

**FIRST REPORT OF
ALBERT GELMAN INC.
AS RECEIVER AND MANAGER OF
177 CROSS ARGUS DEVELOPMENT INC. AND
DOUBLE DIAMOND CAPITAL INC.**

JANUARY 13, 2026

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

BETWEEN:

915643 ONTARIO INC.

Applicant

- and -

177 CROSS ARGUS DEVELOPMENT INC. AND DOUBLE DIAMOND CAPITAL INC.

Respondents

**FIRST REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS RECEIVER**

JANUARY 13, 2026

I. INTRODUCTION

1. This report (the “**First Report**”) is filed by Albert Gelman Inc. (“**AGI**”) in its capacity as receiver and manager (in such capacity, the “**Receiver**”) of all the assets, undertakings and properties (collectively, the “**Property**”) of 177 Cross Argus Development Inc. (“**177 Cross**”) and Double Diamond Capital Inc. (“**Double Diamond**” and collectively with 177 Cross, the “**Debtors**”) in relation to a business (the “**Business**”) carried on by the Debtors at the property municipally known as 177-185 Cross Avenue, Oakville, Ontario and 580 Argus Road, Oakville, Ontario (the “**Real Property**”), appointed pursuant to an Order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated November 27, 2025 and effective as of November 20, 2025 (the “**Receivership Filing Date**”). For greater certainty, these receivership proceedings, as it relates to Double Diamond, apply solely to its beneficial interest in the Real Property. A copy of the Receivership Order is attached hereto as **Appendix “A”**.
2. The Receivership Order was granted pursuant to an application (the “**Receivership Application**”) made by 915643 Ontario Inc. (the “**Applicant**”), which is the Debtors’ fulcrum creditor under the following senior secured vendor-take-back mortgages registered against title to the Real Property (collectively, the “**VTB Mortgages**”):
 - a. the first VTB Mortgage, registered on title to the Real Property on March 15, 2023 in the principal amount of \$31,800,000 granted by the Debtors in favour of the Applicant as Instrument No. HR1953701, as amended; and
 - b. the second VTB Mortgage, registered on title to the Real Property on March 15, 2023 in the principal amount of \$5,300,000 granted by the Debtors in favour of the Applicant as Instrument No. HR1953702, as amended.
3. As at January 9, 2026, the amount owed to the Applicant pursuant to the first and second VTB Mortgages is approximately \$33.9 million and approximately \$6.2 million, respectively. These amounts do not include outstanding interest, fees, costs or expenses accrued to date or that continue to accrue.
4. In addition, Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc. (collectively, the “**Third Mortgagee**”) holds a third mortgage registered on title to the Real Property on March 15, 2023 in the principal amount of \$5,000,000 as Instrument No. HR1953703. Prior to the receivership and NOI (as defined below), the Third Mortgagee took enforcement steps in respect of the third mortgage, including attorning rents from the Real Property tenants (the “**Tenants**”) and was granted a default judgment against 177 Cross in the amount of approximately \$5.8 million together with interest at the rate of 28.00% per annum.

177 Cross' Prior NOI Proceedings

5. On October 2, 2025 (the "**NOI Filing Date**"), 177 Cross filed a Notice of Intention to Make a Proposal (an "**NOI**") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B.-3, as amended (the "**BIA**"), and AGI was appointed as trustee (in such capacity, the "**Proposal Trustee**") under the NOI.
6. On October 28, 2025, 177 Cross served a motion returnable October 30, 2025 (the "**NOI Extension Motion**") seeking, *inter alia*, the following relief:
 - a. a super-priority administration charge over all of 177 Cross' property in the amount of \$250,000;
 - b. an extension of the time for 177 Cross to file a proposal to December 16, 2025;
 - c. declaring that the Third Mortgagee was subject to the NOI stay of proceedings as provided under the BIA and that the notice of attornment of rents and direction to pay delivered by the Third Mortgagee to the Tenants was null and void;
 - d. approving certain pre-filing payments; and
 - e. approving the First Report of the Proposal Trustee dated October 29, 2025 (the "**Proposal Trustee's First Report**"), a copy of which, without appendices, is attached hereto as **Appendix "B"**.
7. In light of, among other things, objections raised by the Applicant and the Third Mortgagee in respect of the NOI Extension Motion and the NOI proceedings generally, the relief sought in the NOI Extension Motion was not granted. Instead, by Order dated October 30, 2025 (the "**October 30 Order**"), the Court, among other things: (i) extended the NOI stay period on an interim basis to November 20, 2025; and (ii) adjourned the balance of the relief sought in the NOI Extension Motion to November 18, 2025 at 10:00 a.m. (the "**November 18 Hearing**"). Copies of the October 30 Order and corresponding endorsement of the Honourable Madam Justice Dietrich of the same date are attached hereto as **Appendix "C"**.
8. Following issuance of the October 30 Order, 177 Cross and its counsel, the Proposal Trustee and its counsel, counsel to the Applicant, and counsel to the Third Mortgagee engaged in discussions regarding a potential path forward, including whether the NOI proceedings should continue or be transitioned to a receivership. As a result of these discussions, the parties agreed to support the withdrawal of the NOI proceedings and the consensual appointment of AGI as Receiver of the Debtors, unless the Debtors made certain payments to the Applicant and the Third Mortgagee (the "**Required Payments**") by 3:00 p.m. on November 20, 2025 (the "**Required Payments Deadline**").
9. On November 18, 2025, the Court granted an order (the "**NOI Withdrawal Order**"), among other things, (i) withdrawing the NOI and discharging AGI as Proposal Trustee of 177 Cross and (ii) lifting the NOI stay of proceedings as against the Applicant and permitting the Applicant to commence a

receivership proceeding against 177 Cross, among others. Copies of the NOI Withdrawal Order and corresponding endorsement of the Honourable Justice Cavanagh of the same date (the “**November 18 Endorsement**”) are attached hereto as **Appendix “D”**.

10. As reflected in the November 18 Endorsement, the Applicant, the Third Mortgagee and the Debtors agreed to the form of the Receivership Order, which would be sought on consent on November 20, 2025, unless the Debtors made the Required Payments by the Required Payments Deadline (the “**November 20 Receivership Order**”). Ultimately, the Required Payments were not made by the Required Payments Deadline, and, as such, following a hearing before the Honourable Justice Cavanagh on November 20, 2025 (the “**November 20 Hearing**”), the Court granted the November 20 Receivership Order and AGI was appointed as Receiver.
11. The parties re-attended before the Honourable Justice Cavanagh on November 27, 2025 to address the fact that the Court office had required a direction from the Court before it would assign a separate Court file number for the receivership matter on the Commercial List in Toronto. Justice Cavanagh approved the issuance of the Applicant’s notice of application seeking the Receiver’s appointment on the Commercial List, noting that the NOI proceeding was already on the Commercial List even though the Real Property is located in Oakville. The Receivership Application was then issued on the Commercial List and the Receivership Order was granted on November 27, 2025 under the new Court file number, effective as of November 20, 2025.

The Purpose of the Receivership Proceedings

12. The primary purpose of these receivership proceedings is to create a stabilized environment to facilitate the sale of, or investment in, the Business and/or Property by implementing a Court-supervised sale and investment solicitation process (the “**SISP**”). The SISP, which is to be conducted by a real estate broker under the supervision of the Receiver, contemplates approval of a “stalking horse bid”, as discussed below.
13. The Applicant has submitted an asset purchase agreement (the “**Stalking Horse Agreement**”), pursuant to which the Applicant has agreed to act as a stalking horse bidder (in such capacity, the “**Stalking Horse Bidder**”) for the acquisition of substantially all of the Business’ assets (including the Real Property). The closing of the transaction contemplated by the Stalking Horse Agreement, which is to be largely satisfied by way of a credit bid, is conditional on, among other things: (i) the Stalking Horse Bidder being the Successful Bidder (as defined in the SISP); and (ii) Court approval of the transaction.
14. The Receiver has established a case website at www.albertgelman.com/filedocuments/#177Cross (the “**Case Website**”), where copies of all Court and other materials pertaining to these receivership proceedings are available in electronic form.

II. PURPOSE OF THIS REPORT

15. The purpose of this First Report is to provide the Court with information pertaining to the following:
 - a. brief background information of the Debtors and these proceedings;
 - b. the SISP, including the proposed procedures to administer same;
 - c. the terms of the Stalking Horse Agreement;
 - d. the proposed process to identify and adjudicate priority claims against the Debtors (the **"Priority Claims Process"**);
 - e. the activities of the Receiver since its appointment;
 - f. the accounts of AGI in its prior capacity as Proposal Trustee and its current capacity as Receiver, and its counsel, Capstone Legal (**"Capstone"**), for the period ranging from September 25, 2025 to December 31, 2025, in respect of fees and disbursements incurred in the NOI proceedings and the receivership proceedings; and
 - g. the Receiver's recommendation that this Court issue Orders, *inter alia*:
 - i. approving the SISP and the Stalking Horse Agreement (the **"SISP Order"**). For clarity, the SISP Order does not approve the sale or vesting of any Property to the Stalking Horse Bidder, which is to be considered by the Court on a subsequent motion if the Stalking Horse Agreement is the Successful Bid in the SISP;
 - ii. authorizing the Receiver to implement the proposed Priority Claims Process (the **"Priority Claims Process Order"**);
 - iii. approving this First Report and the Proposal Trustee's First Report, including the activities, actions and conduct of the Receiver and the Proposal Trustee described herein and therein, respectively; and
 - iv. approving the fees and disbursements of the Proposal Trustee, the Receiver and Capstone, as set out herein (along with the relief sought in (iii)), the **"Ancillary Relief Order"**).

III. SCOPE AND TERMS OF REFERENCE

16. In preparing this First Report, the Receiver has relied upon certain unaudited financial information, the Debtors' books and records and discussions with the Debtors' directors and legal counsel, the VTB Mortgagee's legal counsel and the Third Mortgagee's legal counsel.
17. While the Receiver has reviewed the various documents and other information provided by the Debtors, such review does not constitute an audit or verification of such documents/information for

accuracy, completeness or compliance with Accounting Standards for Private Enterprises (“**ASPE**”) or International Financial Reporting Standards (“**IFRS**”) or otherwise. Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to ASPE or IFRS or otherwise with respect to such documents/information.

18. This First Report has been prepared for the use of this Court and the Debtors’ stakeholders as general information relating to the Debtors and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose. The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.
19. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

IV. BACKGROUND INFORMATION

20. In connection with the NOI Extension Motion and the Receivership Application, the following sworn affidavits were filed with the Court:
 - a. the affidavit of Sarmad Ganni sworn October 28, 2025, filed in support of the NOI Extension Motion (the “**Ganni Affidavit**”); and
 - b. the affidavit of Bernard Woo sworn November 12, 2025, filed in support of the Receivership Application (and the withdrawal of 177 Cross’ NOI proceedings) (the “**Woo Affidavit**” and collectively with the Ganni Affidavit, the “**Affidavits**”).
21. The Affidavits provide, among other things, information concerning the Debtors’ background, creditor composition and events giving rise to the NOI proceedings and Receivership Application, and, accordingly, that detailed discussion has not been repeated in this First Report. Copies of the Affidavits, without exhibits, are attached hereto as **Appendix “E”**. Copies of the Affidavits, with exhibits, are available on the Case Website.

General Background

22. The Debtors are private companies incorporated under the laws of the Province of Ontario. 177 Cross is the registered title holder of the Real Property. 177 Cross holds the Real Property as bare nominee and all proceeds therefrom and all assets and property related to or situate thereon for and on behalf of Double Diamond.
23. The Real Property is approximately 2.5 acres. Situated upon the Real Property are two single-storey, multi tenant retail buildings and one single-storey commercial building with a day care centre. As of the date of this First Report, of the Real Property’s eleven (11) rentable commercial units, nine (9)

are occupied and two (2) are vacant. The Debtors intended to develop a mixed-use condominium/redevelopment project on the Real Property.

24. The Receiver understands that liquidity issues prevented the Debtors from advancing the redevelopment project.
25. The Debtors' directors are Mr. Ganni and Nawar Mahfooth. The Receiver understands both Mr. Ganni and Mr. Mahfooth were active in the management of the Debtors' affairs.
26. The Receiver understands that the Debtors have no employees. The bookkeeping/accounting function of the Debtors was historically performed by an independent contractor.

Secured Creditors

27. As noted above, the secured creditors of the Business/Real Property comprise the Applicant in respect of the VTB Mortgages and the Third Mortgagee in respect of the Third Mortgage, which are owed as described above.
28. The Receiver also understands that there is accrued and unpaid property taxes owing on the Real Property by the Debtors. The Receiver has contacted the City of Oakville to confirm the outstanding balance and intends to report on the amount in a subsequent report to the Court.
29. The Receiver is not aware of any additional creditor registrations on title to the Real Property or otherwise registered against the Debtors as it relates to the Business.

Unsecured Creditors

30. The Debtors estimate that, as of October 29, 2025, they had unsecured obligations totaling approximately \$22 million.

V. THE SALE PROCESS, SALE PROCEDURES AND STALKING HORSE AGREEMENT

31. A copy of the SISP, which was developed cooperatively among the Receiver and the Stalking Horse Bidder, and in consultation with the Broker (as defined below), is attached hereto as **Appendix "F"**. Capitalized terms not otherwise defined in this First Report have the meanings provided to them in the SISP. **Readers are cautioned to carefully read the SISP and not to rely on a review of the summary of the SISP contained in the body of this First Report.**
32. The purpose of the SISP is to seek and to implement proposals to acquire the Property or invest in or refinance the Business while providing greater certainty of a transaction through the Stalking Horse Agreement.
33. The Receiver has retained Lennard Commercial Realty, Brokerage (the "**Broker**") to assist in the development and execution of the SISP and related marketing strategy.

34. The timelines of the proposed SISP are as follows:

Milestone	Key Dates
Phase 1: Formal Marketing Process and Initial Due Diligence Period	January 20, 2026 – February 26, 2026
Phase 1 Bid Deadline	February 27, 2026
Phase 2: Due Diligence Period for Selected Bidders	February 28, 2026 – March 19, 2026
Phase 2 Bid Deadline	March 20, 2026
Auction	Not later than March 23, 2026
Court Approval of Successful Bid	Not later than the week of March 31, 2026
Targeted Closing Date	April 20, 2026
Outside Date	April 30, 2026

35. The SISP is separated into two phases that will be carried out by the Broker, on behalf of and under the supervision of the Receiver. During Phase 1 of the SISP, which will commence as soon as possible after the SISP Order is issued, and in any event, no later than five (5) business days following such date, the Receiver and the Broker will prepare a list of potential bidders, which list may be periodically expanded during Phase 1 as additional potential bidders and parties who wish to participate in the SISP are identified. The Receiver and the Broker will circulate a marketing flyer (the “**Flyer**”) to such potential bidders, who will be required to execute a non-disclosure agreement (“**NDA**”) to participate in the SISP and receive further information regarding the opportunity. The Receiver will also publish an advertisement of the opportunity in *The Globe and Mail* (National Edition) and on the Insolvency Insider Canada website. The Receiver will also post the advertisement of the opportunity on the Case Website.
36. Those parties that have executed an NDA (“**Participating Bidders**”) will be provided with access to an electronic data room containing financial and other due diligence information.

Phase 1

37. During Phase 1 of the SISP, the Broker will solicit bids from Participating Bidders. Participating Bidders will have until the Phase 1 Bid Deadline of **5:00 PM (Eastern Time) on February 27, 2026** to submit a Phase 1 Bid, in accordance with the terms of the SISP (the “**Phase 1 Bid Deadline**”).
38. The Phase 1 Bid Deadline was determined in consultation with the Broker and the Stalking Horse Bidder. The Broker has advised the Receiver that it is of the view that the Phase 1 Bid Deadline is

appropriate and provides potential bidders with sufficient time to become aware of the SISP opportunity, complete sufficient due diligence and submit a Phase 1 Bid.

39. A Phase 1 Bid will be considered a qualified bid ("**Qualified Phase 1 Bid**") only if it meets the following criteria (as more specifically described in the SISP):
- a. it is submitted by a Participating Bidder and received by the Broker and the Receiver on or before the Phase 1 Bid Deadline;
 - b. it is accompanied by a bidder information letter disclosing, among other things, (i) ownership, control, and beneficial interests of the Participating Bidder, a statement that the Participating Bidder expects that it can complete the transaction by the Outside Date, (iii) whether the bid is a Sale Proposal or an Investment Proposal and (iv) any other information reasonably requested by the Receiver (in consultation with the Broker);
 - c. in the case of a Sale Proposal, it must include, *inter alia*:
 - i. a marked-up draft purchase agreement based on the Stalking Horse Agreement setting out the proposed purchase price (including assumed liabilities) and all material deal terms; and
 - ii. disclose financing sources and evidence of availability, required approvals, conditions to closing, anticipated closing timeline, stakeholder treatment, and any additional Phase 2 diligence; and
 - d. in the case of an Investment Proposal, it must include, *inter alia*:
 - i. a detailed transaction structure, including proposed payments, financing terms, and the aggregate amount of capital to be provided; and
 - ii. disclose funding sources and evidence of availability, required approvals, conditions to closing, anticipated closing timeline, stakeholder treatment, and any additional Phase 2 diligence.
40. In assessing the Phase 1 Bids, the Receiver, in consultation with the Broker, may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified Phase 1 Bid. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.
41. If one or more Qualified Phase 1 Bids are received and the Receiver, in consultation with the Broker, determines such bid(s) is superior to or competitive with the Stalking Horse Bid, then the Receiver, in consultation with the Broker, may select such Qualified Phase 1 Bid(s) to continue to Phase 2,

with each such bidder deemed to be a “**Selected Bidder**”. The Stalking Horse Bidder is automatically considered a Selected Bidder.

42. If the Receiver, in consultation with the Broker, determines that no Qualified Phase 1 Bid is superior to or competitive with the Stalking Horse Bid, and no bidder other than the Stalking Horse Bidder is deemed to be a Selected Bidder, then the Stalking Horse Bid will be deemed to be the Successful Bid, the SISP will not proceed to Phase 2 nor will an Auction be held, and the Receiver will apply to the Court for approval of the Stalking Horse Bid.

Phase 2

43. If Phase 2 is required, then during Phase 2, the Broker, under the supervision of the Receiver, will solicit final, binding Sale Proposals or Investment Proposals from Selected Bidders.
44. Selected Bidders (including their legal and financial advisors) will be granted additional access to due diligence materials relating to the Property and the Business, as deemed appropriate by the Receiver, in consultation with the Broker.
45. Selected Bidders wishing to proceed must submit a final binding bid by **5:00 p.m. (ET) on March 20, 2026**, consisting of an executed purchase agreement (for Sale Proposals) or executed investment/credit agreement (for Investment Proposals).
46. The Phase 2 Bid Deadline was selected in consultation with the Broker. The Broker has advised the Receiver that it is of the view that the Phase 2 Bid Deadline is appropriate and provides potential bidders with sufficient time to conduct any additional due diligence required and to solidify their bid into a binding Final Bid. The Receiver is of the view that the timelines with respect to the bid deadlines provided for in the SISP are reasonable and appropriate in the circumstances.
47. The Stalking Horse Agreement is deemed to be a Final Bid, a Qualified Bid, and the Stalking Horse Bidder is deemed a Selected Bidder and Auction Bidder.
48. Final Bids must, *inter alia*:
 - a. meet prescribed qualification requirements, including: minimum value thresholds, firm and irrevocable financing commitments, no conditionality on further diligence or financing, full disclosure of ownership and control, stakeholder treatment, assumed liabilities, approvals required and a closing timeline on or before the Outside Date; and
 - b. be accompanied by a deposit equal to **at least 10%** of the proposed purchase price and evidence of appropriate corporate authorization. Deposits will be held in trust by the Receiver and (i) in the case of a Successful Bid, applied to the purchase price or investment amount upon closing such bid and treated in accordance with the relevant purchase agreement, or (ii) in the case of bids that are not selected as the Successful Bid, returned following Court

approval of the Successful Bid, subject to retention of the Backup Bid deposit until closing of the transaction contemplated by the Successful Bid.

49. The Receiver, in consultation with the Broker, may waive certain bid requirements (subject to specified limitations) and determine whether a bid qualifies.

Auction Process

50. If one or more Qualified Bids are received and a Successful Bid is reasonably attainable, the SISP will proceed to an auction; otherwise, the Stalking Horse Agreement will be deemed the Successful Bid.

51. The key terms of the auction process are as follows:

- a. the auction will be held on or before March 23, 2026, in a format determined by the Receiver, with participation limited to authorized representatives of Auction Bidders;
- b. prior to the auction, the Receiver will identify the initial highest and/or best bid and disclose material economic and business terms of competing bids to Auction Bidders;
- c. bids in the auction must exceed the prior bid by minimum cash increments of \$250,000 and continue to satisfy the Qualified Bid requirements;
- d. bidders failing to submit an overbid in any round will be eliminated and the auction will continue until no further overbids are received;
- e. the Receiver may adjourn the auction as necessary and may designate both a Successful Bid and a Backup Bid; and
- f. the Receiver will determine all other auction procedures and may, with the assistance of its advisors and in consultation with the Broker, adopt additional rules at or prior to the Auction to promote a fair and effective process, provided such rules are consistent with the SISP. Where an Investment Proposal involves a restructuring, recapitalization or reorganization and is expected to deliver value for the benefit of creditors and other stakeholders, the Receiver may implement appropriate procedures to facilitate such bidder's participation in the Auction, subject to compliance with the Qualified Bid Requirements and in keeping with the principles of the SISP.

Approval Motion for Successful Bid

52. The Receiver will seek Court approval of the Successful Bid and authority to enter into all necessary agreements and take such steps as may be required to implement the transaction. The approval hearing is expected to occur on or before March 31, 2026, subject to scheduling by the Court, and as may be adjourned or rescheduled by the Receiver. Court Approval is a necessary condition to complete any transaction. Upon Court approval of the Successful Bid, all other Qualified Bids, except the Backup Bid, will be deemed rejected. Any Backup Bid will remain open until completion of the Successful Bid transaction, at which time it will expire. If the Successful Bidder fails to complete the transaction following Court approval, the Backup Bid will be deemed the Successful Bid and the Receiver may complete the transaction with the Backup Bidder within 30 days, without further order of the Court.

Other

53. The Receiver may extend key deadlines, including the Phase 1 and Phase 2 bid deadlines and the targeted closing date, in consultation with the Broker and with the consent of the Stalking Horse Bidder.

The Stalking Horse Agreement

54. The Stalking Horse Agreement contemplates the acquisition of the Purchased Assets (as defined in the Stalking Horse Agreement), including the Real Property and substantially all the property used in the Business by the Debtors, with a view to continuing the Business as a going concern. Capitalized terms not otherwise defined in this section have the meanings given to them in the Stalking Horse Agreement, a copy of which is attached hereto as **Appendix "G"**. The key terms and conditions of the Stalking Horse Agreement are provided below:

- a. **Stalking Horse Bidder:** 915643 Ontario Inc.;
- b. **Purchase Price:** comprising the aggregate of the following amounts (the "**Purchase Price**"):
 - i. any outstanding amounts secured by the Receiver's Charge (as defined in the Receivership Order) on the Closing Date (the "**Receiver's Charge Amount**");
 - ii. any and all other amounts and claims which rank in priority to the VTB Mortgages, including, without limitation, on account of unremitted property or other taxes and amounts that have priority pursuant to s. 78(2) of the *Construction Act*, after application of any cash on hand of the Debtors' immediately prior to Closing (collectively, the "**Priority Payables**"). The aggregate of the Receiver's Charge Amount and the Priority Payables is defined in the Stalking Horse Agreement as the "**Cash Portion**";

- iii. the amount owing under the VTB Mortgages on the Closing Date, including without limitation principal, interest, interest on interest, protective disbursements, legal expenses, amendment and/or extension fees, and costs and expenses. As of the date of this First Report, the estimated amount owing under the VTB Mortgages is approximately \$40.0 million (not including outstanding interest, fees, costs or expenses accrued to date or that continue to accrue); and
- iv. any outstanding amounts secured by the Receiver's Borrowing Charge (as defined in the Receivership Order) on the Closing Date;
- c. **Deposit:** within five (5) Business Days following the issuance of the SISP Order, the Stalking Horse Bidder will transfer an amount equal to 10% of the present cash component of the Purchase Price to the Receiver, to be held in trust (the "**Deposit**"). Upon closing, the Deposit will be applied against the Cash Portion of the Purchase Price;
- d. **Purchased Assets:** includes, among others, the Real Property, all chattels used in or related to the Real Property, the Development Materials (to the extent transferrable), the benefit of any prepaid expenses or deposits, books and records related to the Purchased Assets, cash, cash equivalents, marketable securities and accounts receivable related to the Real Property, the benefit of refundable taxes and the Assumed Contracts (as defined in the Stalking Horse Agreement, and which are to be identified to the Receiver within three (3) Business Days after the Stalking Horse Agreement is selected as the Successful Bid);
- e. **Assumed Liabilities:** all liabilities and obligations incurred under or in respect of the following: (i) Permitted Encumbrances and (ii) arising from the possession, ownership or use of the Purchased Assets arising after Closing;
- f. **Excluded Liabilities:** any liabilities of the Debtors other than the Assumed Liabilities;
- g. **Priority Payables and Cure Costs:** on or prior to the date which is three (3) Business Days prior to the Closing Date, the Receiver is to deliver an updated schedule setting out the Priority Payables and Cure Costs as of the Closing Date (the "**Closing Priority Payables and Cure Costs Schedule**"), which schedule will replace the original Schedule "E" attached to the Stalking Horse Agreement. In the event that on Closing (i) the Cash Portion of the Purchase Price and the Cure Costs in the aggregate exceeds the sum of \$2.0 million (the "**Maximum Cash Amount**") or (ii) the Closing Priority Payables and Cure Costs Schedule includes any new category of Claim that is not a Priority Claim set out in the original Schedule "E" attached to the Stalking Horse Agreement, the Stalking Horse Bidder may terminate the Stalking Horse Agreement without recourse (and with the deposit to be returned);
- h. **Representations and Warranties:** consistent with the standard terms of an insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties;

- i. **Closing Date:** the date that is the later of (i) the first Business Day following the date that is twenty (20) days after the Approval and Vesting Order is issued by the Court and (ii) the first Business Day following the date that is twenty (20) days after the date on which any appeals or motions to set aside or vary the Approval and Vesting Order have been finally determined, and in each case, after the Purchase Price and all other Closing deliverables have been delivered or, if the Parties agree, such other date as agreed in writing by the Parties;
- j. **Material Conditions**, include, *inter alia*:

For the Benefit of Both Parties

- i. the Approval and Vesting Order shall have been issued and entered and shall not have been stayed, amended, modified, reversed or dismissed;

For the Benefit of the Stalking Horse Bidder

- i. the Stalking Horse Bid is selected as the Successful Bid;
- ii. the representations and warranties of the Receiver contained in the Stalking Horse Agreement shall be true and correct as of the Closing Date in all material respects;
- iii. the Receiver shall have fulfilled or complied with all covenants contained in the Stalking Horse Agreement required to be fulfilled or complied with by it in all material respects on or before the Closing Date. The Stalking Horse Bidder may, in its sole discretion, extend the Closing Date to a date that is on or prior to the Outside Date;
- iv. the Receiver shall have complied with all the terms contained in the Stalking Horse Agreement applicable to the Receiver prior to the Closing Date;
- v. there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the contemplated transaction or otherwise claiming that such completion is improper;
- vi. the Cash Portion of the Purchase Price shall not exceed an amount equal to the Maximum Cash Amount;
- vii. the Closing Priority Payables and Cure Costs Schedule does not include any new category of Claim that is not a Priority Payable specifically set out in the original Schedule "E" to the Stalking Horse Agreement; and
- viii. no material adverse change shall have occurred with respect to the Purchased Assets, including the physical and environmental condition of the Real Property, between the date of the Stalking Horse Agreement and the Closing Date; and

For the Benefit of the Receiver

- i. all the representations and warranties of the Stalking Horse Bidder contained in the Stalking Horse Agreement shall be true and correct in all material respects on the Closing Date;
 - ii. the Stalking Horse Bidder shall have paid (or otherwise satisfied) the Purchase Price;
 - iii. the Stalking Horse Bidder shall have fulfilled or complied with all covenants contained in the Stalking Horse Agreement required to be fulfilled or complied with by it in all material respects on or before the Closing Date;
 - iv. the Stalking Horse Bidder shall have complied with all the terms contained in the Stalking Horse Agreement applicable to the Stalking Horse Bidder prior to the Closing Date; and
 - v. there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper;
- k. **Termination:** the Stalking Horse Agreement can be terminated:
- i. automatically and without any action or notice by either Party, immediately if this Agreement is not selected as the Successful Bid or a back-up Bid in accordance with the SISP;
 - ii. automatically and without any action or notice by either Party, immediately if the Receiver completes a sale of the Purchased Assets to another bidder pursuant to and in compliance with the SISP;
 - iii. if mutually agreed between the Receiver and the Stalking Horse Bidder;
 - iv. as noted above, if the Cash Portion of the Purchase Price and the Cure Costs in the aggregate exceeds the Maximum Cash Amount (i.e. \$2.0 million) or the Closing Priority Payables and Cure Costs Schedule includes any new category of Claim that is not a Priority Claim set out in the original Schedule "E" attached to the Stalking Horse Agreement;
 - v. if any of the provisions in the Stalking Horse Agreement concerning risk, damage, destruction and expropriation in respect of the Real Property are breached;
 - vi. if there is a material breach by either party of any representation, warranty or covenant contained in the Stalking Horse Agreement, which breach has not been waived or cured in accordance with the Stalking Horse Agreement;

- vii. if the Approval and Vesting Order is not issued by the Court on or before March 31, 2026, which date may be extended by the Stalking Horse Bidder in its sole discretion; and
- viii. automatically, if Closing does not occur prior to the discharge of the Receiver as the receiver of the Purchased Assets, unless the Receiver's interest in the Stalking Horse Agreement has been assigned prior to (or as part of) the Receiver's discharge.

Bid Protections

- 55. The Stalking Horse Agreement does not contemplate any break fee or expense reimbursement payable to the Stalking Horse Bidder if it is not selected as the Successful Bidder.

Stalking Horse Agreement Recommendation

- 56. The Receiver has considered whether the Stalking Horse Bidder's offer warrants it being structured as a stalking horse bid, as opposed to the Stalking Horse Bidder simply being a bidder in the SISP. The Proposed Receiver is of the view that the stalking horse structure is superior to the alternative for the following reasons:
 - a. the Stalking Horse Agreement provides greater certainty to the Debtors' stakeholders, including its nine (9) active tenants (each of which operate businesses from their respective units), that a transaction will be completed;
 - b. the Stalking Horse Agreement does not include a break fee or expense reimbursement;
 - c. the Stalking Horse Agreement is not being approved as the Successful Bid at this time, but is subject to the outcome of the SISP; and
 - d. the Stalking Horse Agreement sets a minimum bid amount, which will avoid the time and resources being spent on below market offers.

Sale Process Recommendation

- 57. The Receiver is of the view, and has been advised by the Broker that it too is of the view, that the timelines and procedures provided for under the SISP, including the incorporation of the Stalking Horse Agreement, are reasonable and appropriate in the circumstances based on its experience and its review of sale and investment solicitation processes approved by the Court in similar proceedings.
- 58. The Receiver therefore recommends that this Court issue the SISP Order for the following reasons:
 - a. in the Receiver's view, the SISP, including its terms, procedures and proposed timeline, is commercially reasonable;

- b. the Receiver has engaged the services of a real estate broker (Lennard) led by individuals who have extensive experience selling similar properties and other real properties subject to insolvency proceedings;
- c. the proposed SISP is a fair, open and transparent process intended to canvass the market broadly on an orderly basis;
- d. stalking horse sale processes are a recognized mechanism in restructuring processes to maximize recoveries, while creating stability for the business and certainty for the stakeholders;
- e. the SISP allows for a fair, efficient and transparent market test for the benefit of all stakeholders, and provides an opportunity to complete a transaction with greater value than what is offered in the Stalking Horse Agreement, should one materialize;
- f. it is, in the Receiver's view, in the best interests of the Company's stakeholders that the Stalking Horse Agreement be preserved in order to have the opportunity to maximize value and to protect downside risk in the event that a superior offer is not submitted;
- g. the proposed timeline of the SISP is, in the Receiver's and Broker's view, sufficient to allow interested parties to perform due diligence and submit offers;
- h. the terms of the Stalking Horse Agreement are commercially reasonable;
- i. the requirement to return to Court for approval of a transaction before the Receiver can consummate any Successful Bid ensures that a transaction identified in the SISP will not proceed without review and consideration by the Court; and
- j. there are no bid protections or expense reimbursements that may otherwise discourage interested parties from submitting offers in the SISP.

VI. PRIORITY CLAIMS PROCESS

- 59. The Receiver seeks authorization to commence the Priority Claims Process, limited to determining the claims of creditors against the Debtors and/or the Real Property that may rank in priority to the VTB Mortgages as well as the charge in favour of the Third Mortgagee.
- 60. Since the Stalking Horse Bid is a credit bid, it is appropriate to determine the prior-ranking claims to determine the consideration to be paid under the Stalking Horse Bid both in the event the Stalking Horse Bid is selected as the Successful Bid in the SISP and in the event that the Receiver needs to compare the value of another bid to that of the Stalking Horse Bid.
- 61. All stakeholders are strongly encouraged to review the proposed Priority Claims Process Order. The discussion in this First Report regarding the Priority Claims Process is intended only as a summary of certain key aspects of the proposed Priority Claims Process Order, a copy of which is attached

hereto as **Appendix “H”**. Capitalized terms used in this section and not otherwise defined have the meanings ascribed to them in the Priority Claims Process Order.

62. For added clarity, no Person is required to submit a Proof of Claim in respect of (i) any Claim that is not asserted to be a Priority Claim, including any unsecured Claim; or (ii) any claim arising in respect of any period following the date of the Receivership Order and/or not based on facts or circumstances existing on or prior to the date of the Receivership Order.

Claims Bar Date

63. All Priority Creditors wishing to assert a Priority Claim, will be required to file with the Receiver a Proof of Claim by **5:00 p.m. (Toronto time) on February 27, 2025** (the “**Claims Bar Date**”).
64. Any Priority Creditor that does not file a Proof of Claim, together with supporting documentation, by the Claims Bar Date, will, *inter alia*:
- a. be forever barred from asserting or enforcing any such Priority Claim; and
 - b. not be entitled to receive any distributions from the Debtors in respect of such Priority Claim.
65. The Receiver is of the view that the Claims Bar Date is reasonable in that it provides sufficient time for Priority Creditors to evaluate and submit any Proof of Claim that it may have against the Debtors. It also aligns with the Phase 1 Bid Deadline and so will help to provide information for the Receiver if the SISP proceeds to Phase 2.

Notice Provisions

66. In accordance with the Priority Claims Process Order, the Receiver will:
- a. by no later than two (2) Business Days following the making of the Priority Claims Process Order, post a copy of the Priority Claims Process Order, with schedules, on the Case Website;
 - b. send a copy of the Claims Package by January 23, 2026 to any Person the Books and Records disclose to be a Priority Creditor owed monies by one or more of the Debtors as of the date of the Priority Claims Process Order and which monies remain unpaid in whole or in part;
 - c. by no later than January 23, 2026, cause to be published the Notice to Priority Creditors in *The Globe and Mail* (National Edition) and posted on the Insolvency Insider Canada website; and
 - d. upon request, deliver a copy of the Claims Package to any Person claiming to be a Priority Creditor and requesting such material, provided such request is received prior to the Claims Bar Date.

Adjudication of Claims

67. The Receiver will review all Proofs of Claim filed on or before the Claims Bar Date and will accept, revise or disallow (in whole or in part) such Proof of Claim. At any time, the Receiver may request

additional information with respect to any Priority Claim and may request that the Priority Creditor file a revised Proof of Claim.

68. If a decision is made to revise or disallow a Proof of Claim, the Receiver will send a Notice of Revision or Disallowance to the Priority Creditor. However, the Receiver may attempt to resolve the amount and/or status of any Priority Claim with the Priority Creditor on a consensual basis prior to accepting, revising or disallowing such Claim.
69. Any Priority Creditor who intends to dispute a Notice of Revision or Disallowance must, by no later than 5:00 pm on the Business Day that is seven (7) days after the date on which the Receiver delivers the Notice of Revision or Disallowance, or such later date as the Receiver may agree in writing or the Court may order. Any Priority Creditor that does not deliver to the Receiver a Notice of Dispute of Revision or Disallowance within the prescribed time period will be deemed to have accepted the amount and status of its Proof of Claim, as set out in the Notice of Revision or Disallowance, and such amount and status, if any, will constitute such Priority Creditor's Proven Claim.
70. As soon as practicable after the delivery of the Notice of Dispute to the Receiver, the Receiver may:
 - a. attempt to resolve the classification and amount of the Priority Claim with the Priority Creditor on a consensual basis; and/or
 - b. schedule an appointment with the Court for the purpose of scheduling a motion to have the classification and/or amount of the Priority Claim determined by the Court.
71. The Receiver may also make a motion to the Court for a final determination of a Priority Claim at any time, whether or not a Notice of Revision or Disallowance has been sent by the Receiver, on full notice to the applicable Priority Creditor.
72. In the event that the dispute between the Priority Creditor and the Receiver is not settled within a time period or in a manner satisfactory to the Receiver or the Priority Creditor, the Receiver or the Priority Creditor may make a motion to the Court for directions, on notice to each other.

VII. ACTIVITIES OF THE RECEIVER

73. The Receiver's activities prior to and since the Receivership Filing Date have included, among other things, the following:
 - a. corresponding extensively with Capstone and McCarthy Tetrault LLP (counsel to the Applicant/Stalking Horse Bidder, "MT"), regarding all aspects of this mandate;
 - b. corresponding with the Debtors' directors, Mr. Ganni and Mr. Mahfooth, regarding these receivership proceedings and various matters regarding the Business and the Real Property;

- c. corresponding with Scalzi Law LLP, counsel to the Third Mortgagee, regarding rent attainment matters, the SISP and other matters pertaining to these proceedings;
- d. reviewing various Court and other materials in connection with the NOI Withdrawal Order and the Receivership Application;
- e. attending at Court on November 18, 2025 and November 20, 2025 in respect of the November 18 Hearing and November 20 Hearing, respectively, and again on November 27, 2025 in respect of the case conference to address the November 20 Receivership Order, the issuance of the Applicant's notice of application seeking the Receiver's appointment and the implications for the Receivership Order;
- f. preparing a cash flow forecast setting out the expected cash receipts and disbursements during the pendency of these receivership proceedings and corresponding with Capstone and MT regarding same and in the context of potential interim financing to be provided by the Applicant;
- g. attending at the Real Property on November 26, 2025 for a site tour and to attend meetings with the Tenants;
- h. drafting an internal memorandum regarding the November 26, 2025 site visit at the Real Property;
- i. corresponding with Tenants and certain of their legal counsel regarding the receivership proceedings generally, payment of rent during the receivership, ongoing maintenance and repair matters and various other matters relating to the occupancy of their respective units;
- j. reviewing the Tenant leases and preparing internal memoranda summarizing the terms of same;
- k. drafting a letter to Tenants regarding terms and procedures for payment of rent during the receivership proceedings;
- l. opening a receivership bank account and paying post-filing expenses therefrom;
- m. establishing and maintaining the Case Website;
- n. arranging for the redirection of the Debtors' mail to the Receiver (for clarity, this was restricted to mail in connection with the Business and the Real Property);
- o. corresponding with the Debtors' insurance broker regarding continuation of coverage over the Business/Real Property and adding the Receiver as the named insured and loss payee on the policy;
- p. preparing the Notice and Statement of the Receiver pursuant to Sections 245(1) and 246(2) of the BIA and delivering same to the Office of the Superintendent of Bankruptcy, the Debtors and the Debtors' creditors;

- q. retaining Richmond Advisory Services Inc. (“**Richmond**”) to provide ongoing property management services at the Real Property during these proceedings, and corresponding with Richmond on a near daily basis regarding tenant matters, property maintenance matters and rent collection;
- r. arranging for the opening of post-filing utilities accounts and corresponding, including through Richmond, with the Real Property/Business utilities providers;
- s. reviewing and responding to enquiries from creditors, the Tenants (including legal counsel) and other stakeholders of the Debtors;
- t. corresponding with the City of Oakville regarding property tax arrears on the Real Property;
- u. corresponding with CRA regarding the receivership proceedings generally and to request a trust exam in respect of the Debtors’ HST accounts;
- v. reviewing proposals (the “**Proposals**”) from three (3) real estate brokerages (including the Broker) submitted in connection with selecting a listing agent and corresponding with same regarding the proposed SISP and their respective Proposals;
- w. corresponding with MT and Capstone regarding the Proposals and the Receiver’s recommendations thereon;
- x. negotiating and entering into a listing agreement with the Broker;
- y. facilitating due diligence requests from the Broker in preparation for and the development of marketing materials and other matters regarding the SISP;
- z. reviewing and negotiating the Stalking Horse Agreement and corresponding with Capstone and MT regarding same and various related matters in connection with the SISP;
- aa. developing the SISP in consultation with MT, Capstone and the Broker;
- bb. reviewing all motion materials in connection with this motion, including the SISP Order, Priority Claims Process Order and Ancillary Relief Order, among other materials;
- cc. drafting this First Report; and
- dd. dealing with all other matters pertaining to the administration of this mandate not specifically addressed above.

VIII. ACCOUNTS OF THE PROPOSAL TRUSTEE, RECEIVER AND CAPSTONE

- 74. Pursuant to the Receivership Order, the fees and disbursements of the Proposal Trustee and its legal counsel, Capstone, form part of the Receiver’s Charge in addition to the fees and disbursements of the Receiver and Capstone as legal counsel to the Receiver.

75. In accordance with paragraphs 17 and 18 of the Receivership Order, the Receiver has been authorized to periodically pay its fees and disbursements, and that of its counsel, subject to approval by the Court.
76. The Receiver and its counsel, Capstone, have maintained detailed records of their professional fees and disbursements throughout the course of the NOI proceedings and since the Receivership Filing Date.
77. AGI's professional fees incurred in its capacity as Proposal Trustee during the NOI proceedings and rendered during the period from September 25, 2025 to December 3, 2025 amount to \$43,458, plus disbursements in the amount of \$592 (all excluding HST). These amounts represent professional fees and disbursements not yet approved by the Court. The time spent by the Proposal Trustee's professionals is described in the affidavit of Adam Zeldin, sworn January 13, 2026, attached hereto as **Appendix "I"** (the "**Zeldin Fee Affidavit**").
78. AGI's professional fees incurred in its capacity as Receiver and rendered during the period from November 10, 2025 to December 31, 2025 amount to \$44,050, plus disbursements in the amount of \$1,892 (all excluding HST). These amounts represent professional fees and disbursements not yet approved by the Court. The time spent by the Receiver's professionals is described in the Zeldin Fee Affidavit.
79. Capstone's professional fees for services rendered in its capacity as counsel to the Proposal Trustee for the period from October 14, 2025 to November 23, 2025 total \$16,200, plus disbursements in the amount of \$50 (all excluding HST). These amounts represent professional fees and disbursements not yet approved by the Court. The time spent by Capstone's professionals is described in the affidavit of Danny Nunes, sworn January 12, 2026, attached hereto as **Appendix "J"** (the "**Nunes Fee Affidavit**")
80. Capstone's professional fees for services rendered in its capacity as counsel to the Receiver for the period from November 10, 2025 to December 31, 2025 total \$10,200, plus disbursements in the amount of \$50 (all excluding HST). These amounts represent professional fees and disbursements not yet approved by the Court. The time spent by Capstone's professionals is described in the Nunes Fee Affidavit.
81. The Receiver has reviewed Capstone's accounts and has determined that the services have been duly authorized and duly rendered and that the charges are reasonable

IX. RECEIVER'S RECOMMENDATION

82. Based on all of the foregoing, the Receiver respectfully recommends that this Honourable Court grant the SISP Order, the Priority Claims Process Order and the Ancillary Relief Order in the forms sought.

All of which is respectfully submitted this 13th day of January 2026

**ALBERT GELMAN INC.,
in its capacity as Receiver and Manager of
177 Cross Argus Development Inc and
Double Diamond Capital Inc.
and not its personal or any other capacities**



Per:

Adam Zeldin, CPA, CA, CIRP, LIT

APPENDIX “A”



Court File No. CL-25-00753599-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) THURSDAY, THE 27TH
JUSTICE CAVANAGH) DAY OF NOVEMBER, 2025

915643 ONTARIO INC.

Applicant

- and -

177 CROSS ARGUS DEVELOPMENT INC. and DOUBLE DIAMOND CAPITAL INC.

Respondents

ORDER
(appointing Receiver)

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Albert Gelman Inc. as receiver and manager ("**AGI**" and in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of 177 Cross Argus Development Inc. ("**177**") and Double Diamond Capital Inc. (the "**Beneficial Owner**" and collectively with 177, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors at the real property known municipally as 177-185 Cross Avenue, Oakville, ON and 580 Argus Road, Oakville, ON, and as described in Schedule "A" hereto (the "**Real Property**"), was heard this day by judicial videoconference at Toronto, Ontario.

ON READING the Notice of Application dated November 13, 2025, the affidavit of Bernard S. Woo sworn November 12, 2025 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the Respondent, the proposed receiver, and such other

parties as listed on the Participant Information Sheet, no other party appearing although duly served as appears from the Lawyer's Certificate of Service of Meena Alnajar dated November 13, 2025, filed and on reading the consent of AGI to act as the Receiver, and on being advised that the Debtors and Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc. (the "**Third Mortgage**") consent to this Order on terms agreed upon with the Applicant,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, including, without limitation, 177's bank accounts wherever located;
- (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 Debtors in relation to the Real Property, 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 Debtors in relation to the Real Property;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors in relation to the Real Property or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors in relation to the Real Property and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors in relation to the Real Property;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors in relation to the Real Property;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, including, without limitation, in respect of zoning applications and/or construction permits and any requirements related thereto, whether in the Receiver's name or in the name and on behalf of any of the Debtors, 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 Debtors (in relation to the Real Property), the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$1,000,000, provided that the aggregate consideration for all such transactions does not exceed \$5,000,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the

Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors in relation to the Real Property;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in relation to the Real Property; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel, equity holders, including, without limitation, investors and shareholders, and all other persons acting on their instructions or behalf, (iii) all service providers and all other persons acting on their instructions or behalf, and (iv) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such

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

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

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

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

NOTICE OF ATTORNMENT OF RENTS

13. **THIS COURT ORDERS** that the Notices of Attornment of Rents and Direction to Pay dated September 30, 2025 (the "**Rent Notices**") and delivered by the Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc. (the "**Subordinate Mortgagees**") to tenants at the Real Property are hereby terminated effective November 12, 2025.

14. **THIS COURT DECLARES** that the Subordinate Mortgagees are entitled to retain any rent paid to them by a tenant of the Real Property between September 30, 2025, and November 11, 2025 (the "**Attornment Period**").

15. **THIS COURT ORDERS** that any rent paid by a tenant of the Real Property during the Attornment Period to the said tenant's lawyer or paralegal in trust ("**Preserved Rent**") be paid to the Subordinate Mortgagees within ten (10) days.

16. **THIS COURT ORDERS** that any rents received by the Subordinate Mortgagees pursuant to the Rent Notices on or after November 12, 2025, and, except for Preserved Rent, any rent presently due and payable but not otherwise remitted by tenants shall be paid to the Receiver within ten (10) days.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

22. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, including for greater certainty those fees and disbursements incurred by AGI in its capacity as proposal trustee of 177 and the fees and disbursements of its legal counsel in that capacity, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

24. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates

and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

25. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow from the Lender or as otherwise may be agreed upon by the Lender 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 \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

29. **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: <https://www.albertgelman.com/filedocuments/#177cross>.

30. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors’ creditors or other interested parties at their respective addresses as last shown on the records of the Debtors 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

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

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

33. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this

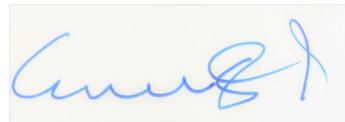
Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents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

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

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

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

37. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on November 20, 2025, and is enforceable without any need for entry and filing.



SCHEDULE "A"

LT 3, PL 1333; PT LT 1, PL 1333, AS IN 7550077; PT LT 14, CON 3 TRAF SDS, AS IN
755007 TOWN OF OAKVILLE

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number ___-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

[RECEIVER'S NAME], solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

915643 ONTARIO INC.
Applicant

and

**177 CROSS ARGUS DEVELOPMENT
INC. and DOUBLE DIAMOND INC.**
Respondents

Court File No: CL-25-00753599-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

ORDER
(appointing Receiver)

McCarthy Tétrault LLP
Suite 5300, Toronto Dominion Bank Tower
Toronto ON M5K 1E6
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Heather Meredith LSO#: 48354R
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Lawyers for 915643 Ontario Inc.

APPENDIX “B”

**FIRST REPORT TO COURT OF
ALBERT GELMAN INC.
AS PROPOSAL TRUSTEE UNDER THE
NOTICE OF INTENTION TO MAKE A PROPOSAL OF
177 CROSS ARGUS DEVELOPMENT INC.**

OCTOBER 29, 2025

District of Ontario
Division No. 09 - Mississauga
Court File No.: BK-25-03281116-0032
Estate File No.: 32-3281116

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST**

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
177 CROSS ARGUS DEVELOPMENT INC.**

**FIRST REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

OCTOBER 29, 2025

I. INTRODUCTION

1. This first report (“**First Report**”) is filed by Albert Gelman Inc. (“**AGI**”) in its capacity as proposal trustee (the “**Proposal Trustee**”) in connection with a Notice of Intention to Make a Proposal (“**NOI**”) filed by 177 Cross Argus Development Inc. (“**177 Cross**” or the “**Company**”) on October 2, 2025 (the “**Filing Date**”) under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”). Attached hereto at **Appendix “A”** is a copy of the Certificate of Filing issued by the Office of the Superintendent of Bankruptcy for the Company. The NOI proceedings of 177 Cross are referred to herein as the “**NOI Proceedings**”.
2. The primary objective of these NOI Proceedings is to provide stability to the Company and an opportunity to secure interim financing, complete its development applications for the Subject Property (as defined below) and commence a sale and investment solicitation process for investment in and/or an acquisition of the Subject Property (the “**Proposed SISP**”).
3. The Company is making a motion to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) returnable October 30, 2025 (the “**October 30 Motion**”) seeking various relief, as summarized below. This First Report has been prepared largely in connection with and support of the October 30 Motion.
4. On its October 30 Motion, the Company is seeking an Order (the “**Stay Extension Order**”), *inter alia*:
 - a. granting a super-priority charge over the current and future assets, undertakings and properties of the Company of every nature and kind whatsoever (including all real and personal property), and wherever situate, including all proceeds thereof (collectively, the “**Property**”), in the amount of \$250,000 to secure the fees and disbursements of counsel to the Company, the Proposal Trustee and counsel to the Proposal Trustee (the “**Administrative Charge**”);
 - b. extending the time for the Company to file a proposal to December 16, 2025 (the “**Stay Extension**”);
 - c. declaring that the Third Mortgagee (as defined below) is subject to the stay of proceedings as provided under section 69 and 69.1 of the BIA;
 - d. declaring that the Notice of Attornment of Rents and Direction to Pay (the “**Attornment Notice**”) delivered by the Third Mortgagee to the tenants of the Company are null and void, and directing that the Third Mortgagee deliver to the Company all rents collected pursuant to the Attornment Notice. A copy of the Attornment Notice is attached hereto as **Appendix “B”**;
 - e. approving certain pre-filing payments as provided in the Cash Flow Forecast (as defined below); and
 - f. approving this First Report and the actions, activities and conduct of the Proposal Trustee set out in the First Report.

5. The Company has filed with its October 30 Motion the affidavit of Sarmad Ganni sworn October 28, 2025 (the “**Ganni Affidavit**”), in support of the relief being sought.
6. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Company in the October 30 Motion.
7. The Proposal Trustee has established a case website at <https://www.albertgelman.com/filedocuments/177-Cross/> (the “**Case Website**”), where copies of Court and other materials pertaining to these NOI proceedings are available in electronic form.

II. PURPOSE OF THIS REPORT

8. The purpose of this First Report is to provide the Court with information pertaining to the following:
 - a. relevant background information pertaining to the Company, including the events that led the Company to initiate the NOI Proceedings;
 - b. a forecast of the Company’s receipts and disbursements (the “**Cash Flow Forecast**”) for the period from October 6, 2025 to January 4, 2026 (the “**Forecast Period**”), prepared in accordance with Section 50.4(2) of the BIA;
 - c. the actions and activities of both the Proposal Trustee and the Company since the Filing Date; and
 - d. the Proposal Trustee’s recommendations in respect of the Company’s request for the Stay Extension Order.

III. SCOPE AND TERMS OF REFERENCE

9. In preparing this First Report, the Proposal Trustee has relied upon certain unaudited financial information, the Company’s books and records and discussions with the Company’s management, directors and legal counsel, BE Law LLP (“**BE Law**”).
10. While the Proposal Trustee has reviewed the various documents and other information provided by the Company, such review does not constitute an audit or verification of such documents/information for accuracy, completeness or compliance with Accounting Standards for Private Enterprises (“**ASPE**”) or International Financial Reporting Standards (“**IFRS**”) or otherwise. Accordingly, the Proposal Trustee expresses no opinion or other form of assurance pursuant to ASPE or IFRS or otherwise with respect to such documents/information.
11. This First Report has been prepared for the use of this Court and the Company’s stakeholders as general information relating to the Company and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose. The Proposal Trustee will not assume responsibility or

liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.

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

IV. BACKGROUND INFORMATION

13. The Company's business, affairs, financial performance and causes of its insolvency are detailed in the Ganni Affidavit. This First Report should be read in conjunction with the Ganni Affidavit, as certain information contained in the Ganni Affidavit has not been included herein to avoid duplication.

General Background

14. 177 Cross is a privately held corporation incorporated under the *Business Corporations Act* (Ontario) on March 10, 2023. The Company's registered office is located in Burlington, Ontario.
15. The Company is in the business of real estate development.
16. The Company's management team consists of Mr. Nawar Mahfooth and Mr. Ganni. Mr. Mahfooth and Mr. Ganni are also the directors of the Company.
17. The Company does not have any employees. It has one independent contractor who provides bookkeeping and other accounting/controllership services.

The Subject Property

18. 177 Cross is the registered owner of a 2.5-acre property municipally known as 177-185 Cross Avenue and 580 Argus Road, Oakville, Ontario (the "**Subject Property**"). The Subject Property is currently improved with three commercial buildings, including two single-storey multi-tenant retail buildings and a single-storey commercial building with a daycare centre.
19. 177 Cross acquired the Subject Property in March 2023 for approximately \$53 million with the intent of developing it into a large-scale, mixed-use residential and commercial condominium project located across from the Oakville GO Station. The proposed development contemplates four towers (ranging from 6 to 60 storeys) comprising 1,895 residential units, approximately 9,300 square feet of retail space, and six levels of underground parking.
20. As noted in the Ganni Affidavit, an appraisal prepared in/around January 2023 estimated that the value of the Subject Property, once developed and zoning applications are approved, is approximately \$55.3 million. As further noted in the Ganni Affidavit, the Company recently obtained a draft appraisal, which estimated value of the Subject Property, once fully developed, to be approximately \$65.0 to \$70.0 million.

Secured Creditors

21. The Subject Property is encumbered by three registered mortgages:
 - a. First and Second Mortgages – upon acquiring the Subject Property in March 2023, 177 Cross granted vendor-take-back (“**VTB**”) financing to the vendor, 915643 Ontario Inc. (the “**VTB Mortgagee**”), consisting of a first mortgage in the principal amount of approximately \$31.8 million and a second mortgage in the principal amount of approximately \$5.3 million (collectively, the “**VTB Mortgages**”). These mortgages are registered on title to the Subject Property as the first and second charges, respectively; and
 - b. Third Mortgage – also upon acquiring the Subject Property, 177 Cross entered into a third mortgage in favour of Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc. (together, the “**Third Mortgagee**”) in the principal amount of approximately \$5.0 million (the “**Third Mortgage**”). As noted in the Ganni Affidavit, the initial intention was for the Third Mortgagee to be an equity partner in the project by converting its mortgage to equity, however, the Third Mortgagee ultimately elected not to do so. The Third Mortgage is registered on title as a subsequent encumbrance, ranking behind the VTB Mortgages.

Enforcement Steps by the Third Mortgagee

22. As further noted in the Ganni Affidavit, the Third Mortgage matured in 2024. When 177 Cross was unable to repay the mortgage, the Company sought to refinance the obligation. The Proposal Trustee understands it was unable to do so due to deteriorating market conditions.
23. The Proposal Trustee understands that the Third Mortgagee subsequently commenced enforcement proceedings against 177 Cross and the guarantors of the mortgage, including Mr. Ganni, Mr. Mahfooth, and Double Diamond Capital Inc. (a company controlled by them, “**Double Diamond**”), to recover the outstanding indebtedness under the Third Mortgage.
24. As noted in the Ganni Affidavit, following negotiations among the Company and the Third Mortgagee with a view to defer further enforcement steps, each of Mr. Ganni, Mr. Mahfooth and Double Diamond agreed to grant a collateral mortgage against five additional parcels of land owned by entities related to Double Diamond, as security for the obligations owing under the Third Mortgage.
25. Despite receiving this collateral security, the Third Mortgagee proceeded to obtain a default judgment against 177 Cross on March 5, 2025. As noted in the Ganni Affidavit, since that time, 177 Cross has continued efforts to refinance and repay the Third Mortgagee in full.
26. On September 19, 2025, the Third Mortgagee sent a Notice of Intention to Enforce Security (the “**NITES**”) by registered mail pursuant to section 244 of the BIA. Copies of the registered mail receipts are attached hereto as **Appendix “C”**, which show that the NITES were mailed at or after approximately 6:16 p.m. (Toronto time) on September 19, 2025. The Proposal Trustee was advised by the Company that the NITES was not received until September 22, 2025.

27. The Third Mortgagee takes the position that the NITES was properly served on September 19, 2025, and that the 10-day statutory period under section 244 of the BIA therefore expired on September 29, 2025, entitling it to commence enforcement prior to the Filing Date. The Company, on the other hand, takes the position that the NITES was served on September 22, 2025, the date of receipt, and that the 10-day period therefore expired after the filing of the NOI.
28. Based on these differing interpretations, the Third Mortgagee asserts that it is not subject to the stay of proceedings under section 69 and 69.1 of the BIA, while the Company maintains that the Third Mortgagee is captured by the stay and that all enforcement activity should have ceased upon the NOI filing.
29. As noted in the Ganni Affidavit, on September 30, 2025, the Third Mortgagee delivered the Attornment Notice to all tenants of the Subject Property and began collecting rents for October 2025.
30. On October 9, 2025, counsel for the Company reiterated its position to counsel for the Third Mortgagee that the NITES was served on September 22, 2025, and that the Third Mortgagee's enforcement steps, including the attornment of rents, were stayed by operation of the BIA.
31. As part of the relief sought in the October 30 Motion, the Company is requesting that the Court make an order declaring that the stay of proceedings under the BIA applies to the Third Mortgagee, and directing that any rents attorned or collected by the Third Mortgagee be immediately returned to the Company. The Company is further seeking an order requiring the Third Mortgagee to cease any further rent collection, attornment, or other enforcement actions in respect of the Subject Property during the NOI Proceedings. The Proposal Trustee understands that the Third Mortgagee intends to oppose this relief.
32. The Proposal Trustee supports the Company's position regarding the NITES and the related relief sought in respect of rents collected by the Third Mortgagee. This position is based on the operation and intent of sections 69 and 69.1 of the BIA, as well as the fact that the attorned rents provide critical funding for the Company's ongoing operations.

Unsecured Creditors

33. The Company estimates that, as at the Filing Date, it had unsecured obligations totaling approximately \$22.6 million owing to approximately 36 creditors, including entities controlled by Mr. Ganni and Mr. Mahfooth.

V. ACTIVITIES OF THE COMPANY

34. Since the Filing Date, the Company has undertaken, among other things, the following activities:
 - a. Corresponding with various stakeholders, including the Company's creditors and investors, the Subject Property tenants and legal counsel to the VTB Mortgagee and the Third Mortgagee regarding the NOI Proceedings;

- b. corresponding with prospective lenders to provide interim financing during these NOI Proceedings, including responding to diligence requests;
- c. corresponding with BE Law regarding all aspects of the NOI Proceedings;
- d. attending meetings with the Proposal Trustee to discuss the Company's objectives and options in respect of the NOI Proceedings; and
- e. preparing the Cash Flow Forecast with the assistance of the Proposal Trustee.

VI. ACTIVITIES OF THE PROPOSAL TRUSTEE

35. The Proposal Trustee's activities since the Filing Date have included, *inter alia*, the following:
- a. sending a notice, within five days of the Filing Date, of the NOI Proceedings to all known creditors of the Company with claims of \$250 or more, in accordance with the BIA. Notice was also sent to certain other persons, including, among others, applicable tax authorities and any other party that requested a copy of the notice;
 - b. establishing and maintaining the Case Website, where material documents pertaining to the NOI Proceedings are available in electronic form;
 - c. establishing procedures for the monitoring of the Company's cash flows and for ongoing reporting of variances to the Cash Flow Forecast;
 - d. assisting the Company with preparing the Cash Flow Forecast and filing same with the Official Receiver pursuant to the BIA;
 - e. meeting and corresponding with the Company and its legal counsel regarding, among other things;
 - i. the business, financial affairs and future prospects of the Company;
 - ii. the options available to the Company in the context of these NOI Proceedings; and
 - iii. the Cash Flow Forecast, cash management, creditor matters and various other matters in connection with the Company's operations and its NOI Proceedings;
 - f. corresponding with legal counsel to the VTB Mortgagee and Third Mortgagee, including in respect of the Cash Flow Forecast, funding during the NOI Proceedings, the Administration Charge, and these proceedings generally and in the context of the Company's intended restructuring plan;
 - g. responding to enquiries from creditors and other stakeholders in connection with the NOI Proceedings;

- h. reviewing materials filed with the Court in respect of the October 30 Motion; and
- i. preparing this First Report.

VII. CASH FLOW FORECASTS

36. The Company, with the assistance of the Proposal Trustee, prepared the Cash Flow Forecast, which, in accordance with Section 50.4(2) of the BIA, was filed with the Official Receiver on October 10, 2025. A copy of the Cash Flow Forecast, as well as the associated reports of both the Company and the Proposal Trustee, are attached hereto as **Appendix “D”**. The Cash Flow Forecast is summarized as follows:

177 Cross Argus Development Inc.	
Cash Flow Forecast	
For the Period from October 6, 2025 to January 4, 2026	
(in \$CAD; unaudited)	
Receipts	
Rental income	239,999
Common area maintenance fees	38,567
Total receipts	278,566
Disbursements	
Interest and bank charges	26,000
Office and general	10,989
Utilities	49,125
Insurance	3,370
Consulting fees	16,950
Repairs and maintenance	41,697
Restructuring costs	169,500
Development application	417,157
Total disbursements	734,788
Net cash flow	(456,222)
Opening cash	(24,425)
Net cash flow	(456,222)
Proposed interim financing	500,000
Closing cash	19,353

37. The Cash Flow Forecast projects that the Company will experience a net cash outflow of approximately \$0.5 million (before any DIP Facility drawdown) over the Forecast Period, comprised of:
- a. cash receipts of approximately \$0.3 million, primarily related to the collection of rent and common area maintenance fees from the Subject Property’s tenants; and
 - b. cash disbursements of approximately \$0.7 million, primarily consisting of: (i) various operating and other costs to maintain current operations, including utilities, insurance, general office costs, bookkeeping fees (recorded above as “Consulting fees”) and repairs/maintenance costs, (ii) costs of professionals in connection with the NOI Proceedings, and (iii) costs associated

with completing the rezoning application process for the Official Plan Amendment (OPA) and Zoning By-Law Amendment (ZBA) with the Town of Oakville, including approximately \$0.3 million of related pre-filing amounts.

38. The Cash Flow Forecast projects a cash shortfall of approximately \$0.5 million during the Forecast Period. The Proposal Trustee understands that the Company will, in the near-term, make a motion to the Court seeking approval of interim financing to fund activities associated with completing the rezoning application and the professional costs of the NOI Proceedings. The Cash Flow Forecast contemplates that the Company will require approximately \$0.5 million of interim financing during the Forecast Period to cover the cash shortfall. As evidenced by the Cash Flow Forecast, without access to interim financing, the Company lacks sufficient liquidity to complete the rezoning application and fund the NOI Proceedings.

VIII. THE ADMINISTRATION CHARGE

39. The Company seeks the Administration Charge over all the Property to secure the fees and disbursements incurred in connection with services rendered to the Company before and after the Filing Date by BE Law, the Proposal Trustee and its counsel.
40. The quantum of the Administration Charge sought by the Company was determined in consultation with the Proposal Trustee.
41. The Administration Charge will rank in priority to all other security interests, including the VTB Mortgagee and Third Mortgagee security interests.
42. The Administration Charge is required in insolvency proceedings to ensure that the professionals involved with the debtor company continue to provide their services to the debtor. The Proposal Trustee is of the view that the amount and the priority of the Administration Charge is required and reasonable in the circumstances. The Proposal Trustee supports the granting and the proposed ranking of the Administration Charge.

IX. REQUEST FOR EXTENSION

43. The Company is seeking the Stay Extension pursuant to subsection 50.4(9) of the BIA.
44. The Proposal Trustee supports the Stay Extension for the following reasons:
 - a. the Stay Extension will provide the Company, with the assistance of its legal counsel and the Proposal Trustee, with the time needed to (i) stabilize its operations, (ii) advance and submit the rezoning application, and (iii) enhance the prospect of maximizing value for the Subject Property in anticipation of the Proposed SISP;
 - b. the Company is acting in good faith and with due diligence; and

- c. it is the Proposal Trustee's view that the Stay Extension will not materially prejudice or adversely affect any group of creditors.
45. In consideration of the foregoing, the Proposal Trustee is of the view that the Company's request for the Stay Extension is appropriate in the circumstances.

X. PROPOSAL TRUSTEE'S RECOMMENDATION

46. Based on all of the foregoing, the Proposal Trustee respectfully recommends that this Honourable Court grant the relief sought by 177 Cross in the October 30 Motion.

All of which is respectfully submitted this 29th day of October 2025

**ALBERT GELMAN INC., solely in its capacity as
Trustee in re the Notice of Intention to Make a Proposal of
177 Cross Argus Development Inc.
and not its personal or any other capacity**



Per:

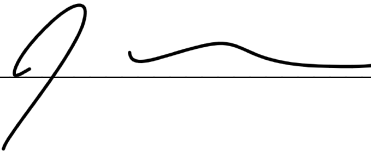
Adam Zeldin, CPA, CA, CIRP, LIT

APPENDIX “C”

ON READING the Notice of Motion, the affidavit of Sarmad Ganni affirmed October 28, 2025 (the "**Ganni Affidavit**") and the Exhibits thereto, the First Report dated October 29, 2025, and the appendices thereto, and on hearing the submissions of counsel for the Company, the Proposal Trustee, and the secured creditors 915643 Ontario Inc. and Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc.;

1. **THIS COURT ORDERS** that the time within which to make a proposal pursuant to section 62(1) of the BIA and the corresponding stay of proceedings provided for in section 69 of the BIA, be and are hereby extended in accordance with section 50.4(9) of the BIA to and including November 20, 2025.

2. **THIS COURT ORDERS** that the balance of the relief sought in the Notice of Motion, including any further extension of the stay of proceedings provided for in section 69 of the BIA, is hereby adjourned to November 18, 2025 at 10 a.m.



**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED
IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 177 CROSS ARGUS DEVELOPMENT INC., OF THE CITY
OF BURLINGTON, IN THE PROVINCE OF ONTARIO**

Estate / Court File No.: BK-25-03281116-0032

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST

PROCEEDINGS COMMENCED IN TORONTO

ORDER

BE LAW LLP

30 St. Patrick Street, Suite 700
Toronto, ON M5T 3A3

Sara J. Erskine (LSO# 46856G)

Email: sara@be-law.ca

Tel: 416-597-5408

Adrienne Zaya (LSO# 79215K)

Email: Adrienne.zaya@be-law.ca

Tel: 416-306-8026

Lawyers for the 177 Cross Argus Development Inc.



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: BK-25-03281116-0032

DATE: October 30, 2025

NO. ON LIST: 4

TITLE OF PROCEEDING: 177 Cross Argus Development Inc.

BEFORE: JUSTICE J. DIETRICH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Sara J. Erskine	Counsel for 177 Cross Argus Development Inc.	sara@be-law.ca
Heather Meredith	Counsel for 915643 Ontario Inc. (1 st & 2 nd Mortgagee)	hmeredith@mccarthy.ca
Derek Ketelaars Syed Jawad Quader	Counsel for Aarti Real Estate Enterprises Inc & Mayuri Ventures Inc. (3 rd Mortgagee)	derek@sclawpartners.com jawad@sclawpartners.com
Danny M. Nunes	Counsel for Proposal Trustee	dn@capstonelegal.ca
Adam Zeldin	Proposal Trustee	azeldin@albertgelman.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

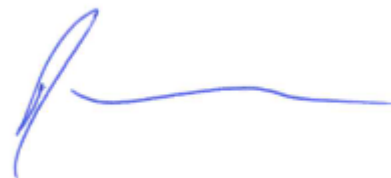
Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE J. DIETRICH:

1. 177 Cross Argus Development Inc. (the “**Company**”) filed a Notice of Intention to make a Proposal (“**NOI**”) on October 2, 2025, under s. 50.4(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”).
2. On October 28, 2025, the Company filed motion material seeking an order:
 - a. granting an Administrative Charge over the Property in the amount of \$250,000;
 - b. extending the time for the Company to file a proposal under s. 50.4 of the BIA (the “**Extension**”) until December 16, 2025;
 - c. declaring that Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc. (together the “**Third Mortgagee**”) is subject to the stay of proceedings as provided under the BIA and declaring the notice of attornment of rents and direction to pay delivered by the Third Mortgagee null and void;
 - d. approving certain pre-filing payments; and
 - e. approving the First Report of Albert Gelman Inc. As Proposal Trustee dated October 29, 2025
3. As matters have progressed, the Company is now only seeking a short Extension until November 20, 2025 and a reduced Administrative Charge.
4. Company’s counsel and the Proposal Trustee’s counsel advised that no cash is expected to be received during the requested short Extension by the Company. There are no employees, no operational office and no development expenses will be incurred in this time, the only substantive ongoing costs are professional fees.
5. There is no opposition to a short Extension. The purpose of the short Extension is allow parties to properly respond the Company's substantive motion and to allow the Company to bring forward a proposal for interim funding to be approved. A further motion is now scheduled for **November 17, 2025 at 10:00 am (virtually) for two hours** for this purpose.
6. The Company and the Third Mortgagee have agreed that the October and November rents collected will be held by Mr. Ketelaar's firm in trust pending further court order and that tenants be directed to pay Scalzi Caplin LLP the October and November rent. This

arrangement with respect to rent is without prejudice to any arguments anyone may make with respect to entitlement to that rent.

7. The request for the Administrative Charge was reduced to \$50,000 for this interim period, however, counsel to 915643 Ontario Inc. (the “**VTB Mortgagee**”) and counsel to the Third Mortgagees oppose given this request was made on one day notice. Both counsel to the VTB Mortgagee and the Third Mortgagee raise underlying concerns with the NOI process generally. In the circumstances, I am not prepared to grant that relief today, but rather it will be heard at the upcoming motion scheduled for November 17, 2025.
8. The Court has the authority to extend the stay period for up to 45 days under s. 50.4(9) of the BIA where the Court is satisfied that: (a) the insolvent person has acted, and is acting, in good faith and with due diligence; (b) the insolvent person would likely be able to make a viable proposal if the extension being applied for were granted; and (c) no creditor would be materially prejudiced if the extension being applied for were granted.
9. Based on the information in the First Report, I am satisfied that the Company is acting in good faith and with due diligence and would be more likely to make a viable proposal if an extension was granted. Further, based on the information provided in the First Report and the representations made as referenced above regarding the limited expenses to be incurred by the Company during the requested Extension period, I am satisfied that no creditor will be materially prejudiced by a short Extension. As well, the VTB Mortgagee and the Third Mortgagee do not oppose this relief.
10. Order to go in the form signed by me this day.



Date: October 30, 2025

Jane O. Dietrich

APPENDIX “D”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) TUESDAY, THE 18TH
)
JUSTICE CAVANAGH) DAY OF NOVEMBER, 2025

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1985, c. B-3, AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
177 CROSS ARGUS DEVELOPMENT INC., OF THE CITY OF BURLINGTON,
IN THE PROVINCE OF ONTARIO**

ORDER
(Withdrawal of NOI)

THIS MOTION made by 915643 Ontario Inc. (the “**Lender**”) for an Order (i) deeming the Notice of Intention to make a proposal of 177 Cross Argus Development Inc. (“**177**”) dated October 2, 2025 (the “**NOI**”) to be withdrawn, (ii) lifting the stay of proceedings with respect to the Lender in this proposal proceeding (the “**Proposal Proceeding**”) under the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (the “**BIA**”) and permitting the commencement of a receivership proceeding by the Lender against 177, among others, *nunc pro tunc* (the “**Receivership Proceeding**”), and (iii) granting certain related relief, was heard this day by judicial videoconference at Toronto, Ontario.

ON READING the Notice of Motion, the affidavit of Meena Alnajjar sworn November 13, 2025 and the Exhibits thereto and on hearing the submissions of counsel for the Lender, 177, Albert Gelman Inc. (“**AGI**”), in its capacity as the proposal trustee (the “**Proposal Trustee**”), and such other parties as listed on the Participant Information Sheet, no other party appearing although duly served as appears from the Lawyer’s Certificate of Service of Meena Alnajjar dated November 13, 2025, and on being advised that 177 consents to this Order,

SERVICE

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

WITHDRAWAL OF NOI

2. **THIS COURT ORDERS** that the NOI is and shall be deemed for all purposes to be withdrawn, annulled and/or cancelled for all purposes, the Proposal Proceeding is hereby terminated and the provisions of Division I of Part III of the BIA shall have no further application to 177.

3. **THIS COURT ORDERS** that, for the avoidance of doubt, 177 shall not be deemed bankrupt by reason only of there being no proposal filed with the Office of the Superintendent of Bankruptcy (the “OSB”) and approved by 177’s creditors, by reason only of there being no Court approval of a proposal or by reason only of the present Order causing any other irregularity in respect of the NOI and proposal process under the BIA.

4. **THIS COURT ORDERS** that the Proposal Proceeding shall be terminated without any other act or formality, save and except as provided in this Order, and provided that nothing herein impacts the validity of any Orders made in this proceeding or any actions or steps taken by any Person pursuant to or as authorized by any Orders of the Court made in the Proposal Proceeding.

5. **THIS COURT ORDERS** that the Proposal Trustee shall file a copy of this Order with the OSB and upon receipt, the OSB is directed to take any and all steps as may be necessary to ensure that the provisions of this Order are carried out, including but not limited to, registering 177’s NOI as void and reflecting the same in the OSB’s records and registry.

LIFT STAY AND COMMENCEMENT OF RECEIVERSHIP

6. **THIS COURT ORDERS** that, pursuant to section 69.4 of the BIA, the stay of proceedings pursuant to section 69(1) of the BIA on the filing of the NOI is hereby lifted with respect to the Lender, *nunc pro tunc*.

7. **THIS COURT ORDERS** that the Lender is hereby permitted and granted leave to commence the Receivership Proceeding against 177 *nunc pro tunc*.

PROPOSAL TRUSTEE

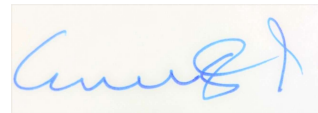
8. **THIS COURT ORDERS** that, subject to paragraph 9 of this Order, AGI be and is hereby discharged and relieved from any further obligations, liabilities, responsibilities or duties in its capacity as Proposal Trustee, provided however, that notwithstanding its discharge herein, the Proposal Trustee shall remain the Proposal Trustee for the performance of such incidental duties as may be required to complete the administration of the Proposal Proceeding.

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

10. **THIS COURT ORDERS** that, in addition to the protections in favour of the Proposal Trustee as set out in the BIA, the Proposal Trustee shall not be liable for any act or omission on the part of 177, save and except for any claim or liability arising out of any gross negligence or wilful misconduct on the part of the Proposal Trustee.

GENERAL

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order, and is enforceable without any need for entry and filing.



**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL
OF 177 CROSS ARGUS DEVELOPMENT INC., OF THE CITY OF BURLINGTON,
IN THE PROVINCE OF ONTARIO**

Court File No. B

**OF
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Proceeding Co

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Lawyers for 9156



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: BK-25-03281116-0032

DATE: November 18, 2025

NO. ON LIST: 1

TITLE OF PROCEEDING: 177 CROSS ARGUS DEVELOPMENT INC.

BEFORE: JUSTICE CAVANAGH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Sara J. Erskine	Counsel to 177 Cross Argus Development Inc.	sara@be-law.ca
Adrienne Zaya (No Appearance)		adrienne.zaya@bc-law.ca
Heather Meredith	Counsel to 915643 Ontario Inc. (1st & 2nd Mortgagee)	hmeredith@mccarthy.ca
Meena Alnajar		malnajar@mccarthy.ca
Derek Ketelaars	Counsel to Aarti Real Estate Enterprises Inc & Mayuri Ventures Inc. (3rd Mortgagee)	derek@sclawpartners.com
Syed Jawad Quader		jawad@sclawpartners.com
Danny M. Nunes	Counsel to the Proposal Trustee	dn@capstonelegal.ca
Adam Zeldin	Proposal Trustee	azeldin@albertgelman.com
Bryan Gelman		bgelman@albertgelman.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE CAVANAGH:

[1] There were two motions and one application before me.

[2] The motion by 177 Cross Argus Development Inc. (“177”) seeking, among other things, an extension of the time for 177 to file a proposal under the Bankruptcy and Insolvency Act, RSC 1985, c B-3, was not pursued and was withdrawn by 177 on consent.

[3] In the motion by 915643 Ontario Inc. (the “Lender”), the Lender sought an order in the proposal proceedings of 177 to, among other things, lift the stay of proceedings and deem the notice of intention to make a proposal (the “NOI”) filed by 177 withdrawn (the “Withdrawal of NOI Order”).

[4] In the application, the Lender sought an order (the “Receivership Appointment Order”) for the appointment of a receiver over the assets, undertakings and properties of 177 and Double Diamond Capital Inc. (“Double Diamond” and, together with 177, the “Debtors”) acquired for or used in relation to a business carried on by the Debtors at the real property with the municipal address 177-185 Cross Avenue and 580 Argus Road, Oakville, ON (the “Real Property”).

[5] At the commencement of the hearing, I was advised that (i) the Debtors, (ii) the Lender, (iii) Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc. (together, the “Third Mortgagee” and, together with the Debtors and Lenders, the “Parties”); and (iv) Albert Gelman Inc. (“AGI”) in its capacity as proposal trustee and proposed receiver and its counsel, had reached a resolution.

[6] In particular, I was advised that the Parties and AGI each consented to the withdrawal of the NOI and were seeking the Withdrawal of NOI Order today, on consent.

[7] In *Elk Gold Mining Corp. (Re)*, 2024 BCSC 371 (CanLII), Fitzpatrick J., at paras. 33-42, surveyed the applicable jurisprudence and held that the court has jurisdiction to allow a debtor to withdraw an NOI if the circumstances justify that relief. Fitzpatrick J. accepted that there is a functional gap in the BIA and that circumstances may exist which allow the court to consider such relief so as to give effect to the purposes of the BIA. Fitzpatrick J. concluded, in addition, at para. 42, that the court has the jurisdiction to grant an order for the withdrawal of a NOI pursuant to s. 183(1) of the BIA, in the exercise of its statutory jurisdiction toward fulfilling the objectives of the BIA.

[8] 177 has reached a resolution with the Third Mortgagee, which resolves the situation that led to the NOI filing. In addition, the parties have reached a resolution and the Withdrawal of NOI Order is on consent. I am also satisfied that the proposal proceeding is not the appropriate process for addressing the issues faced by 177. Among other things, 915 does not consent to it, there is no prospect of a viable proposal, and 177 has not yet secured financing for the proposal process or its professional fees. 177 has no employees or business to be saved.

[9] I am satisfied in the circumstances that the requested Withdrawal of NOI Order, on consent, should be made.

[10] Order to issue in form of the Withdrawal of NOI Order signed by me today.

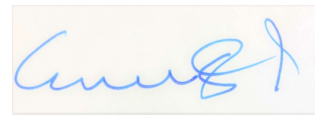
[11] In addition, I was advised that the Parties had agreed to the form of Receivership Appointment Order, which would be sought on consent on November 20, 2025 unless the Debtors made certain payments agreed among the Parties by 3 p.m. on November 20, 2025 (the “Initial Payments”).

[12] I scheduled a hearing on November 20, 2025 at 3:30 p.m. before me to hear the application for the Receivership Appointment Order (which counsel reviewed with me today) in the event the Initial Payments are not made as required by the agreement among the Parties.

[13] I was further advised that if the Initial Payments are made by 3 p.m. on November 20, 2025 then the Parties will cancel the November 20, 2025 hearing but will seek a further hearing on November 28, 2025 to consider the Receivership Appointment Order in the event that the Debtor fails to meet certain additional terms (the "Additional Terms") by that time.

[14] In order to secure the date, I scheduled a further hearing on November 28, 2025 at 11 a.m. to hear the application for the Receivership Appointment Order in the event that the Initial Payments are made as required (such that the Receivership Appointment Order is not granted on November 20, 2025) but the Additional Terms are not met by November 28, 2025 at 11 a.m.

[15] Counsel will advise the Commercial List Court Office in the event either the November 20, 2025 or November 28, 2025 hearings are not required.



APPENDIX “E”

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST

IN THE MATTER OF *THE BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 177
CROSS ARGUS DEVELOPMENT INC., OF THE CITY OF BURLINGTON, IN THE
PROVINCE OF ONTARIO

AFFIDAVIT OF SARMAD GANNI

I, Sarmad (Sam) Ganni, of the city of Toronto, in the Province of Ontario, AFFIRM AND SAY:

1. This Affidavit is made in support of a motion by 177 Cross Argus Development Inc. (the “**Company**” or “**177 Cross**”) for an Order (the “**NOI Process Order**”) granting relief under the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 as amended (the “**BIA**”).
2. I am a Director of 177 Cross and have served in this role since March 2023. As such, I have personal knowledge of the matters contain in this Affidavit. Where I have relied on other sources for information, I have stated the source of that information, and I believe it to be true. In preparing this Affidavit, I have also consulted with 177 Cross's senior management team and 177 Cross's legal and financial advisors.
3. All references to monetary amounts in this Affidavit are in Canadian dollars unless noted otherwise.

A. INTRODUCTION AND BACKGROUND

4. On October 2, 2025, 177 Cross filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"). Albert Gelman Inc. was appointed as the proposal trustee under the NOI (in such capacity, the "**Proposal Trustee**"). A copy of the NOI and the Certificate of Filing of a Notice of Intention to Make a Proposal are attached hereto as **Exhibit "A"**.

5. 177 Cross is a privately held corporation that was incorporated under the *Business Corporations Act* (Ontario), R.S.O. 1990, c.B.16 (the "**OBCA**") on March 10, 2023 under the name 177 Cross Argus Development Inc.

6. 177 Cross owns a 2.5-acre property, located at 177-185 Cross Ave & 580 Argus Road, Oakville (the "**Subject Property**"), for the purpose of developing a mixed-use condominium/redevelopment project. The legal description of the Subject Property is LT 3, PL 1333; PT LT 1, PL 1333, AS IN 755007; PT LT 14, CON 3 TRAF SDS, AS IN 755007 TOWN OF OAKVILLE.

7. 177 Cross is planning a large-scale, mixed-use condominium development project in Oakville, Ontario located at the intersection of Cross Avenue and Argus Road, across from the Oakville GO Station, but liquidity issues have impacted its ability to complete development activities necessary to advance the project. In addition, as a result of current market conditions, the Company is facing market headwinds in its efforts to solicit interest from lenders and investors to generate liquidity.

8. The Subject Property is a 2.491-acre site improved with two single-storey, multi-tenant retail buildings and one single-storey commercial building with a day care centre. 177 Cross proposed a residential mixed-use development with 4 towers (A: 55-storey, B: 60-storey, C 50-storey, D: 6-storey) with 1,895 condominium units and a gross floor area of 1,431,222 square feet, including 9,300 square feet of retail space at grade. The buildings will be served by a 6-level underground car park with 1,013 spaces.

9. As further detailed below, 177 Cross filed the NOI in response to the Third Mortgagee (as defined below) serving a Notice of Intention to Enforce Security pursuant to section 244 of the BIA. 177 Cross has been unable to complete the development process on the Subject Property and refinance the third mortgage due to current market conditions and lack of liquidity. Through these proceedings, 177 Cross intends to address its immediate liquidity crisis through restructuring the company and the completion of development and zoning applications for the Subject Property to maximize the value of the Subject Property for creditors and stakeholders through a sale and investor solicitation process (the “SISP”).

10. The proposed NOI process will be for the benefit of all stakeholders of 177 Cross including the contracting parties, creditors and shareholders.

B. CORPORATE STRUCTURE

11. 177 Cross is incorporated under the OBCA with its registered head office located in Burlington, Ontario.

12. 177 Cross's management team is comprised of:

(a) Nawar Mahfooth - Co-Founder and Managing Director – Nawar is an

engineer and entrepreneur. He holds a BEng and MASc in Electrical Engineering from Ryerson University. Nawar has published multiple research articles, registered a patent, formed strategic partnerships, and raised funds for development and other projects. Nawar is the managing director of Double Diamond Capital Inc. where he raises funds for various real estate development projects.

(b) Sam Ganni – Director – I have more than 20 years of extensive commercial retail experience. I identify up-and-coming real estate opportunities for development. I am well-versed on market research and understanding buyer demand. Further, I have a strong track record of building and developing successful retail businesses.

C. 177 CROSS'S BUSINESS

(a) The Subject Property

13. As set out above, 177 Cross purchased the property with the intent of developing it. 177 Cross proposed a residential mixed-use development with 4 towers (A: 55-storey, B: 60-storey, C 50-storey, D: 6-storey) with 1,895 condominium units and a gross floor area of 1,431,222 square feet, including 9,300 square feet of retail space at grade. The buildings will be served by a 6-level underground car park with 1,013 parking spaces.

14. The Subject Property is located north of Cross Avenue, between the Oakville Via Rail / GO Train station and QEW, west of Trafalgar Road. The area is generally characterized by predominantly commercial uses, with one large high-density residential development between Cornwall Road and the train tracks. The area is bounded by QEW (to the north), Trafalgar Road (to the east), Cornwall Road (to the south), and Sixteen Mile

Creek (to the west). Across from QEW is Oakville Place, a regional indoor shopping mall.

15. The purchase price of the Subject Property back on or around March 15, 2023 was \$53,000,000 and it was transferred from 915643 Ontario Inc. to 177 Cross.

16. There are two related Vendor-Take-Back (“**VTB**”) mortgages over the Subject Property being the first and the second mortgage on the Subject Property. The value of the first VTB mortgage is \$31,800,000. The value of the second VTB mortgage is \$5,300,000. The current amount owing on the VTB mortgages is approximately \$39,622,030 with accrued interest.

17. An appraisal by Colliers International on or around January 31, 2023 estimated that the value of the Subject Property once the development and zoning applications are approved is to be valued at \$55,300,000. More than 2 years have passed since this appraisal was completed and in my experience, the value of the Subject Property once the development and zoning applications are approved is likely to be higher. More recently Cushman and Wakefield has prepared a draft appraisal of value once the proposed development set out is completed and the property is fully developed to be in the range of \$65,000,000 to \$70,000,000.

(b) The Third Mortgage

18. Upon closing, 177 Cross entered into a third mortgage with Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc. (collectively, the “**Third Mortgagee**”) in the amount of approximately \$5,000,000. Originally, the idea was for the Third Mortgagee to become an equity partner in this project and convert its mortgage to equity, However, a few months later, the Third Mortgagee decided not to convert it.

19. The Third Mortgage matured in 2024. When 177 Cross was unable to repay the mortgage, 177 Cross attempted to take the Third Mortgage out with refinancing, but due to the downturn in the real estate market beginning in 2024, 177 Cross was unable to secure refinancing.

20. The Third Mortgagee commenced enforcement steps against 177 Cross and guarantors of the mortgage, including me, Nawar and Double Diamond Capital Inc. to recover the \$5,000,000 mortgage plus interest and costs.

21. 177 Cross negotiated with the Third Mortgagee on holding off pursuing the claim to give 177 Cross more time to secure refinancing. In exchange, Double Diamond Capital Inc., Nawar and I agreed to provide the Third Mortgagee with a collateral mortgage for the same amount of \$5,000,000 registered against five other parcels of land in other companies related to Double Diamond Capital Inc., which is referred to as the Sheppard Assembly.

22. The Sheppard Assembly consists of the properties municipally known as:

(a) 287 Maplehurst Ave, North York, Ontario M2N 3C5;

(b) 295 Maplehurst Ave, North York, Ontario M2N 3C5;

(c) 293 Maplehurst Ave, North York, Ontario M2N 3C5;

(d) 288 Sheppard Ave E, North York, Ontario M2N 3B1; and

(e) 280 Sheppard Ave E, Toronto, Ontario M2N 3B1.

23. Despite obtaining the collateral mortgage, the Third Mortgagee did not hold off on this claim and proceeded to obtain a default judgement against 177 Cross on March 5,

2025. A copy of the Default Judgement dated March 5, 2025 is attached as **Exhibit “B”**.

24. Since March 5, 2025, 177 Cross has continued to work diligently to try and secure refinancing to pay out the Third Mortgagee and to satisfy the Default Judgment.

25. As set out above, the Third Mortgagee served a Notice of Intention to Enforce a Security (“**Notice to Enforce**”) under section 244 of the BIA on 177 Cross by registered mail on Monday, September 22, 2025. Attached as **Exhibit “C”** is a copy of the Notice to Enforce served on 177 Cross on September 22, 2025.

26. On October 2, 2025, 177 Cross filed the NOI, thereby staying the Third Mortgagee’s enforcement efforts.

27. On October 3, 2025, Adam Zeldin of Albert Gelman Inc. sent an email to counsel for the Third Mortgagee, Derek Ketelaars at Scalzi Caplan LLP, confirming that 177 Cross had informed the Proposal Trustee that the Notice to Enforce was served on September 22, 2025 and, therefore, pursuant to the BIA, the Third Mortgagee was stayed from taking further enforcement steps under sections 69 and 69.1 of the BIA.

28. On October 3, 2025, Mr. Ketelaars responded to Mr. Zeldin asserting that the Notice to Enforce was issued and served on September 18, 2025, and therefore, the Third Mortgagee was not subject to the stay of proceedings. Attached as **Exhibit “D”** is a copy of the October 3, 2025 email correspondence between Mr. Zeldin and Mr. Ketelaars.

29. After receiving Mr. Ketelaars’ response, counsel for 177 Cross, Sara J. Erskine, requested that Mr. Ketelaars provide proof of service of the Notice to Enforce on September 18, 2025. Mr. Ketelaars responded correcting that the Notice to Enforce was

sent by registered mail on September 19, 2025 and that the 10 day period expired on September 29, 2025. Mr. Ketelaars attached to his email copies of the receipts from Canada Post for the registered mail. Mr. Ketelaars' October 3, 2025 email to Ms. Erskine and attached receipts is attached as **Exhibit "E"**.

30. The Canada Post receipts demonstrate that the Notice to Enforce was dropped off at Canada Post on Friday, September 19, 2025, after 6:18 pm to be sent by registered mail.

31. The Notice to Enforce was not delivered to 177 Cross until Monday, September 22, 2025. Therefore, 10 days from this date is October 2, 2025, when the NOI was filed.

32. On September 30, 2025, the Third Mortgagee delivered Notices of Attornment of Rents and Direction to Pay on all tenants at the Subject Property. Attached at **Exhibit "F"** are the Notices of Attornment of Rents.

33. On October 9, 2025, Ms. Erskine sent an email to Mr. Ketelaars setting out 177 Cross' position that the effective date of service for the commencement of the 10-day period was the date the Company received the Notice to Enforce by registered mail. Therefore, the Third Mortgagee was captured by the stay under sections 69 and 69.1 of the BIA and did not have the right to enforce its security on September 30, 2025. A copy of Ms. Erskine's email of October 9, 2025 is attached as **Exhibit "G"**.

34. Since September 30, 2025, the Third Mortgagee has collected the rents from the tenants at the Subject Property. These rents are needed for 177 Cross's operations to pay expenses relating to the Subject Property including utilities, taxes and the development and zoning applications.

(c) Proposed Development

35. Weston Consulting was retained as the authorized planning consultant for the registered owners of the lands at the Subject Property.

36. The proposed development consisted of the following uses:

(a) Building 1 - Towers A & B: A mixed-use building with 6-storey podium, two towers with heights of 55, and 60 storeys, retail space on the ground floor, and residential units above on the west of the Site. The proposed retail area of this building is 349 sq.m.

(b) Building 2 - Tower C: A mixed-use building along Cross Avenue with 6-storey podium, one tower and height of 50 storeys, retail space on the ground floor, and residential units above. The proposed retail area of this building is 418 sq.m.

(c) Building 3 - Building D: A mixed-use 6-storey on the northeast of the site with retail use along Argus Road. The proposed retail area for this building is 97 sq.m.

37. A total number of 1,895 residential units were proposed with a total of 1,013 parking spaces provided in 6 levels of underground parking. The development was proposed to include a total of 864 sq. m of commercial space along the Argus Rd. and Cross Ave. frontages. The proposed total GFA for residential use is 127,875 sq. m.

38. Weston Consulting submitted a Pre-Consultation Application to facilitate the redevelopment of the subject lands to permit three towers (50, 55, and 60 storeys), consisting of 1870 residential units and 1061 sq.m of commercial space and 1030 parking

spaces. A meeting with Town staff and commenting agencies was held on April 21, 2023.

39. On January 17, 2024, another Pre-Consultation for this site was held, following the revisions to the Site Plan. A Comments Report and Pre-Consultation Checklist was issued which outlines staff comments in further detail and lists the required reports/studies to be undertaken for complete Official Plan Amendment (“**OPA**”), Rezoning (“**ZBA**”) and Draft Plan of Subdivision applications. Attached at **Exhibit “H”** is a copy of the Pre-Consultation Comments Report dated January 17, 2024.

40. This proposed development will significantly increase the value of the Subject Property for 177 Cross and all of its stakeholders and creditors.

(d) Completed Work

41. Significant work and efforts have been placed into the development of the Subject Property including work that has been done for OPA and ZBA applications in preparation for the submission of the applications to the Town of Oakville (referred to herein as the “development and zoning applications”).

42. Kuntz Forestry Consulting Inc. was retained by 177 Cross to complete a Tree Inventory and Preservation Plan as part of the development application for the Subject Property. A copy of the Tree Inventory and Preservation Plan dated June 26, 2024 is attached at **Exhibit “I”**. The work plan for the tree preservation study included the following:

- (a) Prepare an inventory of tree resources measuring 10cm diameter at breast height (DBH) and greater on and within six metres of the subject site and

trees of all sizes within the road right-of-way;

(b) Evaluate potential tree saving opportunities based on the proposed development plans; and,

(c) Document the findings in a Tree Inventory and Preservation Plan.

43. Urban Tech was retained by 177 Cross to provide functional servicing design and stormwater management information in support of the OPA and ZBA applications. The ZBA/OPA, when approved, would permit the construction of four (4) mixed-use condominium towers. A copy of the first submission of the report dated July 2024 is attached at **Exhibit “J”**.

44. This report was obtained to demonstrate the feasibility of site servicing for the proposed development, including water, sanitary and stormwater management. Site grading, and preliminary erosion /sediment control information was also included. The design information in the report considered both the guidelines per the Town of Oakville Development Engineering Procedures and Guidelines (2023) and the Regional Municipality of Halton Water and Wastewater Linear Design Manual (2019).

45. Azure Group was retained to carry out a geotechnical investigation for the proposed development at the Subject Property. The geotechnical investigation was completed concurrently with environmental and hydrogeological investigation. The purpose of the geotechnical investigation was to determine the subsurface conditions at the site by means of nine (9) boreholes to provide geotechnical parameters and recommendations for the design of the proposed building. The geotechnical boreholes were drilled to the surface of

the sound bedrock. The bedrock was then cored at three borehole locations to determine the quality of the bedrock. Six (6) monitoring wells were installed at various locations and various depths to determine the groundwater table at the proposed location of the boreholes. The investigation was carried out on May 3, 4 and 5, 2023. A complete copy of the Soil Investigation for Proposed High Rise Buildings 177 Cross Avenue, Oakville, Ontario dated September 1, 2023, is attached as **Exhibit “K”**.

46. Azure Group was also retained to conduct a Hydrogeological Assessment at the Subject Property. The evaluation focused on the existing soil and ground water regime underlying the Site and the potential for the proposed mixed commercial /residential development to impact the existing conditions. A copy of the Preliminary Hydrogeological Assessment dated May 2024 is attached at **Exhibit “L”**.

47. Azure Group was also retained to conduct a Phase One Environmental Site Assessment (ESA) on an irregularly shaped parcel of land located at 177, 185 & 187 Cross Avenue and 580 Argus Road, Oakville, Ontario. This Phase One ESA report was conducted for the Subject Property as a requirement for the Region of Halton. A copy of the Phase One ESA dated May 5, 2023 is attached at **Exhibit “M”**.

48. A Phase Two ESA was conducted and produced by Azure Group to address the findings from the previous Phase One ESA conducted by Azure Group. At the time of the investigation, the Phase Two Property consisted of a mixed commercial/ residential property. A copy of the Phase Two ESA dated March 1, 2024 (revised on May 21, 2024) is attached at **Exhibit “N”**.

49. ORTECH Consulting Alliance Inc. was retained to conduct an air quality-based land use compatibility study for a proposed high-rise mixed-use development at the Subject Property. This study was completed in support of the OPA and ZBA applications for the proposed development, which includes three high-rise towers and one low-rise building. The purpose of this study was to assess the impact at the Subject Property due to air emissions from land uses within 1 km of the Subject Property, such as industrial facilities, road traffic, rail lines, etc. A copy of the draft report dated July 11, 2024 is attached at **Exhibit “O”**.

50. LEA Consulting Ltd. (LEA) was retained by 177 Cross to undertake a Traffic Impact Study (TIS) for the proposed mixed-use development located at the Subject Property. The TIS report was prepared in support of the OPA and ZBA applications for the Subject Property. The purpose of the study was to assess the proposed development from a transportation perspective, to determine the traffic impacts to the adjacent road network over a five-year and 10-year horizon, and to identify any required mitigation measures. A copy of the draft report dated July 2024 is attached at **Exhibit “P”**.

51. LEA was also retained by 177 Cross to prepare a Noise Impact Study (NIS) in support of the proposed mixed-use development at the Subject Property. The study examined the future noise environment in the development area and evaluated its impact potential on the future noise-sensitive receptors. This report investigated the noise control measures that are required for the development to meet the noise guidelines of the Ontario Ministry of the Environment, Conservation and Parks (MECP) and to satisfy the requirements of the Town of Oakville and Halton Region. A copy of the draft report dated July 2024 is attached at **Exhibit “Q”**.

52. Gradient Wind Engineers & Scientists were retained to prepare a pedestrian level wind study. This report describes a wind tunnel pedestrian level wind (PLW) study undertaken to assess wind conditions for a proposed mixed-use development located at the Subject Property. The principal objectives of the study were to (i) determine pedestrian level wind comfort and safety conditions at key areas within and surrounding the development site; (ii) identify areas where wind conditions may interfere with the intended uses of outdoor spaces; (iii) recommend suitable mitigation measures, where required; and (iv) evaluate the influence of the proposed development on the existing wind conditions. A copy of the draft report dated June 10, 2024 is attached at **Exhibit “R”**.

53. As set out above, a significant amount of work and money has gone into retaining experts in preparation for the submission of the application to the Town of Oakville. Approximately \$267,157 is still owed to these professionals that completed the development work to date. These amounts need to be paid before 177 Cross can complete and submit the development and zoning applications. As set out in the Cash Flow Statement filed by 177 Cross (and appended to the first report of the Proposal Trustee), 177 Cross is proposing, subject to the Proposal Trustee’s review and approval, paying the pre-filing amount of \$267,157 in week 6 when 177 Cross expects to secure debtor in possession (“**DIP**”) financing.

54. 177 Cross has estimated that an additional \$150,000 will be needed to complete and submit the development and zoning applications. This amount is also set out in the cashflow statement.

D. SUMMARY OF THE PROPOSED PLAN

55. 177 Cross has estimated that it will require interim or DIP financing in the amount of \$500,000. The proceeds of a DIP loan will be used during the pendency of 177 Cross' proceedings under the BIA for the following purposes: (i) to fund professional fees (including the fees of the Proposal Trustee and the legal fees of the Proposal Trustee and the Company); (ii) to fund the payment of amounts that may be payable under the mortgages; and (iii) to finance operating expenses, costs for consultants to complete and file the development and zoning applications and restructuring costs in these proceedings.

56. 177 Cross is currently in discussions with potential DIP lenders and anticipates arriving at a proposed term sheet for a DIP loan on or before week 6 (as set out in the Cash Flow Statement appended to the Proposal Trustee's report). When 177 Cross secures a proposed term sheet, it will promptly bring a motion for approval of the DIP loan and a DIP charge in favour of the DIP lender.

RELIEF SOUGHT

(a) Stay Extension

57. 177 Cross is seeking an extension of the time required to complete the development and zoning applications to then run a SISP and the stay of proceedings to December 15, 2025.

58. The extension will preserve the value of 177 Cross' business and provide it with the breathing space it needs to finalize and submit the development and zoning applications to maximize the value of the Subject Property. This will help to protect the interests of 177 Cross' stakeholders. Having regard to the circumstances, and in an effort to preserve and maximize the value of the Subject Property, the granting of the extension is in the best interests of 177 Cross and its stakeholders, and I do not believe any creditor would be materially prejudiced by the extension. 177 Cross has been, and continues to, act in good faith and with due diligence in completing the development and zoning applications to then run a SISP for the benefit of its stakeholders.

59. 177 Cross is in the process of obtaining an "as is where is" appraisal of the Subject Property and will provide a copy of the appraisal as soon as it is completed. However, based on my 20 years of experience in real estate development, I estimate that if 177 Cross is forced to shut down and sell the Subject Property prior to the submission and approval of the development and zoning applications, that the sale price of the property will be significantly less than the sale price after the applications are submitted and approved.

(b) Administration Charge

60. It is proposed that the Proposal Trustee, along with its counsel and 177 Cross's counsel, be granted a Court-ordered charge as security for their respective fees and disbursements (incurred at their standard rates and charges) relating to services rendered in respect of 177 Cross's NOI proceedings up to a maximum of \$250,000 (the "**Administration Charge**"). The Administration Charge is proposed to have first ranking priority over all other charges and encumbrances.

61. It is important to the success of these proceedings to have the Administration Charge in place to ensure the continued involvement of critical professionals. The proposed beneficiaries are performing distinct functions and there is no duplication of roles. In addition, given its liquidity situation, 177 Cross has limited means to obtain professional assistance. To date, the proposed beneficiaries of the Administration Charge have expended considerable effort without the benefit of retainers.

62. 177 Cross has worked with the Proposal Trustee to estimate the proposed quantum of the Administration Charge.

(c) Cash Flow Statement

63. I understand that the projected consolidated cash flow statement for 177 Cross for the 13-week period from the week ending October 6, 2025, to the week ending January 4, 2026 (the "**Cash Flow Statement**"), will be appended to the Proposal Trustee's report. The cash flow projections demonstrate that DIP financing is urgently required to provide 177 Cross with the required liquidity necessary to complete the submission of the development and zoning applications to maximize the value of the Subject Property. As such, and as set out above, 177 Cross is seeking interim financing through a DIP loan.

64. The Cash Flow Statement has been prepared with the assistance of the Proposal Trustee and is accompanied by the prescribed representations in accordance with the BIA.

(d) Stay of Third Mortgagee

65. The Third Mortgagee should be captured by the stay under the BIA. The Third Mortgagee served the Notices to Enforce under the BIA by dropping them off at the post office on Friday, September 19, 2025, after 6:18 pm to be sent by registered mail. As such, the notices were not delivered to 177 Cross until Monday, September 22, 2025. Therefore,

10 days from this date is October 2, 2025, when the NOI was filed and the Third Mortgagee should be captured by the stay under the BIA. It also did not have the right to enforce its security on September 30, 2025.

66. I verily believe that an order for the Third Mortgagee to be stayed from enforcing and retaining rents from its Notices of Attornment is needed in these circumstances. These rents are needed by 177 Cross for the purposes of paying its various expenses to continue development, for its day-to-day business operations, and for the continued restructuring process.

E. CONCLUSION

67. The NOI Process Order sought by 177 Cross is in the best interests of 177 Cross as well as its stakeholders.

68. 177 Cross is actively engaging with, and has the support of, Albert Gelman Inc, and is entering these proceedings with the primary goal of maximizing the value of the Subject Property to run a SISP for its creditors, operating the business as a going concern and maintaining value for all stakeholders. I believe that these proceedings provide a process to restructure 177 Cross 's business for the benefit of all stakeholders, and that the relief sought in the NOI Process Order is necessary at this time to ensure the continued operations of 177 Cross in the ordinary course of business.

69. I swear this affidavit in support of this motion, and for no other or improper purpose.

AFFIRMED REMOTELY by Sarmad Ganni stated as being located in the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on October 28, 2025, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)
SARA ERSKINE

SARMAD GANNI

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

915643 ONTARIO INC.

Applicant

- and -

177 CROSS ARGUS DEVELOPMENT INC. and DOUBLE DIAMOND CAPITAL INC.

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**AFFIDAVIT OF BERNARD S. WOO
(sworn November 12, 2025)**

I, Bernard S. Woo of the City of Markham in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the President, Secretary and Treasurer and a Director of 915643 Ontario Inc. (the “**Lender**”), the Applicant in these proceedings. I have served in such capacity since August 13, 2020. As such, I have personal knowledge of the matters to which I depose in this affidavit. Where I do not possess personal knowledge, I have stated the source of my knowledge and believe it to be true.

2. This affidavit is sworn in support of:

- (a) an application by the Lender for an order (the “**Receivership Order**”), substantially in the form attached to the Application Record at Tab 3, appointing Albert Gelman Inc. (“**Albert Gelman**”) as receiver (in such capacity, the “**Proposed Receiver**”) pursuant to section 243 of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act* (Ontario) (the “**CJA**”) of all the assets, undertakings and properties of 177 Cross Argus Development Inc. (“**177**” or the “**Nominee**”) and Double Diamond Capital Inc. (“**Double Diamond**” or the “**Beneficial Owner**” and, together with 177, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors at the Real Property (as defined below) (the “**Property**”); and
- (b) a motion by the Lender in the proposal proceeding commenced by 177 under the BIA (the “**Proposal Proceeding**”) for an order (the “**NOI Withdrawal Order**”) substantially in the form attached to the Motion Record at Tab 3, (i) deeming the Notice of Intention to make a proposal of 177 dated October 2, 2025 (the “**NOI**”) to be withdrawn, (ii) lifting the stay of proceedings in the Proposal Proceeding and permitting the commencement of the receivership proceeding by the Lender, and (iii) granting certain related relief.

3. All references to currency in this affidavit are references to Canadian Dollars, unless otherwise indicated.

A. THE DEBTORS

4. 177 is a corporation incorporated under the laws of Ontario with its registered head office in Burlington, Ontario. A copy of 177’s corporate profile is attached hereto as **Exhibit “A”**.

5. Double Diamond is a corporation incorporated under the laws of Ontario with its registered head office in Burlington, Ontario. A copy of Double Diamond's corporate profile is attached hereto as **Exhibit "B"**.

6. 177 is the registered title holder of the following real property (the "**Real Property**"):

Municipal Address: 177-185 Cross Avenue and 580 Argus Road, Oakville, ON

PIN: 24816-0031 (LT)

Legal Description: LT 3, PL 1333; PT LT 1, PL 1333, AS IN 7550077; PT LT 14, CON 3 TRAF SDS, AS IN 755007 TOWN OF OAKVILLE

7. 177 holds the Real Property and all proceeds therefrom and all assets and property related thereto or situate thereon as bare nominee for and on behalf of Double Diamond pursuant to a nominee agreement dated March 13, 2023. A copy of the nominee agreement is attached hereto as **Exhibit "C"**.

8. As described further below, the Debtors acquired the Real Property from the Lender on March 15, 2023 pursuant to an assignment agreement, and the Lender was granted two vendor take-back mortgages that were registered against title to the Real Property in priority to any other creditors.

9. The Real Property, which is located near the Oakville GO train station, currently has a two single-story, multi-tenant retail buildings and one single-story commercial building with a day care centre. 177 was planning a large-scale, mixed-use condominium project consisting of four towers with 1,895 condominium units, located at the intersection of Cross Avenue and Argus Road (the "**Project**").

10. To date, there has been no construction on the Project site. In addition, I understand that while some initial steps in relation to the Project have been undertaken, 177 continues to propose making additional development and zoning applications to the City of Oakville but such applications have not been completed or submitted.

B. THE LENDER

11. The Lender, 915643 Ontario Inc., is a corporation incorporated under the laws of Ontario with its registered head office in Markham, Ontario. A copy of the Lender's corporate profile is attached hereto as **Exhibit "D"**.

12. The Lender is a single-purpose entity in the business of real estate holding. The Lender owned the Real Property from November 30, 1990 to March 15, 2023.

13. As described further below, the Debtors are indebted to the Lender in the amount of more than \$40 million, with interest and costs continuing to accrue, secured by two (first and second-ranking) mortgages.

14. On May 10, 2022, the Lender entered into an agreement to sell the Real Property to Metro Capital Limited (the "**Original Purchaser**") pursuant to an agreement of purchase and sale (the "**Original APS**"). The Original APS, as amended and extended, was assigned by the Original Purchaser to Deflategate Investment Inc. (the "**First Assignee**") pursuant to an assignment of agreement of purchase and sale dated as of January 9, 2023 (the "**First Assignment Agreement**"). The First Assignment Agreement, as amended on February 13, 2023, was assigned by the First Assignee to 177 as nominee pursuant to a second assignment of agreement of purchase and sale dated March 15, 2023 (the "**Second Assignment Agreement**" and, together with the Original APS

and the First Assignment Agreement, the “**APS**”). A copy of the Original APS, with redactions for the purchase price, and the Second Assignment Agreement are attached hereto as **Exhibit “E”**.

15. The purchase price was \$53,000,000, which was partially satisfied by two vendor take-back mortgages, described below.

16. On March 15, 2023, the Lender and the Debtors executed a beneficial owner’s agreement (“**Owner’s Agreement**”) with respect to the Real Property. Pursuant to the terms of the Owner’s Agreement, Double Diamond is the sole beneficial owner of the Real Property, proceeds, and personal property that are related to or situated on the Real Property.

17. 177 holds title to the Real Property, proceeds, and personal property as nominee on behalf of Double Diamond. A copy of the Owner’s Agreement is attached hereto as **Exhibit “F”**.

C. THE SECURITY

18. As consideration for the sale of the Real Property, the Lender registered two vendor take-back mortgages on title to the Real Property, as follows:

- (i) a mortgage in the principal amount of \$31,800,000 was registered on title on the Real Property as Instrument No. HR1953701 on March 15, 2023 (the “**First VTB**”); and
- (ii) a second mortgage in the principal amount of \$5,300,000 was registered on title to the Real Property as Instrument No. HR1953702 on March 15, 2023 the (“**Second VTB**”).

19. The Owner's Agreement provides that the Beneficial Owner and Nominee agree to be jointly and severally bound by all of the terms and conditions of the First VTB and Second VTB.

(i) First VTB

20. The First VTB is a charge on the lands and fixed improvements on the Real Property. A copy of the first amending agreement relating to the First VTB dated December 24, 2024 (the "**First VTB Amendment**") is attached hereto as **Exhibit "G"**.

21. The First VTB incorporates Standard Charge Terms 200033. A copy of Standard Charge Terms 200033 is attached hereto as **Exhibit "H"**.

22. The Charge on title related to the First VTB was registered as Instrument No. HR19537021 on March 15, 2023 (the "**First VTB Charge**"). A copy of the First VTB Charge is attached hereto as **Exhibit "I"**.

23. The First VTB Charge ranks in priority to all other charges on title to the Real Property with the exception of certain planning, municipal and utility registrations. A copy of the parcel register for the Real Property as of November 12, 2025 is attached hereto as **Exhibit "J"**. A Title Encumbrance Summary setting out the priorities of the mortgages against the Real Property is attached hereto as **Exhibit "K"**.

24. The First VTB matures on March 15, 2028 and had an initial interest rate of 4% for the first two years. The interest rate was changed to 7% on September 1, 2025, interest is calculated semi-annually.

25. Pursuant the cross-default provisions of the First VTB Charge, any default under the Second VTB constitutes a default under the First VTB.

26. The First VTB Charge terms provide the Lender a right to appoint a receiver in the event that 177 is in default. The First VTB Charge provides:

In the event that the Chargor shall be in default in the observance or performance of any of the terms, conditions, covenants or payments contained herein, then the Chargee may, by notice in writing, appoint any person, whether an officer or employee of the Chargee or not, to be a receiver of the Property and the rents and profits derived therefrom, and may remove the receiver so appointed and appoint another in his stead. The term “receiver” as used herein includes a receiver and manager.

(ii) Second VTB

27. The Second VTB is a charge on the lands and fixed improvements on the Real Property. A copy of the first amending agreement relating to the Second VTB dated December 24, 2024 is attached hereto as **Exhibit “L”**.

28. The Second VTB also incorporates Standard Charge Terms 200033.

29. The Charge on title related to the Second VTB was registered as Instrument No. HR1953702 on March 15, 2023 (the “**Second VTB Charge**”). A copy of the Second VTB Charge is attached hereto as **Exhibit “M”**.

30. The Second VTB Charge ranks in priority to all other charges on title to the Real Property with the exception of the First VTB Charge and certain planning, municipal and utility registrations.

31. The Second VTB matured on February 1, 2025.

32. The Second VTB contains the same cross-default provisions as the First VTB in that any default under the First VTB constitutes a default under the Second VTB.

33. The Second VTB contains the same charge terms as the First VTB, providing the Lender a right to appoint a receiver in the event that 177 is in default.

D. THIRD MORTGAGE

34. In addition to the First VTB and Second VTB, there is a third mortgage in the principal amount of \$5,000,000 registered on title of the Real Property (the “**Third Mortgage**”) in favour of Aarti Real Estate Enterprises Inc. and Mayuri Ventures Inc. (together, the “**Third Mortgagee**”). A copy of the Third Mortgage and Notice and General Assignment of Rents is attached hereto as **Exhibit “N”**.

35. The Third Mortgage was registered on title to the Real Property after registration of the First VTB and Second VTB.

36. The Third Mortgagee also executed a Postponement of Interest in favour of the Lender, which was registered on title to the Real Property as Instrument No. HR2076892 on December 24, 2024. A copy of the Postponement of Interest is attached hereto as **Exhibit “O”**.

37. Other than the Lender and the Third Mortgagee, there are no other creditors with an interest registered on title to the Real Property.

E. DEFAULTS

38. As detailed below, the Debtors have committed numerous events of default that have occurred and are continuing under the First VTB and Second VTB. This includes not making payments of principal, interest and fees to the Lender and the Third Mortgagee when due and not meeting their other obligations such as the remittance of taxes and payment of utilities that are necessary to preserve the value of the Real Property and ensure the continuation of revenue streams from the Real Property.

(i) Payment Defaults on First VTB and Second VTB

39. The Debtors stopped making interest payments under the First VTB as of December 1, 2024. In December, 2024, the Debtors and the Lender agreed to defer interest payments until February 1, 2025 pursuant to the terms of the First VTB Amendment.

40. In addition, the Debtors failed to fully repay the Second VTB by the maturity date of February 1, 2025 and have failed to pay the interest owing on the Second VTB since that time.

41. In February, 2025, the Lender received a payment of \$200,000 from the Debtors (the “**Partial Payment**”). The Partial Payment does not satisfy the interest payments that were deferred owed under either the First VTB, nor does it satisfy the amounts owed under the Second VTB.

42. The Debtors have also failed to pay certain lender fees owing under the First VTB and Second VTB.

43. The Lender has not received any payment from the Debtors other than the Partial Payment. The Debtors have failed to rectify these payment defaults under the First VTB and Second VTB, some of which have been ongoing for nearly a full year and are continuing.

(ii) Reservation of Rights

44. On May 2, 2025, counsel to the Lender sent two letters to the Debtors (as the “**Borrowers**”), one for each of the First VTB and Second VTB, informing them both of the multiple defaults under both the First VTB and Second VTB that had occurred (the “**Reservation of Rights Letters**”). The Reservation of Rights letters for the First VTB and Second VTB are attached hereto as **Exhibits “P” and “Q”**, respectively.

45. In the First VTB Reservation of Rights Letter, Lender’s counsel informed the Debtors of the following defaults under the First VTB that had occurred and were continuing:

- (i) the failure by the Borrowers to pay in full the certain lender fees owing under the First VTB;
- (ii) the failure by the Borrowers to pay in full the monthly interest owing under the First VTB for the calendar months of December 2024, January-April 2025, in accordance with Section 5 of STC 200033;
- (iii) the failure by the Borrowers to pay in full the accrued interest owing on the First VTB from and after default by the Borrowers, in accordance with Section 6 of STC 200033.

46. In the Second VTB Reservation of Rights Letter, Lender’s counsel informed the Debtors of the following defaults under the Second VTB that had occurred and were continuing:

- (i) the failure by the Borrowers to fully repay the Second VTB by the maturity date of February 1, 2025, in accordance with Section 5 of STC 200033;
- (ii) the failure by the Borrowers to pay in full certain lender fees owing under the Second VTB;

- (iii) the failure by the Borrowers to pay in full the accrued interest owing on the Second VTB from and after default by the Borrowers, in accordance with Section 6 of STC 200033.

47. The Lender informed the Debtors in both of the Reservation of Rights Letters that it was reserving its rights and remedies under the First VTB and Second VTB, including the right to (i) demand immediate full payment of all obligations owing under the First VTB and Second VTB, and (ii) repossess, sell and/or appoint a receiver with respect to any or all of the collateral secured by the First VTB and Second VTB without any further notice, demand, or other action on the part of the Lender.

(iii) Further Defaults and Notices of Default by Lender

48. Following delivery of the Reservation of Rights Letters, the Debtors failed to rectify the events of default asserted in the Reservation of Rights Letters and such defaults continued, including that the Debtors failed to pay ongoing monthly interest payment and failed to satisfy the Second VTB that had matured.

49. In addition, I became aware that the Third Mortgagee asserted that various events of default had occurred under the Third Mortgage and was taking steps to enforce its claim under the Third Mortgage as described further below.

50. On May 8, 2025, Lender's counsel sent formal notices of defaults to the Debtors (the "**Notices of Default**"). The Notices of Default noted that the Debtors' failure to pay the monthly interest payments due on February 1, 2025, March 1, 2025, April 1, 2025 and May 1, 2025 for both the First VTB and Second VTB constituted a default under both the First VTB and Second VTB. Copies of the Notices of Default are attached hereto as **Exhibit "R"**.

51. Subsequent to delivery of the Notices of Defaults, I have also become aware of additional defaults and issues that cause me to be concerned that the value of the Property is at significant risk of deterioration if left in the hands of the Debtors, including:

- (a) failure to remit property taxes on the buildings situated on the Real Property, as required under the Standard Charge Terms 200033 of both the First VTB and Second VTB; and,
- (b) failure to pay gas bills, as required pursuant to 177's obligations under the Second Assignment Agreement and the Assignment and Assumption of Leases dated March 15, 2023, which is attached hereto as **Exhibit "S"**. On November 6, 2025, Lender's counsel was notified that a tenant residing on the Real Property received a notice from Enbridge Gas stating that the gas for their residential unit had been turned off. The payment of any outstanding amounts owed to Enbridge Gas is the responsibility of the Debtors pursuant to the Second Assignment Agreement. A copy of the correspondence dated November 6, 2025 is attached hereto as **Exhibit "T"**.

(iv) Section 244 Notice by Lender

52. On October 24, 2025, the Lender sent a Notice of Intention to Enforce Security pursuant to section 244(1) of the BIA to the Debtors (the "**244 Notice**").

53. I understand from our counsel that the Lender's courier was told the Debtors were no longer at their address and that, subsequently, counsel for the Debtors agreed to accept service of the 244 Notice on behalf of the Debtors on November 3, 2025. A copy of the 244 Notice and an email with Debtor's counsel serving the 244 Notice are attached hereto as **Exhibit "U"**.

(v) *Current Indebtedness to Lender*

54. As set out in the 244 Notice, as at October 23, 2025, the indebtedness due to the Lender as secured by the First VTB and Second VTB totaled more than \$40 million, consisting of the following:

- (a) the outstanding principal owing under the First VTB, including all fees, costs and expenses of the Lender expended to that date was \$32,601,238.40 with accrued interest owing in the amount of \$1,469,049.07, plus interest and costs; and
- (b) the outstanding principal owing on the Second VTB, including all fees, costs and expenses of the Lender to that date was \$5,512,000.00, with accrued interest in the amount of \$598,144.24, plus interest and costs.

(vi) *Defaults Under Third Mortgage*

55. The Debtors are also in default under the Third Mortgage and the Third Mortgagee has commenced enforcement proceedings against the Debtors and in relation to the Real Property.

56. I understand from the Affidavit of Sarmad Ganni sworn October 28, 2025 (the “**Ganni Affidavit**”) that:

- (a) the Third Mortgage matured in 2024;
- (b) the Third Mortgagee commenced enforcement steps against the Debtors;
- (c) the Debtors agreed to grant a collateral mortgage in the amount of \$5,000,000 against five other parcels of land owned by the Debtors in return for the Third

Mortgagee not continuing its enforcement proceedings and providing the Debtors with more time to pursue refinancing but those efforts were not successful;

- (d) the Third Mortgagee was granted a default judgment against the Debtors, among others, in the amount of \$5,848,876.71 on March 5, 2025;
- (e) the Third Mortgagee served a Notice of Intention to Enforce Security pursuant to section 244(1) of the BIA (the “**Third Mortgagee’s s. 244 Notice**”) and there is some dispute about the date of service (the Third Mortgagee has asserted that it was served on September 19, 2025 and the Debtors assert that it was served on September 22, 2025);
- (f) on September 30, 2025, the Third Mortgagee delivered Notices of Attornment of Rents and Direction to Pay on all tenants at the Real Property (the “**Rent Attornment Notices**”); and
- (g) since September 30, 2025, the tenants at the Real Property have been paying rent to the Third Mortgagee.

F. 177 COMMENCES NOI PROCEEDINGS

(i) *177 Files NOI Without Notice to Lender*

57. On October 2, 2025, apparently in response to the enforcement steps that had been taken by the Third Mortgagee, 177 filed the NOI pursuant to section 50.4 of the BIA. A copy of the NOI is attached hereto as **Exhibit “V”**.

58. Albert Gelman was appointed as the proposal trustee under the NOI.

59. The NOI was filed (i) without any notice to the Lender, (ii) without the Debtors having any financing to fund the cost of the Proposal Proceeding, and (iii) without any plan that could be put forward as a proposal that would be acceptable to the Debtors' creditors, including the Lender.

60. The NOI does not include the Beneficial Owner.

(ii) 177 Seeks Further Relief on Just Over One Day's Notice

61. At 4:42 p.m. on October 28, 2025, 177 late-served a motion record for a motion returnable a little over one day later, on October 30, 2025. The Ganni Affidavit, without exhibits, is attached hereto as **Exhibit "W"**.

62. On October 29, 2025, Albert Gelman in its capacity as Proposal Trustee, delivered a First Report to Court (the "**Proposal Trustee Report**", together with the Ganni Affidavit, the "**NOI Materials**"), attached here to as **Exhibit "X"**.

63. In the NOI Materials, 177 sought broad relief, including among other things:

- (a) an extension of time for 177 to file a proposal and a corresponding extension of the BIA stay to December 16, 2025;
- (b) a super-priority administration charge over all of 177's property in the amount of \$250,000, with priority over all other encumbrances including the First VTB and Second VTB of the Lender notwithstanding that the Lender had only been provided with one day's notice;

- (c) declarations that the Third Mortgagee is subject to the BIA stay and the Rent Attornment Notices are null and void and an order that any rents received by the Third Mortgagee should be paid to 177; and
 - (d) authorization to pay pre-filing development charges and expenses in the amount of \$267,157.
64. 177 also asserted that:
- (a) A January 2023 appraisal (prior to what 177 described as “the downfall in the real estate market beginning in 2024”) valued the Property at \$55,300,000 *after* development and zoning applications are approved and noted that the sale price of the property prior to approval of such applications is “significantly less” than after approval;
 - (b) 177 did not have financing for the NOI process but was “currently in discussions with potential DIP lenders”;
 - (c) Despite the lack of financing, 177 intended to address its immediate liquidity crisis through the completion of development and zoning applications, which they asserted would maximize the value of the Property through a sale and investor solicitation process (“SISP”); and,
 - (d) 177 had taken some steps towards retaining experts to complete reports that would be used to make development and zoning applications to the Town of Oakville to seek to increase the permitted gross floor density and not only owed \$267,157 to professionals who had already completed development work but also

estimated a further \$150,000 to complete and submit the development and zoning applications.

65. No information was provided in the NOI Materials with respect to timing for a SISP, no information was provided with respect to any financing for the process (other than that discussions were underway) and no information was provided as to the timing for development and zoning approvals or why 177 was of the view that making those applications would maximize value for the Property.

66. I am of the view that the Debtors have failed to demonstrate any viable plan and that 177 has no prospect of making a viable proposal that would be acceptable to the Lender.

67. Among other things, I understand that even if zoning and development applications are made promptly, it may take years to receive a response. Moreover, there is no guarantee that the applications will be approved as requested or at all, and no indication that expending further funds to make the application would increase value in a SISP, particularly when one considers the delays and costs associated with making the development applications.

68. In light of these concerns and given the late notice for the October 30, 2025 hearing, the Lender indicated to 177 that it would object to the relief sought at that hearing.

69. In advance of the hearing and in response to this position, 177 agreed to adjourn the broader relief sought at the motion and to request only a short stay extension to November 20, 2025 to allow discussions to happen amongst the parties and for a motion to proceed on proper notice.

70. 177 did continue to request an Administration Charge in the reduced amount of \$50,000 for the interim period despite the late service of the motion record and the lack of available financing.

71. Counsel to the Lender objected to that relief and reserved all of its rights, including to object to the NOI and bring a receivership application instead.

72. On October 30, 2025, the Honourable Justice J. Dietrich granted the stay extension to November 20, 2025 and refused to grant the Administration Charge in the interim. A copy of the Order and Endorsement of Justice J. Dietrich are attached hereto as **Exhibit “Y”**.

73. While the Lender has engaged in various discussions since October 30, 2025, the Debtors have still not demonstrated that they have the financing necessary to fund the Proposal Proceeding. Furthermore, the Debtors’ proposed path forward of completing development applications for the Project would require large expenditures and take years without any guarantees of approval. As a result, for the reasons set out further below, I believe that a receivership is the only sensible path forward.

G. NOI PROCEEDINGS ARE NOT APPROPRIATE

(a) No Business to be Preserved: Receiver Appropriate for Real Property Sale

74. 177 is a single-purpose entity with no employees or business other than to own and manage the Real Property on behalf of the Beneficial Owner.

75. This is a straightforward piece of real property with no construction commenced in relation to the Project.

76. The Debtors do not have a viable plan to restructure the business nor is there any true business or employment to save. Indeed, 177 has acknowledged that there should be a SISP to maximize value for the stakeholders through the sale of the Property.

77. A receiver is well positioned to conduct a sale process for the Real Property and there is no reason for the added expense that would result from adding an additional layer of administrative costs by continuing to involve 177, its counsel, the Proposal Trustee, and a broker.

(b) Lender is the Fulcrum Creditor and Does Not Support Making the Development Applications in the NOI Process

78. Based on 177's own evidence as to value, I believe there is no dispute that the Lender, which is owed more than \$40 million on a senior secured basis, is the fulcrum creditor in relation to the Property.

79. The Lender does not support expending further funds to take a chance of obtaining development and zoning approvals at some unknown time in the future. Making such applications would be prejudicial to the Lender since it would result in added costs and delay and no guarantee that the applications will be approved as requested or at all, particularly within the timeframe of a SISP.

80. I believe a better alternative would be to advise potential bidders of the opportunity to make such an application themselves if they consider it appropriate to do so. Potential purchasers often prefer flexibility to consider the proposed plans and to decide themselves whether to make such applications.

81. Even if 177 had financing to pay for the application costs and related delay, the Lender would strongly object to approval of such financing in priority to its security since it would further erode the value of its security. The Lender would be unduly prejudiced and would not accept any resulting proposal.

(c) Loss of Confidence in Management

82. The Lender has lost confidence in the Debtors' management. Among other things, the Debtors: have failed to remit property taxes and to pay the gas bills for the Property's tenants; have allowed the relationship with the Third Mortgagee to deteriorate to the point that the Third Mortgagee has taken a number of steps as against the Property; have made an ill-conceived NOI application without notice, sufficient funding or any viable plan; and have committed multiple events of default which have remain uncured for many months. I believe that if 177 continues in possession of the Property, the Lender's security, will be further at risk and that it is important to appoint a receiver now to prevent further erosion of value.

(d) Right to Appoint a Receiver

83. The Lenders are insolvent as a result of, among other things, their inability to meet their obligations under the mortgages as they generally become due.

84. The Lender has delivered its Notices of Default and 244 Notice and has the right to appoint a receiver over the Real Property pursuant to the First Mortgage and Second Mortgage.

85. I believe it is appropriate to appoint a receiver to preserve and protect the Property, limit unnecessary costs and to provide for an efficient and effective sales process to maximize value for the creditors.

86. The Lender is willing to provide necessary funding to conduct a sales process but only in the context of a receivership.

H. STAY SHOULD BE LIFTED AND RECEIVER SHOULD BE APPOINTED

87. The Debtors have committed numerous defaults under the First VTB and Second VTB over the past year, have acknowledged they are insolvent, have apparently stopped remitting property taxes and paying utilities and have essentially ceased operations and development activities.

88. The NOI was filed and the Proposal Proceeding were commenced as a reaction to the Third Mortgagee taking enforcement steps against the Debtors. The Debtors filed the NOI without any financing to fund the costs of the Proposal Proceeding. Over a month has passed since the NOI was filed and, as far as the Lender is aware, the Debtors still have not obtained any financing to fund the Proposal Proceeding or pay the professional fees that would be required to proceed with a proposal. A copy of the projected cash flow of 177 as prepared by the proposal trustee is attached hereto as **Exhibit "Z"**.

89. Such financing and/or an administration charge to fund the NOI process would prejudice the Lender as the first priority secured creditor against the Property.

90. The Debtors have not provided any indication that obtaining further time will result in it being able to put forward a proposal that is acceptable to the Lender. On the contrary, the Debtors appear to be focused on continuing to pursue development applications for the Project which would be expensive and time consuming and may not be successful. The Lender has no confidence

in the ability of existing management to execute on this path given the delays and defaults that have already occurred and the deteriorating state of the Property as a result.

91. The Proposal Proceeding is untenable. The Lender, as the fulcrum senior secured creditor, believes that the Property should instead be marketed in an efficient court process to limit further prejudice to their security position.

92. The Lender has the right to appoint a receiver over the Real Property and is only seeking to appoint a receiver in relation to the assets, undertaking and properties of the Debtors acquired for, or used, in relation to a business carried out by the Debtors at the Real Property (and not in relation to any other business carried out by the Beneficial Owner at other properties).

93. I believe it is equitable to lift the stay of proceedings in the Proposal Proceeding to allow the lender to appoint the Proposed Receiver and prevent material prejudice to the Lender.

94. The Lender proposes that Albert Gelman, who acted as proposal trustee for the NOI proceedings, be appointed as receiver and I understand that Albert Gelman has consented to act in this capacity.

I. CONCLUSION

95. In these circumstances, I believe it is just, convenient, appropriate and in the best interests of the Lender and the Debtors' creditors and stakeholders that (i) the Proposal Proceeding to be terminated and the NOI to be withdrawn, and (ii) a receiver to be appointed over the Property to ensure the value of the Project can be maintained and to develop a sale and investment solicitation process to realize upon the Property efficiently.

96. This affidavit is sworn in support of the relief requested by the Lender and for no other or improper purposes.

SWORN BEFORE ME remotely by videoconference on this 12th day of November, 2025 in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely. The affiant was located in the City of Toronto, in the Province of Ontario, and the Commissioner was located in the City of Toronto, in the Province of Ontario.



Bernard S. Woo



A Commissioner for taking Affidavits
Name: Meena Alnajar (LSO#: 89626N)

APPENDIX “F”

Schedule "A"

Stalking Horse Sale Process

Introduction

On November 27, 2025, pursuant to an order effective as of November 20, 2025 (the "**Receivership Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), Albert Gelman Inc. ("**AGI**") was appointed as receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties (the "**Property**") of 177 Cross Argus Development Inc. and Double Diamond Capital Inc. (the "**Companies**") acquired for, or used in relation to a business (the "**Business**") carried on by the Companies at the real property known municipally as 177-185 Cross Avenue and 580 Argus Road, Oakville, Ontario (the "**Real Property**").

The Receivership Order was granted pursuant to an application made by 915643 Ontario Inc. (the "**Applicant**" or the "**Lender**"), which holds the first and second mortgages, each in the form of a Vendor Take-Back Mortgage (each a "**VTB**", collectively the "**VTBs**") in respect of the Property. The Applicant advises that, as at January 9, 2026, the approximate amount owed to the Applicant pursuant to the first and second VTB Mortgages is \$33,851,915.02 and \$6,134,564.36. This amount does not include outstanding interest, fees or expenses accrued to date or that continue to accrue.

In addition, Aarti Real Estate Enterprises and Mayuri Ventures Inc. (collectively, the "**Third Mortgagee**") holds a third mortgage in the amount of \$5,000,000 (the Third Mortgagee and Lender are, together, the "**Secured Creditors**"). The Third Mortgagee has also taken enforcement steps in respect of the third mortgage, and was granted a default judgment against the Company in the amount of \$5,848,876.71 together with interest at the rate of 28.00% per annum.

Pursuant to the Receivership Order, the Receiver is authorized to market any or all of the Property, including advertising and soliciting offers in respect of any and all such Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver, in its discretion, may deem appropriate.

The Receiver intends to seek Court approval of the Stalking Horse Sale Process set forth herein (the "**SISP**"), including seeking authorization, *nunc pro tunc*, to enter into the Agreement of Purchase and Sale dated January ●, 2026 (the "**Stalking Horse Agreement**") between the Receiver, in its capacity as Receiver, and the Lender (the "**Stalking Horse Bidder**"). The purpose of the SISP is to seek and to implement proposals to acquire the Property or invest in or refinance the Business. The Receiver has retained Lennard Commercial Realty, Brokerage (the "**Broker**") to assist in the development and execution of the SISP and related marketing strategy.

This SISP sets out the following (using capitalized terms that are defined below):

- a. the Opportunity available, the manner in which the SISP will be supervised, and the manner in which notice of the Opportunity will be provided and interest solicited;
- b. the timelines for and process for Phase 1 of the SISP, leading to submission of non-binding bids and the selection of the Selected Bidders to participate in Phase 2;

- c. the timelines for and process for Phase 2 of the SISP, leading to submission of irrevocable, unconditional bids;
- d. the timelines and process for the Auction in the event it proceeds;
- e. the timelines and process for selection of a Successful Bid and Backup Bid; and
- f. the timing and process for Court approval of a Successful Bid and closing of same.

Defined Terms

1. Capitalized terms used in this SISP have the meanings given to them herein and as set out in **Appendix “A”** hereto.

Opportunity

2. This SISP is intended to solicit interest in the opportunity to, prior to the Outside Date (defined below) (collectively, the “**Opportunity**”):
 - (a) acquire all or substantially all of the Property (a “**Sale Proposal**”), or
 - (b) refinance the Business or, with required consents and approvals, invest in the Companies, in each case, by making a proposal to repay existing indebtedness of the Companies in relation to the Real Property (an “**Investment Proposal**”).
3. Any transaction entered into pursuant to this SISP will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Companies, the Receiver, the Broker, the Secured Creditors or any of their respective agents or estates, except to the extent set forth in a definitive final agreement executed with a Successful Bidder and approved by the Court.
4. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any transaction they enter into in respect of the Property or Business.

Timeline

5. The following table provides a high-level summary of the key stages and milestones anticipated under the SISP:

Milestone	Date(s) [NTD: Dates pending confirmation with the Third Mortgagee]
Phase 1: Formal Marketing Process and Initial Due Diligence Period	January 20, 2026 – February 26, 2026
Phase 1 Bid Deadline	February 27, 2026
Phase 2: Due Diligence Period for Selected Bidders	February 28, 2026 – March 19, 2026
Phase 2 Bid Deadline	March 20, 2026
Auction Date (if designated)	March 23, 2026
Court Approval of Successful Bid	Not later than March 31, 2026
Targeted Closing Date	April 20, 2026
Outside Date	April 30, 2026

The dates set out in the SISP may be extended by the Receiver in consultation with the Broker, with the consent and approval of the Stalking Horse Bidder.

Any extensions or amendments to the deadlines above, to the extent permissible hereunder, will be communicated to all known Participating Bidders (defined below) and such extensions or amendments shall be posted on the website the Receiver maintains in respect of these receivership proceeding at:

<https://www.albertgelman.com/filedocuments/#177cross> (the “Receiver’s Website”).

Supervision of and Amendment to the SISP

6. The marketing of the Opportunity, and negotiation with Potential Bidders described in this SISP will be conducted by the Broker on behalf of, and under the supervision of the Receiver. For the avoidance of doubt, with respect to the Receiver’s role in regards to the SISP, the terms of the Receivership Order and SISP Order concerning the Receiver’s rights and duties in this receivership proceeding will govern.
7. The Receiver will supervise, in all respects, the SISP. The Receiver, in consultation with the Stalking Horse Bidder and the Broker shall have the right to adopt such other rules for the SISP that in its reasonable business judgment will better promote the goals of the SISP. In the event that there is disagreement or clarification required as to the interpretation or application of this SISP or the responsibilities of the Receiver or the Broker hereunder, the Court will have jurisdiction to hear such matters and provide advice and directions, upon application by the Receiver or the Applicant. For the avoidance of doubt, with respect to the Receiver’s role in regards to the SISP, the terms of the Receivership Order shall govern.

8. Subject to this SISP, the SISP may be modified by the Receiver in consultation with the Broker, with the consent and approval of the Stalking Horse Bidder, if, in the Receiver's reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the Service List in the Receivership shall be advised of any substantive modification to the procedures set forth herein.

Stalking Horse

9. The Receiver has entered into the Stalking Horse Agreement with the Stalking Horse Bidder. In the SISP, the Receiver is soliciting superior offers to the Stalking Horse Agreement in respect of the Business and Property as determined by the Receiver in its sole discretion, in accordance with the criteria set out herein.

Notice and Solicitation of Interest

10. As soon as reasonably practicable after the granting of an order approving the SISP (the "**SISP Order**"), but in any event no more than five (5) Business Days after the issuance of the SISP Order, the Broker and the Receiver will:
 - (a) prepare a list of Potential Bidders (a "**Bidder List**");
 - (b) prepare a marketing flyer (the "**Flyer**") describing the Opportunity and the intention of the Receiver to seek offers superior to the Stalking Horse Agreement, and attaching a form of non-disclosure agreement to be signed by Potential Bidders (an "**NDA**"); and
 - (c) cause a notice of the SISP (and such other relevant information which the Broker and Receiver consider appropriate) to be published in *The Globe and Mail* (National Edition), posted on the Receiver's Website, and posted on the Insolvency Insider Canada website (<https://insolvencyinsider.ca/>).
11. Thereafter, but by no later than six (6) Business Days after the issuance of the SISP Order, with the assistance of the Receiver, the Broker/Receiver will send the Flyer and NDA to all parties on the Bidder List; and the Broker/Receiver will send the Flyer and NDA to any other party who wishes to participate in the SISP who requests a copy of the Flyer or is identified to the Broker or the Receiver as a potential bidder (a "**Potential Bidder**") within a reasonable time of any such request that is provided before the Phase 1 Bid Deadline.

SISP – Phase 1

12. During Phase 1 of the SISP, the Broker (under the supervision of the Receiver and in accordance with this SISP) will solicit non-binding offers from Potential Bidders to acquire the Property or to invest in the Business.
13. Any Potential Bidder who wishes to participate in the SISP must provide to the Broker an NDA executed by it. Upon executing an NDA and providing the same to the Broker, the Potential Bidder shall become a "**Participating Bidder**".

Due Diligence

14. The Broker will provide each Participating Bidder with access to an electronic data room of due diligence information as well as access to such other due diligence materials and information relating to the Property and the Business as the Receiver, in its reasonable business judgment, in consultation with the Broker, determines to be appropriate. This may include, as appropriate, information or materials reasonably requested by Participating Bidders, on-site visits, and access to further information in the electronic data room.
15. At the request of a Participating Bidder, the legal and financial advisor(s) and/or lenders of such Participating Bidder, may also be granted access to the materials and information described in paragraph 14 provided that, in each case, any such advisor or lender (a) is reasonably acceptable to the Broker and Receiver; and (b) has executed or is bound by an NDA.
16. The Receiver, the Broker and the Companies, the Lenders and their respective contractors, advisors and consultants, make no representation or warranty as to the accuracy or completeness of the information (a) contained in the Flyer, the SISP or the electronic data rooms; (b) provided through the due diligence process in Phase 1 or Phase 2; or (c) otherwise made available, except, in the case of the Receiver only, to the extent expressly contemplated in any definitive agreement with a Successful Bidder executed and delivered in respect of the Property or the Business.
17. At no stage of the process shall any Participating Bidder make contact with any tenants or their representatives with respect to the Opportunity, without the express written consent of the Receiver in advance.

Phase 1 Bid Deadline: Non-Binding Qualified Phase 1 Bids

18. A Participating Bidder that wishes to pursue a Sale Proposal or Investment Proposal must deliver a non-binding bid (a “**Phase 1 Bid**”) to the Broker and the Receiver at the addresses specified in Schedule “A” hereto (including by email transmission), so as to be received by the Broker and the Receiver not later than 5:00 PM (Eastern Time) February 27, 2026 (the “**Phase 1 Bid Deadline**”).

Qualified Offer

19. Subject to paragraph 20, a Phase 1 Bid so submitted will be considered a qualified Phase 1 Bid (a “**Qualified Phase 1 Bid**”) only if:
 - (a) it is submitted by a Participating Bidder and received by the Broker and the Receiver on or before the Phase 1 Bid Deadline;
 - (b) it is accompanied by a letter setting forth:
 - (i) the identity of the Participating Bidder and full disclosure of any (i) entities and/or individuals that control the Participating Bidder and/or the beneficial owner (if any), with the power, directly or indirectly, to cause

- the direction of the management and policies of the Participating Bidder and/or the beneficial owner (if any), whether through the ownership of voting securities, by contract, family relationship or otherwise; and (ii) any shareholders, unitholders and/or beneficiaries of the Participating Bidder and/or the beneficial owner (if any), holding, directly or indirectly, the shares, units and/or interest of the Participating Bidder and/or of the beneficial owner (if any);
- (ii) a statement that the Participating Bidder expects to be able to consummate the Sale Proposal or Investment Proposal on or before the Outside Date;
 - (iii) whether the Participating Bidder is making a Sale Proposal or an Investment Proposal; and
 - (iv) such other information as reasonably requested by the Receiver, in consultation with the Broker;
- (c) in the case of a Sale Proposal, it includes the following:
- (i) a draft purchase agreement based on the Stalking Horse Agreement and accompanied by a mark-up of the Stalking Horse Agreement showing amendments and modifications made thereto in electronic Word format;
 - (ii) the purchase price in Canadian dollars, including details of any liabilities to be assumed by the Participating Bidder;
 - (iii) a specific indication of the sources of debt and equity (as applicable) capital/financing for the transaction and preliminary evidence of the sources of financing of the purchase price, the availability of such financing, steps necessary and associated timing to obtain such financing (with reference to the milestones and dates set forth in paragraph 5 of the SISP) and any related contingencies, as applicable, and such other financial information that will allow the Receiver and the Broker, and each of their respective advisors to make a reasonable business or professional judgment as to the Participating Bidder's financial or other capabilities to consummate the transaction;
 - (iv) any anticipated corporate, unit holder, shareholder, internal or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - (v) specific statements concerning the intended treatment of the Secured Creditors and other stakeholders;
 - (vi) additional due diligence required to be conducted during Phase 2, if any;
 - (vii) all conditions to closing that the Participating Bidder seeks;
 - (viii) anticipated timing of closing of the proposed transaction; and

- (ix) any other terms or conditions of the Sale Proposal which the Participating Bidder believes are material to the transaction;
- (d) in the case of an Investment Proposal, it identifies the following:
- (i) a detailed description of the structure of the proposed transaction, including the proposed quantum and timing of any payments to Lenders or others and the party or parties providing such payments and any proposed ongoing financing, together with the specific terms of any proposed ongoing financing, including the interest rate, term, debt service or other fees, redemption, prepayment or repayment attributes and any other material attributes;
 - (ii) the aggregate amount of the payments and financing to be provided to the Business in Canadian dollars;
 - (iii) specific indication of the sources of capital for the Participating Bidder and preliminary evidence of the availability of such capital and steps necessary and associated timing to obtain the capital and any related contingencies, or such other form of financial disclosure and credit-quality support or enhancement that will allow the Receiver, in consultation with the Broker and each of their respective advisors to make a reasonable business or professional judgment as to the Participating Bidder's financial or other capabilities to consummate the transaction;
 - (iv) any anticipated corporate, unitholder, shareholder, internal, regulatory or court approvals required to close the transaction, the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - (v) specific statements concerning the intended treatment of Secured Creditors, and other stakeholders;
 - (vi) additional due diligence required to be conducted during Phase 2, if any;
 - (vii) all conditions to closing that the Participating Bidder seeks;
 - (viii) anticipated timing of closing of the proposed transaction; and
 - (ix) any other terms or conditions of the Investment Proposal which the Participating Bidder believes are material to the transaction.
20. In assessing the Phase 1 Bids, the Receiver, in consultation with the Broker, may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified Phase 1 Bid. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

Assessment of Phase 1 Bids

21. Promptly after the Phase 1 Bid Deadline, the Receiver, in consultation with the Broker:
 - (a) will review the Phase 1 Bids obtained by the Phase 1 Bid Deadline to determine whether they are Qualified Phase 1 Bids that meet the criteria set out in paragraph 19;
 - (b) will assess the Qualified Phase 1 Bids and consider, in consultation with the Broker, the following criteria, among other things (together, the “**Assessment Criteria**”):
 - (i) the form and amount of consideration offered;
 - (ii) the demonstrated financial capability of the Participating Bidder to consummate the proposed transaction and its relevant experience and expertise, including the Participating Bidder's prior experience in developing large high-rise residential and/or multi-family urban projects;
 - (iii) any and all conditions to the transaction remaining at this time and the steps to be taken to address them prior to the Phase 2 Bid Deadline;
 - (iv) the proposed treatment of the Secured Creditors and other stakeholders;
 - (v) the estimated time required to complete the proposed transaction and whether, in the Receiver’s reasonable business judgment, it is reasonably likely to close on or before the Outside Date; and
 - (vi) the Qualified Bid Requirements (defined below); and
 - (c) to the extent required, may request clarification of the terms of Qualified Phase 1 Bids.
22. If at least one such Qualified Phase 1 Bid alone or together with other Qualified Phase 1 Bids are, in the opinion of the Receiver, in consultation with the Broker, superior to or competitive with the Stalking Horse Bid based on the Assessment Criteria then the Receiver, in consultation with the Broker, may select such Qualified Phase 1 Bid(s) to continue to Phase 2, with each such bidder deemed to be a “**Selected Bidder**”; provided that the Stalking Horse Bidder shall automatically be considered as a Selected Bidder.
23. If the Receiver, in consultation with the Broker, determines that no Qualified Phase 1 Bid is superior to or competitive with the Stalking Horse Bid based on the Assessment Criteria, and no bidder other than the Stalking Horse Bidder is deemed to be a Selected Bidder in Phase 2, then the Receiver shall deem the Stalking Horse Bid to be the Successful Bid and apply to the Court for approval of the Stalking Horse Bid (and in which case, for greater certainty, the SISP shall not proceed to Phase 2 nor shall an Auction be held).

Phase 2

24. During Phase 2 of the SISP, the Broker (under the supervision of the Receiver and in accordance with this SISP) will solicit final binding proposals.

Due Diligence

25. During Phase 2, each Selected Bidder that is not eliminated from the SISP in accordance with the terms of the SISP will be granted further access to such due diligence materials and information relating to the Property and the Business as the Receiver, in its reasonable business judgment, in consultation with the Broker, determines is appropriate and is available.
26. The legal and financial advisor(s) and/or lenders of such Selected Bidder, may also be granted access to the materials and information described in paragraph 25 provided that, in each case, any such advisor or lender (a) is reasonably acceptable to the Broker and Receiver; and (b) has executed or is bound by an NDA.

Final Bids from Selected Bidders

27. A Selected Bidder that is not eliminated from the SISP and that wishes to pursue a Sale Proposal or Investment Proposal must deliver a final binding proposal (the “**Final Bid**”) containing:
- (a) in the case of a Sale Proposal, a duly authorized, executed purchase agreement based on the Stalking Horse Agreement and accompanied by a mark-up of the Stalking Horse Agreement showing amendments and modifications made thereto, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Selected Bidder with all exhibits and schedules thereto;
 - (b) in the case of an Investment Proposal, a duly authorized and executed investment and/or credit agreement,

to the Broker and the Receiver at the addresses specified in Schedule “A” hereto (including by email transmission) so as to be received by them not later than 5:00 pm (Eastern Time) on March 20, 2026 (the “**Phase 2 Bid Deadline**”).

The Stalking Horse Agreement is and shall be deemed to be a Final Bid and a Qualified Bid, and the Stalking Horse Bidder is and shall be deemed to be a Selected Bidder and an Auction Bidder.

Qualified Bids

28. A Final Bid will be considered a Qualified Bid (a “**Qualified Bid**”) only if it is received by the Phase 2 Bid Deadline and complies with, among other things, the following requirements (the “**Qualified Bid Requirements**”):
- (a) it includes a letter stating that the offer is binding upon the Selected Bidder and irrevocable until the earlier of (i) the approval by a court of competent jurisdiction of a Successful Bid; and (ii) 40 days following the Phase 2 Bid Deadline,

provided that if such Selected Bidder is selected as the Successful Bidder, its offer will remain irrevocable until the closing of the transaction with such Successful Bidder;

- (b) it must have a proposed purchase price equal to or greater than that contained in the Stalking Horse Agreement;
- (c) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed transaction, that will allow the Receiver, in consultation with the Broker, to make a reasonable determination as to the Selected Bidder's financial and other capabilities to consummate the transaction contemplated by its Final Bid;
- (d) in respect of a Sale Proposal, it sets out the Property to be included and includes full details in relation to any Property excluded from the bid and any proposed assistance to be provided by the Selected Bidder with respect to realizing on such excluded assets and the basis therefor (with specific terms). In respect of an Investment Proposal, it sets out the terms of the transaction; any anticipated corporate, unitholder, shareholder, internal, regulatory, creditor or court approvals required to close the transaction; the anticipated time frame and any anticipated impediments for obtaining such approvals; details of any proposed financing; any Property to be divested or disclaimed prior to closing; details of whether the transaction has the support of the Secured Creditors and other stakeholders; and details regarding the manner in which unpaid post-receivership costs and obligations incurred by the Receiver will be addressed;
- (e) it includes full details of the proposed treatment of the Secured Creditors and any unsecured creditors;
- (f) it includes details of any liabilities to be assumed by the Selected Bidder (for the avoidance of doubt, the Secured Creditors shall have no obligation to continue to provide any financing in connection with the Property);
- (g) it is not conditional upon any condition, including but not limited to:
 - (i) the outcome of unperformed due diligence by the Selected Bidder; or
 - (ii) obtaining financing;
- (h) it fully discloses the identity of any (i) entities and/or individuals that control the Selected Bidder and/or the beneficial owner (if any), with the power, directly or indirectly, to cause the direction of the management and policies of the Selected Bidder and/or the beneficial owner (if any), whether through the ownership of voting securities, by contract, family relationship or otherwise; and (ii) any shareholders, unitholders and/or beneficiaries of the Selected Bidder and/or the beneficial owner (if any), holding, directly or indirectly, the shares, units and/or interest of the Selected Bidder and/or of the beneficial owner (if any), in each case

that will be sponsoring or participating in the bid, and the complete terms of such participation;

- (i) it identifies with particularity the other contracts and leases the bidder wishes to assume and reject, contains full details of the bidder's proposal for the treatment of such purchase agreements, other contracts and leases; and it identifies with particularity any executory contract or unexpired lease the assumption and assignment of which is a condition to closing;
- (j) it provides a timeline to closing on or before the Outside Date with critical milestones, if any;
- (k) it includes evidence, in form and substance reasonably satisfactory to the Receiver and the Broker, of irrevocable authorization and approval from the Selected Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Final Bid;
- (l) it is accompanied by a deposit (the "**Deposit**") in the form of a wire transfer (to a bank account specified by the Receiver), or such other form acceptable to the Receiver, payable to the order of the Receiver, in trust, in an amount no less than ten percent (10%) of the proposed purchase price, to be held and dealt with in accordance with the terms of this SISP;
- (m) it contains other information reasonably requested by the Receiver directly, or through the Broker;
- (n) the Receiver, in consultation with the Broker, determines that, in its reasonable business judgment, it is likely that the Selected Bidder will be able to consummate a Sale Proposal or Investment Proposal on or before the Outside Date in a manner that complies with all requirements of the SISP;
- (o) in the case of a Sale Proposal, it includes an acknowledgement and representation that the Selected Bidder (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid; and (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the purchase and sale agreement; and
- (p) in the case of an Investment Proposal, it includes an acknowledgement and representation that the Selected Bidder (i) has relied solely upon its own independent review, investigation and/or inspection of any documents in making its bid; and (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the business or financing of the

Applicant or the completeness of any information provided in connection therewith, except as expressly stated in the Investment Agreement;

29. The Receiver, in consultation with the Stalking Horse Bidder and the Broker, may waive compliance with any one or more of the requirements specified above (except the requirements contained in paragraph 28(n) of this SISP and any condition that in the Receiver's view cannot be met by the Auction Date, which may not be waived), and deem such non-compliant bids to be Qualified Bids.
30. If one or more Qualified Bids are received in Phase 2 and the Receiver, in consultation with the Broker, determines there is a reasonable prospect of obtaining a Successful Bid, then the SISP shall continue to an Auction.
31. If the Receiver, in consultation with the Broker, determines that no Qualified Bid has been received in Phase 2 or there is no reasonable prospect of obtaining a Successful Bid, then the Stalking Horse Agreement shall be deemed to be the Successful Bid hereunder.

Auction

32. If the Receiver receives at least one Qualified Bid (other than the Stalking Horse Bid), the Receiver will conduct and administer an auction (the "**Auction**") in accordance with the terms of the SISP.
33. The Auction shall be held on or before March 23, 2026 (or such later date as the Receiver, in consultation with the Broker, may determine, the "**Auction Date**") and may be held by teleconference, video conference, other form of electronic communications, or otherwise, in the discretion of the Receiver, in consultation with the Broker. Instructions to participate in the Auction will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction Date. Only the authorized representatives (including counsel and other advisors) of each of the auction bidders (the "**Auction Bidders**"), the Broker and the Receiver shall be permitted to attend at the Auction, except with prior consent of the Receiver.
34. Prior to the Auction, the Receiver shall (a) with reference to the Evaluation Criteria (as defined below), determine the highest and/or best Qualified Bid (the "**Initial Best Bid**"); and (b) disclose to the Auction Bidders the key economic and business terms from the Qualified Bids of each Auction Bidder, including, at minimum, the key economic and business terms that the Receiver determines, in its reasonable discretion and after consultation with the Broker, affect comparability of the bids in the Auction, to the extent such terms differ from the terms in the Stalking Horse Agreement (the "**Material Terms**"). Such Material Terms will include, without limitation: (i) the total consideration, including the purchase price and assumed obligations; (ii) the treatment of creditors and other stakeholders; (iii) any terms that may cause delay or closing risk; and (iv) any other reasons why such bid is viewed by the Receiver as the highest and/or best bid (provided that such determination shall be made with reference to the Qualified Bid Requirements).
35. Representatives from the Receiver or its advisors shall conduct the Auction.

36. In each round of the Auction (including the initial round), the Auction Bidders that have not been eliminated from the Auction shall have the opportunity to submit a bid (an **“Over Bid”**) that is equal to or greater than the Minimum Over Bid (defined below) for that round. The Over Bid in each round must continue to meet the Qualified Bid Requirements.
37. Any bid made at the Auction subsequent to the Receiver’s announcement of the Initial Best Bid must proceed in minimum additional cash increments of \$250,000 (the **“Minimum Over Bid”**).
38. At the end of the first round and each round thereafter, the Receiver shall (a) determine the highest and/or best bid made in such round with reference to criteria, including, but not limited to the following (the **“Evaluation Criteria”**): (i) the purchase price and net value (including assumed liabilities and other obligations to be performed by the bidder); (ii) the firm, irrevocable commitment for financing the transaction; (iii) the counterparties to the transaction; (iv) the terms of the transaction documents; (v) other factors affecting the speed, certainty and value of the transaction; (vi) planned treatment of stakeholders (vii) the assets included or excluded from the bid and proposed assistance in relation to excluded assets; (viii) any transition services required post-closing and any related restructuring costs; and (ix) the likelihood and timing of consummating the transaction (in each round, the **“Round Winning Bid”**); and (b) shall provide all Auction Bidders that are continuing in the Auction in the relevant round, with a summary of the Material Terms of the Round Winning Bid.
39. Any Auction Bidder that does not submit an Over Bid in any round shall be eliminated from and not be entitled to participate further in the Auction.
40. The Receiver, in consultation with the Broker, may adjourn the Auction at any time(s) as deemed necessary or appropriate in its reasonable business judgement, to, among other things:
 - (a) facilitate discussions between the Receiver, Broker and individual Auction Bidders;
 - (b) allow individual Auction Bidders to consider how they wish to proceed;
 - (c) consider the current Over Bids and the Evaluation Criteria and determine the current Round Winning Bid; and
 - (d) give Auction Bidders the opportunity to provide the Receiver and Broker with such additional evidence as they may require.
41. The Auction shall continue until no Over Bids are received in a round in which case the Auction shall be closed and the Receiver shall confirm if the Round Winning Bid from the prior round is, in the view of the Receiver acting reasonably, capable of being completed, in which case it shall be the **“Successful Bid”**. The Receiver and the Broker shall also be entitled to select the next highest and/or best Over Bid received as a back-up

bid (such offer, the "**Backup Bid**" and the Participating Bidder(s) who made the Backup Bid, the "**Backup Bidder**").

42. All other rules and decisions as to the format and other procedures for the Auction shall be determined by the Receiver in its sole discretion and the Receiver may, with the assistance of its advisors and, in consultation with the Broker, adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction and that are not inconsistent with any of the provisions of this SISP. This includes that, to the extent an Investment Proposal involving a restructuring, recapitalization or other form of reorganization of the business and affairs of the Companies in relation to the Real Property is proposed and the Receiver, after consultation with the Broker and subject to the Qualified Bid Requirements, considers it appropriate for such bidder to participate in the Auction in light of the value to be received for the benefit of the Companies' creditors and other stakeholders pursuant to that bid, then the Receiver may adopt appropriate rules to facilitate such bidder's participation in the Auction, provided such rules do not offend the principles of this SISP.

Approval Motion for Successful Bid

43. The Receiver will apply to the Court (the "**Approval Motion**") for an order approving the Successful Bid and authorizing the Receiver to enter into any and all necessary agreements with respect to the Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid, and will make any application to any other court of competent jurisdiction considered by the Receiver, in consultation with the Broker, to be necessary or appropriate to give effect to the Successful Bid.
44. The Approval Motion will be held on a date to be scheduled by the Court upon application by the Receiver not later than March 31, 2026 (or such later date as the Receiver, in consultation with the Broker, may determine). The Approval Motion may be adjourned or rescheduled by the Receiver without further notice by an announcement of the adjourned date at the Approval Motion.
45. Unless and until the Successful Bid is approved by the Court, it shall not be deemed accepted by the Receiver.
46. All Qualified Bids (other than the Successful Bid and the Backup Bid) will be deemed rejected on the date of approval of the Successful Bid by the Court.
47. If a Backup Bid is identified in accordance with these SISP Procedures, then such Backup Bid shall remain open until the consummation of the transaction contemplated by the Successful Bid (the "**Backup Bid Expiration Date**") at which time the Backup Bid will be deemed rejected.
48. If, following approval of the Successful Bid transaction by the Court, the Successful Bidder fails to consummate the transaction for any reason, then the Backup Bid, if there is one, will be deemed to be the Successful Bid and the Receiver shall effectuate a

transaction with the Backup Bidder, within 30 days, subject to the terms of the Backup Bid, without further order of the Court.

Other Terms

Deadlines and Returning to Court

49. The Phase 1 Bid Deadline, the Phase 2 Bid Deadline and the Targeted Closing Date may be extended by the Receiver if it considers it appropriate to do so, after consultation with the Broker and with the consent of the Stalking Horse Bidder. At any time during the SISP if the Receiver, in consultation with the Broker, determines it is appropriate to do so, the Receiver may, upon reasonable prior notice to the Stalking Horse Bidder, apply to the Court for advice and directions with respect to the discharge of its power and duties hereunder, seek approval of the Stalking Horse Agreement, seek approval to terminate the SISP or seek advice and directions with respect to the SISP and/or any proposal received.

Deposits

50. All Deposits will be retained by the Receiver and deposited in a non-interest bearing trust account. If there is a Successful Bid, the Deposit (plus accrued interest) paid by the Successful Bidder whose bid is approved at the Approval Motion will be applied to the purchase price to be paid or investment amount to be made by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposits (plus applicable interest) of Selected Bidders or, if applicable, the Stalking Horse Bidder not selected as the Successful Bidder or Back-up Bidder will be returned to such bidders within 5 Business Days of the date upon which the Successful Bid is approved by the Court (and, for greater certainty, the Receiver shall be entitled to continue to hold the Deposit in respect of the Backup Bid until the Backup Bid Expiration Date).
51. If a Successful Bidder breaches its obligations under the terms of the SISP, its Deposit shall be forfeited as liquidated damages and not as a penalty.

Approvals

52. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the Receivership Order or any other statute or as otherwise required at law in order to implement a Successful Bid.

No Contract

53. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship between the Receiver, the Broker or the Companies and any bidder, other than as specifically set forth in a definitive agreement that may be signed in respect of the Property or the Business.

Schedule "A"

Address for Notices and Deliveries

To the Receiver:

Albert Gelman Inc.

150 Ferrand Dr., Suite 1503,
Toronto, Ontario M3C 3E5

Attn: Adam Zeldin
Direct Dial: (416) 504-1650 ext. 129
Facsimile: (416) 504-1655
E-mail: azeldin@albertgelman.com

To the Broker:

Lennard Commercial Realty, Brokerage

55 University Ave., Suite 200
Toronto, ON M5J 2H7

Attn: Michael Zeldin
Direct Dial: (416) 649-5942
Facsimile: (416) 649-5924
E-mail: mzeldin@lennard.com

Appendix “A” – Defined Terms

The following capitalized terms have the following meanings when used in this SISP:

- (a) “Applicant” is defined in the Introduction.
- (b) “Approval Motion” is defined in paragraph 43.
- (c) “Assessment Criteria” is defined in paragraph 21(b).
- (d) “Auction” is defined in paragraph 32.
- (e) “Auction Bidders” is defined in paragraph 33.
- (f) “Auction Date” is defined in paragraph 32.
- (g) “Backup Bid” is defined in paragraph 41.
- (h) “Backup Bid Expiration Date” is defined in paragraph 47.
- (i) “Backup Bidder” is defined in paragraph 41.
- (j) “Bidder List” is defined in paragraph 10(a).
- (k) “Broker” is defined in the Introduction.
- (l) “Business” is defined in the Introduction.
- (m) “Business Day” means a day (other than Saturday or Sunday) on which the Secured Creditors are generally open for business in each of Victoria, British Columbia and Toronto, Ontario.
- (n) “Company” is defined in the Introduction.
- (o) “Court” means the Ontario Superior Court of Justice (Commercial List).
- (p) “Deposit” is defined in paragraph 28(l).
- (q) “Evaluation Criteria” is defined in paragraph 38.
- (r) “Final Bid” is defined in paragraph 27.
- (s) “Flyer” is defined in paragraph 10(b).
- (t) “Initial Best Bid” is defined in paragraph 34.
- (u) “Investment Proposal” is defined in paragraph 2(b).
- (v) “Lender” is defined in the Introduction.
- (w) “Material Terms” is defined in paragraph 34.

- (x) “Minimum Over Bid” is defined in paragraph 37.
- (y) “NDA” is defined in paragraph 10(b).
- (z) “Opportunity” is defined in paragraph 2.
- (aa) “Outside Date” means April 30, 2026 or such later date as may be ordered by the court or agreed to by the Receiver, the Broker and the Stalking Horse Bidder.
- (bb) “Over Bid” is defined in paragraph 36.
- (cc) “Participating Bidder” is defined in paragraph 13.
- (dd) “Potential Bidder” is defined in paragraph 11.
- (ee) “Phase 1 Bid” is defined in paragraph 18.
- (ff) “Phase 1 Bid Deadline” is defined in paragraph 18.
- (gg) “Phase 2 Bid Deadline” is defined in paragraph 27.
- (hh) “Property” is defined in the Introduction.
- (ii) “Qualified Bid” is defined in paragraph 28.
- (jj) “Qualified Phase 1 Bid” is defined in paragraph 19.
- (kk) “Qualified Bid Requirements” is defined in paragraph 28.
- (ll) “Real Property” is defined in the Introduction.
- (mm) “Receiver” is defined in the Introduction.
- (nn) “Receiver’s Borrowings” means the funds borrowed by the Receiver from the Applicant as provided for at paragraph 22 of the Receivership Order, as may be amended.
- (oo) “Receivership Materials” is defined in the Introduction.
- (pp) “Receivership Order” is defined in the Introduction.
- (qq) “Round Winning Bid” is defined in paragraph 38.
- (rr) “Sale Proposal” is defined in paragraph 2(a).
- (ss) “Secured Creditors” is defined in the Introduction.
- (tt) “Selected Bidder” is defined in paragraph 22.
- (uu) “SISP” is defined in the Introduction.

- (vv) “Stalking Horse Agreement” is defined in the Introduction.
- (ww) “Stalking Horse Bidder” is defined in the Introduction.
- (xx) “Successful Bid” is, in the event of an Auction, as defined in paragraph 41, and otherwise means the Stalking Horse Bid in the event that there is no Qualified Phase 1 Bid or no Qualified Bid pursuant to the terms of this SISP .
- (yy) “Successful Bidder” means the bidder that submits the Successful Bid.
- (zz) “Targeted Closing Date” means April 20, 2026.
- (aaa) “Third Mortgagee” is defined in the Introduction.
- (bbb) “Vendor Take-Back Mortgage” is defined in the Introduction.

APPENDIX “G”

STALKING HORSE AGREEMENT OF PURCHASE AND SALE BETWEEN

ALBERT GELMAN INC.,

solely in its capacity as the Court-appointed receiver and manager without security, of all of the assets, undertakings and properties of 177 Cross Argus Development Inc. and Double Diamond Capital Inc. acquired for, or used in relation to a business carried on by the Receivership Respondents at the real property as described in Schedule "A" hereto

- and-

915643 ONTARIO INC.

Dated: January 14, 2026

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STALKING HORSE AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made this 14th day of January, 2026

BETWEEN:

ALBERT GELMAN INC.,

solely in its capacity as the Court-appointed receiver and manager ("**AGI**" and in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of 177 Cross Argus Development Inc. ("**177 Cross**") and Double Diamond Capital Inc. (the "**Double Diamond**" and collectively with 177 Cross, the "**Receivership Respondents** ") acquired for, or used in relation to a business carried on by the Receivership Respondents at the real property known municipally as 177-185 Cross Avenue, Oakville, ON and 580 Argus Road, Oakville, ON, and as described in Schedule "A" hereto (the "**Real Property**"),

- and-

915643 ONTARIO INC.

(the "**Purchaser**")

WHEREAS pursuant to an order of The Honourable Mr. Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 27th, 2025 but effective as of November 20th, 2025 (the "**Receivership Order**"), Albert Gelman Inc. was appointed as the Receiver, without security, of all of the assets, undertakings and properties of the Receivership Respondents acquired for, or used in relation to a business carried on by the Receivership Respondents at the Real Property, including all proceeds thereof, and for greater certainty, includes the Lands and the Building (the "**Debtors' Property**");

AND WHEREAS pursuant to the Receivership Order, the Receiver was authorized to, among other things, market the Purchased Assets (as hereinafter defined) and apply for an order of the Court approving the sale of the Purchased Assets and vesting in and to a purchaser all the Receivership Respondents' right, title and interest in and to the Purchased Assets;

AND WHEREAS following execution of this Agreement, the Receiver intends to seek the Sale Process Order, among other things, approving (a) the Sale Process, and (b) this Agreement solely as a "stalking horse bid" pursuant to the Sale Process;

AND WHEREAS subject to the terms and conditions contained herein, the Purchaser has agreed to make a "Stalking Horse Bid" to purchase the Purchased Assets, such that in the absence of the Receiver accepting a bid pursuant to the Sale Process that is superior to the bid contained in this Agreement, as determined by the Receiver and in accordance with the Sale Process, the Purchaser has agreed to purchase the Receivership Respondents' right, title and interest in and to the Purchased Assets on the terms set out in this Agreement.

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements contained in this Agreement (as defined herein), and for other good and valuable consideration, the receipt and sufficiency of which are each hereby acknowledged by the Parties (as defined herein), the Parties agree as follows:

ARTICLE 1 DEFINED TERMS

1.1 Definitions.

In this Agreement:

“Accounts Payable” means all amounts relating to the Business owing to any Person in connection with the purchase of goods or services in the ordinary course of business;

“Affiliate” has the meaning set out in the *Business Corporations Act*, R.S.O. 1990, c.B. 16;

“Agreement” means this stalking horse agreement of purchase and sale, including all schedules and all amendments or restatements, as permitted, and references to **“article”**, **“section”** or **“schedule”** mean the specified article, section of, or schedule to this Agreement and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and not to any particular section or other portion of this Agreement;

“Applicable Law” means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

“Approval and Vesting Order” means the approval and vesting order issued by the Court approving this Agreement and the Transaction and conveying to the Purchaser the Purchased Assets free and clear of all Encumbrances other than the Permitted Encumbrances, which order shall be in form and substance acceptable to the Purchaser and the Receiver, each acting reasonably;

“Assumed Contracts” has the meaning given in Section 11.4;

“Assumed Contracts Confirmation Date” has the meaning given in Section 11.4(1);

“Assumed Liabilities” means the Liabilities which are incurred under or in respect of any of the following: (a) Permitted Encumbrances, and (b) all liabilities and obligations arising from the possession, ownership or use of the Purchased Assets arising after Closing.

“Bid” means an offer from a participant in the Sale Process to acquire the Purchased Assets;

“Books and Records” means the files, documents, instruments, surveys, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise) pertaining to the Purchased Assets that have been or will be delivered by the Receiver to the Purchaser at or before Closing; provided, however, that Books and Records shall not include any bank or accounting records;

“Building” means the building erected on the Lands and all fixtures, improvements and installations constructed or installed therein including, without limitation, the plumbing, heating, ventilation, air-conditioning, mechanical, security, electrical and sprinkler systems and all equipment and personal property used or owned by the Receivership Respondents or anyone on the Receivership Respondents’ behalf relating to or necessary to operate, maintain or manage the foregoing;

“Business” means the business of the Receivership Respondents;

“Business Day” means a day on which banks are open for business in the City of Toronto but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario;

“Claims” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, related to the Purchased Assets or the Receivership Respondents, and **“Claim”** means any one of them;

“Closing” means the successful completion of the Transaction;

“Closing Date” means the date that is the later of (a) the first Business Day following the date that is twenty (20) days after the date on which the Approval and Vesting Order is issued by the Court, and (b) the first Business Day following the date that is twenty (20) days after the date on which any appeals or motions to set aside or vary the Approval and Vesting Order have been finally determined, and in each case, after the Purchase Price and all other Closing deliverables have been delivered or, if the Parties agree, such other date as agreed in writing by the Parties;

“Closing Schedule E” has the meaning given in Section 4.7;

“Closing Time” means 5:00 p.m. (Toronto time) on the Closing Date or such other time as agreed in writing by the Parties;

“Contracts” means all of the contracts, licences, Leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements and engagements to which one or more Receivership Respondents is a party and which relate to the Debtors’ Property;

“Court” has the meaning set out in the recitals hereof;

“Cure Costs” means, the monetary defaults accrued under the Assumed Contracts prior to the date of Closing and as disclosed in Schedule “E”;

“Debtors’ Property” has the meaning ascribed to it in recitals;

“Deposit” has the meaning ascribed to it in Section 4.2;

“Development Materials” means all approvals, permits, agreements, site plans, plans, specifications, designs, due diligence reports, working drawings, licenses, approvals, minor variances, exemptions from part lot control, and all other agreements, instruments, rights, entitlements and benefits relating to the servicing, development or construction of the proposed project on the Real Property which have been issued to any of the Receivership Respondents by a Governmental Authority or by a third party;

“Encumbrances” means all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, charges, pledges, trusts or deemed trusts (whether contractual,

statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;

“Environmental Law” means any Law relating to the natural or indoor environment including those pertaining to (a) reporting, licensing, permitting, approving, registering, investigating, assessing, delineating, remediating, containing, preventing, mitigating, reducing or controlling the presence or release or threatened release of Hazardous Substances, or (b) the use, treatment, disposal, recycling, discharge, generation, removal, transportation, storage or handling of or exposure to any Hazardous Substances, including, for greater certainty, any such Law pertaining to the protection and preservation of the environment, health and safety.

“ETA” means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended;

“Excluded Assets” means all assets, undertakings and properties of the Receivership Respondents other than the Purchased Assets, which Excluded Assets includes the following:

- (a) original tax records and books and records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of any of the Receivership Respondents or the Purchased Assets;
- (b) the Contracts save and except for the Assumed Contracts;

“Excluded Liabilities” has the meaning given in Section 3.3;

“Governmental Authorities” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities (a) having or purporting to have jurisdiction on behalf of any nation, province, republic, territory, state or other geographic or political subdivision thereof, including, without limitation, any municipality in which the Real Property is located, or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and **“Governmental Authority”** means any one of them;

“Hazardous Substance” means any substance, material or emission whose storage, handling, use, generation, disposal, movement, transportation, release or discharge is prohibited, controlled or regulated by any Governmental Authority having jurisdiction pursuant to Environmental Laws, including any contaminant, pollutant or deleterious substance as defined in the *Environmental Protection Act* (Ontario).

“HST” means harmonized sales tax imposed under Part IX of the ETA;

“HST Certificate” has the meaning given in Section 5.1;

“ITA” means the *Income Tax Act*, R.S.C. 1985, c.1, as amended;

“Land Transfer Tax” means all the taxes payable under the *Land Transfer Tax Act* (Ontario) and any other applicable provincial or municipal land transfer tax legislation, including all

registration fees, license fees, and other like charges payable upon a transfer of real property, together with interest, penalties and additions thereto;

“**Lands**” means the lands legally described in Schedule “A” attached hereto;

“**Leases**” means all offers to lease, agreements to lease, leases, rental agreements (written or oral), renewal or amendments thereto, and other rights or licences granted by or on behalf of either of the Receivership Respondents or its predecessor in title to possess or occupy space within the Real Property, in each case as amended, renewed or otherwise varied, and guarantees and/or indemnities of the obligations thereunder; “**Lease**” means any one of the Leases;

“**Letter of Credit**” means letters of credit, letters of guarantee, bonds, deposits or security deposits provided by or on behalf of the Receivership Respondents or any Affiliate of any of the Receivership Respondents to any third party in respect of the Purchased Assets, if any;

“**Liability**” means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation);

“**Maximum Cash Amount**” has the meaning given in Section 4.7(a);

“**Notice**” has the meaning given in Section 14.3;

“**Outside Date**” shall have the meaning ascribed to it in the Sale Process Order;

“**Parties**” means the Receiver and the Purchaser and “**Party**” means either one of them;

“**Permitted Encumbrances**” means all those Encumbrances described in Schedule "D" hereto;

“**Person**” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;

“**Priority Payables**” means any payables that have priority over the VTB Charges (including without limitation amounts that have priority pursuant to s. 78(2) of the *Construction Act*, RSO 1990, c. C30,) as determined by the Receiver in consultation with the Purchaser, both acting reasonably, or as determined by the Court, after application of any amount of cash on hand of the Receivership Respondents immediately prior to Closing, and for clarity excludes Cure Costs and any amounts that have priority pursuant to charges granted by the Court pursuant to the Receivership Order;

“**Purchase Price**” has the meaning set out in Section 4.1;

“**Purchased Assets**” means all the right, title and interest, if any, of the Receivership Respondents in and to the following:

- (a) the Real Property;
- (b) all chattels owned by the Receivership Respondents used in or related to the Real Property;
- (c) the Assumed Contracts, to the extent transferable without consent or subject to any required consent being received by the time all conditions to Closing are satisfied if consent is required;
- (d) the Development Materials, to the extent transferable without consent or subject to any required consent being received by the time all conditions to Closing are satisfied if consent is required;
- (e) such other Debtors' Property as the Purchaser may advise the Receiver of in writing before Closing, to the extent transferable without consent or subject to any required consent being received by the time all conditions to Closing are satisfied if consent is required, as shall be confirmed in a Schedule added hereto prior to Closing, if applicable;
- (f) the full benefit of any and all prepaid expenses or deposits with any Person (including, without limitation, the benefit of any prepaid rent), public utility or Governmental Authority relating to the Real Property;
- (g) the Books and Records relating to the Purchased Assets;
- (h) cash, cash equivalents and all marketable securities in any bank accounts of the Receivership Respondents related to the Real Property and any of the Receivership Respondents' accounts receivables related to the Real Property; and
- (i) the benefit of any refundable Taxes payable or paid by any of the Receivership Respondents or paid by the Receiver in respect of the Purchased Assets and applicable to the period prior to the Closing Date net of any amounts withheld by any taxing authority, and any claim or right of any of the Receivership Respondents or the Receiver to any refund, rebate, or credit of Taxes for the period prior to the Closing Date, and all Property Tax Refund related to the Real Property for the period prior to the Closing Date.

"Purchaser" means 915643 Ontario Inc. and its successors and permitted assigns;

"Real Property" means the real property known municipally as 177-185 Cross Avenue, Oakville, ON and 580 Argus Road, Oakville, ON, and as described in Schedule "A" including all buildings thereon and all fixtures (other than tenant trade fixtures), improvements and installations constructed or installed therein including, without limitation, the plumbing, heating, ventilation, air-conditioning, mechanical, security, electrical and sprinkler systems and all chattels and equipment and personal property used or owned by the Receivership Respondents or anyone on the Receivership Respondents' behalf relating to or necessary to operate, maintain or manage the foregoing;

"Receiver" means Albert Gelman Inc. and its successors and permitted assigns;

“Receivership Order” has the meaning set out in the recitals hereof;

“Receivership Proceedings” means the proceedings commenced pursuant to the Receivership Order;

“Receivership Respondents” means, collectively, 177 Cross and Double Diamond.

“Sales Process” means a sales process substantially in the form attached as Schedule “B”;

“Sales Process Order” means an Order of the Court in the Receivership Proceedings approving the Sales Process, which order shall be in form and substance substantively similar to the draft order attached as Schedule “C” hereto, with only such amendments as may be acceptable to the Purchaser and the Receiver, each acting reasonably;

“Stalking Horse Bid” means the Bid contemplated by this Agreement;

“Stalking Horse Approval Date” means the date that this Agreement is approved by the Court as a Stalking Horse Bid pursuant to the Sale Process Order

“Successful Bid” means the Bid ultimately selected by the Receiver as part of the Sale Process;

“Taxes” means all taxes, HST, Land Transfer Taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, excise, real property and personal property taxes, and any related interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not;

“Tenants” means all persons or parties having a right to occupy any premises in the Building pursuant to a Lease and their respective successors and permitted assigns; **“Tenant”** means any one of the Tenants;

“Transaction” means the transaction of purchase and sale contemplated by this Agreement;

“VTB Charges” means, collectively,

- (a) the charge/mortgage registered on title to the Lands in the principal amount of \$31,800,000 granted by the Receivership Respondents in favour of the Purchaser as Instrument No. HR1953701 on March 15th, 2023, as amended by a first amending agreement (first VTB) as Instrument No. HR2076895 registered on December 24th, 2024, as may be further amended from time to time, and
- (b) the charge/mortgage registered on title to the Lands in the principal amount of \$5,300,000 as Instrument No. HR1953702 on March 15th, 2023, as amended by a first amending agreement (second VTB) as Instrument No. HR2017044 registered on February 20th, 2024, by a second amending agreement (second VTB) as Instrument No. HR2035975 registered on June 4th, 2024, by a third amending agreement (second VTB) as Instrument No. HR2049480 registered on August 2nd, 2024, and by a fourth amending agreement (second VTB) as Instrument No. HR2076897 registered on December 24th, 2024, respectively, as may be further amended from time to time.

ARTICLE 2 SCHEDULES

2.1 Schedules.

The following schedules are incorporated in and form part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule "A"	Legal Description of the Lands
Schedule "B"	Sales Process
Schedule "C"	Sales Process Order
Schedule "D"	Permitted Encumbrances
Schedule "E"	Priority Payables
Schedule "F"	Tenant Disputes

ARTICLE 3 AGREEMENT TO PURCHASE

3.1 Purchase and Sale of Purchased Assets.

- (1) Subject to the terms and conditions of this Agreement, the Receiver hereby agrees to sell, assign, convey and transfer to the Purchaser, and the Purchaser hereby agrees to purchase, the Purchased Assets, free and clear of all Encumbrances other than the Permitted Encumbrances and Assumed Liabilities in exchange for the Purchase Price.
- (2) Subject to the Closing, the Receiver hereby remises, releases and forever discharges to, and in favour of, the Purchaser, all of its rights, Claims, interests and demands, past or present, whether known or unknown, fixed or contingent or otherwise, whatsoever in the Purchased Assets.

3.2 Excluded Assets.

Notwithstanding anything else in this Agreement, the Purchased Assets shall not include the Excluded Assets.

3.3 Excluded Liabilities.

With the sole exception of the Assumed Liabilities, the Purchaser is not assuming, and shall not be deemed to have assumed, any liabilities, obligations or commitments of any of the Receivership Respondents, the Receiver or any other Person, whether known or unknown, fixed or contingent or otherwise, including any debts, obligations, sureties, positive or negative covenants or other liabilities directly or indirectly arising out of or resulting from the conduct or operation of the Business or the Debtors' Property or the Receivership Respondents' ownership or interest therein, whether pursuant to this Agreement or as a result of the Transaction (collectively, the "**Excluded Liabilities**"). For greater certainty, the Excluded Liabilities shall include, but not be limited to, the following:

- (a) except as otherwise agreed to in this Agreement, all Taxes payable by the Receivership Respondents arising with respect to any period prior to the Closing Date;
- (b) any Taxes relating to any matters or assets other than the Purchased Assets;
- (c) any liability, obligation or commitment associated with the Accounts Payable or any employees of the Receivership Respondents;
- (d) any liability, obligation or commitment resulting from an Encumbrance that is not a Permitted Encumbrance;
- (e) any liability, obligation or commitment associated with any of the Excluded Assets; and
- (f) except as otherwise agreed in this Agreement, any liability, obligation or commitment in respect to Claims arising from or in relation to any facts, circumstances, events or occurrences existing or arising prior to the Closing Date.

ARTICLE 4 PURCHASE PRICE AND SATISFACTION OF PURCHASE PRICE

4.1 Purchase Price.

The purchase price for the Purchased Assets shall be equal to the sum of:

- (a) The aggregate of the amount outstanding under the Receiver's Charge (as such term is defined in the Receivership Order) on the Closing Date (for clarity, excludes amounts referenced in Section 4.1(c)) and the amount outstanding in respect of any Priority Payables on the Closing Date, as more particularly set out in Schedule "E" hereto (the "**Cash Portion**")
- (b) the amount owing under the VTB Charges on the Closing Date, including without limitation principal, interest, interest on interest, protective disbursements, legal expenses, amendment and/or extension fees, and costs and expenses; and
- (c) any amounts advanced to the Receiver by the Purchaser and secured by the Receiver's Borrowing Charge (as such term is defined in the Receivership Order);

(collectively, the "**Purchase Price**").

4.2 Deposit

Within five (5) Business Days following the Stalking Horse Approval Date, an amount equal to 10% of the present estimated cash component of the Purchase Price, which amount shall be held by the Receiver, in trust, as a deposit (the "**Deposit**"), pending Closing or termination of this Agreement and, subject only to the terms of this Agreement, to be credited on account of the amounts referenced in Sections 4.1(a) upon completion of the transaction contemplated in this Agreement, and failing such completion, the Deposit shall be returned to

the Purchaser without deduction. Notwithstanding the foregoing, in the event that this Agreement is terminated solely by reason of default by the Purchaser, the Deposit shall be paid to the Receiver as liquidated damages and not as a penalty in full satisfaction of any Claims the Receiver may have in respect of such default and thereafter neither the Purchaser nor the Receiver shall have any further right or recourse against the other. In the event that this Agreement is terminated for any reason other than as a result of default by the Purchaser, the Deposit paid shall be returned to the Purchaser without deduction.

4.3 Satisfaction of Purchase Price.

Payment of the Purchase Price shall be satisfied as follows:

- (a) as to the Cash Portion of the Purchase Price:
 - (i) by applying the Deposit;
 - (ii) by payment of the balance in cash by the Purchaser or the Purchaser's solicitors to the Receiver, on Closing by wire transfer;
- (b) as to the amount referenced in Section 4.1(b), by causing the release of the Receivership Respondents from the amounts owing under the VTB Charges on the Closing Date; and
- (c) as to the amount referenced in Section 4.1(c), by causing the release of the Receiver from the amounts owing under the Receiver's Borrowing Charge on the Closing Date.

4.4 Allocation of Purchase Price.

The Parties, acting reasonably and in good faith, covenant to use commercially reasonable efforts to agree to allocate the Purchase Price amongst the Purchased Assets in a mutually agreeable manner on or prior to the Closing Time, provided that failure of the Parties to agree upon an allocation shall not result in the termination of this Agreement but rather shall result in the nullity of the application of this Section 4.4, such that each Party shall be free to make its own reasonable allocation.

4.5 Adjustment of Purchase Price.

- (1) Notwithstanding any other term in this Agreement, in no event shall the Purchaser be responsible for any charges, fees, levies, Taxes, costs or other adjustments in any way relating to the period prior to the Closing Date with respect to the Debtors' Property, or relating to any matters or assets other than the Purchased Assets for the period from and after the Closing Date.
- (2) Other than as provided for in this Section 4.5 or Section 4.6, there shall be no adjustments to the Purchase Price.

4.6 Property Tax Refunds and Rebates.

Any refund or rebate of property Taxes relating to the Lands, irrespective of whether it relates to the period prior to or following the Closing Date (each, a "**Property Tax Refund**")

shall be the property of the Purchaser subject to any adjustments as may be owing to the Tenants. To the extent the Receiver receives payment of any such amount, the Receiver shall hold such amount in trust for the Purchaser, endorse such payment (without recourse) in favour of the Purchaser and immediately deliver such payments to the Purchaser, and the Purchaser shall be responsible for any reconciliation with the Tenants.

4.7 Priority Payables and Cure Costs

On or prior to the date which is three (3) Business Days prior to the Closing Date, the Receiver shall deliver an updated Schedule "E" setting out the Priority Payable and Cure Costs as of the Closing Date reflecting any changes to Schedule "E" amounts that are determined in the final Approval and Vesting Order (the "**Closing Schedule E**"), which Closing Schedule E shall be deemed to automatically replace the original Schedule "E" attached to this Agreement for the purposes of Closing. In the event that on Closing:

- (a) the Cash Portion of the Purchase Price and the Cure Costs in the aggregate exceeds the sum of Two Million Dollars (\$2,000,000) (the "**Maximum Cash Amount**"), or
- (b) the Closing Schedule E" includes any new category of Claim that is not a Priority Payable specifically set out in original Schedule "E" attached to this Agreement,

the Purchaser may terminate this Agreement by Notice to the Receiver, whereupon this Agreement shall be null and void and of no further force or effect, the Deposit shall be returned to the Purchaser, and the parties hereto shall have no further rights, liabilities or obligations hereunder, and each of the Receiver and the Purchaser shall be released from their obligations and liabilities hereunder.

ARTICLE 5 TAXES

5.1 Taxes.

- (1) The Purchaser is liable for and shall pay on Closing any and all Taxes that are required to be paid or remitted in connection with the consummation of the transactions contemplated in this Agreement, which such amounts shall be in addition to the Purchase Price.
- (2) The Purchaser agrees to self-assess, be liable for and remit to the appropriate Governmental Authority all HST payable in connection with its purchase of the Lands, and to indemnify the Receiver for any amounts for which the Receiver may become liable as a result of any failure by the Purchaser to pay the HST payable in respect of the sale of the Lands under Part IX of the *Excise Tax Act*. The Purchaser shall deliver, on or prior to Closing, a certificate in form acceptable to the Receiver, certifying that the Purchaser shall be liable for, shall self assess and shall remit to the appropriate Governmental Authority all HST payable in respect of the sale of the Lands, and is purchasing the Lands as principal for its own account and is not being purchased by the Purchaser as an agent, trustee, or otherwise on behalf of or for another Person, and the Purchaser's HST registration number. Such certificate shall also set out the indemnity provided for in the first sentence of this Section 5.1(2).

- (3) If the Purchaser delivers the HST certificate and indemnity as set out in Section 5.1(2), then the Purchaser will not be required to pay to the Receiver, and the Receiver will not be required to collect from the Purchaser, HST in respect of the Purchased Assets. If the Purchaser does not deliver the HST certificate and indemnity as set out in Section 5.1(2), then without limiting the generality of the foregoing in this Section 5.1, the Purchaser shall pay to the Receiver an amount equal to the HST payable on the Purchase Price allocated to the Lands on Closing.
- (4) The indemnities in this Section 5.1 shall survive the Closing Date in perpetuity.

ARTICLE 6 CLOSING ARRANGEMENTS

6.1 Closing and Closing Procedure.

Subject to the conditions set out in this Agreement, Closing shall take place at the Closing Time on the Closing Date electronically through the exchange of documents by email between respective counsel to the Purchaser and the Receiver or at such other time or at such other place as the Parties may agree in writing. At the Closing Time, the Purchaser shall take possession of the Purchased Assets where situated. In the event that the Closing Date is a date that is prior to the Outside Date, the Purchaser may, in its sole discretion, extend the Closing Date to a date that is after the original Closing Date but on or prior to the Outside Date.

6.2 Tender.

Any tender of documents or money under this Agreement may be made upon the Parties or their respective solicitors, and money shall be tendered by wire transfer of immediately available funds to the account of the receiving Party.

6.3 Receiver's Closing Deliverables.

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

- (a) a copy of the issued Approval and Vesting Order and the attached Receiver's Certificate;
- (b) notice to the Tenants under the Lease confirming the sale of the Real Property and otherwise in form and substance acceptable to the Purchaser;
- (c) a certificate from the Receiver, dated as of the Closing Date, certifying:
 - (i) that all representations, warranties and covenants of the Receiver contained in this Agreement are true in all material respects and have been complied with in all material respects as of the Closing Time, with the same effect as though made on and as of the Closing Time;
 - (ii) that, except as disclosed in the certificate, the Receiver has not been served with any notice of appeal with respect to the Approval and Vesting Order, or any notice of any application, motion or proceedings seeking to

set aside or vary the Approval and Vesting Order or to enjoin, restrict or prohibit the Transaction;

- (iii) that the Receiver is not a non-resident of Canada for purposes of the ITA and is not receiving the Purchase Price or any part thereof as agent, trustee or nominee for any other person or entity; and
- (d) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Purchaser, acting reasonably.

6.4 Purchaser's Closing Deliverables.

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

- (a) the indefeasible payment and satisfaction in full of the Purchase Price according to Section 4.2;
- (b) a certificate from the Purchaser, dated as of the Closing Date, certifying that all representations, warranties and covenants of the Purchaser contained in this Agreement are true in all material respects and have been complied with in all material respects as of the Closing Time, with the same effect as though made on and as of the Closing Time;
- (c) payment or evidence of payment of HST applicable to the Purchased Assets, or in the alternative the HST Certificate; and
- (d) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Receiver, acting reasonably, Applicable Law or Government Authority.

6.5 Receiver's Certificate.

Upon confirmation of receipt of the closing deliverables in Sections 6.3 from the Purchaser and Section 6.4 by the Receiver, and receipt of written confirmation from the Purchaser that all of the conditions contained in Section 7.3 have been satisfied or waived by the Purchaser, and upon satisfaction or waiver by the Receiver of all of the conditions contained in Section 7.1, the Receiver shall forthwith deliver to the Purchaser the Receiver's Certificate comprising Schedule "B" of the Approval and Vesting Order, and shall file same with the Court.

ARTICLE 7 CONDITIONS PRECEDENT TO CLOSING

7.1 Conditions in Favour of the Receiver.

The obligation of the Receiver to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Time:

- (a) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects on the Closing Date;

- (b) the Purchaser shall have paid the Purchase Price and all the covenants of the Purchaser contained in this Agreement to be performed on or before the Closing Date shall have been duly performed by the Purchaser;
- (c) the Purchaser shall have complied with all the terms contained in this Agreement applicable to the Purchaser prior to the Closing Date; and
- (d) there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper.

7.2 Conditions in Favour of Receiver Not Fulfilled.

If any of the conditions contained in Section 7.1 is not fulfilled on or prior to the Closing Date, so long as such non-fulfilment was not caused by the Receiver's failure to act in good faith or to use its best efforts to fulfil the aforesaid conditions and cause the Closing to occur, and such non-fulfillment is not directly or indirectly as a result of any action or omission of the Receiver, then the Receiver may, at its sole discretion (other than as stipulated below and subject to the terms of Section 4.2 herein), and without limiting any rights or remedies available to it at law or in equity:

- (a) terminate this Agreement by notice to the Purchaser, in which event the Deposit shall be returned to the Purchaser and the Receiver shall be released from its obligations under this Agreement to complete the Transaction (other than those obligations which are expressly stated to survive termination of this Agreement); or
- (b) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

7.3 Conditions in Favour of the Purchaser.

The obligation of the Purchaser to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Time:

- (a) all the representations and warranties of the Receiver contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (b) all the covenants of the Receiver under this Agreement to be performed on or before the Closing Date shall have been duly performed by the Receiver;
- (c) the Receiver shall have complied with all the terms contained in this Agreement applicable to the Receiver prior to the Closing Date;
- (d) there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper;

- (e) the Cash Portion of the Purchase Price shall not exceed an amount equal to the Maximum Cash Amount;
- (f) the Closing Schedule E does not include any new category of Claim that is not a Priority Payable specifically set out in original Schedule "E" attached to this Agreement;
- (g) the Purchaser shall have received a certificate from the Receivership Respondents (or other evidence satisfactory to the Purchaser) that the Receivership Respondents are not non-residents of Canada for purposes of the ITA and are not receiving the Purchase Price or any part thereof as agent, trustee or nominee for any other person or entity; and
- (h) no material adverse change shall have occurred with respect to the Purchased Assets, including the physical and environmental condition of the Real Property, between the date of this Agreement and the Closing Date.

7.4 Conditions in Favour of Purchaser Not Fulfilled.

If any of the conditions contained in Section 7.3 are not fulfilled on or prior to the Closing Date, as long as such non-fulfilment was not caused by the Purchaser's failure to act in good faith or to use its best efforts to fulfil the aforesaid conditions and not caused by the Purchaser's failure to cause the Closing to occur, and any such non-fulfillment is not directly or indirectly as a result of any action or omission of the Purchaser, then the Purchaser may, in its sole discretion and without limiting its rights or remedies available at law or in equity:

- (a) terminate this Agreement by notice to the Receiver, in which event the Deposit shall be returned to the Purchaser and the Purchaser and the Receiver shall be released from their obligations under this Agreement to complete the Transaction (other than those obligations which are expressly stated to survive termination of this Agreement); or
- (b) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

7.5 Conditions for the Mutual Benefit of the Receiver and Purchaser.

The sale and purchase of the Purchased Assets is subject to the following terms and conditions for the mutual benefit of the Receiver and the Purchaser, to be performed or fulfilled at or prior to the Closing Time:

- (1) the Stalking Horse Bid contemplated by this Agreement shall have been selected by the Receiver as the Successful Bid in accordance with the Sale Process Order and the Sale Process;
- (2) the Court shall have approved the Stalking Horse Bid as the Successful Bid;
- (3) the Court shall have entered and issued the Approval and Vesting Order;
- (4) the Approval and Vesting Order shall not be stayed; and

- (5) the Approval and Vesting Order shall not be under appeal during any appeal period, and in the event the Approval and Vesting Order is appealed, the final order is made in respect of such appeal(s) or such appeal(s) is finally disposed of, and all appeal periods in respect of the Approval and Vesting Order having expired.

The foregoing conditions in this Section 7.5 are true conditions precedent that cannot be waived by either Party.

7.6 Conditions in favour of both Parties not Fulfilled.

If any condition set out in Section 7.5 is not satisfied or performed prior to the time specified therefor, this Agreement shall automatically be terminated and the Deposit shall be returned to the Purchaser, and neither Party shall be under any further obligation to the other to complete the Transaction (other than those obligations which are expressly stated to survive termination of this Agreement).

ARTICLE 8 REPRESENTATIONS & WARRANTIES OF THE RECEIVER

8.1 Representations and Warranties of the Receiver.

The Receiver represents and warrants to the Purchaser as follows, with the knowledge and expectation that the Purchaser is placing complete reliance thereon and, but for such representations and warranties, the Purchaser would not have entered into this Agreement:

- (a) subject to the granting of the Sale Process Order and the Approval and Vesting Order, the Receiver has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder;
- (b) the execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action on the part of the Receiver, subject to the granting of the Sale Process Order and the Approval and Vesting Order. This Agreement is a valid and binding obligation of the Receiver enforceable in accordance with its terms, subject to the granting of the Sale Process Order and the Approval and Vesting Order;
- (c) the Receiver has done no act to encumber the Purchased Assets (other than the Permitted Encumbrances or pursuant to the Receivership Order) and has not previously sold or agreed to sell to any Person the Purchased Assets; and
- (d) the Receiver is not a non-resident of Canada for purposes of the ITA and is not receiving the Purchase Price or any part thereof as agent, trustee or nominee for any other person or entity.

8.2 Survival

The representations and warranties contained in Section 8.1 shall survive for a period of twelve (12) months following the Closing Date.

ARTICLE 9 REPRESENTATIONS & WARRANTIES OF THE PURCHASER

9.1 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants to the Receiver as follows, with the knowledge and expectation that the Receiver is placing complete reliance thereon and, but for such representations and warranties, the Receiver would not have entered into this Agreement:

- (a) the Purchaser is a corporation formed and validly subsisting under the laws of its jurisdiction of formation and is in good standing under such laws;
- (b) the Purchaser has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. Neither the execution of this Agreement nor the performance by the Purchaser of the Transaction will violate the Purchaser's constituting documents, any agreement to which the Purchaser is bound, any judgment or order of a court of competent jurisdiction or any Government Authority, or any Applicable Law;
- (c) the execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement is a valid and binding obligation of the Purchaser enforceable in accordance with its terms;
- (d) subject to the granting of the Sale Process Order and the Approval and Vesting Order, if applicable, this Agreement constitutes a valid and binding obligation of the Purchaser, enforceable against the Purchaser, in accordance with its terms;
- (e) the Purchaser is a registrant under Part IX of the ETA and shall provide its HST registration number to the Receiver at least three days prior to Closing;
- (f) the Purchaser is a "Canadian", as defined in the *Investment Canada Act* (Canada);
- (g) the Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property; and
- (h) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or, to the best of the Purchaser's knowledge, threatened against or relating to the Purchaser or any judgment, decree, injunction, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case, might adversely affect the ability of the Purchaser to enter into this Agreement or to consummate the Transaction, and the Purchaser is not aware of any existing ground on which any such action, suit or proceeding may be commenced with any reasonable likelihood of success.

9.2 Survival.

The representations and warranties contained in Section 9.1 shall survive for a period of twelve (12) months following the Closing Date.

ARTICLE 10 COVENANTS

10.1 Mutual Covenants.

Each of the Receiver and the Purchaser hereby covenants and agrees that, from and after the Stalking Horse Approval Date until Closing, each shall take all such actions as are within the respective control and subject to the Sale Process Order as are necessary to have the Transaction approved in the Approval and Vesting Order on substantially the same terms and conditions as are contained in this Agreement, and to take all commercially reasonable actions as are within its power to control, and to use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions set forth in Article 7 and to consummate the Transaction, subject to the Sale Process Order and the Approval and Vesting Order.

10.2 Receiver Covenants.

The Receiver hereby covenants and agrees that, from and after the Stalking Horse Approval Date until Closing, it shall take all such reasonable actions as are necessary to provide to the Purchaser all necessary information in respect of the Purchased Assets reasonably required to complete, if necessary, the applicable tax elections in accordance with Section 5.1 and to execute all necessary forms related thereto.

10.3 Purchaser Covenants.

The Purchaser hereby covenants and agrees that, from and after the Stalking Horse Approval Date until the Closing Date, it shall take all such actions as are necessary to provide to the Receiver all necessary information in respect of the Purchaser reasonably required to complete, if necessary, the applicable tax elections in accordance with Section 5.1 and to execute all necessary forms related thereto.

ARTICLE 11 POSSESSION AND ACCESS PRIOR TO CLOSING

11.1 Possession of Purchased Assets.

The Receiver shall remain in possession of the Purchased Assets until the Closing Date, at which time the Purchaser shall take possession of the Purchased Assets where situated. In no event shall the Purchased Assets be sold, assigned, conveyed or transferred to the Purchaser until all the conditions set out in this Agreement have been satisfied or waived and the Purchaser has satisfied or the Receiver has waived all the delivery requirements outlined in Section 7.1.

11.2 Examination of Title and Access to the Purchased Assets.

- (1) The Purchaser acknowledges and agrees that it shall not call upon the Receiver to produce any title deed, abstract of title, survey or other evidence of title that is not within the Receiver's possession or control.
- (2) The Purchaser and its agents and representatives may have reasonable access to the Lands during normal business hours in the period prior to the Closing Date (subject to any rights of Tenants under the Leases) for the purpose of enabling the Purchaser, at its sole cost and expense (regardless of results), to conduct such non-destructive, non-invasive inspections of the Lands as it deems appropriate. The Purchaser agrees that such tests and inspections shall not include any tests or inspections by any Governmental Authority and specifically acknowledges and agrees that it shall not request or, through its actions, prompt or cause any tests or inspections to be made by any Governmental Authority. Such inspection may, if the Receiver so desires, be conducted in the presence of a representative of the Receiver.
- (3) Nothing herein shall authorize any subsurface testing, soil boring or drilling of the Lands by the Purchaser or its environmental or structural consultants unless specifically provided for in a scope of work which has been approved by the Receiver in writing, and any such subsurface testing, soil boring or drilling shall be done in the company of a representative of the Receiver, if the Receiver so requires.
- (4) The Purchaser covenants and agrees to repair or pay the costs to repair any damage occasioned during or resulting from the inspection of the Lands conducted by the Purchaser or its authorized representatives, as outlined above, and to return Lands to substantially the condition same was in prior to such inspections. The Purchaser covenants and agrees to indemnify and save the Receiver harmless from and against all losses, costs, claims, third party claims, damages, expenses (including actual legal costs) which the Receiver may suffer as a result of the inspection of the Lands conducted by the Purchaser or its authorized representatives, as outlined above.

11.3 Risk, Damage and Destruction, and Expropriation.

- (1) The Purchased Assets shall be and remain at the risk of the Receiver until Closing and at the risk of the Purchaser from and after Closing.
- (2) Any property, liability and other insurance maintained by the Receiver shall not be transferred as of the Closing Date but shall remain the responsibility of the Receiver until Closing. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Purchased Assets in respect of the period from and after Closing.
- (3) If, prior to Closing, the Purchased Assets are substantially physically damaged or destroyed by fire, casualty or otherwise, then, at its option, the Purchaser may decline to complete the Transaction. Such option shall be exercised within 15 calendar days after notification to the Purchaser by the Receiver of the occurrence of such physical damage or destruction (or prior to the Closing Date if such occurrence takes place within 15 calendar days prior to the Closing Date), and upon exercise of such option, this Agreement shall be terminated

automatically and the Deposit shall be returned to the Purchaser. If the Purchaser does not exercise such option, it shall complete the Transaction and shall be entitled to an assignment of any proceeds of insurance referable to such damage or destruction. Where any physical damage or destruction is not substantial, the Purchaser shall complete the Transaction and shall be entitled to an assignment of any proceeds of insurance referable to such physical damage or destruction. For the purposes of this Section 11.2, substantial physical damage or destruction shall be deemed to have occurred if the physical loss or damage to the Purchased Assets exceeds 10% of the total Purchase Price. For greater certainty, physical damage or destruction does not include a change in market value of the Purchased Assets caused by any pandemic or endemic (such that, for further greater certainty, the Purchaser is not entitled to terminate this Agreement on the grounds of any future developments, whether favourable or unfavourable, in respect of such pandemic or endemic).

- (4) If, prior to the Closing Date, all or a material part of the Real Property is expropriated or a notice of expropriation or intent to expropriate all or a material part of the Real Property is issued by any Governmental Authority, the Receiver shall immediately advise the Purchaser thereof by Notice in writing. The Purchaser shall, by Notice in writing given within three (3) Business Days after the Purchaser receives Notice in writing from the Receiver of such expropriation, elect to either (a) complete the Transaction contemplated herein in accordance with the terms hereof without reduction of the Purchase Price, and all compensation for expropriation shall be payable to the Purchaser and all right, title and interest of the Receiver or the Receivership Respondents to such amounts, if any, shall be assigned to the Purchaser on a without recourse basis, or (b) terminate this Agreement and not complete the Transaction, in which case the Deposit shall be returned to the Purchaser and all rights and obligations of the Receiver and the Purchaser (except for those obligations which are expressly stated to survive the termination of this Agreement) shall terminate.

11.4 Assumed Contracts.

- (1) The Purchaser shall advise the Receiver in writing, within three (3) Business Days following the date that this Agreement is selected as the Successful Bid (the "**Assumed Contracts Confirmation Date**") as to which of the Contracts that the Purchaser will assume on Closing (the "**Assumed Contracts**"). The Receiver shall provide the Purchaser with copies of all Contracts in its possession within three (3) Business Days following the execution of this Agreement, and shall continue to forthwith provide, until the Closing Date, all additional documentation related to the Contracts as they come into the Receiver's possession or control. From and after the date that this Agreement is selected as the Successful Bid, the Receiver shall not (a) enter into any new Contracts with respect to the Purchased Assets, (b) amend, terminate or accept a surrender of any of the Contracts, (c) consent to a reduction in the rent payable under any of the Leases; (d) collect or accept any prepayment of rent or other amounts under any of the Leases otherwise than as set out therein or in the ordinary course of business; (e) waive any of its rights or remedies under any of the Leases or the performance by the Tenants of their respective obligations thereunder; or (f) release or consent to any action that would result in the release of, any Tenant from its liability under its respective Lease, without, in each case, the prior

approval of the Purchaser which will not be unreasonably withheld and which will be deemed to have been given unless within five (5) Business Days of the date on which the Receiver has given notice to the Purchaser of any such action. The Receiver shall provide details of any dispute with any of the Tenants that it is aware of with respect to any matters set out in such Tenant's Lease including, without limitation, matters related to reconciliation with such Tenant, any repair or maintenance work, and any unpaid landlord's work, inducements and allowances due and owing to such Tenant, which details shall be set out in Schedule "F" attached hereto. On or prior to the date which is three (3) Business Days prior to the Closing Date, the Receiver shall deliver a updated Schedule "F" reflecting the then-outstanding Tenant disputes that the Receiver is aware of, which updated Schedule "F" shall be deemed to automatically replace the original Schedule "F" attached to this Agreement for the purposes of Closing;

- (2) Notwithstanding anything in this Agreement to the contrary, the Purchaser may, from time to time prior to the Closing Date, and in its sole discretion, upon written notice to the Receiver, amend or revise the list of Assumed Contracts to eliminate any Contract therefrom, or to add any Contract of the Receivership Respondents thereto, without any amendments or adjustments to the Purchase Price. Automatically upon such addition of any Contract by the Purchaser in accordance with this Section 11.4(2), such Contract shall be an Assumed Contract for all purposes of this Agreement. Automatically upon the deletion of any Contract by the Purchaser in accordance with this Section 11.4(2), such Contract shall be an Excluded Asset for all purposes of this Agreement, and no Liabilities arising thereunder or relating thereto shall be assumed by the Purchaser or be the Liability or responsibility of the Purchaser. At the Purchaser's reasonable request, the Receiver shall make reasonably available to the Purchaser the appropriate agent or consultant necessary to discuss the outstanding Contracts to which any of the Receivership Respondents is a party. The Receiver shall include in the motion for the Approval and Vesting Order that the Court will assign all Assumed Contracts as notified to the Receiver by the Purchaser pursuant to this Section 11.4;
- (3) The Receiver shall use best efforts to cooperate with the Purchaser to obtain in writing all consents that are required from such contractual counterparties to assign the Assumed Contracts to the Purchaser (including any new Assumed Contracts added in accordance with Section 11.4(2)), provided that from and after the date that the Stalking Horse Bid contemplated by this Agreement has been selected as the Successful Bid in accordance with the Sale Process Order and the Sale Process, the Purchaser shall have the right to correspond with all such contractual counterparties to obtain in writing all such required consents and the Receiver shall use best efforts to cooperate with the Purchaser in this regard;
- (4) To the extent that any Assumed Contract is not assignable without the consent of the counterparty or any other Person and such consent has not been obtained prior to the hearing of the Receiver's motion for the Approval and Vesting Order then, to the extent such contract remains an Assumed Contract, the Receiver shall use best efforts to assign the Receivership Respondents' rights, benefits and interests in, to and under such Assumed Contract to the Purchaser pursuant to the Approval and Vesting Order or further order relating thereto (each, a

“Further Order”) on requisite notice to the affected contractual counterparty(ies) and in form and substance acceptable to the Purchaser;

- (5) Unless the Parties otherwise agree, to the extent that any Cure Costs are payable with respect to any Assumed Contract, the Purchaser shall, where such Assumed Contract is assigned pursuant to the Approval and Vesting Order, pay such Cure Costs in accordance with such order, or as otherwise may be agreed to by the Purchaser and such counterparty, and following such payment, the Purchaser shall not have any Liability therefor.

ARTICLE 12 AS IS, WHERE IS

12.1 Condition of the Purchased Assets.

Except for the representations and warranties of the Receiver expressly set out in Article 8 or otherwise set out in any Closing Documents, the Purchaser acknowledges that:

- (1) the Receiver is selling and the Purchaser is purchasing the Purchased Assets on an “*as is, where is*” and “*without recourse*” basis as the Purchased Assets shall exist on the Closing Date, including, without limitation, whatever defects, conditions, impediments, Hazardous Substances or deficiencies exist on the Closing Date, whether patent or latent;
- (2) it has entered into this Agreement on the basis that neither the Receiver nor any of the Receivership Respondents has guaranteed or will guarantee title to or marketability, use or quality of the Purchased Assets, that the Purchaser has conducted such inspections of the condition and title to the Purchased Assets as it deems appropriate, has satisfied itself with regard to these matters and is relying entirely upon its own investigations and inspections in entering into this Agreement. The Purchaser acknowledges that all documents and information provided or made available to it by the Receiver (including its employees, agents and representatives) are for reference only and that the Purchaser has not relied on any such documents and information in entering into this Agreement and such documents and information are not warranted to be complete or accurate and is not part of this Agreement;
- (3) there are no representations, warranties or conditions expressed or that can be implied as: (a) to title, encumbrance, description, fitness for purpose, merchantability, condition or quality, or in respect of any other matter or thing whatsoever concerning the Purchased Assets; (b) the environmental state of the Lands, the existence, presence, identity, nature, kind, state, status, extent, or effect of any Hazardous Substances at, on, under, in or about the Lands, the existence, presence, identity, state, status, nature, kind, extent and effect of any administrative order, control order, stop order, compliance order, environmental protection or prevention order or any other orders, proceedings or actions under the *Environmental Protection Act* (Ontario), or any other statute, regulation, rule or provision of Law, whether federal, provincial or municipal, and the existence, presence, identity, state, status, nature, kind, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs or expenses incurred in connection with or damages or losses suffered as a result of any

Hazardous Substances whether at, on, under, in, to, from or about the Lands or elsewhere; or (c) the right of the Receiver to sell, assign, convey or transfer same, save and except as expressly provided in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act*, R.S.O. 1990, c. S. I, do not apply hereto and/or have been waived by the Purchaser;

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

The provisions of this Section 12.1 shall not merge on but shall survive the completion of the Transaction.

ARTICLE 13 TERMINATION

13.1 Termination of this Agreement.

This Agreement may be validly terminated:

- (1) automatically and without any action or notice by either Party, immediately if this Agreement is not selected as the Successful Bid or a back-up Bid in accordance with the Sale Process;
- (2) automatically and without any action or notice by either Party, immediately if the Receiver completes a sale of the Purchased Assets to another bidder pursuant to and in compliance with the Sale Process;
- (3) upon the mutual written agreement of the Parties;
- (4) pursuant to Section 4.7 by the Purchaser;
- (5) pursuant to Section 7.2 by the Receiver;
- (6) pursuant to Section 7.4 by the Purchaser;
- (7) pursuant to Section 7.6 or Section 11.3;
- (8) by either of the Parties, in writing to the other, if the Approval and Vesting Order is not issued by the Court on or before April 30, 2026, which date may be extended by the Purchaser in its sole discretion; or
- (9) automatically, should Closing have not occurred prior to the discharge of the Receiver as the receiver of the Purchased Assets, unless the Receiver's interest in this Agreement has been assigned prior to (or as part of) the Receiver's discharge.

13.2 Remedies on Termination of Agreement.

If this Agreement is terminated other than as a result of a breach of a representation, warranty, covenant or obligation of a Party, including, without limitation, as a result of Section 7.6, then:

- (1) the Purchaser shall return to the Receiver all documents, work papers and other material of the Receiver relating to the Transaction, whether obtained before or after the execution hereof;
- (2) the Deposit shall be returned to the Purchaser, and
- (3) all obligations of each of the Receiver and the Purchaser hereunder shall end completely, except those that survive the termination of this Agreement; and
- (4) neither Party shall have any right to specific performance, to recover damages or expenses or to any other remedy (legal or equitable) or relief.

ARTICLE 14 GENERAL CONTRACT PROVISIONS

14.1 Further Assurances.

From time to time after Closing, each of the Parties shall execute and deliver such further documents and instruments and do such further acts and things as may be required to carry out the intent and purpose of this Agreement and which are not inconsistent with the terms hereof.

14.2 Survival Following Completion.

Notwithstanding any other provision of this Agreement, Section 4.5 and Section 13.2 shall survive the termination of this Agreement and the completion of the Transaction.

14.3 Notice.

All notices, requests, demands, waivers, consents, agreements, approvals, communications or other writings required or permitted to be given hereunder or for the purposes hereof (each, a "**Notice**") shall be in writing and be sufficiently given if personally delivered, sent by prepaid registered mail or transmitted by email, addressed to the Party to whom it is given, as follows:

- (a) to the Receiver:

Albert Gelman Inc.
150 Ferrand Drive, Suite 1503
North York, Ontario
M3C 3E5

Attention: Adam Zeldin
Email: azeldin@albertgelman.com

and a copy to the Receiver's counsel to:

Capstone Legal
1370 Hurontario Street
Mississauga, Ontario
L5G 3H4

Attention: Danny Nunes
Email: dn@capstonelegal.ca

(b) to the Purchaser:

c/o Sun & Partners Professional Corporation
301-3650 Victoria Park Avenue
Toronto, Ontario
M2H 3P7

Attention: Jimmy Sun
Email: jimmysun@sunpartners.ca

and a copy to the Purchaser's counsel to:

McCarthy Tetrault LLP
Suite 4700, TD Bank Tower
Toronto Dominion Centre
Toronto, ON M5K 1E6

Attention: Heather Meredith / Julianne Gu
Email: hmeredith@mccarthy.ca / jgu@mccarthy.ca

or such other address of which Notice has been given. Any Notice mailed as aforesaid will be deemed to have been given and received on the third (3rd) Business Day following the date of its mailing. Any Notice personally delivered will be deemed to have been given and received on the day it is personally delivered, provided that if such day is not a Business Day, the Notice will be deemed to have been given and received on the Business Day next following such day. Any Notice transmitted by email will be deemed given and received on the first (1st) Business Day after its transmission.

If a Notice is mailed and regular mail service is interrupted by strike or other irregularity on or before the fourth (4th) Business Day after the mailing thereof, such Notice will be deemed to have not been received unless otherwise personally delivered or transmitted by email.

14.4 Waiver.

No Party will be deemed or taken to have waived any provision of this Agreement unless such waiver is in writing and such waiver will be limited to the circumstance set forth in such written waiver.

14.5 Consent.

Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit or the requirement for such consent is not required pursuant to the terms of the Approval and Vesting Order, then, unless

otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

14.6 Governing Law.

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties irrevocably attorn to the jurisdiction of the Court. The Parties consent to the exclusive jurisdiction and venue of the Court for the resolution of any disputes between them, regardless of whether or not such disputes arose under this Agreement.

14.7 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings between the Parties. There are not and will not be any verbal statements, representations, warranties, undertakings or agreements between the Parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties. The recitals herein are true and accurate, both in substance and in fact.

14.8 Time of the Essence.

Time will be of the essence, provided that if the Parties establish a new time for the performance of an obligation, time will again be of the essence of the new time established.

14.9 Time Periods.

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

14.10 Assignment.

This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, legal and personal administrators, successors and permitted assigns. The Purchaser may, upon at least three (3) Business Days' prior Notice to the Receiver, assign this Agreement and the VTB Charges and the rights and obligations hereunder and thereunder to an Affiliate, provided such Person shall, in writing, agree, prior to the date of the granting of the Approval and Vesting Order, to assume and be bound by the terms and conditions of this Agreement and a copy of such assumption agreement is delivered to the Receiver forthwith after having been entered into, in which case the Purchaser shall nonetheless not be released from any and all further obligations and liabilities hereunder until Closing occurs. The Purchaser shall also be entitled to direct title of the Purchased Assets to be taken in the name of another Person.

14.11 Expenses.

Except as otherwise set out in this Agreement, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this

Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

14.12 Severability.

If any portion of this Agreement is prohibited in whole or in part in any jurisdiction, such portion shall, as to such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining portions of this Agreement and shall, as to such jurisdiction, be deemed to be severed from this Agreement to the extent of such prohibition.

14.13 No Strict Construction.

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

14.14 Cumulative Remedies.

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

14.15 Currency.

All references to dollar amounts contained in this Agreement shall be deemed to refer to lawful currency of Canada.

14.16 Receiver's Capacity.

It is acknowledged by the Purchaser that the Receiver is executing this Agreement solely in its capacity as Court-appointed receiver and manager of the Purchased Assets and not in its personal or corporate capacity and none of the Receiver or any of their respective directors, officers, agents, servants or employees shall have any personal or corporate liability hereunder or at common law, or by statute, or equity or otherwise as a result hereof.

14.17 Planning Act.

This Agreement is to be effective only if the subdivision control provisions of the *Planning Act*, R.S.O. 1990, c. P.13, as amended, are complied with.

14.18 No Third Party Beneficiaries.

This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns, nothing in this Agreement shall be construed to create any rights or obligations except amongst the Parties and no other person or entity shall be regarded as a third party beneficiary of this Agreement.

14.19 Number and Gender.

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.

14.20 Publicity.

The Purchaser agrees with the Receiver not to make any public announcement of the Transaction prior to Closing, except for the purpose of obtaining the Sale Process Order or the Approval and Vesting Order or unless the content and timing of such announcement have been agreed upon by both Parties, or unless such announcement is otherwise required by Applicable Law.

14.21 Non-Registration.

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document providing evidence of this Agreement against title to the Lands. Should the Purchaser be in default of its obligations under this Section, the Receiver may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Lands. The Purchaser irrevocably nominates, constitutes and appoints the Receiver as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Lands.

14.22 Counterparts and Electronic Execution.

This Agreement may be executed (including by DocuSign or other electronic means) in counterparts and delivered (including by DocuSign or other electronic means) in any number of counterparts, each of which (including any electronic transmission of an executed signature page), is deemed to be an original, and such counterparts together constitute one and the same.

-- signatures follow on next page --

IN WITNESS WHEREOF the Purchaser has duly executed this Agreement under the hands of its respective duly authorized signing officer as of the date first above written.

915643 ONTARIO INC.

Per: _____
Name:
Title

IN WITNESS WHEREOF the Receiver has duly executed this Agreement as of the date first above written.

ALBERT GELMAN INC., solely in its capacity as Receiver and not in its personal capacity or in any other capacity

Per: _____
Name:
Title

SCHEDULE "A"

LEGAL DESCRIPTION

PIN 24816-0031 (LT):

LT 3, PL 1333; PT LT 1, PL 1333, AS IN 755007; PT LT 14, CON 3 TRAF SDS, AS IN 755007;
TOWN OF OAKVILLE

SCHEDULE "B"

SALES PROCESS

SCHEDULE "C"

SALES PROCESS ORDER

SCHEDULE "D"

"PERMITTED ENCUMBRANCES"

1. The exceptions and qualifications set out in the Section 44(1) of the *Land Titles Act* (Ontario), except any exceptions therefrom as noted on the parcel register for the Lands.
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown.
3. The easements, servitudes, rights-of-way, licences, and restrictions registered against the Lands as of the date of this Agreement and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables).
4. Any unregistered easements for sewer drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables.
5. Inchoate liens for taxes, assessments, public utility charges, which are not yet due and owing.
6. Any encroachments, title defects or irregularities which are of a minor nature and either individually or in the aggregate do not and will not materially adversely affect the value, use or marketability of the Lands.
7. Zoning (including, without limitation, airport zoning regulations), use and building by-laws, ordinances, federal, provincial or municipal by-laws, and regulations.
8. Any subdivision agreements, site plan agreements, development agreements and any other agreements registered against the Lands as of the date of the Agreement with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction.
9. Plans, by-laws and transfers registered on title to the Lands as of the date of this Agreement.
10. The Leases.

Specific

11. Instrument No 193643, registered November 17, 1965, being a subdivision agreement with The Town and The Oakville Public Utilities Commission.
12. Instrument No. 194282, registered November 30, 1965, being a release of Instrument No. 193643 except any easements or restrictive covenants expressed to run with the land.
13. Instrument No. 330476, registered February 8, 1972, being an agreement with the Town.
14. Instrument No. 383682, registered February 21, 1974, being an agreement with the Town.
15. Instrument No. 506142, registered July 17, 1979, being an agreement with the Town.
16. Instrument No. 591058, registered December 5, 1983, being a release of Instrument No. 193643 except any easements or restrictive covenants expressed to run with the land.
17. Instrument No. 696679, registered July 14, 1988, being an agreement with the Town.
18. Instrument No. 698706, registered August 9, 1988, being an agreement with the Town.
19. Instrument No. HR69271, registered August 27, 2001 being a notice of a lease with Stepping Stones Childcare Learning Centre Inc., as tenant.
20. Instrument No. HR219023, registered August 14, 2003 being a notice of change of address of owner.

SCHEDULE "E"

PRIORITY PAYABLE

1. Property taxes as of January 9, 2026, for the property with the legal description CON 3 SDS PT LOT 14 PLAN 1333 LOT 1 owed to the City of Oakville in the amount of \$340,985.29.

SCHEDULE "F"
TENANT DISPUTES

Nil.

APPENDIX “H”

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that for purposes of this Order, in addition to terms defined elsewhere herein, the following terms shall have the following meanings:

- (a) **“Priority Claims Procedure”** means the procedures outlined in this Order, including the Schedules hereto;
- (b) **“Books and Records”** means, collectively:
 - (i) the books and records of the Debtors in the possession of the Receiver, including those provided to the Receiver by the Debtors or any of their respective principals, agents or counsel;
 - (ii) documentation and information provided to the Receiver by others, to the extent that the Receiver believes such documentation and information to be true; and
 - (iii) any and all instruments registered on title to or in respect of the Property (as defined in the Receivership Order) on or prior to the date of this Order;
- (c) **“Business Day”** means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (d) **“Claim”** means any right of any Person against either of the Debtors in connection with any indebtedness, liability or obligation of any kind of either of the Debtors, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, present, future, known or unknown, by guarantee, surety or otherwise and whether or not such right is executory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity

or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future that could be asserted by way of set-off, counterclaim or otherwise which indebtedness, liability or obligation is based in whole or in part on facts existing on or prior to the date of the Receivership Order or relates to a time period prior to the date of the Receivership Order but for greater clarity, does not include any unpaid amounts secured by the charges granted by the Court pursuant to the Receivership Order;

- (e) “**Claims Bar Date**” means 5:00 p.m. (Toronto time) on February 27, 2026;
- (f) “**Claims Package**” means a package of information to be provided by the Receiver, which package shall include a copy of the Priority Claims Procedure Order or a hyperlink to the Priority Claims Procedure Order on the Receiver’s Website, an Instruction Letter, a Proof of Claim and such other materials as the Receiver may consider appropriate or desirable;
- (g) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (h) “**Instruction Letter**” means a letter regarding the Priority Claims Procedure containing instructions regarding the completion and return of a Proof of Claim, substantially in the form attached as **Schedule “B”** hereto;
- (i) “**Notice of Dispute**” means a notice delivered to the Receiver by a Priority Creditor disputing a Notice of Revision or Disallowance, which notice shall be substantially in the form attached hereto as **Schedule “E”** and shall set out the reasons for the dispute;
- (j) “**Notice of Revision or Disallowance**” means a notice informing a Priority Creditor that the Receiver has revised or disallowed all or any part of such Priority Creditor’s alleged Priority Claim, which notice shall be substantially in the form attached hereto as **Schedule “D”** and shall set out the reasons for such revision and/or disallowance;

- (k) “**Notice to Priority Creditors**” means the notice publicizing this Priority Claims Procedure to be published in accordance with the Priority Claims Procedure Order, substantially in the form of the notice attached as **Schedule “A”**;
- (l) “**Person**” means any individual, general or limited partnership, firm, association, joint venture, trust, entity, corporation, limited or unlimited liability company, unincorporated organization, trade union, pension plan administrator, pension plan regulator, governmental authority or agency, employee or other association, or any other juridical entity howsoever designated or constituted;
- (m) “**Priority Claim**” means a Claim that is secured as against either of the Debtors and/or any assets of the Debtors ranking in priority to the Secured Lender Claims, including but not limited to Claims for a statutory holdback in relation to valid and properly registered construction liens as against the Real Property to the extent it has priority over the Secured Lender Claims pursuant to the *Construction Act* (Ontario) and Claims for amounts held in trust;
- (n) “**Priority Creditor**” means any Person asserting a Priority Claim;
- (o) “**Proof of Claim**” means the form of Proof of Claim to be completed and filed by a Priority Creditor setting forth its purported Priority Claim, substantially in the form attached as **Schedule “C”**;
- (p) “**Proven Claim**” means the amount and classification of any Priority Creditor’s Priority Claim as finally determined in accordance with the Priority Claims Procedure;
- (q) “**Receivership Order**” means the Order of the Honourable Justice Cavanagh dated November 27, 2025, effective as of November 20, 2025;
- (r) “**Receiver’s Website**” means <https://www.albertgelman.com/filedocuments/#177cross>; and
- (s) “**Secured Lender Claims**” means the Claims of (i) 915643 Ontario Inc. (“**915**”) in respect of the charge/mortgage registered on title to the Real Property on March 15,

2023 in the principal amount of \$31,800,000 granted by the Debtors in favour of 915 as Instrument No. HR1953701, as amended by a first amending agreement registered as Instrument No. HR2076895 on December 24, 2024, as may be further amended from time to time and the outstanding interest, fees, costs and expenses that have accrued to the date of this Order and that continue to accrue in respect of the charge/mortgage; (ii) 915 in respect of the charge/mortgage registered on title to the Real Property on March 15, 2023 in the principal amount of \$5,300,000 granted by the Debtors in favour of 915 as Instrument No. HR1953702, as amended by a first amending agreement registered as Instrument No. HR2017044 on February 20, 2024, by a second amending agreement registered as Instrument No. HR2035975 on June 4, 2024, by a third amendment agreement registered as Instrument No. HR2049480 on August 2, 2024 and by a fourth amending agreement registered as Instrument No. HR2076897 on December 24, 2024, respectively, as may be further amended from time to time and the outstanding interest, fees, costs and expenses that have accrued to the date of this Order and that continue to accrue in respect of the charge/mortgage; and (iii) Aarti Real Estate Enterprises Inc. (“**Aarti**”) and Mayuri Ventures Inc. (“**Mayuri**”) in respect of the charge/ mortgage registered on title to the Real Property on March 15, 2023 in the principal amount of \$5,000,000 granted by the Debtors in favour of Aarti and Mayuri as Instrument No. HR1953703, as may be further amended from time to time and the outstanding interest, fees, costs and expenses that have accrued to the date of this Order and that continue to accrue in respect of the charge/mortgage.

NOTICE TO PRIORITY CREDITORS

3. **THIS COURT ORDERS** that:

- (a) the Receiver shall, no later than two Business Days following the making of the Priority Claims Procedure Order, post a copy of the Priority Claims Procedure Order, with schedules, on the Receiver’s Website;
- (b) the Receiver shall send a copy of the Claims Package by January 23, 2026 to any Person the Books and Records disclose to be a Priority Creditor owed monies by

one or more the Debtors as of the date of this Order and which monies remain unpaid in whole or in part;

- (c) the Receiver shall, by no later than January 23, 2026, cause to be published the Notice to Priority Creditors in The Globe and Mail and the Insolvency Insider website; and
- (d) the Receiver shall, provided such request is received prior to the Claims Bar Date, deliver as soon as reasonably possible following receipt of a request therefor, a copy of the Claims Package to any Person claiming to be a Priority Creditor and requesting such material.

PROOFS OF CLAIM

4. **THIS COURT ORDERS** that all Priority Creditors wishing to assert a Priority Claim, shall **file with the Receiver a Proof of Claim by the Claims Bar Date**. For greater certainty **no Person need submit a Proof of Claim in respect of (i) a Claim that is not alleged to be a Priority Claim, including any unsecured Claim; and (ii) a claim relating to a time period after the date of the Receivership Order and/or not based on facts existing on or prior to the date of the Receivership Order (a “Post-Filing Claim”).**

DEADLINE FOR FILING PROOF OF CLAIM

5. **THIS COURT ORDERS** that all Proofs of Claim, together with supporting documentation, must be filed with the Receiver by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission, so that such Proof of Claim is received by the Receiver by no later than the Claims Bar Date.

6. **THIS COURT ORDERS** that any Priority Creditor who does not file a Proof of Claim, together with supporting documentation, by the Claims Bar Date:

- (a) shall be and is hereby forever barred from asserting or enforcing any such Priority Claim; and

- (b) shall not be entitled to receive any distributions from the Debtors in respect of such Priority Claim.

DETERMINATION OF CLAIMS

7. **THIS COURT ORDERS** that the Receiver shall review all Proofs of Claim filed on or before the Claims Bar Date and may accept, revise or disallow (in whole or in part) the amount and/or status of a Priority Claim set out in any Proof of Claim. At any time, the Receiver may request additional information with respect to any Priority Claim, and may request that the Priority Creditor file a revised Proof of Claim.

8. **THIS COURT ORDERS** that if the Receiver determines to revise or disallow a Proof of Claim, then the Receiver shall send a Notice of Revision or Disallowance to the Priority Creditor.

9. **THIS COURT ORDERS** that the Receiver may attempt to resolve the amount and/or status of any Priority Claim with the Priority Creditor on a consensual basis prior to accepting, revising or disallowing such Claim.

10. **THIS COURT ORDERS** that where a Proof of Claim has been revised or disallowed (in whole or in part) by a Notice of Revision or Disallowance, the revised or disallowed portion of that Priority Claim shall not establish a Proven Claim unless the Priority Creditor has disputed the revision or disallowance in accordance with paragraphs 11-12, and proven the revised or disallowed Priority Claim (or portion thereof) in accordance with paragraphs 13-15 of this Priority Claims Procedure Order.

NOTICES OF DISPUTE

11. **THIS COURT ORDERS** that if a Priority Creditor disputes a Notice of Revision or Disallowance received by it and intends to contest the Notice of Revision or Disallowance then such Priority Creditor shall deliver a Notice of Dispute by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission so that such Notice of Dispute is received by the Receiver by **no later than 5:00 p.m. (Toronto time) on the Business Day which is seven (7) days after delivery of the Notice of Revision or Disallowance** or such later date as the Receiver may agree in writing or the Court may order. The filing of a Notice of Dispute with the Receiver

within the time limited therefor shall constitute an application to have the amount or status of such Priority Claim determined as set out in paragraphs 13-15 hereof.

12. **THIS COURT ORDERS** that if a Person who receives a Notice of Revision or Disallowance fails to file a Notice of Dispute with the Receiver within the time limit therefore, then the amount and status of such Person's Priority Claim shall be deemed to be as set out in the Notice of Revision or Disallowance and such amount and status, if any, shall constitute such Priority Creditor's Proven Claim.

RESOLUTION OF CLAIMS

13. **THIS COURT ORDERS** that as soon as practicable after the delivery of the Notice of Dispute to the Receiver, the Receiver may:

- (a) attempt to resolve the classification and amount of the Priority Claim with the Priority Creditor on a consensual basis; and/or
- (b) schedule an appointment with the Court for the purpose of scheduling a motion to have the classification and/or amount of the Priority Claim determined by the Court, and at such motion the Priority Creditor shall be deemed to be the applicant and the Receiver shall be deemed to be the respondent.

14. **THIS COURT ORDERS** that, notwithstanding the other provisions of this Priority Claims Procedure Order, the Receiver may make a motion to the Court for a final determination of a Priority Claim at any time, whether or not a Notice of Revision or Disallowance has been sent by the Receiver, on full notice to the applicable Priority Creditor.

15. **THIS COURT ORDERS** that in the event that the dispute between the Priority Creditor and the Receiver is not settled within a time period or in a manner satisfactory to the Receiver or the Priority Creditor, the Receiver or the Priority Creditor may make a motion to the Court for directions, on notice to each other.

ADEQUACY OF INFORMATION/CURRENCY

16. **THIS COURT ORDERS** that:

- (a) the Receiver may, where it is satisfied that a Priority Claim has been adequately proven, waive strict compliance with the requirements of this Priority Claims Procedure Order as to completion and execution of Proofs of Claim; and
- (b) any Priority Claims denominated in a currency other than Canadian dollars shall, for the purposes of this Priority Claims Procedure Order, be converted to, and constitute obligations in, Canadian dollars, such calculation to be effected by the Receiver using the Bank of Canada daily exchange rate on the date of the Receivership Order.

NOTICE OF TRANSFEREES

17. **THIS COURT ORDERS** that the Receiver shall not be obligated to give notice to or otherwise deal with a transferee or assignee of a Priority Claim as the Priority Creditor in respect thereof unless:

- (a) actual written notice of the transfer or assignment, together with satisfactory evidence of a valid transfer or assignment of the Priority Claim, has been received by the Receiver; and
- (b) the Receiver has acknowledged in writing such transfer or assignment,

and thereafter such transferee or assignee shall for the purposes hereof constitute the “Priority Creditor” in respect of such Priority Claim. Any such transferee or assignee of a Priority Claim, and such Priority Claim, shall be bound by any notices given or steps taken in respect of such Priority Claim in accordance with this Priority Claims Procedure Order prior to the written acknowledgement by the Receiver of such transfer or assignment.

18. **THIS COURT ORDERS** that if the holder of a Priority Claim has transferred or assigned the whole of such Priority Claim to more than one Person or part of such Priority Claim to another Person or Persons, such transfer or assignment shall not create a separate Priority Claim or Claims and such Priority Claim shall continue to constitute and be dealt with as a single Priority Claim

notwithstanding such transfer or assignment, and the Receiver shall in each such case not be bound to acknowledge or recognize any such transfer or assignment and shall be entitled to give notices to and to otherwise deal with such Priority Claim only as a whole and then only to and with the Person last holding such Priority Claim in whole as the Priority Creditor in respect of such Priority Claim. Provided that a transfer or assignment of the Priority Claim has taken place in accordance with paragraph 17 of this Priority Claims Procedure Order and the Receiver has acknowledged in writing such transfer or assignment, the person last holding such Priority Claim in whole as the Priority Creditor in respect of such Priority Claim may by notice in writing to the Receiver direct that subsequent dealings in respect of such Priority Claim, but only as a whole, shall be with a specified Person and, in such event, such Priority Creditor, such transferee or assignee of the Priority Claim and the whole of such Priority Claim shall be bound by any notices given or steps taken in respect of such Priority Claim by or with respect to such Person in accordance with this Priority Claims Procedure Order.

19. **THIS COURT ORDERS** that the Receiver is under no obligation to give notice of a valid transfer or assignment made pursuant to this Priority Claims Procedure Order to any Person other than the Priority Creditor holding the Priority Claim and shall, without limitation, have no obligation to give notice to any Person holding a security interest, lien, or charge in, or a pledge or assignment by way of security in, a Priority Claim.

20. **THIS COURT ORDERS** that the transferee or assignee of any Priority Claim:

- (a) shall take the Priority Claim subject to the rights and obligations of the transferor/assignor of the Priority Claim, and subject to the rights of the Debtors against any such transferor or assignor, including any rights of set-off which the Debtors had against such transferor or assignor, and
- (b) cannot use any transferred or assigned Priority Claim to reduce any amount owing by the transferee or assignee to the Debtors, whether by way of set-off, application, merger, consolidation or otherwise.

PROTECTIONS FOR THE RECEIVER

21. **THIS COURT ORDERS** that the Receiver, in addition to its prescribed rights, duties, responsibilities and obligations under: (i) the *Bankruptcy and Insolvency Act* (Canada) (the “BIA”), (ii) the Receivership Order, and/or (iii) any other Order of the Court, is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Priority Claims Procedure Order or incidental thereto.

22. **THIS COURT ORDERS** that in carrying out the terms of this Priority Claims Procedure Order:

- (a) the Receiver shall have all the protections given to it by the BIA, the Receivership Order, any other Order of this Court, and as an officer of this Court, as applicable;
- (b) the Receiver shall incur no liability or obligation as a result of the carrying out of the provisions of this Priority Claims Procedure Order save and except for any gross negligence or willful misconduct on its part;
- (c) the Receiver shall be entitled to rely on the Books and Records and any information provided by the Debtors as well as documentation and information provided by others, including information and documentation provided by Priority Creditors pursuant to this Priority Claims Procedure Order, which the Receiver believes to be accurate and true, without independent investigation; and
- (d) the Receiver shall not be liable for any claims or damages resulting from any errors or omissions in such Books and Records or information.

DIRECTIONS

23. **THIS COURT ORDERS** that the Receiver may, at any time, and with such notice as this Court may require, seek directions from this Court with respect to this Priority Claims Procedure Order, the Priority Claims Procedure set out herein and the forms attached as Schedules hereto.

SERVICE AND NOTICE

24. **THIS COURT ORDERS** that the Receiver be at liberty to deliver the Claims Package, and any letters, notices or other documents to Priority Creditors or other interested Persons, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission (including email) to such Persons at the address as last shown on the records of the Debtors and that any such service or notice by courier, personal delivery or electronic or digital transmission shall be deemed to be delivered and received on the next Business Day following the date of forwarding thereof, or if sent by prepaid ordinary mail, on the fourth Business Day after mailing.

25. **THIS COURT ORDERS** that the forms of notice to be provided in accordance with this Priority Claims Procedure Order shall constitute good and sufficient service and delivery of notice of this Priority Claims Procedure Order and the Claims Bar Date on all Persons who may be entitled to receive notice and who may assert a Priority Claim and no other notice or service need be given or made and no other documents or material need be sent to or served upon any Person in respect of this Priority Claims Procedure Order.

26. **THIS COURT ORDERS** that any notice or other communication (including, without limitation, Proofs of Claim and Notices of Dispute) to be given under this Priority Claims Procedure Order by a Priority Creditor to the Receiver shall be in writing substantially in the form, if any, provided for in this Priority Claims Procedure Order and will be sufficiently given only if given by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission (including email) addressed to:

Albert Gelman Inc.
in its capacity as Court-appointed receiver of the Debtors
150 Ferrand Street, Suite 1503
Toronto, ON M3C 3E5

Attention: Adam Zeldin
E-mail: azeldin@albertgelman.com

Any such notice or other communication by a Priority Creditor shall be deemed received only upon actual receipt if delivered by 5:00 pm (Toronto Time) on a Business Day, and if received after 5:00 pm or other than on a Business Day, then on the following Business Day.

27. **THIS COURT ORDERS** that in the event that this Priority Claims Procedure Order is later amended by further order of the Court, the Receiver shall post such further order on the Receiver's Website, and such posting shall constitute adequate notice to Priority Creditors of such amended Priority Claims Procedure.

MISCELLANEOUS

28. **THIS COURT ORDERS** that this Priority Claims Procedure Order does not and is not intended to provide for a distribution to Priority Creditors but solely for providing a process for submitting and adjudicating Priority Claims.

29. **THIS COURT ORDERS** that the Receiver may set off (whether by way of legal, equitable or contractual set-off) against the Priority Claims of any Priority Creditor, any claims of any nature whatsoever that the Debtors may have against such Priority Creditor arising prior to the entry of this Priority Claims Procedure Order, provided that such set-off satisfies the requirements for legal, equitable or contractual set-off to the extent permitted by applicable law. If there is any dispute between the Receiver and the applicable Priority Creditor, however, neither the failure to assert set-off nor the allowance of any Priority Claim hereunder shall constitute a waiver or release by the Receiver of any such claim that the Receiver may have against such Priority Creditor.

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

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Priority Claims Procedure Order and for assistance in carrying out the terms thereof, and that the Receiver is authorized and empowered to act as a representative in

respect of the within proceedings in any jurisdiction outside Canada, including, without limitation to apply for recognition and enforcement of this Priority Claims Procedure Order in the United States.

32. **THIS COURT ORDERS** that this Priority Claims Procedure Order and all of its provisions are effective as of 12:01 a.m. Eastern/Daylight Time on the date of this Priority Claims Procedure Order without the need for entry and/or filing.

SCHEDULE "A"

NOTICE TO PRIORITY CREDITORS

177 CROSS ARGUS DEVELOPMENT INC. and
DOUBLE DIAMOND CAPITAL INC.

RE: NOTICE OF PRIORITY CLAIMS PROCEDURE

PLEASE TAKE NOTICE that this notice is being published pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) made January 20, 2026 (the "**Priority Claims Procedure Order**") in the receivership of 177 Cross Argus Development Inc. and Double Diamond Capital Inc. (together the "**Debtors**"). Defined terms used here and not defined have the meanings given in the Priority Claims Procedure Order.

Albert Gelman Inc., Court-appointed receiver (in such capacity, the "**Receiver**") of the Debtors, is conducting a claims process to call for Priority Claims, including secured claims and claims ranking in priority to the Secured Lender Claims. **Unsecured Claims and Claims that do not have evidence and/or a basis to be a Priority Claim are not being called for in this Priority Claims Procedure. Such Claims will not be reviewed, considered or addressed in this Priority Claims Procedure.**

Post-Filing Claims will not be considered or addressed in this Priority Claims Procedure.

All Priority Creditors of the Debtors should receive a Claims Package from the Receiver. Priority Creditors may also obtain the Priority Claims Procedure Order and a Claims Package from the Receiver's website at <https://www.albertgelman.com/filedocuments/#177cross> or by contacting Adam Zeldin of the Receiver at azeldin@albertgelman.com.

Completed documents must be received by the Receiver by 5:00 p.m. (Toronto time) on February 27, 2026 (the "Claims Bar Date"). It is your responsibility to complete the appropriate documents and ensure that the Receiver receives your completed documents by the Claims Bar Date.

PRIORITY CLAIMS NOT RECEIVED BY THE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

DATED at Toronto this ____ day of _____, 2026.

SCHEDULE “B”

**INSTRUCTION LETTER FOR THE PRIORITY CLAIMS PROCEDURE OF 177
CROSS ARGUS DEVELOPMENT INC. AND DOUBLE DIAMOND CAPITAL INC.**

A. PRIORITY CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) made January 20, 2026 (the “**Priority Claims Procedure Order**”), Albert Gelman Inc., the Court-appointed receiver (in such capacity, the “**Receiver**”) of 177 Cross Argus Development Inc. and Double Diamond Capital Inc. (together, the “**Debtors**”) has been authorized to conduct a priority claims procedure (the “**Priority Claims Procedure**”) for the determination of certain priority claims against the Debtors.

This letter provides instructions for understanding and completing a Proof of Claim. Please note that capitalized terms that are not defined in this Instruction Letter shall have the meanings ascribed to them in the Priority Claims Procedure Order.

Please note that this Priority Claims Procedure is only in respect of Priority Claims pertaining to the Debtors.

- **Any unsecured Claims or Claims that otherwise do not have evidence and/or a basis to rank ahead of the Secured Lender Claims are not being called for in this Priority Claims Procedure. Such Claims will not be reviewed, considered or addressed in this Priority Claims Procedure.**
- **Post-Filing Claims will not be considered or addressed in this Priority Claims Procedure.**

The Priority Claims Procedure is intended for any Person with a Priority Claim, including secured claims (unless specifically excluded in the Priority Claims Procedure Order) and claims ranking in priority to the Secured Lenders, including valid construction lien holdback claims that are granted priority pursuant to the *Construction Act* (Ontario), whether unliquidated, contingent or otherwise against the Debtors. Please review the Priority Claims Procedure Order on the Receiver’s Website (<https://www.albertgelman.com/filedocuments/#177cross>) for the complete procedure and relevant definitions.

If you have any questions regarding the Priority Claims Procedure, please consult the Receiver’s Website or contact the Receiver at the address provided below.

All notices and enquiries with respect to the Priority Claims Procedure should be addressed to:

Albert Gelman Inc.,
in its capacity as Court-appointed receiver of the Debtors
150 Ferrand Street, Suite 1503
Toronto, ON M3C 3E5

Attention: Adam Zeldin
Tel.: (416) 504-1650 ext. 129

E-mail: azeldin@albertgelman.com

B. FOR PRIORITY CREDITORS SUBMITTING A PROOF OF CLAIM

If you believe that you have a Priority Claim, you must complete and submit a Proof of Claim along with any supporting documentation as described in Section E and F of the Proof of Claim.

Your Proof(s) of Claim must be received by 5:00 p.m. (Toronto time) on February 27, 2026, the Claims Bar Date, failing which such Priority Claim will be barred and extinguished, released and discharged forever.

Additional Proof of Claim forms and other information, including the Priority Claims Procedure Order, can be obtained from the Receiver's Website at <https://www.albertgelman.com/filedocuments/#177cross>, or by contacting the Receiver at the telephone number or email address indicated above and providing particulars as to your name, address and contact information.

It is your responsibility to ensure that the Receiver receives your Proof of Claim by the Claims Bar Date in respect of Priority Claims.

SCHEDULE "C"

**PROOF OF CLAIM, PURSUANT TO THE PRIORITY CLAIMS PROCEDURE ORDER
MADE JANUARY 20, 2026, AGAINST:**

177 CROSS ARGUS DEVELOPMENT INC. AND DOUBLE DIAMOND CAPITAL INC.
(collectively, the "Debtors")

A. PARTICULARS OF CREDITOR:

1. Full Legal Name of Priority Creditor: _____

2. Full Mailing Address of the Priority Creditor (the original Priority Creditor and not the Assignee):

3. Telephone number: _____

4. E-mail address: _____

5. Facsimile number: _____

6. Attention (Contact Person): _____

7. Has the Priority Claim been sold or assigned by the Priority Creditor to another party [check (✓) one]?

Yes: _____ No: _____

B. PARTICULARS OF ASSIGNEE(S) (IF ANSWER TO QUESTION 7 IS YES):

8. Full Legal Name of Assignee(s): _____

(If Priority Claim has been assigned, insert full legal name of assignee(s) of Priority Claim (if all or a portion of the Priority Claim has been sold). If there is more than one assignee, please attach a separate sheet with the require information)

9. Full Mailing Address of Assignee(s):

-
10. Telephone number of Assignee(s): _____
11. E-mail address: _____
12. Facsimile number: _____
13. Attention (Contact Person): _____

C. PROOF OF CLAIM:

I, _____
 [name of Priority Creditor or representative of the Priority Creditor],
 of _____ do hereby certify that:
 [City and Province]

(a) I [check (✓) one]

am the Priority Creditor of the Debtors; OR

am _____ (state position or title) of the Priority Creditor;

(b) I have knowledge of all the circumstances connected with the Priority Claim referred to below;

(c) the Priority Creditor has a Priority Claim as follows:

(i) TOTAL PRIORITY CLAIM: CDN\$ _____

(Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada daily exchange rate as at November 20, 2025. The Canadian Dollar/U.S. Dollar rate of exchange on that date was CDN\$0.71/US\$1.00).

Note: This should only include Priority Claims. Unsecured Claims and Post-Filing Claims will not be considered or addressed in this Priority Claims Procedure and should not be included here.

(ii) PRIORITY CLAIM IS AGAINST THE FOLLOWING [check (✓) as applicable]

- 177 Cross Argus Development Inc.; OR
- Double Diamond Capital Inc.

D. NATURE OF PRIORITY CLAIM:

(check (✓) appropriate description)

- Regarding the amount of \$_____, I claim a right to a priority.
- Regarding the amount of \$_____, I hold security.

(Set out on an attached sheet details to support priority claim. See Section E below.)

E. EVIDENCE OF SECURITY

In order to file your Proof of Claim, evidence of the security or a basis for making a Priority Claim are required. Attach any supporting documents to the Proof of Claim.

F. PARTICULARS OF CLAIM:

Other than as already set out herein the particulars of the undersigned’s total Priority Claim are attached.

(Provide all particulars of the Priority Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Priority Claim, name of any guarantor which has guaranteed the Priority Claim, and amount of invoices, particulars of all credits, discounts, etc. claimed, description of the security granted by the Debtors to the Priority Creditor and estimated value of such security.)

This Proof of Claim must be received by the Receiver by no later than 5:00 p.m. (Toronto time) on February 27, 2026 (“Claims Bar Date”) by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission at the following address:

Albert Gelman Inc.,
 in its capacity as Court-appointed receiver of the Debtors
 150 Ferrand Street, Suite 1503
 Toronto, ON M3C 3E5

Attention: Adam Zeldin
 Tel.: (416) 504-1650 ext. 129
 E-mail: azeldin@albertgelman.com

G. FILING OF CLAIM:

Failure to file your Proof of Claim as directed by the Claims Bar Date will result in your Priority Claim being barred and in you being prevented from asserting or enforcing such Priority Claim against the Debtors.

Dated at _____ this _____ day of _____, 2026.

Signature of Priority Creditor

SCHEDULE “D”**NOTICE OF REVISION OR DISALLOWANCE OF CLAIM**

Please read carefully the Instruction Letter accompanying this Notice.

TO: [insert name of priority creditor]

Albert Gelman Inc., in its capacity as the court-appointed receiver (in such capacity, the “Receiver”) of 177 Cross Argus Development Inc. and Double Diamond Capital Inc. (together the “Debtors”) as appointed in the Receivership Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) dated November 27, 2025, effective November 20, 2025, hereby gives you notice that the Receiver has reviewed your Proof of Claim and has revised or rejected your Priority Claim or any part thereof or any information relating thereto, as follows:

The Proof of Claim as Submitted (if applicable)	The Claim/Information as Accepted

Reasons for Revision or Disallowance:

[insert explanation]

If you do not agree with this Notice of Revision or Disallowance, please take notice of the following:

1. **If you dispute this Notice of Revision or Disallowance, you must, no later than 5:00 p.m. (Toronto time) on [_____], being the Business Day which is seven (7) calendar days after the Notice of Revision or Disallowance is delivered by the Receiver (see paragraph 8 of the Priority Claims Procedure Order), notify the Receiver by delivery of a Notice of Dispute in accordance with the accompanying Instruction Letter. The form of Notice of Dispute is enclosed.**
2. **IF YOU DO NOT DELIVER A NOTICE OF DISPUTE WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU AND YOUR PRIORITY CLAIM SHALL BE DEEMED TO BE AS SET OUT IN THIS NOTICE OF REVISION OR DISALLOWANCE.**

DATED at Toronto, this ____, day of _____, 2026.

**ALBERT GELMAN INC.,
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF THE DEBTORS**

SCHEDULE "E"

NOTICE OF DISPUTE

Please read carefully the Instruction Letter accompanying the Notice of Revision or Disallowance.

We hereby give you notice of our intention to dispute the Notice of Revision or Disallowance

dated _____ issued in respect of our Priority Claim.

Reasons for Dispute (attach extra sheets and copies of all supporting documentation if necessary):

Name of Priority Creditor: _____

(Signature of individual completing this Dispute)

Date

(Please print name)

Telephone Number:

Email address:

Facsimile Number:

Full Mailing Address:

THIS FORM IS TO BE RETURNED BY PREPAID ORDINARY MAIL, COURIER, PERSONAL DELIVERY OR ELECTRONIC OR DIGITAL

TRANSMISSION AND MUST BE RECEIVED NO LATER THAN 5:00 P.M. (TORONTO TIME) ON _____, BEING THE BUSINESS DAY WHICH IS SEVEN CALENDAR DAYS AFTER THE NOTICE OF REVISION OR DISALLOWANCE IS DELIVERED BY THE RECEIVER (PURSUANT TO PARAGRAPH 8 OF THE PRIORITY CLAIMS PROCEDURE ORDER) TO:

Albert Gelman Inc.,
in its capacity as Court-appointed receiver of the Debtors
150 Ferrand Street, Suite 1503
Toronto, ON M3C 3E5

Attention: Adam Zeldin
Tel.: (416) 504-1650 ext. 129
E-mail: azeldin@albertgelman.com

915643 ONTARIO INC.

v.

177 CROSS ARGUS DEVELOPMENT
INC. and DOUBLE DIAMOND
CAPITAL INC.

Court File No. CV-25-00753599-0000

Applicant

Respondents

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

Proceeding commenced at Toronto

PRIORITY CLAIMS PROCEDURE ORDER

CAPSTONE LEGAL
1370 Hurontario Street
Mississauga, ON L5G 3H4

Danny M. Nunes (LSO# 53802D)

Tel: (416) 414-3311

Email: dn@capstonelegal.ca

Lawyers for the Receiver

APPENDIX “I”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

915643 ONTARIO INC.

Applicant

- and -

177 CROSS ARGUS DEVELOPMENT INC. AND DOUBLE DIAMOND CAPITAL INC.

Respondents

AFFIDAVIT OF ADAM ZELDIN
(sworn January 13, 2026)

I, Adam Zeldin, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Managing Director at Albert Gelman Inc. ("**AGI**"), and, as such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. On October 2, 2025 (the "**NOI Filing Date**"), 177 Cross filed a Notice of Intention to Make a Proposal (an "**NOI**") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B.-3, as amended (the "**BIA**"), and AGI was appointed as trustee (in such capacity, the "**Proposal Trustee**") under the NOI. 177's NOI proceedings are referred to herein as the "**NOI Proceedings**".
3. Pursuant to the motion of 915643 Ontario Inc. ("**915**") and the Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 18, 2025, 177's NOI was deemed withdrawn, annulled and/or cancelled and the NOI Proceedings terminated.
4. Pursuant to 915's application and the Order (the "**Receivership Order**") of the Honourable Justice Cavanagh of the Court dated November 27, 2025, which Order was effective as of November 20, 2025 (the "**Receivership Filing Date**"), AGI was appointed as receiver and manager of all the assets, undertakings and properties (collectively, the "**Property**") of 177 and Double Diamond Capital Inc. ("**Double Diamond**") and collectively with 177 Cross, the "**Debtors**") in relation to a business carried on by the Debtors at the property municipally known

as 177-185 Cross Avenue, Oakville, Ontario and 580 Argus Road, Oakville, Ontario. The Debtors' receivership proceedings are referred to herein as the "**Receivership Proceedings**".

5. This affidavit is filed in connection with the Receiver's motion seeking approval of, among other things, the accounts of the Proposal Trustee, the Receiver and its counsel, Capstone Legal ("**Capstone**").
6. Pursuant to the Receivership Order, the fees and disbursements of the Proposal Trustee and Capstone form part of the Receiver's Charge (as defined in the Receivership Order). As such, in accordance with the Receivership Order's requirement that the fees and disbursements of the Receiver and its counsel be subject to Court approval, the Court's approval of the fees and disbursements of the Proposal Trustee and its counsel is also sought.
7. Unless otherwise stated, all monetary amounts contained herein (including exhibits) are expressed in Canadian dollars.
8. Attached as **Exhibit "A"** hereto is a summary listing of the Proposal Trustee's and Receiver's invoices in respect of the NOI Proceedings and the Receivership Proceedings, respectively, for the period from September 25, 2025 to December 3, 2025 (the "**NOI Fee Period**") and November 10, 2025 to December 31, 2025 (the "**Receivership Fee Period**"), respectively, including invoice date and amount of the invoice (the "**Accounts**"). As shown in the summary listing, AGI's total fees and disbursements for:
 - a) the NOI Fee Period are \$43,457.50 and \$592.41 respectively, each excluding applicable taxes. The Proposal Trustee's invoices include work undertaken by the Proposal Trustee prior to and after the NOI Filing Date, to, among other things, assist 177 with filing the NOI and supporting 177 in its development of restructuring alternatives, including a potential proposal; and
 - b) the Receivership Fee Period are \$44,049.50 and \$1,892.06 respectively, each excluding applicable taxes. The Receiver's invoices include work undertaken by the Receiver prior to and after the Receivership Filing Date, to, among other things, administer the Debtors' estate in accordance with the Receivership Order, and develop a "stalking horse" sale and investor solicitation process.
9. True copies of the Accounts, which include a fair and accurate description of the services provided along with hours and applicable rates claimed by the Proposal Trustee and the Receiver, are attached as **Exhibit "B"** to this my Affidavit.
10. The Proposal Trustee filed its First Report to Court dated October 29, 2025 (the "**Proposal Trustee's First Report**") in the NOI Proceedings. In addition and contemporaneously with the filing of this Affidavit, the Receiver is filing its First Report to the Court dated January 13, 2025 (the "**Receiver's First Report**" and together with the

Proposal Trustee's First Report, the "**Court Reports**"). Details of the activities undertaken and services provided by the Proposal Trustee and the Receiver in the administration of the NOI Proceedings and the Receivership Proceedings, respectively, are described in the Court Reports.

11. In the course of performing its duties as:
 - a) Proposal Trustee, AGI's staff has expended a total of 80.9 professional hours during the NOI Fee Period at an average hourly rate of \$537.18. Attached as **Exhibit "C"** is a table detailing the billing rates and total hours of each of the professionals at AGI who performed services in the NOI Proceedings; and
 - b) Receiver, AGI's staff has expended a total of 97.1 professional hours during the Receivership Fee Period at an average hourly rate of \$453.65. Attached as **Exhibit "D"** is a table detailing the billing rates and total hours of each of the professionals at AGI who performed services in the Receivership Proceedings.
12. The Receiver requests that this Court approve the its Accounts for the NOI Fee Period and the Receivership Fee Period, in the total amount of \$44,049.91 and \$45,941.56 (each including disbursement but excluding applicable taxes), respectively, for services rendered and recorded during those periods.
13. Capstone, as independent legal counsel to the Receiver, has also rendered services and incurred disbursements throughout the NOI Proceedings and the Receivership Proceedings in a manner consistent with the instructions of the Proposal Trustee and the Receiver, respectively, and has prepared an affidavit with respect to the services rendered for the periods: (i) for the NOI Proceedings, from October 14, 2025 to November 23, 2025 and (ii) for the Receivership Proceedings, from November 10, 2025 to December 31, 2025. The Receiver has reviewed the invoices rendered by Capstone during these periods and is satisfied that its activities were consistent with the instructions of the Proposal Trustee and the Receiver, respectively.
14. To the best of my knowledge, the rates charged by the Proposal Trustee/Receiver and Capstone are comparable to the rates charged for the provision of similar services by other accounting and law firms in the Toronto market.
15. I verily believe that the fees and disbursements incurred by the Proposal Trustee/Receiver and Capstone are fair and reasonable in the circumstances.
16. This Affidavit is sworn in connection with a motion for an Order of this Court to, among other things, approve the fees and disbursements of the Proposal Trustee/Receiver and Capstone and for no other or improper purpose.

Sworn remotely by Adam Zeldin at Toronto, Ontario
before me at Toronto, Ontario in accordance with
O. Reg. 431/20, Administering Oath or Declaration
Remotely, the 13th day of January 2026



Mahmood Shafique

S13PB46L9LCXR7GG

Commissioner for taking affidavits

Adam Zeldin

Mahmood Shafique, Commissioner of Oaths

For the Province of Ontario

Expires January 2, 2027

This is Exhibit "A" referred to in the Affidavit of
Adam Zeldin, sworn before me on
January 13, 2026



Commissioner for Taking Affidavits, etc.

Mahmood Shafique, Commissioner of Oaths

For the Province of Ontario

Expires January 2, 2027

Albert Gelman Inc.

Exhibit A

In its capacity as Proposal Trustee of 177 Cross Argus Development Inc. and
Receiver and Manager of 177 Cross Argus Development Inc. and Double Diamond Capital Inc.
And not in its personal or corporate capacity

Statement of Accounts

Invoice #	Period	Fees	Disbursements	Sub total	HST	Total
Proposal Trustee						
8685	September 25, 2025 to December 3, 2025	\$ 43,457.50	\$ 592.41	\$ 44,049.91	\$ 5,724.60	\$ 49,774.51
Receiver						
8645	November 10, 2025 to December 31, 2025	\$ 44,049.50	\$ 1,892.06	\$ 45,941.56	\$ 5,963.25	\$ 51,904.81
Total		\$ 87,507.00	\$ 2,484.47	\$ 89,991.47	\$ 11,687.85	\$ 101,679.32

This is Exhibit "B" referred to in the Affidavit of
Adam Zeldin, sworn before me on
January 13, 2026



Mahmood Shafique

SMF9H13ZR4NFM3F

Commissioner for Taking Affidavits, etc.

Mahmood Shafique, Commissioner of Oaths

For the Province of Ontario

Expires January 2, 2027

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8685

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-P

Re: Proposal of 177 Cross Argus Development Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
9/25/2025	JDOWDELL	Calls with A Zeldin; PPSA and Corporate searches; Set up Core; Set up ascend; Emails; Enter in creditor listing to ascend, prepare initial documents, finalize and efile.	2.50	\$400.00	\$1,000.00
9/26/2025	JDOWDELL	Emails, create PAD in ascend.	0.30	\$400.00	\$120.00
10/2/2025	AZELDIN	Several emails/calls with Debtor/AGI team re filing considerations/matters, creditor list and other filing documents; Review of filing materials, and coordination with AGI team/Debtor to execute same; Review/sign Proposal Trustee consent/EIS; Update calls with AGI team re various filing material matters, filing considerations and efilings of NOI;	4.00	\$550.00	\$2,200.00
10/2/2025	BGELMAN	Review of file, including sign up documents and calls with Adam Zeldin re same;	1.00	\$645.00	\$645.00
10/2/2025	JDOWDELL	Prepare signup documents; Emails and calls with team and company; Efile initial documents; Perform title searches.	2.50	\$400.00	\$1,000.00
10/3/2025	AZELDIN	Emails with OSB re filing matters; Review of certificate of filing, email to debtor re same; Email to SC (secured lender counsel) re NOI filing; Review of response email from SC re issuance of NITES/applicability of stay, call with S. Erskine re same and review S. Erskine response re same; Draft email to Debtor/counsel re immediate next steps; Draft commentary for case website;	2.20	\$550.00	\$1,210.00
10/3/2025	DCHERNIAK	Attend to opening of trust account and banking related administration;	0.50	\$300.00	\$150.00
10/3/2025	JDOWDELL	Emails; Set up PAP; Update ascend.	0.80	\$400.00	\$320.00
10/6/2025	AZELDIN	Call with Debtor/Debtor counsel/AGI team re considerations for restructuring plan, communications with stakeholders, creditor notice, cash flow forecast, DIP considerations, other; Emails with J. Dowdell/S. Thakkar re creditor notice/creditor addresses; Calls with S. Ganni/N. Mahfooth re intended restructuring plan, potential SISF, dealing with VTB lender counsel;	2.20	\$550.00	\$1,210.00
10/6/2025	BGELMAN	Attend call with Debtor and its counsel to discuss action plan for next steps;	1.00	\$645.00	\$645.00
10/6/2025	JDOWDELL	Update creditor listing with addresses; Call with company and team.	1.50	\$400.00	\$600.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8685

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-P

Re: Proposal of 177 Cross Argus Development Inc.

10/7/2025	AZELDIN	Call with S. Gnani/N. Mahfooth/S. Erskine/B. Gelman re SISP considerations, other restructuring considerations, communications with VTB lender, Third mortgagee NITES, other; Emails with AGI team re creditor notice; Email to J. Sun (counsel to VTB mortgagee) re proceedings generally and request to schedule call to discuss restructuring plan; Review/update creditor notice, emails with J. Dowdell re same; Review of emails from J. Dowdell/S. Thakkar re creditor information/notice to creditors; Review of PPSA and title searches, summarize same;	3.30	\$550.00	\$1,815.00
10/7/2025	BGELMAN	Attend, call with debtors, and their council, to discuss restructuring plan; debrief call with Adam Zeldin;	1.00	\$645.00	\$645.00
10/7/2025	JDOWDELL	Update creditor listing; Prepare notice to creditors.	0.40	\$400.00	\$160.00
10/8/2025	AZELDIN	Followup email to J. Sun (counsel to VTB mortgagee); Emails with J. Dowdell re creditor package/notice, review of same; Call with SC/B. Gelman re proceedings generally;	0.60	\$550.00	\$330.00
10/8/2025	BGELMAN	Attend call with counsel for first and second mortgagor; attend call with counsel for 3rd mortgagor;	1.70	\$645.00	\$1,096.50
10/8/2025	JDOWDELL	Finalize notice to creditors.	0.80	\$400.00	\$320.00
10/8/2025	LVIVALDINI	Send Form 33 to the list of creditors; prepare affidavit of mailing	0.50	\$325.00	\$162.50
10/9/2025	AZELDIN	Call with Debtor and its counsel re filing considerations, rent attachments, cash flow matters; Review/comment on cash flow forecast, emails with Debtor re same;	1.50	\$550.00	\$825.00
10/9/2025	BGELMAN	Attend update call with debtor and their counsel;	0.50	\$645.00	\$322.50
10/9/2025	JDOWDELL	Review of emails from A. Zeldin/Debtor re cash flow forecast, creditor notices; Review of ascend file;	0.50	\$400.00	\$200.00
10/10/2025	AZELDIN	Review/comment on updated CF forecast, prepare notes re same and several emails/calls with Debtor/J. Dowdell re same; Review/comment on Management and Trustee Report re CF forecast; Review/sign final CF forecast, arrange for e-filing of same;	3.10	\$550.00	\$1,705.00
10/10/2025	JDOWDELL	Prepare Form 29 and 30; Discussion with A Zeldin, update cash flow notes; Calls with Sagar; Finalize and efile cashflow documents.	1.80	\$400.00	\$720.00
10/14/2025	AZELDIN	Email to Debtor/counsel re cash flow matters, DIP financing, appraisal; Review of email from S. Erskine re DIP matters; Review of email from J. Sun re response to DIP solicitation; Review of emails from D. Ketelaars re request for cash flow forecast; Emails with D. Nunes re third mortgagee S. 244 notice and application of stay of proceedings in the NOI;	1.50	\$550.00	\$825.00
10/14/2025	JDOWDELL	Set up website.	0.20	\$400.00	\$80.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8685

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-P

Re: Proposal of 177 Cross Argus Development Inc.

10/14/2025	MSHAFIQUE	Review and sign affidavit;	0.10	\$400.00	\$40.00
10/15/2025	BGELMAN	Attend call with debtor principals and their counsel;	0.40	\$645.00	\$258.00
10/17/2025	LVIVALDINI	Save creditors correspondence on the LAN	0.20	\$325.00	\$65.00
10/20/2025	AZELDIN	Draft First Report;	4.40	\$550.00	\$2,420.00
10/22/2025	AZELDIN	Emails with Company/S. Erskine/D. Nunes/AGI team re status of DIP, motion materials, appraisal; Continue drafting First Report; Update call with B. Gelman;	4.00	\$550.00	\$2,200.00
10/22/2025	BGELMAN	Update meeting with Adam Zeldin; communications with potential dip lender;	0.50	\$645.00	\$322.50
10/22/2025	TPAUL	Bank Rec Prepared for the month of sept 2025.	0.10	\$325.00	\$32.50
10/26/2025	AZELDIN	Call with J. Izso/Debtor re DIP financing, proceedings generally, intended restructuring plan, other related matters; Review/comment on NoM/Affidavit, review of comments from D. Nunes re same and emails with D. Nunes/Debtor/S. Erskine/B. Gelman re same; Review/update First Report;	5.40	\$550.00	\$2,970.00
10/26/2025	BGELMAN	Review of notice of motion and draft affidavit; review of comments to both by counsel to proposal trustee;	1.00	\$645.00	\$645.00
10/27/2025	AZELDIN	Emails/call with J. Izso re diligence request for DIP funding; Update call with B. Gelman;	0.30	\$550.00	\$165.00
10/27/2025	BGELMAN	Update call with Adam Zeldin re upcoming hearing and next steps for DIP lender;	0.20	\$645.00	\$129.00
10/28/2025	BGELMAN	Review of draft notice of motion, draft materials from Debtor and draft Report of proposal trustee, including comments to A. Zeldin re same; review of further changes to court report;	1.90	\$645.00	\$1,225.50
10/28/2025	JDOWDELL	Review/respond to creditor enquiry;	0.10	\$400.00	\$40.00
10/29/2025	AZELDIN	Review/update/finalize First Report, compile appendices for same; Emails/call with D. Nunes re same; Arrange for updates to case website, emails with Zigma/AGI team re same; Review of motion materials; Review of attornment notice; Review of past email correspondence re Third Mortgagee and operation of 69/69.1 stay; Update call with D. Nunes re opposition to relief/potential adjournment of stay extension hearing; Call with S. Erskine re stay extension, VTB views re same, SISP matters, admin charge matters; Update discussions with B. Gelman/D. Nunes;	2.70	\$550.00	\$1,485.00
10/29/2025	BGELMAN	Update meeting with Adam Zeldin re final report and update from potential DIP lender;	0.20	\$645.00	\$129.00
10/29/2025	JDOWDELL	Upload documents to website.	0.20	\$400.00	\$80.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8685

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-P

Re: Proposal of 177 Cross Argus Development Inc.

10/30/2025	AZELDIN	Review of email from proposed DIP lender re DIP terms/commitment; Call with J. Izso re same and Court hearing matters; Prepare for/attend Court hearing re Stay Extension, review of emails from S. Erskine/D. Nunes re various matters re same; Update call with B. Gelman;	1.00	\$550.00	\$550.00
10/30/2025	BGELMAN	Call with counsel Danny Nunes to discuss court motion; update call with Adam Zeldin re same;	0.30	\$645.00	\$193.50
10/30/2025	JDOWDELL	Call with CRA and email resame.	0.30	\$400.00	\$120.00
10/31/2025	AZELDIN	Call with J. Izso/B. Gelman re potential DIP, considerations re steps during stay extension, development related matters, other related matters; Review of J. Dietrich endorsement;	0.50	\$550.00	\$275.00
10/31/2025	BGELMAN	Review of order and endorsement; attend call with Jeremy Izso and Adam Zeldin re potential DIP funding;	0.40	\$645.00	\$258.00
10/31/2025	JDOWDELL	Upload documents to website.	0.20	\$400.00	\$80.00
11/3/2025	AZELDIN	Status update emails with D. Nunes, including meeting with Mccarthy's; Update correspondence with proposed DIP lender;	0.20	\$550.00	\$110.00
11/3/2025	JDOWDELL	Email with creditors.	0.10	\$400.00	\$40.00
11/4/2025	AZELDIN	Meeting with McCarthy's/B. Gelman/D. Nunes re proposed next steps, SISP considerations; Followup call with S. Erskine/D. Nunes/B. Gelman; Review of emails from D. Nunes/S. Erskine/D. Ketelaars re rent attornment matters; Review of emails from tenant counsel re same;	1.40	\$550.00	\$770.00
11/4/2025	BGELMAN	Attend call with Heather Meredith, counsel for VTB and counsel for proposal Trustee; further call with counsel for Debtor; attend call with debtors counsel and lenders counsel;	1.50	\$645.00	\$967.50
11/4/2025	JDOWDELL	Efile court documents.	0.10	\$400.00	\$40.00
11/7/2025	BGELMAN	Review and respond to emails with Heather Meredith;	0.20	\$645.00	\$129.00
11/7/2025	JDOWDELL	Email creditor package.	0.10	\$400.00	\$40.00
11/10/2025	AZELDIN	Call with Debtor/BE Law re VTB position on NOI and intentions re proposed receivership;	0.50	\$550.00	\$275.00
11/10/2025	BGELMAN	Attend call with Debtor and their counsel to discuss potential receivership;	0.50	\$645.00	\$322.50
11/11/2025	JDOWDELL	Email with creditor.	0.10	\$400.00	\$40.00
11/12/2025	BGELMAN	Attend call with Heather Meredith and counsel for AGI; review and reply to email re SISP; review of application materials for appointment of Receiver;	1.00	\$645.00	\$645.00
11/13/2025	AZELDIN	Calls with N. Mahfooth re receivership application, considerations re extending NOI process, proposed deal with VTB/third mortgagee;	0.50	\$550.00	\$275.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025
Invoice Num: 8685
Billing Through: Dec 31, 2025
File ID: 177CROSSARGUS-ON-P

Re: Proposal of 177 Cross Argus Development Inc.

11/15/2025	AZELDIN	Review of emails from S. Erskine/D. Nunes re potential agreement among the Debtor and mortgagees, emails with B. Gelman/D. Nunes re same; Further review of application materials;	0.50	\$550.00	\$275.00
11/17/2025	AZELDIN	Update call with B. Gelman re status of NOI motion/receivership application/agreement among the parties; Call with mortgagee's counsel/Debtor counsel/B. Gelman/D. Nunes re potential settlement among the parties, withdrawal of NOI, related matters; Followup call with S. Erskine/D. Nunes/B. Gelman; Further followup call with D. Nunes/B. Gelman; Review of proposed settlement terms, including response email from D. Nunes re PT comments on same; Emails with H. Meredith re same; Call/emails with proposed DIP lender re status of proceedings receivership application, potential next steps;	2.30	\$550.00	\$1,265.00
11/17/2025	BGELMAN	Attend without prejudice call with counsel for mortgagees and proposal Trustee counsel; attend send without prejudice call with same attendees re terms for withdrawal of NOI;	1.50	\$645.00	\$967.50
11/18/2025	AZELDIN	Review of emails from S. Erskine/H. Meredith re status of US wires, revised settlement terms; Review/execute revised Terms of Agreement, emails/calls with D. Nunes re same; Emails with Debtor counsel and mortgagees counsel re same, including revised consent to receivership order; Attend Court hearing re NOI withdrawal/receivership application; Review of draft endorsement language, including review of precedent NOI withdrawal orders, emails with D. Nunes/B. Gelman re same; Review of final order and endorsements, arrange for efilng and posting to Case Website;	1.90	\$550.00	\$1,045.00
11/18/2025	BGELMAN	Attend hearing in commercial court; Review of revised consent and documentation pertaining with withdrawal of NOI and potential receivership proceedings; email to Ramona B. at Meridian Credit Union and call from her re same; Review of order and endorsement;	1.50	\$645.00	\$967.50
11/18/2025	JDOWDELL	Efile documents.	0.20	\$400.00	\$80.00
11/20/2025	AZELDIN	Review of emails from D. Nunes/H. Meredith/S. Erskine re status of initial settlement payments; Attend Court hearing re receivership appointment; Review of entered/ordered receivership order and endorsement, emails with AGI team re same, including arranging for Case Website updates; Review of email from H. Meredith re SISP motion, emails with D. Nunes/B. Gelman re same; Review of response email from D. Nunes re SISP motion; Review of receivership checklist, begin updating same;	2.10	\$550.00	\$1,155.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025
Invoice Num: 8685
Billing Through: Dec 31, 2025
File ID: 177CROSSARGUS-ON-P

Re: Proposal of 177 Cross Argus Development Inc.

Date	Staff	Description	Hours	Rate	Amount
11/20/2025	BGELMAN	Email to administration to seek discharge as NOI Trustee and taxation of accounts;	0.20	\$645.00	\$129.00
11/21/2025	JDOWDELL	Emails with creditor.	0.10	\$400.00	\$40.00
12/2/2025	MSHAFIQUE	Review and sign affidavit;	0.10	\$400.00	\$40.00
12/3/2025	AZELDIN	Accrual for time to review and approve final closing activities	1.00	\$550.00	\$550.00
12/3/2025	DCHERNIAC	Accrual for final bank reconciliation(s), processing of final disbursements, close bank account;	1.00	\$300.00	\$300.00
12/3/2025	SWARNER	Accrual for attending to final file closing matters	2.00	\$500.00	\$1,000.00
Total Fees:					\$43,457.50
HST/GST:					\$5,649.48

Summary by Staff:

	Hours	Rate	Amount
Adam Zeldin, Managing Director, CPA, CA, CIRP, LIT	47.10	\$550.00	\$25,905.00
Bryan A Gelman, President, CIRP, LIT	16.50	\$645.00	\$10,642.50
Daphna Cherniak, Trust Fund Administrator	1.50	\$300.00	\$450.00
Jacqueline Dowdell, Associate	12.80	\$400.00	\$5,120.00
Leticia Ribeiro Vivaldini, Junior Estate Administrator	0.70	\$325.00	\$227.50
Mahmood Shafique, Senior Associate	0.20	\$400.00	\$80.00
Suzette Warner, Director, CFE, CPA, CGA, FCCA	2.00	\$500.00	\$1,000.00
Tanvi Paul, Junior Estate Administrator	0.10	\$325.00	\$32.50

Disbursements:

Non-Taxable Disbursements

SEARCH FEES (NON-TAXABLE): \$14.56

Taxable Disbursements

PHOTOCOPIES: \$270.00
POSTAGE: \$49.20
PROMERIC FEE: \$220.00
SEARCH FEES: \$38.65

Total Expenses: \$592.41

HST/GST: \$75.12

Amount Due This Invoice: **\$49,774.51**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS: \$43,974.79

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8685

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-P

Re: Proposal of 177 Cross Argus Development Inc.

TOTAL HST/GST:	\$5,724.60
TOTAL AMOUNT DUE:	\$49,774.51

GST/HST Registration # 83741 9514 RT0001

Payment Methods:

Interac e-Transfer:

Payment by e-transfer must include the FILE ID located on the upper corner of the invoice.
Send payment to payments@albertgelman.com.

Electronic Funds Transfer (EFT) / Wire (CDN\$):

Beneficiary Bank: The Toronto-Dominion Bank
Branch Address: 161 Bay St., Toronto, Ontario M5J 2T2
Bank Institution Number: 004
Transit: 05002
Account Number: 5252455
Beneficiary Name: Albert Gelman Inc.
Swift Code: TDOMCATTOR

Cheques:

Payments by cheque can be mailed to:
Albert Gelman Inc.
150 Ferrand Drive, Suite 1503, Toronto, Ontario M3C 3E5

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
11/10/2025	AZELDIN	Prepare cash flow forecast for proposed receivership, email to B. Gelman/D. Nunes re same;	2.10	\$550.00	\$1,155.00
11/11/2025	AZELDIN	Emails with D. Nunes/B. Gelman re draft receivership CF forecast, email to H. Meredith re same;	0.30	\$550.00	\$165.00
11/12/2025	AZELDIN	Call with D. Nunes/B. Gelman/H. Meredith re updated CF forecast, receivership filing considerations, update on discussions among debtor/VTB lender, other related matters; Review/comment on draft NOI termination order and draft receivership order, emails with Capstone/McCarthys/B. Gelman re same; Review of consent to act, emails with D. Nunes re same; Review of emails re status of ongoing discussions between VTB Lender/Debtor;	1.80	\$550.00	\$990.00
11/13/2025	AZELDIN	Review of application record/motion record; Email same to A&B on request for MarshallZher; Arrange for Case Website updates re receivership materials;	1.20	\$550.00	\$660.00
11/13/2025	JDOWDELL	Set up Core, ascend and server folders; Upload documents to website.	0.50	\$400.00	\$200.00
11/20/2025	AZELDIN	Update call with B. Gelman re next steps;	0.20	\$550.00	\$110.00
11/20/2025	BGELMAN	Update with Adam Zeldin re next steps; call with Danny Nunes re same;	0.50	\$645.00	\$322.50
11/20/2025	JDOWDELL	Post documents to website and efile.	0.10	\$400.00	\$40.00
11/21/2025	AZELDIN	Receivership planning/checklist call with AGI team; Update call with B. Gelman;	0.90	\$550.00	\$495.00
11/21/2025	BGELMAN	Call with Adam Zeldin re file preparation and strategy call; Attend checklist meeting with AGI staff;	0.90	\$645.00	\$580.50
11/21/2025	CROWE	Meeting with L Vivaldini, A Zeldin and B Gelman to plan file;	0.80	\$450.00	\$360.00
11/21/2025	JDOWDELL	PPSA search.	0.10	\$400.00	\$40.00
11/21/2025	LVIVALDINI	Call with A. Zeldin, B. Gelman and C. Rowe about the checklist and next steps on the receivership	0.80	\$325.00	\$260.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025
Invoice Num: 8645
Billing Through: Dec 31, 2025
File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

Date	Client	Description	Hours	Rate	Amount
11/24/2025	AZELDIN	Call with N. Mahfooth re receivership proceedings generally, insurance, banking, other matters and next steps; Call with C. Rowe re next day site visit; Draft email to Debtor re request for information, including insurance, banking, tenant information, books and records, historical financials, other; Call with Debtor/D. Nunes/AGI team re insurance, tenant matters, books and records, proposed SISF, other related matters; Review/update information request email to Debtor; Emails/calls with AGI team re mail redirection, creditor noticing, site visit, other; Review of enquiries from realtors and other parties re intentions for receivership; Calls with realtors re intended RFP process; Emails/calls with N. Mahfooth re receivership order, commencement of proceedings; Call with S. Pitucci/D. Nunes/Debtor re information request/books and records; Update meeting with AGI team;	3.60	\$550.00	\$1,980.00
11/24/2025	BGELMAN	Review and respond to email from the debtor re receivership order;	0.10	\$645.00	\$64.50
11/24/2025	CROWE	Call with A Zeldin regarding site visit; Brief Richmond on new mandate; Instruct J Dowdell to prepare mail redirection; Read emails between A Zeldin and directors regarding initial call; Correspond with Richmond regarding initial visit; Correspond with J Dowdell regarding mail redirection; Read and respond to email from A Zeldin regarding mail redirection; Read email from A Zeldin to director regarding initial information request;	1.40	\$450.00	\$630.00
11/24/2025	DCHERNIAK	Attend to opening of trust account and banking related administration;	0.50	\$300.00	\$150.00
11/24/2025	JDOWDELL	Call and emails with interested party.	0.40	\$400.00	\$160.00
11/24/2025	LVIVALDINI	Enter creditor list on ascend; Email D. Cherniak to transfer the receivership from initial interview to estates on Ascend; Call with A. Zeldin; S. Pitucci; the counsel and corporate officer regarding next steps for the receivership; Summarize the PPSA research; Prepare email regarding what was discussed in the call with the corporate officer;	3.40	\$325.00	\$1,105.00
11/24/2025	SPITUCCI	Meeting with AGI's legal counsel, A. Zeldin and dam and N. Mahfooth to discuss obtaining access to books and records of the debtor, following by internal meeting with AGI RE: next steps to obtain same	0.50	\$435.00	\$217.50
11/25/2025	AZELDIN	Review of emails from D. Nunes to H. Meredith re prior day correspondence with Debtor and operation of the receivership order; Review of emails among D. Nunes/ H. Crase (lawyer to tenant) re payment of rent held in trust, legal account set off, related matters; Emails with D. Nunes re same;	0.70	\$550.00	\$385.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

11/25/2025	CROWE	Read emails between debtor, counsel, A Zeldin and B Gelman regarding debtor's claim of a receivership pause; Read email from Richmond regarding field inspector availability; Read and respond to email from Richmond regarding site visit;	0.40	\$450.00	\$180.00
11/25/2025	SPITUCCI	Prepared draft email to N. Mahfooth RE: information requests with respect to the debtor's books and records	0.50	\$435.00	\$217.50
11/26/2025	AZELDIN	Followup email to/call with N/ Mahfooth re insurance, banking, tenant and other information requests; Review of creditor enquiry, emails with N. Mahfooth re same; Emails with D. Nunes re rent affirmments and steps to take regarding same; Review of email from D. Nunes to H. Meredith re VTB/Debtor discussions, operations of receivership and outstanding information requests; Update call with C. Rowe re site visit, tenant communications, property management matters; Review of emails from C. Rowe to tenants re payment of ongoing rent; Review of email from McCarthy's re SISP update/SISP procedures;	1.40	\$550.00	\$770.00
11/26/2025	CROWE	Read emails between A Zeldin, director and creditor; Investigate borders of property; Travel to and from site and meet with Richmond onsite; Investigate and document state of property; Meet with tenants to notify of appointment and to discuss next steps; Brief A Zeldin on site visit; Email receivership order and requests for leases to tenants; Brief Richmond on next steps regarding utilities;	5.70	\$450.00	\$2,565.00
11/26/2025	JDOWDELL	Email K Best re utility transfer.	0.20	\$400.00	\$80.00
11/26/2025	LVIVALDINI	Site visit at 177 Cross property in Oakville to talk with the tenants and take pictures of the property	3.50	\$325.00	\$1,137.50
11/27/2025	AZELDIN	Email to N. Mahfooth re information request; Update call with B. Gelman re AGI site visit, status of information request, case conference before J. Cavanaugh, SISP considerations, other; Review of emails from C. Rowe to tenants requesting copies of leases; Attend case conference and review of Endorsement of J. Cavanaugh re same; Review of past precedent stalking Horse SISP procedures; Review/update S. 245/246 report, emails with AGI team re same;	2.10	\$550.00	\$1,155.00
11/27/2025	BGELMAN	Update call with Adam Zeldin re AGI site visit, information requests, case conference and SISP considerations;	0.40	\$645.00	\$258.00
11/27/2025	CROWE	Correspondence with tenants regarding appointment and next steps; Draft site visit memo; Draft notice and statement of receiver; Instruct L Vivaldini to review lease agreement; Instruct L Vivaldini to set up contact spreadsheet; Instruct L Vivaldini to create case link and creditor list;	3.60	\$450.00	\$1,620.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

11/28/2025	AZELDIN	Review of correspondence between AGI/tenants re lease matters; Review of emails from Richmond re utilities, continuation of service re same and post-filing accounts; Emails/calls with AGI team re S. 245/246 notice, preliminary creditors list; Review/finalize/sign S. 245/246 notice and fax same to OSB, as well as appointment order and applicable endorsements; Review/respond to creditor enquiries;	1.70	\$550.00	\$935.00
11/28/2025	BGELMAN	Review and approval of Notice and Statement of Receiver;	0.10	\$645.00	\$64.50
11/28/2025	CROWE	Read and respond to email from counsel for tenant regarding rent and lease extension; Correspond with L Vivaldini regarding tenancy contact issue; Review draft list of creditors for notice and statement of receiver; Review A Zeldin edits to notice and statement of receiver and propose further edit; Instruct L Vivaldini to amend creditor list; Review tenant contact list created by L Vivaldini; Correspond with tenant regarding lease agreement; Call with Richmond regarding utilities and rent instructions; Read and respond to email from A Zeldin regarding quantum of debt owed to third mortgagee; Read emails from tenant regarding lease and send to L Vivaldini to review;	1.40	\$450.00	\$630.00
11/28/2025	JDOWDELL	Post document to website.	0.10	\$400.00	\$40.00
11/28/2025	LVIVALDINI	Call the tenants that we could not speak on our visit on Wednesday to request an email address; Generate preliminary creditor list from Ascend to be included at the Notice and Statement of Receiver; Prepare an excel containing all the tenants contact information; review the site visit draft memo; Prepare an excel sheet with all the creditors and the amount owed;	2.30	\$325.00	\$747.50
11/29/2025	CROWE	Correspond with Richmond regarding utility changeover and payment instructions for tenants; Send e-transfer instructions to tenants; Provide order and request lease to Famous Owl tenant; Email A Zeldin regarding insurance;	0.60	\$450.00	\$270.00
11/30/2025	AZELDIN	Review of correspondence from C> Rowe re utilities, tenant matters, rent collection, insurance, other matters; Correspondence with N. Mahfooth re insurance, tenant matters;	0.50	\$550.00	\$275.00
12/1/2025	AZELDIN	Calls with N. Mahfooth re information request; Review of emails from N. Mahfooth re banking contacts, insurance policy, tenant matters, property management; Emails with AGI team re same; Emails with N. Mahfooth/D. Klein re property management during proceedings; Emails with AGI team re mailing of S 245/246 notice; Emails with H. Crase re remittance of December rent, emails with D. Nunes re same, including legal fee deduction;	0.90	\$550.00	\$495.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

12/1/2025	BGELMAN	Review of emails and update meeting with Adam Zeldin re outstanding information from Debtor's; Review and email regarding creditors listing;	0.30	\$645.00	\$193.50
12/1/2025	CROWE	Read and respond to email from A Zeldin regarding collection of rent; Read email from A Zeldin to director requesting further information; Read email from counsel to director regarding information request; Correspond with salon tenant regarding lease and termination notice; Instruct L Vivaldini to summarize lease extension agreement; Discuss extension of lease agreement with A Zeldin; Correspond with counsel and tenant regarding payment instructions and lease arrangements; Review insurance policy and discuss with A Zeldin; Call broker and leave voicemail; Read and respond to email from tenant's counsel requesting payment instructions; Send transfer confirmation to Richmond and request receipt confirmation;	2.00	\$450.00	\$900.00
12/1/2025	LVIVALDINI	Mail out Notice and Statement of the Receiver and court order to all creditors and corporate officer; prepare affidavit of mailing; sign affidavit	0.90	\$325.00	\$292.50
12/2/2025	AZELDIN	Review of emails re December rent, post-filing utilities, waste removal, other property management and maintenance matters; Review of internal memo re Kidlogic lease; Review of enquiries from tenants re December rent, maintenance requests, go-forward lease arrangements; Review of emails from C. Rowe in response to same; Review of ascend file and estate GL;	1.20	\$550.00	\$660.00
12/2/2025	CROWE	Read query from tenant regarding ceiling leak; Read email from lawyer for tenant regarding deducted fees; Follow up with Richmond for update on several property management topics; Provide wire information to tenant; Correspond with Richmond and L Vivaldini regarding Famous Owl payment; Read email from counsel regarding rent payment; Instruct banking team; Read email from tenant and send details to Richmond;	0.80	\$450.00	\$360.00
12/2/2025	LVIVALDINI	Reply to Bunmi Olobe restaurant regarding rent payment and lease agreement; request Richmond to provide us instructions regarding the ceiling leak in the restaurant; Read and summarize the lease agreement between 177 Cross and Kidlogic Daycare; prepare a memo with the key points of the lease;	2.40	\$325.00	\$780.00
12/3/2025	BGELMAN	Update call with Adam Zeldin re realtor selection;	0.20	\$645.00	\$129.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

Date	Client	Description	Hours	Rate	Total
12/3/2025	CROWE	Read email from property manager regarding payment of rent; Read email from property manager regarding repair of ceiling; Review lease summary from L Vivaldini and instruct L Vivaldini to populate information into tenant spreadsheet; Read email from tenant regarding ceiling repair; Read and respond to email from Richmond regarding several property issues; Provide instructions on waste removal contract; Read and respond to email from tenant regarding garbage removal; Discuss mandate regarding Double Diamond with B Gelman; Read email from L Vivaldini regarding response to creditor and follow up draft with A Zeldin; Review order and email B Gelman regarding scope of order; Discuss legal review of mandate with B Gelman; Call insurance broker and update notes; Review securement report from Richmond and provide comments; Instruct Richmond on other work to be carried out; Call with D Cherniak regarding rent received; Correspond with creditor regarding company background; Assemble lease and insurance documents and send to counsel for mortgagee; Follow up directors for leases, insurance policy and rent roll; Email OSB regarding call for Double Diamond certificate;	2.40	\$450.00	\$1,080.00
12/3/2025	LVIVALDINI	Prepare a memo about the lease extension agreement for one of the tenants (Golden Finger)	0.70	\$325.00	\$227.50
12/4/2025	AZELDIN	Several emails with AGI team re tenant matters, insurance, rent collection, utilities, appointment matters re DDI, file administration, creditor enquiries, other; Review of emails from AGI team/Richmond re property management matters; Emails with N. Mahfooth re request from tenant re lease extension; Emails with McCarthys/Capstone/AGI team re SISP hearing;	1.20	\$550.00	\$660.00
12/4/2025	CROWE	Read and respond to email from OSB regarding mandate; Read order from city regarding cleanup and update A Zeldin; Request quote from Richmond to clean other debris; Read email from Richmond regarding rent roll; Read email from tenant regarding rent payment; Brief L Vivaldini on rent tracking procedure; Review lease summary from L Vivaldini and request amendments; Email CMLS regarding security file; Review Golden Finger lease summary; Read and respond to email from Richmond regarding Waste Management contract; Read and respond to email from L Vivaldini regarding Hydro supply; Correspond with insurance broker regarding policy; Correspond with OSB regarding Double Diamond appointment; Review insurance policy and summarize; Provide recommendations on next steps to A Zeldin;	1.50	\$450.00	\$675.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

12/4/2025	LVIVALDINI	Review lease agreement and lease extension of Golden finger; prepare memo	1.90	\$325.00	\$617.50
12/5/2025	AZELDIN	Update case website; Review of emails from AGI team re insurance, DDI appointment matters, including correspondence with OSB re same, tenant matters, other; Review of emails among Richmond/AGI team re insurance, utilities matters, tenant matters, potential repairs, ongoing inspections;	0.90	\$550.00	\$495.00
12/5/2025	CROWE	Read email from A Zeldin regarding next insurance steps; Email broker and request to be added to policy and for increase in liability limit; Request advice on adequacy of policy from insurance advisor; Call with OSB regarding certificate for Double Diamond; Email OSB regarding same; Read and respond to email from C Baker regarding insurance review; Request amendments to policy from broker; Read and respond to email from Richmond regarding snow removal quote;	1.10	\$450.00	\$495.00
12/5/2025	LVIVALDINI	Review lease agreement from Riviera Hairstylists; prepare memo summarizing important clauses	1.00	\$325.00	\$325.00
12/6/2025	AZELDIN	Review of email from N. Mahfooth to promissory note holders, review of responses re same;	0.20	\$550.00	\$110.00
12/8/2025	CROWE	Read email from creditor to director; Email Richmond regarding snow plowing; Read and respond to email from insurance broker regarding payment;	0.30	\$450.00	\$135.00
12/9/2025	CROWE	Review correspondence with Oakville Hydro and provide information to Richmond; Read update from Richmond regarding removal of garbage;	0.20	\$450.00	\$90.00
12/10/2025	AZELDIN	Review of correspondence/emails re snow removal, repairs/maintenance matters; Emails/call with H. Meredith re RFP/SISP matters; Begin drafting First Report;	1.30	\$550.00	\$715.00
12/10/2025	CROWE	Correspond with tenant and property manager regarding snow plowing; Read and respond to email from tenant; Review issues with rent roll and instruct Richmond to fix; Read correspondence between counsel for mortgagee and A Zeldin regarding rent payments; Email director regarding leases; Read and respond to email from director regarding leases; Instruct L Vivaldini to review;	0.60	\$450.00	\$270.00
12/11/2025	AZELDIN	Review of emails from McCarthy's enquiring about lease/rent information, including responses from C. Rowe re same; Review of email from tenants in response to C. Rowe re request for lease information; Review of email from Richmond re utilities matters, emails from C. Rowe re same;	0.50	\$550.00	\$275.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

12/11/2025	CROWE	Read email from Richmond regarding rent report; Review new leases and other documents provided by director; Read email from counsel for mortgagee regarding lease renewal notice and other leases; Review lease agreement for tenant highlighted by counsel for mortgagee; Respond to counsel for mortgagee; Correspond with Richmond and director regarding car wash tenant; Correspond with counsel for mortgagee and director regarding additional lease documents; Review rent rolls;	1.80	\$450.00	\$810.00
12/12/2025	AZELDIN	Review/approve bank rec;	0.10	\$550.00	\$55.00
12/12/2025	CROWE	Review draft memo for Hashtag restaurant lease; Read email from creditor; Read and respond to email from L Vivaldini regarding lease summary; Read correspondence between counsel and counsel for mortgagee regarding SISP hearing date;	0.40	\$450.00	\$180.00
12/12/2025	LVIVALDINI	Review the lease agreement for Hashtag Restaurant and Oakville injury and prepare a memo with the main points	3.20	\$325.00	\$1,040.00
12/13/2025	BGELMAN	Review of notice of application;	0.10	\$645.00	\$64.50
12/13/2025	CROWE	Read and respond to email from tenant regarding hot water outage; Brief Richmond; Read and respond to email from creditor regarding claim; Read email from Richmond regarding rent schedule; Review draft stalking horse bid agreement; Provide comments on draft stalking horse bid to A Zeldin;	1.70	\$450.00	\$765.00
12/14/2025	AZELDIN	Review of emails from C. Rowe/Richmond re hot water repair/maintenance issue for certain tenants;	0.20	\$550.00	\$110.00
12/14/2025	CROWE	Read and respond to email from Richmond regarding hot water repair;	0.10	\$450.00	\$45.00
12/15/2025	AZELDIN	Review/sign estate cheque; Respond to realtor enquiry re status of proceedings, intentions re SISP, other; Emails/call with J. Redvers (realtor) re listing agent interest; Review of lease memo's prepared internally; Call with M. McTavish (CW) re request for quote re listing agent; Discussion with B. Gelman re same; Review of estate GL; Review of emails from AGI team/Richmond re repairs/maintenance issues;	2.20	\$550.00	\$1,210.00
12/15/2025	CROWE	Read and respond to email from Richmond regarding hot water repair work; Read and respond to query from unsecured creditor; Discuss collection of rent with A Zeldin; Draft insurance payment requisition; Read emails from A Zeldin regarding investigations; Email director to request bank statements; Read email from counsel for secured creditor regarding hearing time;	0.70	\$450.00	\$315.00
12/15/2025	LVIVALDINI	Review Fine Auto Details lease agreement; write a memo of the main points	1.00	\$325.00	\$325.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

12/16/2025	AZELDIN	Review of realtor fee proposals, discussion with B. Gelman re same; Call with realtor re clarification of proposal terms; Review of estate GL;	0.50	\$550.00	\$275.00
12/16/2025	BGELMAN	Review of listing proposal from Lennard; Review of listing proposal from Cushman;	0.30	\$645.00	\$193.50
12/16/2025	CROWE	Read and respond to email from D Cherniak regarding cheque requisition;	0.10	\$450.00	\$45.00
12/16/2025	LVIVALDINI	Review Yo Poke Hi Yogurt lease agreement; write a memo of the main points	1.80	\$325.00	\$585.00
12/17/2025	AZELDIN	Emails with tenant counsel (Hashtag Modern Kitchen & Lounge)/D. Nunes/AGI team/D. Ketelaars re remittance of rent; Emails with N. Mahfooth/AGI team re historical banking and other financial records;	0.40	\$550.00	\$220.00
12/17/2025	CROWE	Read emails regarding hearing scheduling; Provide payment instructions for rent to Hashtag restaurant;	0.30	\$450.00	\$135.00
12/17/2025	LVIVALDINI	Review Owl of Minerva's lease agreement; prepare memo with the main points	1.40	\$325.00	\$455.00
12/18/2025	LVIVALDINI	Review Coin-Op Wash Car lease agreement; email BUNMI Olobe and Ami Sushi to request their full lease agreement	0.80	\$325.00	\$260.00
12/19/2025	AZELDIN	Review of emails re property management, rent collection; Review of stalking horse agreement and SISP procedures; Emails/calls with realtors re listing agent proposals; Emails with AGI team re same and various other administration matters;	2.40	\$550.00	\$1,320.00
12/19/2025	BGELMAN	Attend to file update review;	0.20	\$645.00	\$129.00
12/20/2025	CROWE	Read email from counsel for lender regarding lease review; Query status with L Vivaldini;	0.10	\$450.00	\$45.00
12/22/2025	CROWE	Review quote to remediate by-law issues and recommend A Zeldin approve expense; Review L Vivaldini email regarding lease review; Request details of parties for whom no lease agreements provided; Review statement from Waste Management;	0.40	\$450.00	\$180.00
12/23/2025	CROWE	Correspond with tenant regarding snow removal; Review tenant exercise of option to extend and brief counsel; Review brief from L Vivaldini on missing leases; Request missing leases from director; Read and respond to email from counsel regarding lease extension;	0.60	\$450.00	\$270.00
12/23/2025	LVIVALDINI	Check if the rent roll numbers match the lease summary; find out the legal name of the two missing lease agreements; email C. Rowe	0.90	\$325.00	\$292.50
12/24/2025	CROWE	Discuss incoming mail with H Sivanathan; Brief M Zeldin on childcare center comparables;	0.40	\$450.00	\$180.00
12/26/2025	AZELDIN	Review of SISP procedures and stalking horse agreement; Begin drafting First Report to Court;	4.60	\$550.00	\$2,530.00

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

Date	Staff	Description	Hours	Rate	Amount
12/29/2025	CROWE	Read and respond to email from tenant regarding snow removal; Review M Zeldin analysis on rent and make recommendation to A Zeldin; Read email from counsel for mortgagee regarding stalking horse APS and provide thoughts to A Zeldin; Read email from counsel regarding approval motion date and create calendar event;	0.40	\$450.00	\$180.00
12/29/2025	LVIVALDINI	Read lease agreement between the Landlord and Bunmi Olobe; prepare a memo with the main points	1.20	\$325.00	\$390.00
12/30/2025	CROWE	Read email from L Vivaldini regarding Oakville Hydro; Read email from A Zeldin regarding cleanup work; Approve Richmond quote to cleanup property; Read email from Richmond regarding clean up work;	0.30	\$450.00	\$135.00
12/31/2025	CROWE	Draft rental attornment notices;	0.70	\$450.00	\$315.00
				Total Fees:	\$44,049.50
				HST/GST:	\$5,726.44

Summary by Staff:

Staff	Hours	Rate	Amount
Adam Zeldin, Managing Director, CPA, CA, CIRP, LIT	33.10	\$550.00	\$18,205.00
Bryan A Gelman, President, CIRP, LIT	3.10	\$645.00	\$1,999.50
Chris Rowe, Senior Manager, CA (ANZ)	30.80	\$450.00	\$13,860.00
Daphna Cherniak, Trust Fund Administrator	0.50	\$300.00	\$150.00
Jacqueline Dowdell, Associate	1.40	\$400.00	\$560.00
Leticia Ribeiro Vivaldini, Junior Estate Administrator	27.20	\$325.00	\$8,840.00
Steven Pitucci, Senior Manager, CPA, CA	1.00	\$435.00	\$435.00

Disbursements:

Non-Taxable Disbursements

TRAVEL: \$70.56

Taxable Disbursements

MAIL FORWARDING: \$1,276.50

PROMERIC FEE: \$545.00

Total Expenses: \$1,892.06

HST/GST: \$236.81

Amount Due This Invoice: **\$51,904.81**

Invoice Summary:

177 Cross Argus Development Inc.
3190 Harvester Rd Suite 201A,
Burlington, ON L7N 3T1

Attention: Nawar Mahfooth

INVOICE

Invoice Date: Dec 31, 2025

Invoice Num: 8645

Billing Through: Dec 31, 2025

File ID: 177CROSSARGUS-ON-R

Re: Receivership of 177 Cross Argus Development Inc.

TOTAL FEES AND DISBURSEMENTS:	\$45,704.75
TOTAL HST/GST:	\$5,963.25
TOTAL AMOUNT DUE:	\$51,904.81

GST/HST Registration # 83741 9514 RT0001

Payment Methods:

Interac e-Transfer:

Payment by e-transfer must include the FILE ID located on the upper corner of the invoice.
Send payment to payments@albertgelman.com.

Electronic Funds Transfer (EFT) / Wire (CDN\$):

Beneficiary Bank: The Toronto-Dominion Bank
Branch Address: 161 Bay St., Toronto, Ontario M5J 2T2
Bank Institution Number: 004
Transit: 05002
Account Number: 5252455
Beneficiary Name: Albert Gelman Inc.
Swift Code: TDOMCATTOR

Cheques:

Payments by cheque can be mailed to:
Albert Gelman Inc.
150 Ferrand Drive, Suite 1503, Toronto, Ontario M3C 3E5

This is Exhibit "C" referred to in the Affidavit of
Adam Zeldin, sworn before me on
January 13, 2026



Commissioner for Taking Affidavits, etc.

Mahmood Shafique, Commissioner of Oaths

For the Province of Ontario

Expires January 2, 2027

Exhibit C**Albert Gelman Inc.
In its capacity as Proposal Trustee of 177 Cross Argus Development Inc. and
And not in its personal or corporate capacity
Statement of Accounts**

Staff member	Position	Hours worked	Avg. Hourly rate	Total
Bryan Gelman, CIRP, LIT	Senior Managing Director	16.5	645.00	10,642.50
Adam Zeldin, CPA, CA, CIRP, LIT	Managing Director	47.1	550.00	25,905.00
Suzette Warner, CFE, CPA, CGA, FCCA	Director	2.0	500.00	1,000.00
Mahmood Shafique	Senior Associate	0.2	400.00	80.00
Jacqueline Dowdell	Associate	12.8	400.00	5,120.00
Leticia Ribeiro Vivaldini	Junior Estate Administrator	0.7	325.00	227.50
Tanvi Paul	Junior Estate Administrator	0.1	325.00	32.50
Daphna Cherniak	Estate Administrator	1.5	300.00	450.00
		80.9	537.18	43,457.50

This is Exhibit "D" referred to in the Affidavit of
Adam Zeldin, sworn before me on
January 13, 2026



Commissioner for Taking Affidavits, etc.

Mahmood Shafique, Commissioner of Oaths

For the Province of Ontario

Expires January 2, 2027

Exhibit D

**Albert Gelman Inc.
In its capacity as Receiver and Manager of 177 Cross Argus Development Inc. and
Double Diamond Capital Inc.
And not in its personal or corporate capacity
Statement of Accounts**

Staff member	Position	Hours worked	Avg. Hourly rate	Total
			(\$)	(\$)
Bryan Gelman, CIRP, LIT	Senior Managing Director	3.1	645.00	1,999.50
Adam Zeldin, CPA, CA, CIRP, LIT	Managing Director	33.1	550.00	18,205.00
Chris Rowe, CA (ANZ)	Senior Manager	30.8	450.00	13,860.00
Steven Pitucci, CPA, CA	Senior Manager	1.0	435.00	435.00
Jacqueline Dowdell	Associate	1.4	400.00	560.00
Leticia Ribeiro Vivaldini	Junior Estate Administrator	27.2	325.00	8,840.00
Daphna Cherniak	Estate Administrator	0.5	300.00	150.00
		97.1	453.65	44,049.50

APPENDIX “J”

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

915643 ONTARIO INC.

Applicant

- and -

**177 CROSS ARGUS DEVELOPMENT INC. and
DOUBLE DIAMOND CAPITAL INC.**

Respondents

**FEE AFFIDAVIT OF DANNY NUNES
(sworn January 12, 2026)**

I, DANNY NUNES, of the City of Mississauga, in the Province of Ontario, MAKE OATH AND SAY:

1. I am the principal of Capstone Legal (“**Capstone**”), solicitors for Albert Gelman Inc. in its prior capacity as proposal trustee (the “**Proposal Trustee**”) in the proposal proceedings of 177 Cross Argus Development Inc. (“**177 Cross**”) and in its current capacity as the receiver (the “**Receiver**”) of the property, assets and undertakings of 177 Cross and Double Diamond Capital Inc. As such, I have knowledge of the matters hereinafter deposed to.

2. Attached hereto as **Exhibit “A”** is a copy of the Statement of Account of Capstone in respect of services rendered to the Proposal Trustee for the period from October 14, 2025 to November 23, 2025 (the “**NOI Billing Period**”). During the NOI Billing Period, the total fees billed by Capstone were \$16,200, disbursements in the amount of \$50 and applicable taxes in the amount of \$2,112.50.

3. Attached hereto as **Exhibit “B”** are copies of the Statements of Account of Capstone in respect of services rendered to the Receiver for the period from November 10, 2025 to December 31, 2025 (the

“Receivership Billing Period”). During the Receivership Billing Period, the total fees billed by Capstone were \$10,200, disbursements in the amount of \$50 and applicable taxes in the amount of \$1,326.

4. As set out in the following table, 32.4 hours were billed by Capstone during the NOI Billing Period and 20.4 hours were billed by Capstone during the Receivership Billing Period, in each case resulting in an average hourly rate of \$500 (exclusive of applicable taxes):

Lawyers	Hours	Rate/Hr.
NOI Billing Period		
Danny Nunes	32.4	\$500
Receivership Billing Period		
Danny Nunes	20.4	\$500
TOTAL	NOI Billing Period – 32.4 Receivership Billing Period – 20.4	Avg. Rate/Hr: \$500


5. The activities detailed in the Statements of Account attached as Exhibits “A” and “B” accurately reflect the services provided by Capstone and the rates charged are the standard hourly rates of those individuals at Capstone at the time they were incurred.

6. I have reviewed the Statements of Account and believe that the time expended and the legal fees charged are reasonable in light of the services performed and the prevailing market rates for legal services of this nature in Toronto.

7. I swear this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of Capstone set out above and for no other or improper purpose.

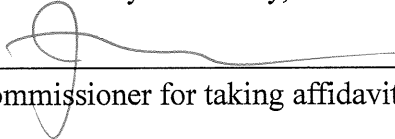
Sworn before me at the)
City of Mississauga, in the)
Province of Ontario, this)
12th day of January, 2026.)
_____)
A Commissioner for taking affidavits, etc.)

JENNIFER LABRECQUE



DANNY NUNES

This is Exhibit "A" referred to in the Affidavit of
Danny M. Nunes sworn before me this
12th day of January, 2026.



A Commissioner for taking affidavits, etc.

JENNIFER LABRECQUE

Capstone Legal
1370 Hurontario St
Mississauga, ON L5G3H4 Canada

Ph:416-414-3311

Albert Gelman Inc.
250 Ferrand Drive, Suite 1503
Toronto, ON
M3C 3G8 Canada

December 15, 2025

Attention: Bryan Gelman

File #: 25-062
Inv #: 145

RE: NOI Proceedings of 177 Argus Cross

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
Oct-14-25	Review correspondence from A. Zeldin attaching correspondence from mortgagee counsel regarding application of NOI stay; correspondence with A. Zeldin and B. Gelman regarding same;	0.40	200.00	DN
Oct-15-25	Correspondence with A. Zeldin and B. Gelman regarding NOI filing and stay application; speak to A. Zeldin regarding matter; speak to B. Gelman regarding same;	0.50	250.00	DN
Oct-21-25	Correspondence with S. Erskine regarding stay extension motion; correspondence with A. Zeldin regarding same;	0.20	100.00	DN
Oct-22-25	Correspondence with A. Zeldin and S. Erskine regarding stay extension motion and status of DIP facility; speak to S. Erskine regarding same; correspondence with A. Zeldin and B. Gelman regarding admin charge and next steps;	0.90	450.00	DN
Oct-24-25	Review correspondence from S. Erskine attaching draft stay extension materials;	0.20	100.00	DN
Oct-25-25	Review correspondence regarding proposed DIP lender; correspondence with S. Erskine,	0.60	300.00	DN

B. Gelman and A. Zeldin regarding potential receivership application;

Oct-26-25	Review correspondence regarding proposed DIP facility; review draft materials and provide comments on same;	1.70	850.00	DN
Oct-27-25	Correspondence with A. Zeldin and B. Gelman regarding stay extension motion; correspondence with S. Erskine regarding same and potential amendment to relief sought; review correspondence regarding potential DIP facility;	0.60	300.00	DN
Oct-28-25	Correspondence with S. Erskine regarding new stay extension motion date; correspondence with A. Zeldin and B. Gelman regarding same; review correspondence regarding proposed DIP facility; review draft report and circulate comments; review correspondence from S. Erskine attaching revised stay extension motion materials;	3.40	1,700.00	DN
Oct-29-25	Correspondence with S. Erskine regarding call with third mortgagee counsel; speak to S. Erskine regarding same; correspondence with A. Zeldin regarding finalizing proposal trustee report and serve same; correspondence with S. Erskine, A. Zeldin and B. Gelman regarding stay extension motion;	1.90	950.00	DN
Oct-30-25	Review correspondence from S. Erskine regarding discussions with mortgagee counsel; speak to S. Erskine regarding same in advance of stay extension motion; correspondence with B. Gelman and A. Zeldin regarding same; review correspondence from mortgagee counsel regarding terms for consent stay extension; attend stay extension motion; review draft stay extension order and provide comments on same; review correspondence with mortgagee counsel regarding same; review correspondence regarding rent issues;	2.80	1,400.00	DN

Oct-31-25	Review endorsement for stay extension motion; correspondence with S. Erskine and H. Meredith regarding same; correspondence with S. Erskine and D. Ketelaars regarding tenant notice and review draft of same;	0.60	300.00	DN
Nov-03-25	Correspondence with A. Zeldin regarding call with H. Meredith to discuss NOI SISP; review correspondence regarding option renewal of Kidlogic; correspondence with S. Erskine regarding NOI SISP; speak to S. Erskine regarding same; correspondence with H. Meredith regarding call to discuss NOI SISP; correspondence with A. Zeldin and B. Gelman regarding same;	1.20	600.00	DN
Nov-04-25	Review correspondence from tenant counsel regarding lease renewal and rent remittance; correspondence with A. Zeldin and S. Erskine regarding same; speak to S. Erskine regarding stay extension motion; call with H. Meredith, B. Gelman and A. Zeldin to discuss NOI SISP; call with S. Erskine to discuss same; call with S. Erskine, H. Meredith, A. Zeldin and B. Gelman to discuss NOI SISP and potential receivership;	2.90	1,450.00	DN
Nov-06-25	Correspondence with S. Erskine regarding status of discussions between company and VTB; correspondence with A. Zeldin and B. Gelman regarding tenant issues; correspondence with S. Erskine regarding same; correspondence to H. Meredith regarding same; call with S. Erskine to discuss same and implications for NOI proceedings;	2.00	1,000.00	DN
Nov-07-25	Review correspondence from S. Erskine regarding tenant issues; correspondence with S. Erskine regarding discussions between debtor and mortgagees; correspondence with B. Gelman and A. Zeldin regarding NOI proceeding;	0.80	400.00	DN
Nov-08-25	Correspondence with B. Gelman and A. Zeldin	0.70	350.00	DN

regarding NOI and proposed receivership;
correspondence with S. Erskine regarding
same; speak to S. Erskine regarding same;

Nov-10-25	Correspondence with S. Erskine regarding call to discuss VTB position on NOI SISP and attend same;	0.60	300.00	DN
Nov-11-25	Review correspondence regarding tenant renewal notice; correspondence with A. Zeldin regarding same; correspondence with S. Erskine regarding same; correspondence to tenant counsel regarding same;	0.40	200.00	DN
Nov-12-25	Call with S. Erskine regarding status of discussions between company and mortgagees; correspondence to B. Gelman and A. Zeldin regarding same;	0.40	200.00	DN
Nov-14-25	Review correspondence from Court staff regarding stay extension motion;	0.10	50.00	DN
Nov-15-25	Correspondence with S. Erskine regarding stay extension hearing and status of discussions between debtor and mortgagees; review correspondence from S. Erskine and mortgagee counsel regarding same and potential terms of adjournment; correspondence with A. Zeldin and B. Gelman regarding same;	1.40	700.00	DN
Nov-16-25	Review correspondence from S. Erskine regarding call with mortgagee counsel;	0.10	50.00	DN
Nov-17-25	Attend call with S. Erskine, H. Meredith and S. Erskine to discuss stay extension motion; review correspondence from S. Erskine regarding without prejudice settlement terms relating to adjournment of rreview correspondence from H. Meredith regarding same; call with S. Erskine, B. Gelman, A. Zeldin and mortgagee counsel to discuss adjournment terms; correspondence with H. Meredith regarding admin charge; speak to S. Erskine regarding same; revise proposed	4.10	2,050.00	DN

terms of adjournment and circulate same;
 speak to B. Gelman regarding same; review
 correspondence from M. Alnajar attaching
 terms of agreement and consent;
 correspondence with B. Gelman and A. Zeldin
 regarding same;

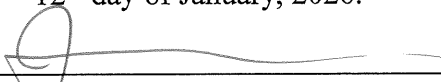
Nov-18-25	Correspondence with B. Gelman and A. Zeldin regarding stay extension hearing; correspondence with S. Erskine regarding same; review correspondence from applicant counsel attaching revised draft Orders and review same; review correspondence from H. Meredith attaching revised agreement terms for adjournment of receivership application; correspondence with A. Zeldin regarding same; attend stay extension application hearing; review draft endorsement;	2.50	1,250.00	DN
Nov-20-25	Correspondence with H. Meredith and S. Erskine regarding status of payments and receivership motion; attend same; review correspondence from H. Meredith regarding SISP; correspondence with A. Zeldin and B. Gelman regarding scheduling same;	1.10	550.00	DN
Nov-23-25	Correspondence with S. Erskine regarding draft stay extension motion materials and admin charge;	0.30	150.00	DN
	Totals	32.40	<u>\$16,200.00</u>	
	Total GST/HST on Fees		2,106.00	

DISBURSEMENTS

Oct-17-25	Admin Fee	50.00	
	Totals	<u>\$50.00</u>	
	Total GST/HST on Disbursements		6.50
	Total Fee & Disbursements		<u>\$18,362.50</u>
	Balance Now Due		<u>\$18,362.50</u>

TAX ID Number	1937844
Total GST/HST	\$2,112.50

This is Exhibit "B" referred to in the Affidavit of
Danny M. Nunes sworn before me this
12th day of January, 2026.



A Commissioner for taking affidavits, etc.

JENNIFER LABRECQUE

Capstone Legal
1370 Hurontario St
Mississauga, ON L5G3H4 Canada

Ph:416-414-3311

Albert Gelman Inc.
250 Ferrand Drive, Suite 407
Toronto, ON
M3C 3G8 Canada

December 12, 2025

Attention: Bryan Gelman

File #: 25-067
Inv #: 124

RE: Receivership of 177 Cross Argus

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
Nov-10-25	Correspondence with H. Meredith, B. Gelman and A. Zeldin regarding receivership; review draft cash flow forecast;	0.50	250.00	DN
Nov-11-25	Correspondence with A. Zeldin regarding draft cash flow forecast; review correspondence from H. Meredith regarding cash flow forecast; correspondence to Commercial Court staff regarding scheduling SISP approval motion;	0.50	250.00	DN
Nov-12-25	Call with H. Meredith, B. Gelman and A. Zeldin to discuss draft cash flow forecast and receivership; review correspondence regarding same; correspondence with Commercial List staff regarding availability for SISP approval motion; correspondence with H. Meredith, B. Gelman and A. Zeldin regarding receivership application; review draft NOI withdrawal Order and draft receivership Order and revise same; correspondence with A. Zeldin and B. Gelman regarding same; correspondence with H. Meredith regarding same; correspondence with H. Meredith regarding status of receivership materials;	2.40	1,200.00	DN

Nov-13-25	Correspondence with M. Alnajar regarding draft orders; correspondence with A. Zeldin and B. Gelman regarding same; correspondence with M. Alnajar regarding draft materials; review correspondence attaching NOI withdrawal and receivership motion materials;	2.90	1,450.00	DN
Nov-21-25	Correspondence with A. Zeldin regarding registration of receivership Order on title and rent remittance;	0.20	100.00	DN
Nov-24-25	Correspondence with A. Zeldin and debtor regarding call to discuss preliminary receivership matters; attend call with A. Zeldin and N. Mahfooth to discuss receivership and information needed by Receiver; correspondence with H. Meredith regarding case conference to deal with assignment of receivership to Commercial List; correspondence with tenant counsel regarding payment of rent; correspondence to A. Zeldin and B. Gelman regarding same; correspondence with A. Zeldin and B. Gelman regarding correspondence to H. Meredith regarding receivership status;	1.30	650.00	DN
Nov-25-25	Correspondence with H. Meredith regarding discussions with debtor company; correspondence with tenant counsel regarding rent payment and lease renewal; correspondence with A. Zeldin regarding same; correspondence regarding registration of receivership Order on title;	0.90	450.00	DN
Nov-26-25	Review correspondence from A. Zeldin regarding information requested from debtor; correspondence with H. Meredith regarding same and issues arising from mortgagee/debtor company discussions; review correspondence from H. Meredith regarding same; correspondence with debtor company	0.90	450.00	DN

regarding same;

Nov-27-25	Attend case conference to deal with re-issuance of receivership Order; review correspondence from counsel for third mortgagee regarding rent remittance;	0.60	300.00	DN
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Totals	10.20	\$5,100.00	
Total GST/HST on Fees		663.00	

DISBURSEMENTS

Nov-21-25	Admin Fee*		50.00	
Totals			\$50.00	

Total Fee & Disbursements	\$5,813.00
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Balance Now Due	\$5,813.00
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TAX ID Number 1937844
 Total GST/HST \$663.00

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

Capstone Legal
1370 Hurontario St
Mississauga, ON L5G3H4 Canada

Ph:416-414-3311

Albert Gelman Inc.
250 Ferrand Drive, Suite 407
Toronto, ON
M3C 3G8 Canada

January 12, 2026

Attention: Bryan Gelman

File #: 25-067
Inv #: 144

RE: Receivership of 177 Cross Argus

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
Dec-01-25	Review correspondence regarding rent remittance; correspondence with A. Zeldin regarding same; correspondence with A. Zeldin and C. Rowe regarding tenant inquiries regarding rent and unit acquisition; correspondence with debtor company regarding information requested by receiver; correspondence to H. Meredith regarding same; correspondence with A. Zeldin regarding Kidlogic lease and rent;	1.80	900.00	DN
Dec-02-25	Review correspondence regarding KidLogic lease and rent payment;	0.20	100.00	DN
Dec-03-25	Review correspondence from H. Meredith regarding SISP and information needed to finalize stalking horse credit agreement; correspondence with A. Zeldin and H. Meredith regarding scheduling SISP approval motion; correspondence with B. Gelman and C. Rowe regarding Double Diamond inclusion in receivership mandate; review correspondence from C. Rowe attaching lease and rent roll information;	0.70	350.00	DN
Dec-04-25	Correspondence with Commercial List staff regarding scheduling SISP approval motion;	0.50	250.00	DN

correspondence with M. Alnajar and H. Meredith regarding same;

Dec-08-25	Correspondence to Court regarding scheduling SISP approval motion; review correspondence from third mortgagee counsel regarding rent;	0.20	100.00	DN
Dec-09-25	Correspondence with Commercial Court regarding scheduling SISP approval motion;	0.20	100.00	DN
Dec-10-25	Review correspondence from third mortgagee counsel regarding rent remittance; review correspondence from A. Zeldin regarding call to discuss realtor selection process; speak to A. Zeldin regarding same; attend call with A. Zeldin, M. Alnajar and H. Meredith to discuss same and timing for SISP approval motion;	0.80	400.00	DN
Dec-11-25	Review correspondence from M. Alnajar and C. Rowe regarding rental and lease information needed for preparation of stalking horse credit bid agreement; correspondence to Commercial Court regarding execution of appointment Order; correspondence with M. Alnajar regarding same;	1.00	500.00	DN
Dec-12-25	Correspondence with M. Alnajar and H. Meredith regarding receivership Order; correspondence with Commercial Court regarding scheduling SISP approval motion; correspondence with M. Alnajar and H. Meredith regarding same; review correspondence attaching draft stalking horse bid;	1.00	500.00	DN
Dec-13-25	Review correspondence from Commercial Court regarding scheduling SISP approval motion;	0.10	50.00	DN
Dec-15-25	Review correspondence regarding broker proposals; correspondence with A. Zeldin and B. Gelman regarding same;	0.40	200.00	DN

Dec-16-25	Review correspondence regarding listing brokerage proposals;	0.20	100.00	DN
Dec-17-25	Review correspondence from H. Meredith, B. Gelman and A. Zeldin regarding brokerage proposals; review correspondence regarding remittance of rent; correspondence with Commercial Court regarding scheduling SISP approval motion; correspondence with H. Meredith and A. Zeldin regarding same; review correspondence regarding lease and contracts review;	1.40	700.00	DN
Dec-18-25	Review correspondence from H. Meredith regarding scheduling of SISP approval motion;	0.10	50.00	DN
Dec-19-25	Correspondence with Commercial List regarding scheduling SISP approval motion;	0.20	100.00	DN
Dec-23-25	Correspondence regarding KidLogic option renewal; correspondence with C. Rowe regarding same; correspondence with C. Rowe regarding same; correspondence with H. Meredith regarding same;	0.60	300.00	DN
Dec-29-25	Correspondence with Commercial Court regarding SISP approval motion; correspondence to H. Meredith regarding same; review correspondence regarding draft stalking APS;	0.30	150.00	DN
Dec-30-25	Review KidLogic lease for renewal option provisions; correspondence with H. Meredith regarding same;	0.50	250.00	DN

Totals	10.20	\$5,100.00
Total GST/HST on Fees		663.00

Total Fee & Disbursements	\$5,763.00
Previous Balance	5,813.00
Balance Now Due	\$11,576.00

Total GST/HST \$663.00

915643 ONTARIO INC.

v.

177 CROSS ARGUS DEVELOPMENT
INC. and DOUBLE DIAMOND
CAPITAL INC.

Court File No. CV-25-00753599-0000

Applicant

Respondents

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

Proceeding commenced at Toronto

FEE AFFIDAVIT

CAPSTONE LEGAL
1370 Hurontario Street
Mississauga, ON L5G 3H4

Danny M. Nunes (LSO# 53802D)
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Email: dn@capstonelegal.ca

Lawyers for the Receiver