Teams meeting re: same; further call with B. Gelman re: issues arising out of the meeting.	1.10	\$640.00	\$704.00	BB
01/30/2024	Email to B. Gelman re: the reserve that was supposed to be set aside for the CMHC capital repairs account and dealing with same in the upcoming motion; email to Z. Kahn re: same.	0.80	\$640.00	\$512.00	BB
Quantity Subtotal					5.0

Time Keeper	Hours	Rate	Total
Brendan Bissell	4.7	\$640.00	\$3,008.00
Joel Turgeon	0.3	\$485.00	\$145.50
Quantity Total			5.0
Subtotal			\$3,153.50
Tax (13.0%)			\$409.96
Total			\$3,563.46

Detailed Statement of Account

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
495971	03/13/2024	\$3,563.46	\$0.00	\$3,563.46
Outstanding Balance				\$3,563.46
Total Amount Outstanding				\$3,563.46

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address: Royal Bank of Canada
Main Branch - Toronto
Royal Bank Plaza
200 Bay Street
Toronto, ON M5J 2J5

Account Number: 1570423
Transit Number: 00002
Bank Number: 003

Name/Account #: Reconstruct LLP

SWIFT: ROYCCAT2


Payment by e-transfer: accounts payable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 495971 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

This is **Exhibit "B"** to the Affidavit of **R. Brendan Bissell** SWORN REMOTELY by BRENDAN BISSELL stated as being located in the City of Toronto in the Province of Ontario before me at the City of Toronto, in the Province of Ontario this 14th day of February, 2024, in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely*.

DocuSigned by:


F6EAD8E6E66D48F...
A Commissioner, etc.
Joel Turgeon

**Summary of Accounts of Reconstruct LLP
(From August 1, 2023 to January 31, 2024)**

Invoice No.	Date	Period Ending	Hours	Fees	Disbursements	HST	Total
Recon 495594	September 6, 2023	August 31, 2023	29.7	13,853.42	\$ 62.92	\$ 1,800.94	\$ 15,654.36
Recon 495699	October 16, 2023	September 30, 2023	8.8	\$ 5,091.00	\$ 339.00	\$ 661.83	\$ 5,752.83
Recon 495825	November 15, 2023	October 31, 2023	6.8	\$ 3,881.00	\$0	\$ 504.53	\$ 4,385.53
Recon 495829	December 19, 2023	November 30, 2023	14.4	\$ 8,324.00	\$ 339.00	\$ 1,082.12	\$ 9,406.12
Recon 495897	January 9, 2024	December 31, 2023	0.6	\$313.00	\$0	\$ 40.69	\$ 353.69
Recon 495971	February 12, 2024	January 31, 2024	5.0	\$3,153.50	\$0	\$409.96	\$3,563.46
Total			65.30	\$34,615.92	\$740.92	\$4,500.07	\$39,115.99

Blended Hourly Rate (\$/hour) \$511.25

PAUL JOSEPH DIETRICH

STEVEN ROBERT MCLAREN

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

FEE AFFIDAVIT

RECONSTRUCT LLP

Royal Bank Plaza, South Tower
200 Bay Street
Suite 2305, P.O. Box 120
Toronto, ON M5J 2J3

R. Brendan Bissell (LSO No. 40354V)

Tel: (416) 613-0066
Fax: (416) 613-8290
Email: bbissell@reconllp.com

Joel Turgeon (LSO No. 80984R)

Tel: (416) 613-8281
Fax: (416) 613-8290
Email: jturgeon@reconllp.com

Lawyers for Albert Gelman Inc. in its capacity as
the Court-appointed liquidator of 1827403
Ontario Inc., 1853997 Ontario Inc., 1885926
Ontario Inc., 1950940 Ontario Inc., 1950941
Ontario Inc. and 1950979 Ontario Inc.

TAB 3

Court File No. CV-22-00679109-00CL

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

THE HONOURABLE MADAM) WEDNESDAY, THE 21ST
)
JUSTICE KIMMEL) DAY OF FEBRUARY, 2024
)

B E T W E E N:

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

APPLICATION UNDER SECTIONS 207, 209 AND 210 OF THE
BUSINESS CORPORATIONS ACT, R.S.O. 1990, c. B.16

CLAIMS PROCESS ORDER

THIS MOTION, made by Albert Gelman Inc. in its capacity as the Court-appointed liquidator (in such capacity, the “**Liquidator**”) of all the assets, undertakings and properties of, among other companies, 1827403 Ontario Inc. and 1950979 Ontario Inc. (together, the “**Debtors**”) for an order pursuant to the *Business Corporation Act* (Ontario) that, among other things, approves and establishes a procedure for the identification, resolution, and barring of claims against the Debtors, was heard this day by videoconference.

ON READING the Sixth Report of the Liquidator dated February 14, 2024, and the appendices thereto, on hearing the submissions of counsel for the Liquidator, and seeing that no party made an opposition to this Order although every party to the Service List included in

the Liquidator's Motion Record has been served as appears from the affidavit of service of Julie Mah sworn February 14, 2024, filed:

DEFINITIONS

1. **THIS COURT ORDERS** that the following capitalized terms shall have the following meanings when used in this Order:

a. **"Addresses"** means either the following physical or email address, and any Proof of Claim sent at the Addresses, if effectively received, shall be deemed received by the Liquidator (i) immediately if provided by email or facsimile transmission, or (ii) on the day the Liquidator effectively receives the Proof of Claim if provided by ordinary mail:

Albert Gelman Inc., in its capacity as Court-appointed liquidator
of 1827403 Ontario Inc. and 1950979 Ontario Inc.

250 Ferrand Drive, Suite 403
Toronto, ON M3C 3G8

Attention: Thomas McElroy
tmcelroy@albertgelman.com

b. **"Business Day"** means a day which is not: (a) a Saturday or a Sunday; or (b) a day observed as a holiday under the laws of the Province of Ontario or the federal laws of Canada applicable in the Province of Ontario;

c. **"Case Website"** means the section of the Liquidator's website related to the Liquidation Proceeding;

d. **"Claim"** excludes Excluded Claims, is to be interpreted liberally, and means any right or claim of any Person, including any Tax Claim, that exists prior to the Claims Bar Date and that may be asserted or made against the Debtors, whether or not asserted or made, in connection with any indebtedness, liability or obligation of

any kind whatsoever, including by way of contribution and indemnity, any interest that may accrue thereon, any costs which such Person would be entitled to, and any right of ownership of or title to property or assets or to a trust or deemed trust (statutory or otherwise) against any property or assets, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, floating, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, contractual, statutory, perfected, unperfected, present, future, known, unknown, or of any other description whatsoever.

e. **“Claims Bar Date”** means 5:00 p.m. (Eastern Standard Time) on March 31, 2024;

f. **“Claims Procedure”** means the procedure set out in this Claims Process Order and schedules;

g. **“Claims Process Order”** means the herein order, collectively with all schedules thereto, as may be amended by further order of the Court;

h. **“Court”** means the Ontario Superior Court of Justice (Commercial List);

i. **“Creditor”** means any Person having a Claim, including a Person having acquired such Claim by assignment, transfer or otherwise, and a Person exercising such Claim through a designate, trustee, trustee-in-bankruptcy, receiver, receiver and manager, or other Person acting on behalf of such Person, and for avoidance of doubt, “Creditor” includes without limitation any Taxing Authority having a Tax Claim, but excludes any Person having an Excluded Claim solely in respect of the Excluded Claim;

- j. **“Debtors”** means 1827403 Ontario Inc. and 1950979 Ontario Inc. together, and shall be read as “Debtors or either of them”;
- k. **“Disallowed Claim”** means a Claim in respect of which the Liquidator has received a Timely Proof of Claim, to the extent disallowed by the Liquidator;
- l. **“Dollars”** or **“\$”** refers to Canadian dollars;
- m. **“Excluded Claim”** means (a) any Claim of the Liquidator and its counsel, and (b) all Claim(s), including Tax Claims, that will be reflected in a clearance certificate obtained by the Liquidator from Canada Revenue Agency prior to the Liquidator proceeding to any distribution.
- n. **“Extinguished Claim”** means any Claim that is not a Proven Claim;
- o. **“Instruction Letter”** means a letter to Creditors, in substantially the form appended as Schedule “A” to this Claims Process Order, regarding the Claims Procedure;
- p. **“Liquidation Proceeding”** means the within liquidation proceeding pursuant to the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended, in respect of the Debtors;
- q. **“Liquidator”** means Albert Gelman Inc. in its capacity as Court-appointed Liquidator of the Debtors and not in its personal or corporate capacity;
- r. **“Newspaper Notice”** means a notice substantially in the form appended as Schedule “D” to this Claims Process Order, to be published in the National Post (National Edition) in accordance with paragraph 5 of this Claims Process Order;

s. **“Notice of Acceptance”** means a notice in writing Provided by the Liquidator informing a Creditor that its Claim or part thereof is a Proven Claim;

t. **“Notice of Partial or Total Disallowance”** means a notice, substantially in the form appended as Schedule “C” to this Claims Process Order, Provided by the Liquidator and informing a Creditor that its Claim or part thereof is a Disallowed Claim, and a brief summary of the reasons therefor;

u. **“Notice of Dispute”** means a Creditor’s notice in writing advising the Liquidator that the Creditor objects to the Liquidator’s Notice of Partial or Total Disallowance, and the reasons for such objection;

v. **“Notice Provision Date”** means a day no later than 20 Business Days after the Claims Bar Date, on which day the Liquidator shall Provide all Notices of Acceptance and Notices of Revision or Disallowance, as applicable, to Persons who filed Timely Proofs of Claim, and the Notice Provision Date shall appear on each Notice of Acceptance and Notice of Revision or Disallowance, and be deemed the date thereof for purposes of this Claims Process Order;

w. **“Person”** is to be interpreted liberally and means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other body or entity howsoever designated or constituted under any law, and, for avoidance of doubt, “Person” includes without limitation any Taxing Authority;

x. **“Proof of Claim”** means a form in the form appended hereto as Schedule “B” to this Claims Process Order, with such changes as the Liquidator may deem appropriate, to be completed by a Creditor and received by the Liquidator, together

with all evidence that the Creditor relies upon to prove its Claim, at the Addresses, before the Claims Bar Date;

y. **“Proof of Claim Document Package”** means a document package which shall include a copy of the Instruction Letter, a blank Proof of Claim form, and such other materials as the Liquidator may consider appropriate or desirable;

z. **“Proven Claim”** means a Claim in respect of which the Liquidator has received a duly completed Proof of Claim at the Addresses before the Claims Bar Date, to the extent of (i) the amount for which the Liquidator considers the Claim proven of a balance of probabilities, or (ii) the amount of the Claim as determined by the Court on a successful appeal of the Liquidator’s disallowance of the Claim, in accordance with the Claims Procedure.

aa. **“Provide”** means to provide a document or a copy thereof by (i) reference to the Case Website if the document is available on the Case Website, or (ii) by ordinary mail, email or facsimile transmission at the last known relevant coordinates as determined by the Liquidator acting reasonably, or at the coordinates requested by the recipient, provided that (a) the method of provision shall be at the sole and unfettered discretion of the Liquidator, and (b) the document or copy, or the reference to the Case Website, shall be deemed received by the intended recipient (x) immediately if provided by email or facsimile transmission, or (y) two (2) Business Day after the Liquidator’s depositing or dispatching it by ordinary mail; and “Provision” shall have a corresponding meaning;

bb. **“Tax”** or **“Taxes”** means any and all amounts subject to a withholding or remitting obligation to a Tax Authority and any and all taxes, duties, fees and other governmental charges, duties, impositions and liabilities of any kind whatsoever,

whether or not assessed, including all interest, penalties, fines, fees, other charges and additions with respect to such amount;

cc. **“Taxing Authorities”** means His Majesty the King, His Majesty the King in right of Canada, His Majesty the King in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of each and every province or territory of Canada and any political subdivision thereof, and any Canadian or foreign governmental authority, and **“Taxing Authority”** means any one of the Taxing Authorities;

dd. **“Tax Claim”** means a Claim for Taxes in respect of any period ending on or prior to the date of this Claims Process Order; and

ee. **“Timely Proof of Claim”** means any Proof of Claim that is effectively received by the Liquidator at the Addresses prior to the Claims Bar Date.

NOTICE OF CLAIMS

2. **THIS COURT ORDERS** that the Liquidator is authorized and directed to Provide a copy of the Proof of Claim Document Package to each Creditor of which the Liquidator is aware as soon as is practicable after this Claims Process Order.

3. **THIS COURT ORDERS** that the Liquidator shall make the Proof of Claim Document Package available on the Case Website as soon as practicable after the date of this Claims Process Order, until the Claims Bar Date.

4. **THIS COURT ORDERS** that the Liquidator shall Provide a copy of the Proof of Claim Document Package to any Person who claims to be a Creditor and requests such copy as soon as reasonably practicable after such request.

PUBLICATION OF NEWSPAPER NOTICE

5. **THIS COURT ORDERS** that the Newspaper Notice be and is hereby approved and the Liquidator shall arrange for the Newspaper Notice to be published in the National Post (National Edition) as soon as practicable after the date of this Claims Process Order.

NOTICE SUFFICIENT

6. **THIS COURT ORDERS** that the publication of the Newspaper Notice and the Provision of the Proof of Claim Document Package in accordance with paragraphs 2, 3, 4 and 5 of this Claims Process Order, as applicable, shall be deemed good and sufficient notice, service and delivery of this Claims Process Order and the Claims Bar Date on all Persons who may be Creditors or who may wish to assert Claims, and, for avoidance of doubt, the Liquidator shall not be required to give or serve any other notice, document or material to any Person in respect of this Claims Process Order or the Claims Bar Date in order for that Person to be deemed to have received good and sufficient notice, service and delivery thereof in accordance with this paragraph; for avoidance of doubt, provided the Liquidator has complied with paragraphs 2, 3, 4 and 5 of this Claims Process Order, the Liquidator shall have no liability whatsoever in respect of the Claims Procedure to any Person having an Extinguished Claim save for gross negligence or wilful misconduct.

FILING OF PROOFS OF CLAIM

7. **THIS COURT ORDERS** that every Creditor shall prove its Claim(s) by filing a Timely Proof of Claim with the Liquidator at the Addresses.

8. **THIS COURT ORDERS** that every Claim in respect of which no Timely Proof of Claim is filed shall be finally and conclusively deemed an Extinguished Claim.

9. **THIS COURT ORDERS** that, save further Court order, the Liquidator shall not review and shall have no obligation to do any act or thing whatsoever in respect of any Proof of Claim that is not a Timely Proof of Claim, including without limitation any obligation to notify the Person who filed such Proof of Claim that the Proof of Claim is not a Timely Proof of Claim.

DETERMINATION OF CLAIMS

10. **THIS COURT ORDERS** that, subject to further order of the Court, the Liquidator shall review each Timely Proof of Claim and shall determine whether in its opinion the related Claim, or part thereof, is, on a balance of probabilities, a Proven Claim or a Disallowed Claim.

11. **THIS COURT ORDERS** that, on the Notice Provision Date, the Liquidator shall Provide each Creditor having a Proven Claim a Notice of Acceptance, and shall Provide each Creditor with a Disallowed Claim a Notice of Partial or Total Disallowance.

12. **THIS COURT ORDERS** that all Claims or part thereof in respect of which the Liquidator Provided a Notice of Acceptance shall constitute Proven Claims.

13. **THIS COURT ORDERS** that all Claims or part thereof in respect of which the Liquidator Provided a Notice of Partial or Total Disallowance shall be deemed an Extinguished Claim unless the Liquidator receives at the Addresses, within five (5) Business Days of the Notice Provision Date, a Notice of Dispute.

14. **THIS COURT ORDERS** that that all Claims or part thereof in respect of which the Liquidator received a Notice of Dispute in accordance with paragraph 13 of this Claims Process Order shall be deemed an Extinguished Claim unless (i) the Liquidator agrees otherwise in writing, or (ii) the Creditor serves on the Liquidator at the Addresses, and files with this Court, both within ten (10) Business Days of the Notice Provision Date, a motion appealing the Liquidator's determination of the Claim.

15. **THIS COURT ORDERS** that any appeal under paragraph 14 of this Claims Process Order shall be a true appeal and not a *de novo* process.

EXTINGUISHED CLAIMS

16. **THIS COURT ORDERS** that all Extinguished Claims shall be forever barred and extinguished against the Debtors.

17. **THIS COURT ORDERS** that every Person having an Extinguished Claim, in respect of the Extinguished Claim, (i) shall be forever barred, estopped and enjoined from asserting or enforcing that Extinguished Claim against the Debtors; (ii) shall not be entitled to participate in or receive any distribution in the Liquidation Proceeding; and (iii) shall not be entitled to any further notice in the Liquidation Proceeding.

GENERAL

18. **THIS COURT ORDERS** that the Liquidator may, in its sole and unfettered discretion, waive strict compliance with this Claims Process Order, and shall be under no obligation to extend such waiver to any other Person, provided, however, that the Liquidator may not without further order of the Court (i) extend the Claims Bar Date, (ii) consider a Proof of Claim to be a Timely Proof of Claim if the Proof of Claim is effectively received by the Liquidator after the Claims Bar Date, or (iii) authorize a material deviation from the Claims Procedure, as determined by the Liquidator.

19. **THIS COURT ORDERS** that the following Schedules form part of this Order:

- a. Schedule "A" – Instruction Letter
- b. Schedule "B" – Proof of Claim
- c. Schedule "C" – Notice of Revision or Disallowance

d. Schedule "D" – Newspaper Notice

20. **THIS COURT ORDERS** that the Liquidator shall be at liberty to make a motion to the Court for an order that the Liquidator deems necessary or desirable in connection with the Claims Procedure, including without limitation a motion for advice and directions regarding the Claims Procedure or a motion for an order amending the Claims Procedure.

21. **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 Liquidator 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 Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Liquidator and its agents in carrying out the terms of this Order.

22. **THIS COURT ORDERS** that this Claims Process Order shall be effective at 00:01 a.m. on the date it is made without requirement for entry and filing; however, the Liquidator shall have this Claims Process Order entered and filed when reasonably convenient.

Schedule “A” – Form of Instruction Letter

A. Claims Procedure

By Order of the Honourable Justice Kimmel dated February 21, 2024 (the “**Claims Process Order**”) made pursuant to the Ontario *Business Corporations Act*, the Liquidator has been authorized and directed to conduct a claims solicitation procedure (“**Claims Procedure**”) for the final determination of all claims against 1827403 Ontario Inc. and/or 1950979 Ontario Inc. (together, the “**Debtors**”, which term shall be read as “the Debtors or either of them”).

This letter provides instructions for the submission of a Proof of Claim. Capitalized terms not defined in this letter have the meanings given to them in the Claims Process Order. This letter does not replace or amend the Claims Process Order, which should be read attentively. In case of discrepancy between this letter and the Claims Process Order, the terms of the Claims Process Order shall prevail in all respects.

The Claims Process Order provides that every Creditor shall prove its Claim(s) against the Debtors by filing a Proof of Claim with the Liquidator, whether by email or mail, so as to be received by the Liquidator before the Claims Bar Date of **March 31, 2024**, at the following Addresses:

Albert Gelman Inc., in its capacity as court-appointed liquidator
of 1827403 Ontario Inc. and 1950979 Ontario Inc.
250 Ferrand Drive, Suite 403
Toronto, ON M3C 3G8

Attention: Thomas McElroy
tmcelroy@albertgelman.com

THE CLAIMS PROCESS ORDER PROVIDES THAT ALL CLAIMS THAT ARE NOT PROVEN IN ACCORDANCE WITH THE CLAIMS PROCESS ORDER SHALL BE FOREVER BARRED AND EXTINGUISHED.

IF YOU BELIEVE THAT YOU HAVE A CLAIM AGAINST THE DEBTORS, YOU MUST FILE A PROOF OF CLAIM SO AS TO BE RECEIVED BY THE LIQUIDATOR AT THE ADDRESSES SET OUT ABOVE BEFORE THE CLAIMS BAR DATE OF 5:00 P.M. (EASTERN STANDARD TIME) ON MARCH 31, 2024.

B. General Instructions for Completing A Proof of Claim

The Proof of Claim must be completed by an individual, or an individual acting on behalf of a corporation. The individual acting for a corporation or other person must state the capacity in which he/she is acting, such as “Credit Manager”, “Treasurer”, “Authorized Agent”, etc. The individual completing the Proof of Claim must have knowledge of the circumstances connected with the Claim. All Proofs of Claim must be sworn and dated before a duly appointed Commissioner of Oaths or Notary Public. The full legal name of the Creditor must be filled out in its entirety. Only one Proof of Claim may be filed per legal entity notwithstanding that separate divisions or operating units of a Creditor may have separate Claims against the Debtors. Creditors who file a Proof of Claim by a division, or who file several Proofs of Claim by divisions, may have their Proof of Claim disallowed.

A Statement of Account and all evidence that the Creditor relies upon to prove its Claim, as well as the full particulars of the Claim, must be attached to the Proof of Claim. The Proof of Claim should include all amounts owing by the Debtors before the Claims Process Order.

For Claims made in respect of debts owing as a result of advances or loans to, or investments made in the Debtors, the Proof of Claim must be submitted along with (i) a copy of all agreements, contracts, promissory notes or other loan or investment documentation, and (ii) proof of all advances made to Debtors, such as copies of cheques, money orders, drafts, wire transfers, etc.

If the Creditor holds security for the indebtedness, a statement of the value, nature and collateral of the security must accompany the Proof of Claim, as must a copy of the agreement granting security.

If the Creditor holds a contingent or unliquidated Claim, the Creditor must provide all the evidence it relies upon to prove its Claim and the amount of it, together with a full description of all the particulars of the Claim.

If the Claim or a portion thereof has been sold or assigned, the name of the party purchasing the Claim, the amount of the Claim sold or assigned, as well as supporting documentation, must be attached to the Proof of Claim submitted. The Proof of Claim can be completed by either the original Creditor or by the assignee, but not both. Creditors and assignee(s) must determine amongst themselves who will file the Proof of Claim.

You may contact the Liquidator at the coordinates stated above for any question or concern regarding the Claims Process.

As provided in the Claims Process Order, the Liquidator will evaluate the Timely Proofs of Claim only, and will determine whether and to what extent the Claims set out therein are Proven Claims or Disallowed Claims. The mere filing of a Timely Proof of Claim does not in itself mean that a Claim is proven.

Schedule “B” – Form of Proof of Claim

[See *next page*.]

Please read carefully the enclosed Instruction Letter for completing this Proof of Claim form. Capitalized terms not otherwise defined below have the meanings given to them in the Instruction Letter.

A. PARTICULARS OF THE CREDITOR:

(1) Full Legal Name of Creditor (include trade name, if different):

.....

.....

(the "**Creditor**"). The full legal name should be the name of the Creditor notwithstanding whether an assignment of a Claim, or a portion thereof, has occurred prior to or following the Claims Process Order.

(2) Full Mailing Address of Creditor: (The mailing address should be the mailing address of the Creditor and not any assignee)

.....

.....

(3) Telephone Number of Creditor:

(4) E-mail Address of Creditor:

(5) Attention (Contact Person):

Has the claim set out herein been sold, transferred or assigned by the Creditor to another party?

Yes: [] No: []

B. PARTICULARS OF THE ASSIGNEE(S) (IF APPLICABLE)

.....

If the Claim set out herein has been sold, transferred or assigned, complete the required information set out below. If there is more than one assignee, please attach a separate sheet which contains all of the required information set out below for each assignee.

(1) Full Legal Name of the Assignee:

.....

.....

(2) Full Mailing Address of the Assignee:

.....

.....

(3) Telephone Number of Assignee:

(4) E-mail Address of Assignee:

(5) Attention (Contact Person):

C. PROOF OF CLAIM

THE UNDERSIGNED HEREBY MAKES OATH AND SAYS AS FOLLOWS:

(1) That I:

am a Creditor of the Company; or *(if applicable)* am the:

.....

(state position or title)

of

.....

(Name of Creditor)

- (2) That I have knowledge of all of the circumstances connected with the Claim described and set out below:
- (3) The Claim seeks payment of \$.....*[Insert \$ value of claim]*

CAD in the Company on account of principal

..... and on account of interest

[Provide particulars of interest claim and calculation of same]

NOTE: Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada noon spot rate as of the date of the Claims Process Order.

D. PARTICULARS OF CLAIM

Other than as already set out herein, the particulars of the undersigned's total Claim against the Company are attached on a separate sheet.

Provide all particulars of the Claim and supporting documentation, including amount, description of transaction(s), copies of cheques, bank draft, money orders, wire transfers, etc., loan

documents, promissory notes or other agreement(s) giving rise to the Claim and any security interest.

SWORN BEFORE ME at the _____)
_____ in the _____)
Province of _____)
this _____ day of _____,)
_____)

A Commissioner, or Notary Public, etc.

Name of Deponent

[or if sworn via video conferencing]

SWORN REMOTELY by _____)
_____ at the _____)
_____)
in the _____)
on _____, 2024)

in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely

A Commissioner, or Notary Public, etc.

Name of Deponent

E. FILING OF CLAIM

This Proof of Claim form must be received by the Liquidator by no later than 5:00 p.m. (Eastern Standard time) on March 31, 2024 (the “**Claims Bar Date**”) at the following physical address or email address:

Albert Gelman Inc., in its capacity as court-appointed liquidator
of 1827403 Ontario Inc. and 1950979 Ontario Inc.
250 Ferrand Drive, Suite 403
Toronto, ON M3C 3G8

Attention: Thomas McElroy
tmcelroy@albertgelman.com

Failure to file your Proof of Claim and any required documentation as directed in relation to any Claim by 5:00 p.m. (Eastern Standard Time) on the Claims Bar Date will result in your Claim being forever barred and extinguished, and you will be prohibited from making or enforcing that Claim against the Company and shall not be entitled to further notice or distribution, if any, in respect of that Claim, and shall not be entitled to participate as a Creditor in these proceedings in respect of that Claim.

Schedule “C” – Form of Notice of Partial or Total Disallowance

[*See next page.*]

NOTICE OF TOTAL OR PARTIAL DISALLOWANCE

Notice Provision Date:

Name of Creditor:

Reference #:

Defined terms not defined within this Notice of Total or Partial Disallowance have the meanings given to them in the Order of the Honourable Justice Kimmel dated February 21, 2024 made in Superior Court of Ontario File Number CV-22-00679109-00CL (the "**Claims Process Order**").

Pursuant to the Claims Process Order, the Liquidator hereby gives you notice that it has reviewed your Proof of Claim and has disallowed your Claim in whole or in part as follows:

A) Disallowance

Description of Claim	Proof of Claim as Submitted	Amount disallowed

B) Reason for Revision or Disallowance:

IF YOU DO NOT AGREE WITH THIS NOTICE OF REVISION OR DISALLOWANCE, PLEASE TAKE NOTICE OF THE FOLLOWING:

1. You must provide the Liquidator with a Notice of Dispute so as to be received by the Liquidator, at the Addresses provided in the Claims Process Order, within 5 Business Days of the date first appearing on this Notice of Total or Partial Disallowance. Otherwise, your Claim, to the extent disallowed above, shall be deemed an Extinguished Claim in accordance with the Claims Process Order.
2. Unless the Liquidator agrees otherwise in writing, you must serve on the Liquidator at the Addresses, and file with this Court, both within 10 Business Days of the date first appearing on this Notice of Total or Partial Disallowance, a motion appealing the Liquidator's determination of the Claim. Otherwise, your Claim, to the extent disallowed above, shall be deemed an Extinguished Claim in accordance with the Claims Process Order.
3. In accordance with the Claims Process Order, all Extinguished Claims are forever barred and extinguished and will not be paid.

DATED this _____ day of _____, 2024.

Albert Gelman Inc., in its capacity as court-appointed liquidator of 1827403 Ontario Inc. and 1950979 Ontario Inc.

Per: _____
Name: THOMAS MCELROY

250 Ferrand Drive, Suite 403
Toronto, ON M3C 3G8

Attention: Thomas McElroy
tmcelroy@albertgelman.com

Schedule "D"

NEWSPAPER NOTICE

[*See next page.*]

1827403 ONTARIO INC. AND 1950979 ONTARIO INC.

On April 4, 2022, Albert Gelman Inc. was appointed as liquidator (the “**Liquidator**”) of 1827403 Ontario Inc. and 1950979 Ontario Inc. (together, the “**Debtors**”) by order of the Ontario Superior Court of Justice (the “**Court**”).

By Order of the Court dated February 21, 2024 (the “**Claims Process Order**”), a process was established for creditors to prove claims against the Debtors in existence as of the Claims Bar Date (defined below). In accordance with the Claims Process Order, every person having a claim against the Debtors must complete and deliver a proof of claim so as to be received by the Liquidator at the physical or email address set out below by no later than 5:00 p.m. (Eastern Standard Time) on March 31, 2024 (the “**Claims Bar Date**”)

The necessary proof of claim form may be obtained on the Liquidator’s website, <https://www.albertgelman.com/corporate-solutions/other-engagements/> or by contacting the Liquidator using the contact information set out below.

IF YOUR PROOF OF CLAIM IS NOT RECEIVED BY THE LIQUIDATOR BY THE CLAIMS BAR DATE, YOUR CLAIM AGAINST THE COMPANY WILL BE FOREVER BARRED AND EXTINGUISHED IN ACCORDANCE WITH THE CLAIMS PROCESS ORDER.

Contact information of the Liquidator

Albert Gelman Inc., in its capacity as court-appointed liquidator
of 1827403 Ontario Inc. and 1950979 Ontario Inc.
250 Ferrand Drive, Suite 403
Toronto, ON M3C 3G8

Attention: Thomas McElroy
tmcelroy@albertgelman.com

PAUL JOSEPH DIETRICH
Applicant

STEVEN ROBERT MCLAREN
Respondent

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

CLAIMS PROCESS ORDER

RECONSTRUCT LLP

200 Bay Street, Suite 2305
Toronto, ON M5J 2J3
Fax: (416) 613-8290

R. Brendan Bissell (LSO No. 40354V)

Tel: (416) 613-0066
Email: bbissell@reconllp.com

Joel Turgeon (LSO No. 80984R)

Tel: (416) 613-8281
Email: jturgeon@reconllp.com

Lawyers for Albert Gelman Inc. in its capacity as the
Court-appointed liquidator of 1827403 Ontario Inc. and
1950979 Ontario Inc.

TAB 4

Court File No. CV-22-00679109-00CL

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

THE HONOURABLE MADAM) WEDNESDAY, THE 21ST
)
JUSTICE KIMMEL) DAY OF FEBRUARY, 2024
)

B E T W E E N:

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

APPLICATION UNDER SECTIONS 207, 209 AND 210 OF THE
BUSINESS CORPORATIONS ACT, R.S.O. 1990, c. B.16

ORDER

THIS MOTION, made by Albert Gelman Inc. in its capacity as the Court-appointed liquidator (in such capacity, the “**Liquidator**”) of all the assets, undertakings and properties of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc. (collectively, the “**Companies**”) for the herein orders was heard by videoconference.

ON READING the Sixth Report of the Liquidator dated February 14, 2024 (the “**Sixth Report**”) and the affidavits of fees of Bryan Gelman sworn on February 8, 2024 and R. Brendan Bissell sworn February 14, 2024 (together, the “**Fee Affidavits**”), on hearing the submissions of counsel for the Liquidator, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Julie Mah sworn February 14, 2024, filed:

1. **THIS COURT ORDERS** that the time for service of the notice of motion, the Sixth Report, and the Liquidator's factum is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
 2. **THIS COURT ORDERS** that the Liquidator be and is hereby authorized and directed to assign each of 1950941 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc. and 1950940 Ontario Inc. (collectively, the "**Insolvent Companies**") in bankruptcy pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), as amended, and to be appointed and act as trustee-in-bankruptcy of each Insolvent Companies in such bankruptcies, subject to the provisions of the BIA including confirmation by creditors, as the case may be.
 3. **THIS COURT ORDERS** that the Liquidator be and is hereby authorized and directed to pay the Surplus Funds (as defined in the Sixth Report) to the 888 Whitefield Purchaser (as defined in the Sixth Report).
 4. **THIS COURT ORDERS** that the Fifth Report of the Liquidator dated November 23, 2023, the Sixth Report, the activities of the Liquidator described in those reports, and the Liquidator's interim statements of receipts and disbursements for each of the Companies as at February 6, 2024, appended as Appendix "I" to the Sixth Report, be and are hereby approved, provided, however, that only the Liquidator in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
 5. **THIS COURT ORDERS** that the fees, costs and expenses of the Liquidator including those of its independent legal counsel, as set out in the Fee Affidavits, are hereby approved, and that the Liquidator is hereby authorized and directed to pay the same from available funds forthwith.
 6. **THIS COURT ORDERS** that this Order is effective from its date and does not need to be entered, but the Liquidator is directed to have this Order issued and entered when reasonably convenient.
-

PAUL JOSEPH DIETRICH
Applicant

STEVEN ROBERT MCLAREN
Respondent

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

ORDER

RECONSTRUCT LLP

200 Bay Street, Suite 2305
Toronto, ON M5J 2J3
Fax: (416) 613-8290

R. Brendan Bissell (LSO No. 40354V)

Tel: (416) 613-0066
Email: bbissell@reconllp.com

Joel Turgeon (LSO No. 80984R)

Tel: (416) 613-8281
Email: jturgeon@reconllp.com

Lawyers for Albert Gelman Inc. in its capacity as the Court-appointed liquidator of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.

PAUL JOSEPH DIETRICH
Applicant

STEVEN ROBERT MCLAREN
Respondent

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

MOTION RECORD

RECONSTRUCT LLP

200 Bay Street, Suite 2305
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Joel Turgeon (LSO No. 80984R)

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Email: jturgeon@reconllp.com

Lawyers for Albert Gelman Inc. in its capacity as the Court-appointed liquidator of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. and 1950979 Ontario Inc.