

**SECOND REPORT OF
ALBERT GELMAN INC.
AS RECEIVER OF WOODINGTON ESTATES INC. AND
SALES OFFICER OF WOODINGTON MANAGEMENT INC. AND
1000736785 ONTARIO LIMITED**

JANUARY 26, 2026

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

BETWEEN:

MELVYN EISEN, TRUSTEE

Applicant

- and -

**WOODINGTON ESTATES INC., WOODINGTON MANAGEMENT INC. and
100736785 ONTARIO LIMITED**

Respondents

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

**SECOND REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS RECEIVER AND SALES OFFICER**

JANUARY 26, 2026

I. INTRODUCTION

1. This report (the “**Second Report**”) is filed by Albert Gelman Inc. (“**AGI**”), in its capacity as receiver (in such capacity, the “**Receiver**”) without security, of the assets, undertakings and properties of Woodington Estates Inc. (“**Woodington Estates**”) and in its capacity as the Court-appointed sales officer (in such capacity, the “**Sales Officer**”), without security, of all the assets, undertakings and properties of Woodington Management Inc. (“**Woodington Management**”) and 1000736785 Ontario Limited (“**785**”, and collectively with Woodington Estates and Woodington Management, the “**Debtors**”).
2. On the application of Melvyn Eisen, as trustee (“**Eisen**”), and pursuant to an Order (the “**Receiver Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 2, 2024 (the “**Appointment Date**”), AGI was appointed as Receiver of the property, assets and undertakings of Woodington Estates (the “**Woodington Estates Assets**”), which includes the real property known municipally as 7110 4th Line, Tottenham, Ontario (the “**Real Property**”), under section 243(1) of the Bankruptcy and Insolvency Act (Canada) (the “**BIA**”) and section 101 of the Courts of Justice Act (Ontario) (the “**CJA**”). A copy of the Receiver Appointment Order is attached hereto as **Appendix “A”**.
3. Pursuant to an Order of the Court dated July 15, 2025 (the “**Sales Officer Appointment Order**”), AGI was appointed as the Sales Officer of the property, assets and undertakings of Woodington Management and 785 (collectively, the “**Business Assets**”) under section 101 of the CJA. The Sales Officer Appointment Order, *inter alia*: (i) approved a process to solicit interest in a transaction to acquire the Woodington Estates Assets and the Business Assets (the “**Sale Process**”) and (ii) authorized and empowered the Sales Officer to control the receipts and disbursements and monitor the affairs of Woodington Management and 785 (the “**Monitoring Mandate**”). A copy of the Sales Officer Appointment Order is attached hereto as **Appendix “B”**.
4. Woodington Estates is the registered and beneficial owner of the Real Property, upon which a thirty-six hole golf course, approximately 32,000 square foot clubhouse facility and supporting infrastructure known as the “Woodington Lake Golf Club” is situated and operating as a golf club business (the “**Golf Club**”). The Golf Club is operated and overseen by Woodington Management and/or 785.
5. The primary purpose of these proceedings was to conduct the Sale Process. In that regard and as more fully discussed in this Second Report, the Receiver and Sales Officer, as vendor (together in such capacity, the “**Vendor**”) and Purposeful Group Ltd., as purchaser (“**Purposeful**” or the “**Purchaser**”), have entered into an agreement of purchase and sale dated January 14, 2026 (the “**APS**”) for the sale of substantially all of the Woodington Estates Assets and the Business Assets (the “**Transaction**”), which is conditional on Court approval.

6. To date, AGI, in its capacity as Receiver, has filed one report and three supplementary reports with the Court, summarized as follows (collectively, the **"Prior Reports"**):
 - a. the Receiver's first report to Court dated January 27, 2025 (the **"First Report"**);
 - b. the Receiver's supplementary First Report dated May 13, 2025 (the **"Supplementary First Report"**);
 - c. the Receiver's second supplementary First Report dated June 20, 2025 (the **"Second Supplementary First Report"**); and
 - d. the Receiver's third supplementary First Report dated July 10, 2025 (the **"Third Supplementary First Report"**).
7. Copies of the First Report, the Supplementary First Report, the Second Supplementary First Report and the Third Supplementary First Report, each without appendices, are attached hereto as **Appendix "C"**, **"D"**, **"E"** and **"F"**, respectively. Copies of the Prior Reports, with appendices, are available on the Case Website (as defined below).
8. The Receiver has established a case website at <https://www.albertgelman.com/filedocuments> (the **"Case Website"**), where copies of Court and other materials pertaining to these receivership proceedings are available in electronic form.

II. PURPOSE OF THIS REPORT

9. The purpose of this Second Report is to provide the Court with information pertaining to the following:
 - a. relevant background regarding the Debtors and these proceedings;
 - b. the Sale Process undertaken, including the resulting Transaction;
 - c. the terms of the proposed Transaction as reflected in the APS;
 - d. the Receiver's recommendations regarding distributions of certain of the net proceeds generated from the Transaction to Eisen, on account of Eisen's first-ranking secured claims;
 - e. an update regarding the Monitoring Mandate;
 - f. the activities of the Receiver since the Supplementary First Report and the activities of the Sales Officer since the Sales Officer Appointment Order;
 - g. the Receiver's interim statement of receipts and disbursements for the period from the Appointment Date to January 23, 2026 (the **"Interim SRD"**);
 - h. the accounts of the Receiver and Sales Officer and that of its legal counsel, Aird & Berlis LLP (**"A&B"**), in respect of fees and disbursements incurred in these proceedings;

- i. the Receiver's and Sales Officer's response to a motion made by 785 regarding certain funds withdrawn from 785's bank account pursuant to the Sales Officer Appointment Order which were to pay the fees and disbursements of the Sales Officer and A&B (the "**785 Motion**"); and
- j. the Receiver's recommendation that this Court issue the following Orders:
 - i. an Approval and Vesting Order (the "**AVO**"):
 - (1) approving the APS and the Transaction; and
 - (2) authorizing and directing the Vendor to complete the Transaction and convey the Purchased Assets to the Purchaser, and vesting the Purchased Assets in the Purchaser on closing pursuant to the terms of the AVO, upon execution and delivery of a certificate by the Vendor confirming completion of the Transaction; and
 - ii. a Distribution and Ancillary Order (the "**Distribution and Ancillary Order**"):
 - (1) authorizing the Receiver and Sales Officer to make the proposed distribution to Eisen as set out herein, from the net proceeds of the Transaction until the Debtors' indebtedness to Eisen is repaid in full;
 - (2) approving this Second Report and the Prior Reports, including the actions, activities and conduct of the Receiver and Sales Officer described therein;
 - (3) approving the Interim SRD;
 - (4) approving the fees and disbursements of the Receiver/Sales Officer and A&B, as set out herein; and
 - (5) sealing the Confidential Appendices (as defined below) to this Second Report until closing of the Transaction.

III. SCOPE AND TERMS OF REFERENCE

- 10. In preparing this Second Report, the Receiver/Sales Officer has relied upon certain unaudited financial information, the Debtors' books and records, discussions with certain principals of the Debtors, the Debtors' finance and other employees, the Debtors' legal counsel (Blaney McMurtry LLP, "**Blaney**"), legal counsel to Eisen (Chaitons LLP, "**Chaitons**") and counsel to Goldy Metals Holdings Inc. (Goodmans LLP, "**Goodmans**"), representatives from Canada Revenue Agency ("**CRA**") and other stakeholders and individuals with knowledge of the Debtors' affairs.
- 11. While the Receiver/Sales Officer has reviewed the various documents and other information obtained from the Debtors and other parties, 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/Sales Officer expresses no opinion or other form of assurance pursuant to ASPE, IFRS or otherwise with respect to such documents/information.

12. This Second 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 grant the relief sought. Accordingly, the reader is cautioned that this Second Report may not be appropriate for any other purpose. The Receiver/Sales Officer will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Second Report contrary to the provisions of this paragraph.
13. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.
14. Capitalized terms not otherwise defined in this Second Report have the meanings given to them in the Prior Reports.

IV. BACKGROUND

15. A detailed background regarding the Debtors, their creditors and events leading to the Receivership Application, Receiver Appointment Order and Sales Officer Appointment Order is included in the Prior Reports and not repeated herein to avoid duplication. A brief summary of such background is included below.

Background Regarding the Debtors

16. Woodington Estates is a privately-held Ontario corporation and has been the registered owner of the Real Property since January 11, 2019.
17. As more fully discussed in the Prior Reports, the Receiver/Sales Officer understands that the Golf Club was owned and operated by Woodington Management beginning in or around January 2019 until the operations were purportedly transferred to 785 in early December 2023, as represented by the Debtors. As further noted in the Prior Reports, the Receiver requested, but was never provided, documentation to support the transfer of the Golf Club assets/business from Woodington Management to 785.
18. In carrying out the Monitoring Mandate, the Receiver has observed that the Golf Club's accounting records, cheques, payroll reports, T4s issued to employees, and sales and vendor invoices have been issued under the name Woodington Management or the operating name, "Woodington Lake Golf Club". All operating activity of the Golf Club business, as well as its known assets and liabilities, are recorded in the Woodington Management accounting system. As at the date of the Sales Officer Appointment Order, the Golf Club business was transacting day-to-day operations under one bank account in the name of 785 (the "**785 Account**") held at The Bank of Nova Scotia ("**BNS**"). The Receiver/Sales Officer understands that this account was opened in February 2025. The

Receiver/Sales Officer understands that prior to this date, the Golf Club business was previously transacting day-to-day operations under another bank account held at the Toronto-Dominion Bank registered under Woodington Management.

19. There is further indication from observing the Golf Club's accounting records that the Golf Club business had operated other bank accounts for day-to-day operations held at National Bank of Canada ("**NBC**") during fiscal years 2023 and 2024. It is currently unknown to the Receiver/Sales Officer which entity of the Debtors or other entity the NBC account was held under.
20. Joseph (Joe) Chetti ("**Mr. Chetti**") was the sole director of Woodington Estates and understood to be its sole owner. In September 2025, Mr. Chetti suddenly passed away. During the months leading up to and since his passing, other members of Mr. Chetti's family, including his spouse, Frances Chetti ("**Mrs. Chetti**"), and son, John Chetti ("**John**"), have managed the operations and affairs of the Golf Club under the oversight of the Sales Officer. Mr. Chetti was also the sole director of Woodington Management and understood to be its sole owner. Mrs. Chetti is also understood to be the sole director and owner of 785.
21. As further discussed below, the Receiver/Sales Officer understands that John is insolvent as a result of filing a proposal under Part III, Division I of the BIA, which is currently in default.

Creditors – Woodington Estates

22. Full particulars of Woodington Estates' secured creditors and other potential priority claimants as known/understood as at the Appointment Date are set out in the First Report, including details regarding the nature, amount, and priority of their respective claims. To summarize, as at the Appointment Date, the secured creditors/potential priority claimants of Woodington Estates include:
 - a. Eisen – in respect of a first-ranking mortgage in the principal amount of \$11.5 million (the "**Eisen Mortgage**"), secured against the Real Property and the Golf Club (as discussed in the Supplementary First Report, the Receiver became aware in May 2025 that Woodington Management granted a general security agreement over the Business Assets in favour of Eisen (the "**Eisen GSA**") to secure the obligations owing under the Eisen Mortgage);
 - b. Goldy – in respect of a second-ranking mortgage in the principal amount of \$5.5 million, secured against, among other things, the Real Property and a general security agreement over all contracts, chattels, fixtures and leasehold improvements located at or upon, or relating to, the Real Property;
 - c. Eisen – in respect of a third-ranking charge/mortgage in favour of Eisen and Windsor II Limited Partnership ("**WLP**"), a fund controlled by Windsor Private Capital ("**Windsor**"), in the principal amount of \$5.0 million, as security for an advance under a loan made by Eisen and WLP to

another entity controlled by Mr. Chetti that owns the lands and premises municipally known as 11720 Highway 27, Vaughan, Ontario;

- d. The Corporation of the Town of New Tecumseth (the “**Town**”) – in respect of unpaid property taxes on the Real Property. The Receiver was provided with a statement of account from the Town, which indicates that, as at October 31, 2025, approximately \$269,000 was owing to the Town in respect of property taxes; and
 - e. Sylvio Construction Co. Ltd. (“**Sylvio Construction**”) – in respect of a construction lien in the amount of approximately \$1.5 million, which is registered on title to the Real Property.
23. The Receiver has obtained an independent security opinion in respect of the Eisen Mortgage, as further detailed herein.

Creditors – Woodington Management/785

24. The Receiver understands the following creditors have a registered security against Woodington Management/785:
- a. Care Lending Group Inc. o/a Turf Care Financial (“**Turf Care**”) – in respect of a general security agreement granted by Woodington Management to secure the obligations of Woodington Management under various equipment leases (collectively, the “**Equipment Leases**”). The equipment subject to the Equipment Leases comprises various golf course maintenance and other equipment used in the Golf Club business. The Equipment Leases were financed by Turf Care. Since the issuance of the Sales Officer Appointment Order, the Receiver/Sales Officer understands that the Equipment Leases and all rights of Turf Care thereunder, including the security in favour of Turf Care, have been assigned to Windsor;
 - b. Rock Garden Development Corporation (“**Rock Garden**”) – as noted in the affidavit of Mr. Chetti sworn June 16, 2025 (the “**June 16 Chetti Affidavit**”), Rock Garden, an Ontario privately incorporated company owned by Mr. Chetti, registered a security interest against 785 in April 2025 to secure alleged advances in the aggregate amount of \$500,000 to Woodington Management and 785 to fund operating expenses of the Golf Club since 2019. The Receiver/Sales Officer notes that the June 16 Chetti Affidavit and exhibits thereto are the only evidence provided in support of the alleged Rock Garden loans and security. The Receiver/Sales Officer has not been provided with documentary evidence of the alleged advances by Rock Garden as represented in the June 16 Chetti Affidavit that existed at the time of the alleged advances; and
 - c. Eisen – in respect of the Eisen GSA.

25. In addition, the Receiver understands from correspondence with the CRA that Woodington Management has the following outstanding tax balances (as of August 26, 2025):
 - a. approximately \$1.3 million for unremitted GST/HST, including net tax, interest and penalties as a result of assessments from GST/HST filings up to December 2022 and arbitrary assessments for unfiled periods thereafter; and
 - b. approximately \$420,000 for unremitted payroll source deductions for taxation years 2020 to 2024. For year 2025, the Receiver/Sales Officer is aware of an additional \$185,000 (approximately) in unremitted payroll source deductions for the period of January 1, 2025 to July 30, 2025.
26. In addition to the foregoing, the books and records of Woodington Management/785 indicate unsecured obligations of approximately \$600,000 as at November 28, 2025 owing primarily to trade suppliers.

V. THE SALE PROCESS

27. The Sale Process was developed through discussions and negotiations among the Debtors and their legal counsel, the Receiver and its legal counsel, and counsel to Eisen and Goldy. Following such negotiations, the parties reached a mutual agreement on the structure and key terms of the Sale Process, as reflected in the Sale Process ultimately brought before the Court. The Sale Process was approved by the Court under the Sales Officer Appointment Order.
28. Capitalized terms not otherwise defined in this section have the meanings given in the Sale Process procedures, which were appended as Schedule "A" to the Sales Officer Appointment Order.

Selection of Realtor

29. In connection with the Sale Process, the Sales Officer solicited proposals from four (4) realtors to act as the listing agent in the Sale Process. The four (4) realtors are known to the Sales Officer to have considerable experience in the listing and sale of golf courses, land and/or commercial properties in the Greater Toronto Area and Southern Ontario market. The Sales Officer requested that each realtor provide a proposal setting out each firm's experience, a marketing plan, an estimate of value for the Woodington Estates Assets and Business Assets (on a combined basis) and the proposed commission structure.
30. Ultimately, the Sales Officer, with the support of Eisen and Goldy, selected Lennard Commercial Realty, Brokerage ("**Lennard**" or the "**Broker**") to act as the realtor in these proceedings, and entered into a listing agreement on August 8, 2025 (the "**Listing Agreement**"). Although advised of the retention of Lennard, the Debtors did not object to its appointment.

31. In selecting a realtor, the Sales Officer considered, among other things, Lennard's experience selling similar properties in the Greater Toronto Area and Southern Ontario market, the proposed marketing plan presented, the fee structure/commission rate and the information provided by Lennard in its proposal.

The Sale Process

32. A summary of the Sale Process is as follows:
- a. the Real Property was listed on August 15, 2025 (the "**Listing Date**") through the Toronto MLS system with an initial bid deadline for offers set for September 26, 2025 at 5:00 p.m. (Toronto time) (the "**Bid Deadline**");
 - b. Lennard prepared marketing materials, including a non-confidential initial offer summary document, which was distributed to potential interested parties setting out the opportunity and details of the Sale Process;
 - c. prior to the Listing Date, a copy of the Sales Officer Appointment Order, which included the Sale Process procedures, was posted to the Case Website, where it remained throughout the duration of the Sale Process;
 - d. commencing on August 21, 2025, Lennard circulated multiple marketing email blasts promoting the opportunity to more than 1,600 potential interested parties from its internal database;
 - e. the Receiver/Sales Officer published an advertisement in the Monday edition of Insolvency Insider (an independent online publication dedicated to the Canadian insolvency market) for five (5) consecutive weeks, commencing on August 25, 2025;
 - f. interested parties were required to execute a non-disclosure agreement ("**NDA**") to gain access to an electronic data room (the "**EDR**") maintained by the Broker (under the supervision of the Receiver/Sales Officer), containing confidential information about the Debtors, the Woodington Estates Assets and the Business Assets, including corporate, financial and other relevant documents, as well as the Sale Process procedures;
 - g. on September 17, 2025, counsel to Woodington Estates and 785 requested, on behalf of the Chetti family, that the Bid Deadline be extended to October 27, 2025 due to the passing of Mr. Chetti;
 - h. after considering this request, along with input from Lennard on extending the listing, the Bid Deadline was extended to October 9, 2025 at 5:00 p.m. (Toronto time) (the "**Extended Bid Deadline**");
 - i. subject to the terms of the Sale Process, to be a Qualified Bid, a Bid was to, among other things:

- i. contemplate the acquisition of all or substantially all of the Woodington Estates Assets and the Business Assets;
 - ii. be compliant, in all respects, with the Sale Process procedures and any additional terms and conditions communicated by the Receiver/Sales Officer to bidders;
 - iii. include a letter confirming that the bid was irrevocable until selection of the successful bid and, if selected, irrevocable through closing of the transaction;
 - iv. include a duly authorized and executed transaction agreement on the template form provided (or otherwise acceptable to the Receiver/Sales Officer), together with all schedules and exhibits, clearly specifying the purchase price and all material terms;
 - v. provide a detailed purchase price allocation;
 - vi. clearly set out, among other things, the assets included in and excluded from the transaction, the consideration to be paid, the proposed transaction structure and sources of financing, all conditions, approvals and closing requirements, the liabilities and obligations to be assumed and excluded, employees to be assumed, and all other material terms;
 - vii. identify the bidder, its principals, beneficial owners, guarantors (if any), and authorized representatives;
 - viii. include evidence satisfactory to the Receiver/Sales Officer of the bidder's financial ability to complete the transaction;
 - ix. be accompanied by a deposit in the form of a certified cheque, bank draft or wire transfer of immediately available funds equal to at least ten percent (10%) of the total consideration;
 - x. not contain any condition or contingency relating to due diligence or financing or any other material conditions precedent (save and except for approval by the Court); and
 - xi. only contemplate an acquisition on an "as is, where is" basis and include an acknowledgement that the bidder has relied solely on its own independent review and investigation and that it has not relied on any representation by Woodington Estates, 785, Woodington Management or the Receiver/Sales Officer, or their respective agents, employees, or advisors.
- j. the Receiver/Sales Officer could, in its discretion, request revisions or supplementations to any Qualified Bid and/or waive strict compliance with any one or more of the Bid Requirements and deem a non-compliant Bid to be a Qualified Bid. For the avoidance of doubt, if multiple Bids were received, the Receiver/Sales Officer had no obligation to exercise its discretion or

authority under this provision in respect of all Bids received even if such authority or discretion was exercised by the Receiver/Sales Officer in respect of any one Bid received.

Results of the Sale Process

33. A summary of the results of the Sale Process is as follows:
- a. a total of seventy-eight (78) parties executed NDAs and were provided access to the EDR. Throughout the course of the Sale Process, the Receiver/Sales Officer and Broker facilitated due diligence for prospective bidders, as required, with the assistance of the Debtors' controller (the "**Controller**") and other employees of Woodington Management and 785;
 - b. nine (9) prospective bidders attended site tours; and
 - c. eight (8) parties submitted offers by the Extended Bid Deadline (collectively, the "**Initial Offers**").
34. A summary setting out the key terms of the Initial Offers (the "**Initial Bid Summary**") is attached hereto as **Confidential Appendix "1"**. For the reasons set out later in this Second Report, the Receiver/Sales Officer recommends that the Initial Bid Summary be filed under seal pending closing of the Transaction or further order of the Court.

Events Following the Extended Bid Deadline

35. As is common in similar sale processes approved by the Court, the Sale Process was structured to provide the Receiver/Sales Officer with a measure of flexibility in its administration, recognizing that the efficient and value-maximizing realization of the assets being marketed may require the Receiver/Sales Officer to exercise its professional judgment in response to evolving circumstances. Specifically, the Sale Process provided the Receiver/Sales Officer with the authority to:
- a. negotiate and to seek clarification of, or improvements to, a Bid upon receipt;
 - b. seek additional information and clarification from bidders as it deems necessary or appropriate in respect of their offers at any time;
 - c. request revisions or supplementations to any Qualified Bid;
 - d. subject to the Sales Officer Appointment Order, or other order of the Court, adopt such other rules for, or extend any deadlines in the Sale Process that it believes, in its sole discretion, will better promote the goals of the Sale Process, provided that if such modification or amendment materially deviates from the Sale Process, such modification or amendment may only be made with the written consent of the Sales Officer, or by order of the Court; and
 - e. attempt to negotiate and improve any Qualified Bid, while being under no obligation to designate any Qualified Bid as the Winning Bid.

36. As noted above, as of the Extended Bid Deadline, eight (8) offers were submitted.
37. Following discussions among the Receiver/Sales Officer, its counsel and the Broker, and in consultation with counsel to Eisen and Goldy, as is common in these types of sale processes, it was determined that the Receiver/Sales Officer, in coordination with the Broker, would reject all but the three highest-value offers (collectively, the “**Subject Offers**”), and engage with the parties (and/or their professional representatives) that submitted the Subject Offers. The purpose of such engagement was, among other things, to clarify and confirm material terms of the Subject Offers, request payment of deposits in compliance with the Sale Process where such deposits had not been provided, and to gauge the parties’ interest in improving the terms of their offers, with a particular focus on increasing the purchase price. The Subject Offers are summarized as follows:
 - a. an offer from a third-party golf course operator (the “**Insufficient-Deposit Offer**”);
 - b. the initial offer from John, in trust for a corporation to be named at a later date (the “**Initial Chetti Offer**”); and
 - c. the initial offer from the Purchaser (the “**Initial Purchaser Offer**”).
38. Following the Extended Bid Deadline, on October 29, 2025, the Sales Officer also received an offer from Leadout Capital Inc. (“**Leadout**”), a party that the Receiver/Sales Officer understood to be affiliated with John.
39. The events following the Extended Bid Deadline in connection with the Subject Offers, and the offer submitted by Leadout, are discussed below.

Events from Mid-October to Mid-November

The Insufficient-Deposit Offer

40. Despite being one of the three highest offers received under the Sale Process, the Insufficient-Deposit Offer was not compliant with the Bid Requirements as the deposit delivered therewith represented only 5% of the offered consideration, rather than the required minimum deposit of at least 10%.
41. Notwithstanding the foregoing, the Receiver/Sales Officer, in consultation with the Broker and in exercising its business judgment, engaged in discussions with this bidder to clarify and assess the terms of the Insufficient-Deposit Offer including, without limitation, whether they would be willing to increase both its deposit and the proposed purchase price.
42. Ultimately, following a series of communications among this bidder, the Receiver/Sales Officer and the Broker, the said offeror did not provide the remaining deposit or increase the purchase price. As these terms of the Insufficient-Deposit Offer were either non-compliant with the Sale Process or non-competitive, the Insufficient-Deposit Offer was rejected effective October 21, 2025.

The Initial Chetti Offer

43. The Initial Chetti Offer reflected the highest purchase price across all offers submitted as of the Extended Bid Deadline. However, the Initial Chetti Offer was not compliant as no deposit accompanied the bid. Instead, the Initial Chetti Offer contemplated a deposit equal to approximately 1.8% of the purchase price, to be funded from 785's cash on hand. The Initial Chetti Offer also included a conditional 30-day period to, among other things, permit the parties to negotiate and agree upon an allocation of the purchase price. The Receiver/Sales Officer was concerned that a conditional bid without a deposit posed a material closing risk. Furthermore, permitting a bidder to fund a required deposit from the cash on hand of the company it proposes to acquire would, in effect, result in the bidder financing its own purchase.
44. On October 15, 2025, the Broker wrote to John's agent, Christos Zaremis, advising, among other things, that the Initial Chetti Offer was not accompanied by the appropriate deposit and requested that same be paid by October 17, 2025 at 12:00 p.m. (Toronto time) otherwise, the offer would be disqualified from consideration (the "**October 15 Broker Email**"). A copy of the October 15 Broker Email is attached as **Appendix "G"**.
45. On October 16, 2025, Mr. Zaremis responded to the October 15 Broker Email (the "**October 16 Zaremis Email**") requesting that the Broker confirm that the Initial Chetti Offer will be accepted or signed back if the deposit is provided.
46. Later on October 16, 2025, the Broker responded to the October 16 Zaremis Email (the "**October 16 Broker Email**") advising that the submission of the appropriate deposit is required under the Sale Process and no assurances could be given at that time that the Initial Chetti Offer would be the winning bid in the Sale Process should it be rendered compliant. In addition, the October 16 Broker Email advised that the Receiver/Sales Officer agreed to extend the deposit submission deadline in respect of the Initial Chetti Offer to 5:00 p.m. on October 20, 2025, to provide additional time to arrange for funding.
47. Following delivery of the October 16 Broker Email, the Broker and Mr. Zaremis attended a call to discuss the matter. A further email from Mr. Zaremis was sent to the Broker on October 16, 2025, requesting clarification on the procedures under the Sale Process (the "**Second October 16 Zaremis Email**").
48. On October 17, 2025, the Broker responded to the Second October 16 Zaremis Email to clarify that the Sale Process requires receipt of a compliant deposit before a bid can be advanced, and reminded Mr. Zaremis of the October 20 deadline for the submission of the Initial Chetti Offer deposit. A copy of the thread of email correspondence between the Broker and Mr. Zaremis between October 15, 2025 and October 17, 2025, redacted to remove the proposed deposit amount, is attached hereto as **Appendix "H"**.

49. Following additional correspondence between the Receiver/Sales Officer and John, a copy of which is attached hereto as **Appendix "I"**, a call was arranged among the Receiver/Sales Officer, A&B, the Broker and John on October 20, 2025 for the purpose of discussing the Initial Chetti Offer and the timing of receipt of the deposit thereunder. During the call, John requested an extension of the deadline to submit the deposit. The Sales Officer agreed to extend the deadline 24-hours to 5:00 p.m. on October 21, 2025, which was communicated in an email from the Broker to John later on October 20, 2025 (the "**October 20 Broker Email**"). A copy of the October 20 Broker Email is attached hereto as **Appendix "J"**. The October 20 Broker Email also advised that if the deposit was not received by the October 21, 2025 deadline, the Initial Chetti Offer would be rejected.
50. On October 21, 2025, Mr. Zaremis sent a further email to the Broker, a copy of which is attached hereto as **Appendix "K"**, to request a further extension of the deposit submission deadline to October 23, 2025 at 3:00 p.m.
51. Ultimately, no deposit in respect of the Initial Chetti Offer was received by the Receiver/Sales Officer.

The Leadout Offer

52. Late on October 22, 2025, Mr. Zaremis emailed the Broker again advising, among other things, that his "client has revised their bid and sent to their lawyer Gowling LLP for review". The email also stated "[the bid] will be sent to you tomorrow afternoon, and the deposit will be sent to you as well before end of day". A copy of this email is attached hereto as **Appendix "L"**. Nothing further was received by the Broker or Receiver/Sales Officer on October 23, 2025.
53. On October 24, 2025, Mr. Zaremis again emailed the Broker stating "Please see attached correspondence with respect to John Chetti formal offer. It is still at the lawyers for review. These 3 items will be amended in the offer. Bank account is attached for deposit verification." (the "**October 24 Zaremis Email**") The attachment was a bank statement for Leadout. The three (3) items to be amended were: (i) the deposit provision, to clarify that there will be approximately 45 days for due diligence, during which time, the deposit would be fully refundable at the sole discretion of the Purchaser (being Leadout, in trust for John Chetti or a corporation to be named), (ii) the assignment provision, so that the agreement may be fully assigned and (iii) the addition of clarifying language confirming that an assignment of the agreement fully releases the assignor from all liability. A copy of the October 24 Zaremis Email is attached hereto as **Appendix "M"**.
54. On October 29, 2025, the Receiver/Sales Officer received an email from Brian Suta of Leadout, which attached a signed agreement of purchase and sale dated October 29, 2025 (the "**Leadout Offer**"). The Purchaser contemplated in the Leadout Offer was noted as "Leadout Capital Inc., for a corporation to be named or assigned". Following subsequent discussions with Mr. Suta, the Receiver/Sales Officer was advised that Leadout and John had an arrangement whereby the Leadout Offer was being made for or on behalf of John (or a company controlled by him) and Leadout

- intended to provide acquisition financing for the deal. The Leadout Offer contemplated a lower purchase price as compared to the Initial Chetti Offer and provided for a 45-day conditional period to allow time for Leadout to perform due diligence before agreeing to provide financing. Concurrently with the submission of the Leadout Offer, Leadout delivered a deposit in the amount required under the Sale Process, which was paid to A&B, in trust.
55. Following receipt of the Leadout Offer, A&B, on behalf of the Receiver/Sales Officer, requested a call with Gowling WLG (Canada) LLP ("**Gowling**"), counsel to Leadout, to discuss and clarify, on a without prejudice basis, certain aspects of the Leadout Offer. That call was held on November 1, 2025.
 56. In the period following submission of the Leadout Offer, the Receiver/Sales Officer, together with its counsel and advisors, engaged in a series of communications, including telephone calls, correspondence and without-prejudice discussions, with representatives of Leadout and John. These discussions were undertaken for the purpose of clarifying material terms of the Leadout Offer, including details surrounding the intended source of funds, addressing identified issues and conditions, and assessing whether revisions could be made to the bid that would result in a transaction that was commercially reasonable, compliant with the Sale Process, and capable of being supported by the Receiver/Sales Officer. A without-prejudice proposal was also presented in connection with the Leadout Offer, which the Receiver/Sales Officer understands was ultimately not feasible and, accordingly, not pursued further.
 57. On November 13, 2025, John delivered correspondence to the Receiver/Sales Officer alleging improprieties in the conduct of the Sale Process, asserting collusion and favouritism, and threatening litigation and public dissemination of those allegations unless unspecified demands were met within a compressed timeframe. On November 14, 2025, counsel to the Receiver/Sales Officer responded, advising that the Receiver/Sales Officer categorically disagreed with John's characterization of the Sale Process, was unaware of any factual basis for the allegations asserted, and had carried out its Court-appointed mandate fairly, transparently, and in accordance with the Sale Process, and with the objective of maximizing value for stakeholders. The response further confirmed that any proposed transaction for the sale of the Woodington Estates Assets and the Business Assets would be subject to Court approval, that stakeholders, including John, would have the opportunity to raise objections before the Court, and that the Receiver/Sales Officer's accounts would likewise be subject to Court approval. The foregoing correspondence is attached hereto as **Appendix "N"**.
 58. Later on November 14, 2025, Mr. Chetti requested a telephone call with the Sales Officer to discuss his concerns. Counsel to the Receiver/Sales Officer advised John to convey his wishes in writing. Immediately thereafter, John advised that he wished to withdraw from the process and requested the return of the deposit under the Leadout Offer. John then sent a series of additional communications

threatening litigation and indicating an intention to contact media outlets regarding his allegations. A copy of this correspondence is attached hereto as **Appendix “O”**.

59. On the same date, John also transmitted a WhatsApp message to a representative of the Receiver/Sales Officer attaching an audio recording of a without-prejudice telephone call between the Receiver/Sales Officer and John. The representative of the Receiver and Sales Officer was not advised that he was being recorded, and the Receiver and Sales Officer is unaware of whether there are further recordings made by John, including those possibly made during confidential or without prejudice discussions.
60. Further combative WhatsApp messages were sent to the Receiver/Sales Officer’s representative, including: (i) on November 16, 2025, in which John provided screenshots of correspondence that he had sent to a media reporter, in which he alleged “major fraud” in these proceedings and inquired whether the reporter was interested in “breaking” the story, and (ii) on November 17, 2025, threatening litigation against the Receiver and Sales Officer. A copy of these messages are attached hereto as **Appendix “P”**.
61. In light of the foregoing, and to confirm the status of the transaction, the Receiver and Sales Officer and its counsel communicated directly with Leadout. A&B wrote to John on November 17, 2025 to advise of same. In response, John delivered a further email to A&B in which, among other things, he reiterated threats of litigation and public disclosure and repeated his ongoing allegations concerning the conduct of the Receiver/Sales Officer in carrying out its Court-ordered mandate.
62. By email dated November 18, 2025, Mr. Suta of Leadout advised A&B that Leadout had not withdrawn its offer and confirmed that the Receiver/Sales Officer should continue to take instructions directly from Leadout regarding the Leadout Offer and the deposit thereunder.

The Purchaser’s Initial Offer

63. On or around October 27, 2025, the Sales Officer and the Purchaser’s counsel, Osler Hoskin & Harcourt LLP (“**Osler**”), held a without prejudice call to discuss the terms of the Purchaser’s Initial Offer and to advise that the Sales Officer intended to send a counter-offer in respect of same.
64. The counter-offer was sent to Osler on or about October 28, 2025, which proposed to materially increase the purchase price and amend certain other terms of the agreement. The purchase price was increased to an amount commensurate with the Initial Chetti Offer, which, despite being notably non-compliant with the Sale Process procedures, had been the highest dollar value bid received to date.
65. A revised offer in response to the Sales Officer’s counter-offer was delivered to the Sales Officer on November 3, 2025, which contained an increased purchase price from the Initial Purchaser Offer (the “**Revised Purchaser Offer**”), as noted in the Confidential Appendices.

The Proposed Credit Bid

66. Due to Goldy's position as a fulcrum secured creditor over the Real Property, and in light of the fact that Goldy risked suffering a material loss in a sale within these proceedings, the Receiver/Sales Officer advised Goldy of the proposed purchase price contained in the Revised Purchaser Offer in order to determine whether he would be supportive of such a transaction.
67. Following these discussions, Goldy, through its counsel, advised the Receiver/Sales Officer that it was unsatisfied with the quantum of the purchase price in the Revised Purchaser Offer and that it would be working towards submitting a credit bid in the Sale Process. In doing so, Goldy advanced a deposit to the Receiver/Sales Officer on November 14, 2025 in an amount equal to 10% of its proposed credit bid. In light of this development, the Receiver/Sales Officer advised Goldy that its submission of a credit bid would limit the information that Goldy could receive in respect of the Sale Process as Goldy would then be considered a potential bidder.
68. However, a credit bid from Goldy did not materialize. In parallel with formulating its credit bid, the Receiver/Sales Officer understands that, Goldy engaged in discussions with the Purchaser regarding its interest in acquiring the Golf Club and its appetite to come to an agreeable arrangement, which would meaningfully increase the proposed purchase price, as an alternative to Goldy submitting a credit bid. The Receiver/Sales Officer was not party to these discussions. The Receiver/Sales Officer understands that through these discussions, the parties reached agreement on an arrangement that resulted in a material increase in the purchase price offered by the Purchaser.

Events from Mid-November to the End of the Sale Process

69. As of the third week of November 2025, there remained three prospective bidders in the Sale Process: Leadout, the Purchaser and Goldy in respect of its proposed credit bid.
70. As a means to bring finality to the process and advance a transaction, A&B contacted each of these parties on November 21, 2025 to advise that no bid had yet been selected as the winning bid in the Sale Process and that the Receiver/Sales Officer was formally extending the bid deadline for such parties to November 28, 2025 at 5:00 p.m. (the "**Final Bid Deadline**"). The prospective purchasers were further advised that any bid submitted should include a proposed allocation in respect of the Woodington Estates Assets and the Business Assets.
71. In its communication to Leadout, A&B further advised that the Leadout Offer was not compliant with the Sale Process requirements and that any revised bid, should it wish to submit one, must conform to the Sale Process requirements, including, but not limited to:
 - a. the inclusion of a proposed allocation in respect of the Woodington Estates Assets and the Business Assets;

- b. the removal of any condition or contingency relating to due diligence or financing or any other material conditions precedent to the bidder's obligation to complete the proposed transaction; and
 - c. the inclusion of evidence of the bidder's ability to fund the transaction.
72. As of the Final Bid Deadline, the following parties submitted final offers: (i) the Purchaser, which offer, among other things, provided for an increased purchase price from the Revised Purchaser Offer (the "**Final Purchaser Offer**"), and (ii) Leadout, which terms remained materially unchanged from the Leadout Offer (the "**Final Leadout Offer**").
73. A summary setting out the key terms of the Final Purchaser Offer and the Final Leadout Offer (the "**Final Bid Summary**") is attached hereto as **Confidential Appendix "2"**. For the reasons set out later in this Second Report, the Receiver/Sales Officer recommends that the Final Bid Summary be sealed pending closing of the Transaction or further order of the Court.
74. On December 3, 2025, A&B wrote to Leadout to advise that the Final Leadout Offer was not compliant with the Sale Process. Among other things, the Final Leadout Offer contained a due diligence period, was not accompanied by a proposed allocation of the purchase price, and did not provide sufficient evidence of available funding to close the proposed transaction, as had been requested. As such, the Final Leadout Offer was rejected and Leadout's deposit was returned.
75. On the same day, A&B wrote to Purposeful's counsel to advise that the Receiver and Sales Officer intended to move forward with the Final Purchaser Offer. After further negotiation between the parties, the APS was executed.

Late Offer of John Chetti

76. On January 14, 2026 (the date the APS was signed), the Receiver/Sales Officer received an email from Mr. Zaremis, which attached a further offer from John (in trust for a company to be incorporated). While the offer provided an increased purchase price as compared to the Leadout Offer, the offer was delivered well after the Final Bid Deadline and did not include a deposit. In addition, the offer contemplated that the Court would be a party to the agreement and included a 30-day conditional period during which the transaction would be subject to "satisfactory review and approval" by the Court, the Receiver/Sales Officer and the purchaser.
77. On January 16, 2026, the Receiver/Sales Officer wrote to Mr. Zaremis to advise, among other things, the offer did not comply with the Sale Process and would be rejected.

VI. THE TRANSACTION AND APS

78. The APS contemplates the acquisition of the Purchased Assets (as defined in the APS), 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 APS, a redacted copy of which is attached hereto as **Appendix “Q”**. The only redactions to the APS are in respect of the Purchase Price (and the allocation thereof) and the Deposit or certain terms relating to the consideration provided under the Transaction. An unredacted copy of the APS is attached hereto as **Confidential Appendix “3”** and is being filed with the Court on a confidential basis for the reasons described later in this Second Report.
79. The key terms and conditions of the APS are provided below:
- a. **Purchaser:** Purposeful Group Ltd.;
 - b. **Purchased Assets:** substantially all the assets, property and rights of the Debtors, including the Woodington Estates Assets, the Business Assets and the Turfcare Agreements, as specifically detailed in Schedule B to the APS, but excluding the Excluded Assets;
 - c. **Excluded Assets:** includes all cash and cash equivalents and short-term investments held by or on behalf of the Debtors, any insurance proceeds or benefits relating to the Real Property or other Purchased Assets attributable to periods prior to Closing (except as otherwise provided in the APS), all funds or deposits held in trust for the Debtors by third parties, and any HST refunds owing to the Debtors in respect of periods up to and including Closing;
 - d. **Assumed Liabilities:** all liabilities arising and accruing in respect of the Purchased Assets and the Assumed Contracts from and after Closing, provided such liabilities do not relate to any default existing at, prior to, or arising as a consequence of Closing, together with the liabilities under the Turfcare Agreements, and any other liabilities expressly agreed to be assumed by the Purchaser in writing on or before the Closing Date;
 - e. **Purchase Price:** comprising the aggregate of the following amounts (the “**Purchase Price**”):
 - i. the value of the Assumed Liabilities, which includes, among other liabilities, the obligations of the Debtors owing under the Turfcare Agreements; and
 - ii. cash consideration, which, for the reasons noted below, the Receiver/Sales Officer recommends be sealed pending closing of the Transaction (the “**Cash Portion**”);
 - f. **Deposit:** the Purchaser has paid a deposit, which remains in the Receiver’s trust account (the “**Deposit**”). The Deposit is to be applied against the Cash Portion of the Purchase Price on closing;

- g. **Purchase Price Allocation:** the APS provides for a purchase price allocation as between the Woodington Estates Assets and the Business Assets. Notwithstanding this allocation, the APS further provides that the distribution of any proceeds from the Purchased Assets remains subject to further order of the Court;
- h. **Purchase Price Adjustments:** the APS provides that all items of income and expense relating to the Purchased Assets will be adjusted as of Closing in accordance with transactions of this nature, with the Vendor responsible for expenses and entitled to revenues up to and including the day immediately preceding the Closing Date and the Purchaser responsible for expenses and entitled to revenues from and after the Closing Date. The Vendor is required to deliver a draft statement of adjustments and supporting calculations at least five (5) business days prior to Closing. Where any adjustment cannot be finally determined at Closing, a reasonable estimate will be made, with any final adjustments or corrections to be completed within thirty (30) days following Closing, failing which no further re-adjustment may be claimed, and any unresolved disputes are to be finally determined by an independent national firm of chartered professional accountants, whose determination shall be final and binding on the parties;
- i. **Assumed Contracts:** the Purchaser must deliver written notice to the Vendor no later than five (5) Business Days prior to the hearing of the Approval and Vesting Order identifying any contracts it elects to assume on Closing, failing which the Purchaser will be deemed not to have assumed any contracts other than the Turfcare Agreements. In respect of contracts requiring third-party consent to be assigned, the Vendor is required to use commercially reasonable efforts to obtain such consent in accordance with the applicable contract terms, but is not required to incur any out-of-pocket costs to do so. If a required third-party consent is not obtained, the Purchaser may elect to pursue such consent directly, and the Vendor will seek Court approval to assign the contract without consent as part of the Approval and Vesting Order. If neither consent nor Court approval is obtained, the contract will not be assigned and will cease to be a Purchased Asset without any adjustment to the Purchase Price; however, to the extent permitted by applicable law, the Vendor will, at the Purchaser's request and expense, use commercially reasonable efforts to facilitate the Purchaser's receipt of the contract pending assignment, including acting as agent or holding the contract in trust, and remitting to the Purchaser any funds received thereunder after Closing. Any cure costs required to assign an Assumed Contract are payable by the Purchaser as a condition of assignment, from the Purchase Price, up to a maximum amount of \$100,000;
- j. **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;
- k. **Closing Date:** the earlier of: (i) thirty (30) days following the date of the Approval and Vesting Order; or (ii) a date as the Vendor and Purchaser may agree upon in writing, but in any event

no later than the Outside Date (i.e. **March 13, 2026** or such other date as the parties may agree);

I. **Material Conditions:** include, *inter alia*:

For the Benefit of Both Parties

- i. the Approval and Vesting Order shall have been granted by the Court;

For the Benefit of the Purchaser

- i. the representations and warranties of the Vendor contained in the APS shall be true and correct as of the Closing Date in all material respects;
- ii. the Vendor shall have fulfilled or complied with all covenants and obligations contained in the APS as required;
- iii. on Closing, title to the Real Property shall be free of all Encumbrances other than the Permitted Encumbrances;
- iv. on Closing, no legal or regulatory action or proceeding shall have been commenced by any third party, nor any injunction awarded and continuing in force, to enjoin, restrict or prohibit the purchase and sale of the Purchased Assets; and
- v. the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 10.2 of the APS; and

For the Benefit of the Vendor

- i. all the representations and warranties of the Purchaser contained in the APS shall be true and correct in all material respects on the Closing Date;
- ii. the Purchaser shall have fulfilled or complied with all covenants and obligations contained in the APS as required;
- iii. the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 10.3 of the APS, including payment of any remaining balance of the Purchase Price; and
- iv. the Vendor has not lost its ability to convey the Purchased Assets due to an order of the Court; and

- m. **Termination:** the APS can be terminated:
- i. if mutually agreed between the Vendor and the Purchaser, in writing, provided, however, that if the APS has been approved by the Court, any such termination shall require the approval of the Court;
 - ii. the Purchaser may terminate the APS upon written notice if the Vendor commits an unwaived material breach that is not curable, or is not cured within the applicable cure period following written notice, or after the Outside Date if the Approval and Vesting Order has not been obtained or Closing has not occurred by the Outside Date for reasons not attributable to the Purchaser; and
 - iii. the Vendor may terminate the APS upon written notice if the Purchaser commits an unwaived material breach that is not curable, or is not cured within the applicable cure period following written notice, or after the Outside Date if the Approval and Vesting Order has not been obtained or Closing has not occurred by the Outside Date for reasons not attributable to the Vendor.

Receiver/Sales Officer’s Recommendation Regarding the Transaction

80. The Receiver/Sales Officer recommends that the Court issue an order approving the Transaction for the following reasons:
- a. the Receiver/Sales Officer is of the view that the Sale Process was conducted in accordance with the terms of the Sales Officer Appointment Order (and Sale Process procedures) and in a commercially reasonable manner, including the timelines, breadth of the Broker’s canvassing of the market, the information made available to interested parties (including the information in the EDR), and the availability of the Receiver/Sales Officer and Broker, with the assistance of the Controller and other employees of Woodington Management/785, for due diligence requests, meetings and site tours;
 - b. the Sale Process was not rushed, but rather involved extensive discussions and engagement among the Receiver/Sales Officer, the Broker, interested parties, and key stakeholders, and reflects a deliberate and thorough effort to test the market and maximize value for the benefit of stakeholders;
 - c. the Transaction provides for superior overall recoveries when compared to all offers received in the Sale Process, taking into account both the purchase price and the certainty of closing;
 - d. the terms of the APS as it relates to the purchase price allocation do not prejudice the rights of any party, as the distribution of proceeds generated from the Transaction remain subject to Court approval;
 - e. the terms of the APS are commercially reasonable;

- f. the timely closing of the Transaction increases the likelihood that the Purchaser will be ready to operate in time for the commencement of the 2026 golf season. This is critical to preserving value of the Purchased Assets. Failure to close in a timely manner could result in a material reduction in value;
- g. enforcement proceedings in respect of the Woodington Estate Assets have been ongoing for a significant period of time, with Goldy having commenced enforcement efforts initially in August 2023 and again in December 2023, and Eisen commencing the receivership proceedings in or about August 2024. Certain secured obligations have therefore remained outstanding for a considerable duration, and approval of the Transaction represents a necessary and appropriate step toward realizing on the assets and facilitating repayment to creditors;
- h. the consideration to be received under the Transaction is materially greater than the appraised value of the Golf Club and the related assets, pursuant to an appraisal obtained by the Receiver/Sales Officer dated August 18, 2025 (the “**Appraisal**”), further supporting the conclusion that the Transaction represents fair market value and an optimal outcome in the circumstances. A copy of the Appraisal, which is attached hereto as **Confidential Appendix “4”** (collectively with Confidential Appendix “1”, Confidential Appendix “2” and Confidential Appendix “3”, the “**Confidential Appendices**”), is being filed on a confidential basis for the reasons stated below; and
- i. Eisen and Goldy, being the senior secured lenders of Woodington Estates (and Woodington Management/785 in the case of Eisen), support the Transaction.

Sealing Order

- 81. The Receiver/Sales Officer notes that it is seeking a sealing order with respect to the following documents: the Initial Bid Summary, the Final Bid Summary, the Appraisal, and the APS (solely as it relates to the Purchase Price, allocation thereof, and the Deposit). The Initial Bid Summary, the Final Bid Summary, the Appraisal and certain sections of the APS contain commercially sensitive information. In the event that the APS is breached and/or terminated for any reason, another sale process to realize on the Woodington Estates Assets and Business Assets may be required. If the sensitive information contained in the Initial Bid Summary, the Final Bid Summary, the Appraisal and the APS, is not sealed until the Transaction closes or until further Order of the Court, future bidders would have access to commercially sensitive information that could prejudice any future marketing efforts, including the purchase price that was accepted by the Receiver/Sales Officer.
- 82. In the Receiver’s/Sales Officer’s view, no party will be prejudiced if the information is temporarily sealed at this time and the benefits of sealing such information from the public record greatly outweigh the detrimental impacts releasing such information could have, should the Transaction not

close. The Receiver/Sales Officer is of the view that the sealing of the Confidential Appendices is consistent with the current jurisprudence. Accordingly, the Receiver/Sales Officer believes the proposed sealing of the Confidential Appendices is appropriate in the circumstances.

VII. PROPOSED DISTRIBUTION

83. The Transaction provides for cash consideration materially in excess of the obligations owing under the Eisen Mortgage. Following completion of the Transaction and subject to Court approval, the Receiver/Sales Officer intends to distribute to Eisen an amount up to the secured indebtedness owing under the Eisen Mortgage, subject to holding back sufficient funds from the net proceeds to satisfy prior-ranking claims, including the Receiver's Charge, Sales Officer's Charge, Receiver's Borrowing Charge and Sales Officer's Borrowing Charge (as defined in the Receiver Appointment Order and Sales Officer Appointment Order), as well as any potential priority claims of the CRA, the Town, and other parties holding valid registered security over the Woodington Estates Assets or the Business Assets.
84. As discussed above and in the Prior Reports, Eisen holds a first-ranking mortgage over the Woodington Estates Assets and also holds a general security agreement over the Business Assets pursuant to the Eisen GSA (the priority of which remains under review). While the APS includes a purchase price allocation, the allocation is not determinative for Eisen's recovery on the Eisen Mortgage. The Transaction proceeds, in the aggregate, are sufficient to satisfy all known claims that may rank in priority to the Eisen Mortgage.
85. The Receiver has received a security opinion with respect to the Eisen Mortgage from the Receiver's counsel. The Receiver's counsel has opined that, subject to standard assumptions and qualifications, the Eisen Mortgage as registered on title to the Real Property, is valid and enforceable.
86. Based on the foregoing, the Receiver/Sales Officer recommends that this Honourable Court issue an order authorizing and directing the Receiver/Sales Officer to distribute funds generated from the Transaction, to Eisen.
87. The Receiver/Sales Officer further submits that making the proposed distribution to Eisen at this time, rather than deferring payment pending a further Court hearing, is appropriate and in the best interests of the estate. Interest continues to accrue on the Eisen Mortgage on a daily basis, and any delay in satisfying the Eisen indebtedness would result in an increase in the secured claim, thereby reducing the funds ultimately available for distribution to subordinate creditors. A prompt distribution to Eisen therefore mitigates ongoing interest accrual and preserves value for the benefit of the broader creditor body.

VIII. UPDATE ON THE MONITORING MANDATE

88. Pursuant to the Sales Officer Appointment Order, the Sales Officer was authorized, among other things, to:
- a. monitor the operations of the Golf Club business and the financial affairs of Woodington Management and 785; and
 - b. exercise control over all receipts and disbursements of the Golf Club business, while permitting Woodington Management and 785 to pay reasonable ordinary course expenses, subject in all cases to the oversight and approval of the Sales Officer.
89. In summary, following its appointment, the Sales Officer implemented a monitoring protocol for the receipts and disbursements of Woodington Management and 785. In the course of carrying out the Monitoring Mandate, the Sales Officer identified a pattern of withdrawals, cash handling practices, and collections of accounts receivable that were not supported by documentation or demonstrably connected to the ordinary course of the Golf Club business. The Sales Officer also identified significant tax compliance deficiencies. As described below, the Sales Officer took steps to safeguard the Debtors' cash and ensure transparency and control over financial affairs, including obtaining signing authority over the operating account, assuming responsibility for deposits, remitting payroll source deductions, filing outstanding tax returns, and determining appropriate management compensation.

Monitoring Protocol

90. Shortly after the issuance of the Sales Officer Appointment Order, the Sales Officer formalized a checklist of accounting documentation to be provided by Woodington Management and 785, or the appropriate representative thereof (the "**July 2025 Checklist**"), a copy of which is attached as **Appendix "R"**. The purpose of the July 2025 Checklist was to establish a standardized and ongoing reporting framework to support the Monitoring Mandate.
91. The Sales Officer met with management and the Controller throughout July 2025 to explain the Monitoring Mandate, discuss the July 2025 Checklist, and establish timelines and protocols for the delivery of information. During these initial meetings, management was reminded of its obligation to provide access, information and cooperation to the Sales Officer pursuant to the Sales Officer Appointment Order, including through facilitating and attending regular in-person meetings and weekly site visits.
92. As part of the monitoring protocol, the Sales Officer reviewed supporting documentation for transactions processed through the 785 Account commencing July 1, 2025, and required that disbursements in excess of \$10,000 be subject to prior review and approval. The Sales Officer also

monitored cash sales activity and accounts receivable collections to assess whether transactions were occurring in the reasonable ordinary course of the business.

93. As described below, based on its findings, the Sales Officer enhanced the monitoring protocol, including by assuming signing authority over the 785 Account, expanding documentation requirements to all Golf Club receipts and disbursements, and directly depositing cash and cheques received from customers.

Sales Officer’s Findings

Improper Withdrawals, Cash Handling and Cash Misappropriation

94. In carrying out the Monitoring Mandate, the Sales Officer identified numerous withdrawals from the 785 Account for which management was unable to provide supporting documentation or evidence of a bona fide business purpose. As at August 1, 2025, the Sales Officer had identified four withdrawals totaling \$220,000 processed between July 7 and July 17, 2025 (the “**July Withdrawals**”), as follows:

Summary of July Withdrawals (in CAD\$; unaudited)		
Date	Amount	Explanation from Controller
07-Jul-25	60,000	"draft sent to offset debt owing"
07-Jul-25	40,000	"draft sent to offset debt owing"
14-Jul-25	10,000	"loan to Joe"
17-Jul-25	110,000	"\$ sent to Prudent"
Total	220,000	

95. The explanations recorded in the accounting records for these withdrawals were based solely on verbal descriptions provided by members of the Chetti family to the Controller. No supporting bank transfer documentation was available to confirm the recipients or purpose of the funds.
96. One of the identified withdrawals in the amount of \$110,000 dated July 17, 2025, as set out above, was processed after the issuance of the Sales Officer Appointment Order and after the implementation of the Sales Officer’s approval protocol requiring review of disbursements exceeding \$10,000. As a result, the Sales Officer emailed Mrs. Chetti seeking supporting documentation and clarification with respect to the July Withdrawals. Copies of this correspondence are appended to this Second Report as **Appendix “S”**.
97. On August 6, 2025, the Sales Officer compiled and sent to Mrs. Chetti a further comprehensive list of 35 withdrawals processed from the 785 Account between July 1 and August 6, 2025, including the July Withdrawals (the “**July & August Withdrawals**”), and requested documentation substantiating the purpose and recipients of each transaction. While the Controller transcribed verbal explanations provided by members of the Chetti family into the bookkeeping records, she confirmed that she had

not received bank records or other documentary support to verify the accuracy of those explanations. A copy of the Sales Officer's August 6, 2025 correspondence and a schedule setting out the July & August Withdrawals, which was attached to the correspondence, is attached hereto as **Appendix "T"**.

98. Having not received a response to the August 6, 2025 correspondence, the Sales Officer's counsel sent a letter on August 8, 2025 to the Debtors' counsel, a copy of which is attached hereto as **Appendix "U"**, requesting that the July Withdrawals be returned to the 785 Account pending substantiation. In a subsequent response dated August 14, 2025, Blaney advised that the Debtors were in the process of itemizing and explaining the transactions, citing various personal circumstances. Despite repeated follow-ups during the Sales Officer's weekly site visits and meetings with management, documentation substantiating these withdrawals was not provided.
99. In light of the above events, signing authority over the 785 Account was transferred to the Sales Officer on or about August 14, 2025. Following this transfer, the Sales Officer continued its review of historical transactions and, on September 4, 2025, provided Mrs. Chetti with an updated list of 53 withdrawals covering the period July 1 to August 25, 2025 (the "**July & August Withdrawals Updated List**"), attached hereto as **Appendix "V"**. Although the Sales Officer had obtained bank account signing authority by that time, the July & August Withdrawals Updated List identified eight withdrawals totaling \$45,000 processed between August 19 and 21, 2025 without its authorization. Upon investigation, these transactions were determined to have occurred as a result of a bank error that temporarily reinstated account access to Mrs. Chetti, which the Sales Officer promptly addressed upon discovery.
100. In addition to unsupported/unsubstantiated bank account withdrawals, the Sales Officer identified issues relating to cash handling and collections of accounts receivable. Based on a review of daily cash sales reports, general ledger entries, discussions with the Controller and third-party email correspondence, the Sales Officer identified approximately \$44,000 of cash sales occurring between July 1 and September 30, 2025 that were not deposited into the 785 Account and were understood to have been retained by members of the Chetti family (the "**Personally Retained Amounts**"). A summary of the Personally Retained Amounts is attached hereto as **Appendix "W"**. One of the items included in the Personally Retained Amounts was approximately \$8,800 of proceeds from a tournament at the Golf Club. Based on third-party correspondence provided to the Sales Officer, which states that the customer would be, "settling the balance directly with John C. as per [their] conversation with him [that] morning", approximately \$8,800 in business proceeds appears to have been paid directly to John. A copy of that correspondence is attached hereto as **Appendix "X"**.
101. On October 10, 2025, the Sales Officer emailed Mrs. Chetti (the "**October 10 Email**") with a further detailed summary of its concerns, including the following: (i) an updated list of 57 withdrawals between July 1 and September 30, 2025 of which the Sales Officer was not provided with supporting

documentation (the “**October 9 List**”, attached hereto as **Appendix “Y”**); and (ii) the Personally Retained Amounts. In the October 10 Email, the Sales Officer advised Mrs. Chetti that, as of that date, approximately \$354,000 of withdrawals between July 1 and September 30, 2025 (the “**Unsubstantiated Withdrawals**”) had not been substantiated with supporting documentation, and requested that she provide such documentary support and return any funds improperly withdrawn or retained.

102. During meetings in November and December 2025, Mrs. Chetti advised the Sales Officer that certain withdrawals may relate to the repayment of funds advanced to the business by herself, Mr. Chetti, or entities that they control. While supporting documentation was described as being under review by Blaney, the Sales Officer has not been provided with any documentation in that regard to date.
103. In summary, based on the foregoing, and taking into account the Unsubstantiated Withdrawals (of approximately \$354,000), and the Personally Retained Amounts (of approximately \$44,000), the Sales Officer determined that approximately \$397,000 in funds during the period July 1 to September 30, 2025 were improperly withdrawn from the 785 Account, misappropriated and/or insufficiently supported to confirm that they were incurred in the reasonable ordinary course of the Golf Club business.
104. As of the date of this Second Report, the Sales Officer has not received supporting documentation or an otherwise comprehensive written response addressing these matters.

Unfiled Tax Returns and CRA Remittances

105. In August 2025, the Sales Officer contacted the CRA to confirm the status of GST/HST, payroll source deductions and corporate income tax filings for Woodington Management and 785, having identified an absence of remittances in the accounting records reviewed.
106. The CRA confirmed significant compliance deficiencies, including long-outstanding GST/HST and payroll arrears for Woodington Management, and that 785 had not filed GST/HST returns, payroll remittances or corporate tax returns since incorporation. More specifically, CRA confirmed as of August 26, 2025:
 - a. Woodington Management had filed GST/HST returns only up to December 31, 2022. As of August 26, 2025, approximately \$1.3 million remained in arrears for unremitted GST/HST, including net tax, interest and penalties as a result of assessments from GST/HST filings up to December 2022 and arbitrary assessments for unfiled periods thereafter;
 - b. Woodington Management had been delinquent with payroll source deduction payments throughout the 2025 year, along with having payroll arrears outstanding since 2020 amounting to approximately \$420,000. The Sales Officer was able to confirm from internal payroll records

provided from Woodington Management that there was an additional \$185,000 (approximately) in unremitted payroll source deductions for the period of January 1 to July 30, 2025; and

- c. Woodington Management had filed a T2 corporate income tax return only up to the December 31, 2018 fiscal year-end. The CRA had not assessed Woodington Management any corporate income tax.
107. The CRA further confirmed with the Sales Officer that 785 had not filed any GST/HST returns, corporate tax returns or payroll remittances since the entity was incorporated in 2023.
108. Additional GST/HST filings were also outstanding for Woodington Estates. These findings are discussed further below in connection with the corrective actions taken by the Sales Officer.

Courses of Action Taken by the Sales Officer

109. In response to its findings and in furtherance of the Monitoring Mandate, the Sales Officer implemented the following measures:
- a. **Control over bank accounts** – As noted above, on or about August 14, 2025, the Sales Officer obtained full signing authority over the 785 Account to mitigate the risk of further dissipation of assets. Thereafter, all disbursements were reviewed and processed under the Sales Officer's authority and supervision;
 - b. **Enhanced documentation and approvals** – The Sales Officer revised its documentation checklist in August 2025 to require comprehensive weekly reporting of Golf Club receipts and disbursements expected to be received/paid. All disbursements, including management and employee reimbursements, were permitted only where supported by appropriate and sufficient documentation;
 - c. **Cash and cheque deposits** – Commencing August 27, 2025, the Sales Officer assumed responsibility for depositing cash and cheques into the 785 Account on a weekly basis. No undeposited cash sales have been identified after that date;
 - d. **CRA remittances and filings** – Beginning August 28, 2025, the Sales Officer remitted ongoing payroll source deductions to the CRA for Woodington Management. Upon request from the CRA to file outstanding GST/HST returns for Woodington Estates covering the 2025 calendar year, the Sales Officer proceeded to file same based on expenses incurred by Woodington Estates related to the receivership proceedings; and
 - e. **Management compensation** – at various times during the Monitoring Mandate, Mrs. Chetti had requested that the Sales Officer approve an appropriate level of compensation in connection with her involvement in managing the operations and affairs of the Golf Club. Mrs. Chetti never historically received a salary from Woodington Management or 785. In any event, on November 19, 2025, the Sales Officer agreed that, in consideration of her ongoing

involvement with the Golf Club, it would approve payments towards a salary to Mrs. Chetti equal to \$5,000 (gross) per month, effective July 1, 2025. The Sales Officer further agreed to approve payments towards her salary of an additional \$5,000 (gross) per month (also effective July 1, 2025) on the condition that the Sales Officer receive the requested supporting documentation, or otherwise sufficient explanations, for withdrawals from the 785 Account. Mrs. Chetti agreed to the proposed salaries, and on December 19, 2025, the Sales Officer approved a salary cheque to Mrs. Chetti for approximately \$24,000 (representing gross pay from July 1 onwards, net of payroll source deductions).

110. The Sales Officer continues to monitor the Debtors' operations and financial affairs and will report further to the Court as appropriate.
111. Based on the foregoing, the Sales Officer's monitoring revealed material deficiencies in financial controls, documentation practices, and tax compliance at Woodington Management and 785. Moreover, significant transactions could not be substantiated as being in the reasonable ordinary course of the Golf Club business. While certain explanations have been verbally advanced, the Sales Officer has not been provided with sufficient documentation to verify these assertions or to reconcile the identified cash withdrawals, retained cash sales, and collections of accounts receivable. The Sales Officer's enhanced oversight measures were therefore necessary to preserve the integrity of the Debtors' operations, safeguard cash, and ensure transparency and accountability pending further direction from the Court.

IX. OTHER MATTERS: IRREGULARITIES REGARDING FINANCIAL STATEMENTS

112. The Receiver addressed certain irregularities in the First Report with respect to the unaudited financial statements it received for Woodington Management for the fiscal years ended December 31, 2022 and December 31, 2023. The Receiver further noted in its Supplementary First Report that it received unaudited statements for Woodington Management for the fiscal year ended December 31, 2024. The unaudited financial statements received for fiscal years ended December 31, 2022, 2023 and 2024 are collectively referred to as the "**WMI Notice to Reader Statements**".
113. On December 9, 2025, the Receiver/Sales Officer obtained copies from the CRA of the GST/HST returns filed for Woodington Management for years 2018 to 2022. As previously noted in this Second Report, the CRA confirmed that Woodington Management had not filed GST/HST returns subsequent to 2022. The GST/HST return filed for 2018 was nil.
114. The Receiver/Sales Officer further obtained a copy of Woodington Management's internal accounting records, which had the 785 Account reconciled up to November 25, 2025.

115. The Receiver compared the annual sales revenue reported on the WMI Notice to Reader Statements to both (i) the sales figures reported on the GST/HST returns filed with the CRA, and (ii) the sales figures reported in Woodington Management’s internal accounting records, as follows:

Woodington Management							
Annual Sales Revenue (\$) by Document Comparison							
	2019	2020	2021	2022	2023	2024	2025 (Jan 1 to Nov 25)
(1) Notice to Reader Statements	N/A*	N/A*	N/A*	7,297,059	9,044,265	8,164,320	N/A*
(2) Internal Accounting Records	2,204,594	3,428,778	3,309,050	3,631,300	4,348,664	4,427,699	4,063,124
(3) GST/HST Returns	1,976,217	3,424,732	3,276,392	3,554,909	N/A*	N/A*	N/A*
Variance Between (1) and (2)				- 3,665,759	- 4,695,601	- 3,736,621	
Variance Between (1) and (3)				- 3,742,150			
Variance Between (2) and (3)	228,378	4,046	32,657	76,390			
*N/A - not available							

116. As illustrated in the summary above, there appears to be significant variances existing in fiscal year 2022 between the sales revenue reported on the WMI Notice to Reader Statements, the sales revenue reported in Woodington Management’s internal accounting records and the sales revenue reported on Woodington Management’s GST/HST returns. There also appears to be significant variances existing in fiscal years 2023 and 2024 between the sales revenue reported on the WMI Notice to Reader Statements and the sales revenue reported on Woodington Management’s internal accounting records.

117. The Receiver/Sales Officer has not reconciled the variance based on the information in the summary, above. The Receiver/Sales Officer will further review these variances and report on its findings, if any, in a subsequent report to the Court.

X. ACTIVITIES OF THE RECEIVER AND SALES OFFICER

118. The activities of the Receiver from the Filing Date to the date of the Supplementary First Report were previously reported in the First Report and the Supplementary First Report. The Second Supplementary First Report and the Third Supplementary First Report each provide an update to the Court regarding the activities of the Receiver in respect of its mandate to monitor the affairs of Woodington Management and 785, pursuant to the endorsement of Justice Black released on June 2, 2025, a copy of which is attached hereto as **Appendix “Z”**. As such, those details are not repeated herein.

119. Subject to the foregoing, and as otherwise described throughout the Second Report, the Receiver's activities since the date of the Supplementary First Report, as well as those of the Sales Officer since the date of the Sales Officer Appointment Order, have included, among other things, the following:

Sale Process Activities

- a. corresponding and attending meetings with Mrs. Chetti, John, the Controller, other employees of 785/Woodington Management, A&B, Blaney, Chaitons and Goodmans regarding various matters in connection with the Sale Process;
- b. corresponding with Windsor periodically to provide status updates regarding the Sale Process;
- c. reviewing and commenting on iterations of the Sale Process procedures and structure, and corresponding with A&B, Blaney, the Debtors, Chaitons and Goodmans regarding same;
- d. corresponding with Windsor to arrange funding pursuant to a Sales Officer's Certificate in accordance with the Sales Officer Appointment Order. Since the date of the Sales Officer Appointment Order, the Sales Officer has borrowed \$400,000 from Windsor by way of such certificates (this is in addition to the \$250,000 previously borrowed from Eisen under a Receiver's Certificate in accordance with the Receiver Appointment Order);
- e. reviewing an appraisal of the Golf Club equipment assets;
- f. communicating with realtors regarding the submission of proposals for the purpose of retaining a listing agent and reviewing proposals submitted in respect of same;
- g. negotiating and finalizing a listing agreement between the Receiver/Sales Officer and the Broker;
- h. corresponding extensively with the Broker regarding all aspects of the Sale Process;
- i. reviewing and commenting on the Broker's marketing materials, prospective buyer listing and MLS listing, among other materials;
- j. arranging for an advertisement of the Sale Process to be published in Insolvency Insider for five (5) consecutive weeks;
- k. reviewing and commenting on the form of asset purchase agreement (and supporting schedules) to be used as the template for any offers received, and corresponding with A&B and the Broker regarding same;
- l. engaging CBRE Limited (the "**Appraiser**") to prepare an appraisal of the Golf Club (including the Real Property), reviewing the Appraiser's report in respect of same, corresponding with the Appraiser and facilitating access to the Golf club and other diligence activities;
- m. corresponding with and facilitating diligence for prospective bidders in the Sale Process;

- n. coordinating with the Broker, A&B, Blaney and prospective buyers regarding the bid deadline in connection with the Sale Process;
- o. reviewing offers received in the Sale Process (including revised offers subsequently submitted), and the Initial Bid Summary prepared by the Broker, and corresponding with the Broker and A&B regarding same;
- p. performing analyses and preparing a schedule setting out the estimated priority payables and waterfall analysis, and corresponding with A&B regarding same;
- q. dealing with matters and corresponding with various parties/representatives in connection with the Insufficient-Deposit Offer, Initial Chetti Offer, the Leadout Offer, the Final Leadout Offer, the Initial Purchaser Offer, the Revised Purchaser Offer and the Final Purchaser Offer, as detailed earlier in the Second Report;
- r. negotiating, in consultation with A&B, the APS;
- s. corresponding with the Ministry of the Environment, Conservation and Parks regarding Woodington Management's water permit;
- t. responding to various enquiries from interested parties, and others in connection with the Sales Process;
- u. engaging Segal Valuation and Transaction Advisory LP ("**SVP**") to perform a valuation (the "**Valuation**") of the Golf Club business, and dealing with various matters in connection with same, including corresponding and meeting with SVP, facilitating diligence and other activities in connection with the Valuation mandate, and reviewing analyses and findings, including a draft valuation report;
- v. reviewing letters from John's counsel related to intentions to advance litigation against the Receiver/Sales Officer;
- w. dealing with other matters in connection with the Sales Officer's execution of the Sale Process not specifically set out above or earlier in the Second Report;

Monitoring Mandate Activities

- x. attending at the Golf Club on a weekly basis since July 17, 2025 (until in/around November 2025, where attendance was approximately every two-weeks) to carry out activities in connection with the Monitoring Mandate, including meeting with Mrs. Chetti, John, the Controller and other individuals/employees of the Golf Club, reviewing/analyzing accounting and other records and processing disbursements of the Golf Club;
- y. preparing control procedures, information requests and protocols in connection with the Monitoring Mandate, and corresponding with the Debtors, Blaney and A&B regarding same;

- z. corresponding regularly with Mrs. Chetti, Blaney and John to arrange for the review of documentation in connection with the Monitoring Mandate and corresponding with A&B regarding same, including with respect to communications sent to the Debtors by or on behalf of the Receiver/Sales Officer by A&B;
- aa. reviewing Woodington Management's biweekly payroll reports for the purpose of approving employee paycheques and executing payment of bimonthly payroll source deductions to the CRA;
- bb. reviewing and analyzing bank statements, credit card statements, internal bookkeeping records and supporting bills/receipts of Woodington Management/785 to approve receipts and disbursements, and identify transactions outside of the ordinary course of business in connection with the Monitoring Mandate;
- cc. reviewing historical unaudited financial statements for Woodington Management for the purpose of understanding the affairs of Woodington Management/785 in connection with the Monitoring Mandate and to compare such records to Woodington Management's internal bookkeeping records;
- dd. reviewing accounting records provided by Mrs. Chetti to substantiate withdrawals made from 785's bank account after July 1, 2025 in connection with the Monitoring Mandate;
- ee. attending meetings with representatives at BNS to transfer banking signing authority of the 785 Account to the Sales Officer;
- ff. communicating with the former accountant of the Debtors to obtain historical tax filing and financial statement information;
- gg. communicating with the CRA to confirm the status of filings and outstanding tax balances for Woodington Estates, 785 and Woodington Management and to proceed with filing outstanding GST/HST returns for Woodington Estates;
- hh. corresponding with Mrs. Chetti, Blaney and the Controller in connection with Mrs. Chetti's compensation;
- ii. dealing with other matters in connection with the Monitoring Mandate not specifically set out above or otherwise discussed earlier in this Second Report;

General Activities

- jj. corresponding with A&B, Chaitons and Goodmans, regarding all aspects of the Receiver's and Sales Officer's mandate;
- kk. attending at Court on April 2, 2025, May 30, 2025, June 9, 2025 and January 21, 2026 for the Case Conferences;

- ll. attending at Court on July 15, 2025 for the appointment of AGI as Sales Officer and the issuance of the Sales Officer Appointment Order;
- mm. reviewing motion records, affidavits, aide memoire's, factums, orders, and endorsements brought forth in these proceedings, and addressing other matters regarding same, including reviewing related materials and corresponding with A&B, the Debtors, Blaney and the Debtors' stakeholders;
- nn. reviewing information on proposed refinancing transactions presented by various members of the Chetti family;
- oo. reviewing the closing book in respect of the acquisition of the Golf Club by the Debtors (or their predecessors) and corresponding with A&B, Chaitons, and Goodmans regarding same, as well as Gowling, the lawyer for the Debtors (or their predecessors) at the time of the acquisition;
- pp. corresponding with Aon Parizeau Inc./Aon Reed Stenhouse Inc, the insurance broker engaged by the Receiver in respect of insurance coverage over the Real Property;
- qq. reviewing a statement of claim issued by Sylvio Construction regarding the lien it registered against the Real Property, and corresponding with A&B regarding same;
- rr. corresponding with Crowe Soberman Inc. and the Office of the Superintendent of Bankruptcy regarding the BIA proposal filed by John, which went into default in September 2023, and remains in default;
- ss. establishing and maintaining the Receiver's trust bank account and paying post-filing expenses therefrom;
- tt. maintaining the Case Website;
- uu. responding to enquiries from creditors, interested parties and other stakeholders;
- vv. drafting the Second Supplementary First Report, the Third Supplementary First Report and this Second Report;
- ww. preparing the Interim SRD; and
- xx. dealing with all other matters pertaining to the administration of the Receiver's and Sales Officer's mandates not specifically set out above.

XI. INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

- 120. Attached as **Appendix "AA"** is a copy of the Interim SRD setting out the cash receipts and disbursements in the Receiver's estate bank account for the period from the Appointment Date to January 23, 2026. As set out in the Interim SRD, there is approximately \$25,000 of cash in the estate.

XII. RESPONSE TO 785's MOTION REGARDING WITHDRAWAL OF FUNDS

121. On January 19, 2026, 785 served the 785 Motion seeking an order, among other things, requiring the Sales Officer to return funds drawn from the 785 Account in order to pay certain of the Sales Officer's and its counsel's fees and disbursements incurred in connection with these proceedings. A case conference before Justice Black in respect of the 785 Motion, *inter alia*, was scheduled and held on January 21, 2026 (the "**January 21 Case Conference**").
122. Following service of the 785 Motion, A&B wrote to 785's counsel (the "**January 19 A&B Email**"), setting out the Sales Officer's position on the matter. A copy of the January 19 A&B Email is attached hereto as **Appendix "BB"**.
123. Following the January 21 Case Conference, Justice Black released an endorsement on January 23, 2026, a copy of which is attached hereto as **Appendix "CC"**, directing the 785 Motion to be heard on February 4, 2026 (the "**February 4 Hearing**"), unless the parties are able to resolve the issue prior thereto.
124. Since the January 21 Case Conference, the Receiver/Sales Officer has proposed a "With Prejudice" commercial resolution by way of a "Reimbursement Agreement" whereby the funds paid from the 785 Account toward the Receiver/Sales Officer's, and its counsel's, fees and disbursements would be returned in the event that such fees and disbursements are not approved by the Court, or to the extent that such funds are required for the ongoing operations of Woodington Management and/or 785 in excess of the funds presently in the 785 Account. This proposal was communicated to counsel for the Debtors' and remains available for acceptance until one minute before the commencement of the February 4 Hearing.
125. Counsel for the Receiver/Sales Officer and counsel for the Debtors have exchanged correspondence addressing the Sales Officer's analysis of the Golf Club's near-term cash requirements, together with the historical cash balances maintained by the Debtors during prior off-season periods. As reflected in that correspondence, the Sales Officer's projected off-season cash requirements are materially lower than the funds presently on hand, and, based on a review of the Debtors' records for the preceding three fiscal years, the Debtors historically maintained during the off-season with cash balances that were significantly lower than the amount currently on deposit.
126. As of the date of the Second Report, the parties continue to engage in discussions regarding a potential commercial resolution of the 785 Motion.

XIII. REQUEST FOR APPROVAL OF FEES AND DISBURSEMENTS

- 127. The Receiver/Sales Officer and its counsel, A&B, have maintained detailed records of their professional fees and disbursements prior to and since the Appointment Date.
- 128. In accordance with paragraphs 18, 19 and 20 of the Receiver Appointment Order and 16, 17 and 18 of the Sales Officer Appointment Order, the Receiver/Sales Officer has been authorized to periodically pay its fees and disbursements, and that of its counsel, subject to approval by the Court.
- 129. The Receiver/Sales Officer and A&B will be providing further details on such fees and disbursements, along with fee affidavits, in a supplemental report to the Court to be filed in connection with these proceedings.

XIV. RECOMMENDATION AND CONCLUSION

- 130. Based on all of the foregoing, the Receiver/Sales Officer respectfully recommends that this Honourable Court grant the AVO and the Distribution and Ancillary Order.

All of which is respectfully submitted this 26th day of January 2026.

Albert Gelman Inc.

**ALBERT GELMAN INC.,
solely in its capacity as
Receiver of Woodington Estates Inc. and
Sales Officer of Woodington Management Inc. and 1000736785 Ontario Limited
and not its personal or any other capacity**

APPENDIX “A”

affidavit of Kenneth Gold sworn August 30, 2024 and the Exhibits thereto, the affidavit of Kenneth Gold sworn November 20, 2024 and the Exhibits thereto, the affidavit of Joseph Chetti sworn September 9, 2024 and the Exhibits thereto, and the certificate of Melvyn Eisen dated December 1, 2024 and the Appendices thereto, and on reading the consent of Albert Gelman Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Albert Gelman Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Respondent acquired for, or used in relation to a business carried on by the Respondent, including, without limitation, the real property municipally known as 7110 4th Line, Tottenham, Ontario and described in Schedule "A" hereto (the "**Property**").

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security

personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Respondent, 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 Respondent;
- (d) to engage brokers, consultants, appraisers, agents (including real estate 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 Respondent or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Respondent and to exercise all remedies of the Respondent in collecting such monies, including, without limitation, to enforce any security held by the Respondent;
- (g) to settle, extend or compromise any indebtedness owing to the Respondent;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Respondent, 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 Respondent, 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, with Joseph Chetti, the principal of the Respondent, and his representatives having a consultative role in the development of the marketing and sale of the Property only;
- (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 \$250,000 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; 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 Respondent;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondent, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for the Property and any property owned or leased by the Respondent;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Respondent may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting

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

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

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

Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE RESPONDENT OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Respondent 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 Respondent 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 Respondent, 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 Respondent to carry on any business which the Respondent is not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondent 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 Respondent in respect of or related to the 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 Respondent in respect of or related to the 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, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent in respect of or related to the 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 Respondent's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Respondent or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Respondent shall remain the employees of the Respondent until such time as the Receiver, on the Respondent's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in

section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable

Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

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

FUNDING OF THE RECEIVERSHIP

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

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

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

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

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/) 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 Guide, service of documents in accordance with the Guide 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/corporate-solutions/other-engagements/>

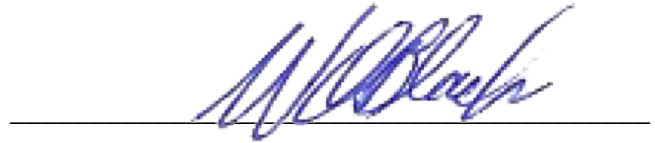
26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies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

27. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Respondent’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondent.
30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
32. **THIS COURT ORDERS** that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Respondent's estate with such priority and at such time as this Court may determine.
33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

34. **THIS COURT ORDERS** that this order is effective from the date it is made, and it is enforceable without any need for entry and filing, provided that any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be.

A handwritten signature in blue ink is positioned above a solid horizontal line. The signature is cursive and appears to read 'M. Black'.

SCHEDULE "A"

THE PROPERTY

PIN: 58170-0498 LT

Legal Description: PT LTS 1, 2 & 3 CON 4 AS IN RO1284373 EXCEPT PT 1 51R31629
TECUMSETH; S/TRO318906; NEW TECUMSETH

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties Woodington Estates Inc. acquired for, or used in relation to a business carried on by the Respondent, 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 _____, 2024 (the "**Order**") made in an action having Court file number CV-24-00725570-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 2024.

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

Per: _____

Name:

Title:

MELVYN EISEN, TRUSTEE

-and-

WOODINGTON ESTATES INC.

Applicant

Respondent

Court File No. CV-24-00725570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

RECEIVERSHIP ORDER

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Lawyers for the Applicant

APPENDIX “B”

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

THE HONOURABLE) TUESDAY, THE 15TH DAY
)
JUSTICE W.D. BLACK) OF JULY, 2025
)

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

**IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.
1990, c. C.43, AS AMENDED**

**ORDER
(Appointment of Sales Officer, Sale Process Approval and Ancillary Relief)**

THESE MOTIONS made by the Applicant and Albert Gelman Inc. (“**AGI**”) in its capacity as receiver (the “**Receiver**”) over all of the assets, undertakings and property of Woodington Estates Inc. (“**Woodington Estates**”), including the real property known municipally as 7110 4th Line, Tottenham, Ontario (the “**Real Property**”), for an Order, among other things, (i) appointing AGI as sales officer (in such capacity, the “**Sales Officer**”) to carry out the sale process set out in Schedule “A” hereto (the “**Sale Process**”) for the sale of all the assets, undertakings and properties of Woodington Estates, Woodington Management Inc. (“**Woodington Management**”) and 1000736785 Ontario Limited (“**785**”), (ii) approving the Sale Process and authorizing AGI as Sales Officer to conduct the Sale Process; (iii) sealing the confidential appendices to the

supplementary first report of the Receiver dated May 13, 2025 (the “**Supplementary First Report**”) and the confidential exhibits to the affidavit of Kenneth Gold sworn May 13, 2025 (the “**Gold Affidavit**”); and (iv) approving the interim statement of receipts and disbursements of the Receiver, was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the affidavits of Melvyn Eisen sworn May 13, 2025 and June 20, 2025, and the exhibits to each, the Gold Affidavit and the exhibits attached thereto, the affidavits of Joseph Chetti sworn February 19, 2025 and June 16, 2025, and the exhibits to each, and the First Report of the Receiver dated January 27, 2025, the Supplementary First Report, the Second Supplementary First Report of the Receiver dated June 20, 2025, the Third Supplementary First Report of the Receiver dated July 10, 2025, and the appendices to each, and on hearing the submissions of counsel for the parties and on the consent of the parties,

SERVICE

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

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the Sale Process.

APPOINTMENT

3. **THIS COURT ORDERS** that pursuant to section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, AGI is hereby appointed as Sales Officer, without security, of all the assets, undertakings and properties of Woodington Management and 785 (collectively, with Woodington Estates, the “**Respondents**”), and all proceeds thereof, including the business and assets of Woodington Lake Golf Club operating on the Real Property (collectively, the “**Business**”).

4. **THIS COURT ORDERS** that:

- a) the Sales Officer shall not take possession of the Business and shall take no part whatsoever in the management of the Business (which shall continue to be managed by Woodington Management and 785) and shall not, in fulfilling its obligations hereunder, be deemed to have taken or maintained possession of the Business;
- b) the Sales Officer shall not be and shall not be deemed to be a receiver for purposes of subsection 243(1) of the Bankruptcy and Insolvency Act (the “BIA”) or under any other statute; and
- c) the Sales Officer shall have none of the obligations of a receiver under Part XI of the BIA, other than section 247, and for greater certainty it shall not send notice of its appointment or this order to the Superintendent in Bankruptcy or to the known creditors of the Respondents.

SALES OFFICER’S POWERS

5. **THIS COURT ORDERS** that, subject to paragraphs 4 and 6 of this Order, the Sales Officer is hereby empowered and authorized, but not obligated, to act at once in respect of the Business and, without in any way limiting the generality of the foregoing, the Sales Officer is hereby expressly empowered and authorized to do any of the following where the Sales Officer considers it necessary or desirable:

- a) to monitor the operation of the Business and the financial affairs of Woodington Management and 785;
- b) to exercise control over any and all receipts and disbursements of the Business. For greater certainty, the Sales Officer shall permit Woodington Management and 785 to pay reasonable ordinary course expenses for the supply of goods and services of the Business, provided that all disbursements of the Business shall remain subject to approval by the Sales Officer;
- c) to engage brokers, consultants, appraisers, agents (including real estate 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 Sales Officer's powers and duties, including without limitation those conferred by this Order;

d) to report to, meet with and discuss with such affected Persons (as defined below) as the Sales Officer deems appropriate on all matters relating to the Business and these proceedings, and to share information, subject to such terms as to confidentiality as the Sales Officer deems advisable; and

e) 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 Sales Officer 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 Respondents, and without interference from any other Person.

6. **THIS COURT ORDERS** that nothing contained in this Order derogates from the Receiver's powers and authority pursuant to and under the terms of the appointment Order dated December 2, 2024 granted in these proceedings (the "**Receivership Order**").

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE SALES OFFICER

7. **THIS COURT ORDERS** that (i) the Respondents, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall fully cooperate with the Sales Officer in connection with the monitoring of the operation of the Business and the financial affairs of Woodington Management and 785, including providing all documents and information in their possession and control as may be requested by the Sales Officer.

8. **THIS COURT ORDERS** that all Persons shall forthwith advise the Sales Officer 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

Woodington Management or 785, 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 Sales Officer or permit the Sales Officer to make, retain and take away copies thereof and grant to the Sales Officer unfettered access to the Real Property and the Business, including access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 8 or in paragraph 9 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 Sales Officer due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE SALES OFFICER

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

NO PROCEEDINGS AGAINST THE RESPONDENTS OR THE BUSINESS

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

NO EXERCISE OF RIGHTS OR REMEDIES

12. **THIS COURT ORDERS** that all rights and remedies against any of the Respondents, the Sales Officer, or affecting the Business, are hereby stayed and suspended except with the written consent of the Sales Officer 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 Sales Officer or any of the Respondents to carry on any business which the Respondents are not lawfully entitled to carry on, (ii) exempt the Sales Officer or the Respondents 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.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that all Persons having oral or written agreements with any of the Respondents in respect of or related to the Business or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to any of the Respondents in respect of or related to the Business 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 to operate the Business, 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 Woodington Management and/or 785 in accordance with normal payment practices.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of Woodington Management and 785 shall remain the employees of such Respondents until such time as such Respondents may terminate the employment of such employees. The Sales Officer shall not be liable for any employee-related liabilities, including any successor employer liabilities.

LIMITATION ON THE SALES OFFICER'S LIABILITY

15. **THIS COURT ORDERS** that the Sales Officer 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. The Sales Officer is an officer of the Court and not a director, officer, agent or employee of Woodington Management and 785, and the Sales Officer shall be entitled to all of the protections afforded to an officer of the Court pursuant to the terms of this Order, and any applicable legislation, at common law or otherwise.

SALES OFFICER'S ACCOUNTS

16. **THIS COURT ORDERS** that the Sales Officer and counsel to the Sales Officer 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 Sales Officer and counsel to the Sales Officer shall be entitled to and are hereby granted a charge (the "**Sales Officer's Charge**") on the Real Property and the Business, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Sales Officer's Charge shall form a first charge on the Real Property and the Business in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person. The amount secured by the Sales Officer Charge and the Receiver's Charge in the Receivership Order shall be limited to the amount of \$650,000 in the aggregate (or such greater amount as this Court may by further Order authorize). For greater certainty, however, as it relates to the assets, undertakings and property of Woodington Estates, the Sale Officer's Charge shall rank *pari passu* to the Receiver's Charge (as defined in the Receivership Order).

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

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

FUNDING OF THE SALES OFFICER

19. **THIS COURT ORDERS** that the Sales Officer be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (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 Sales Officer by this Order and the Receivership Order. The whole of the Real Property and the Business shall be and is hereby charged by way of a fixed and specific charge (the "**Sales Officer'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 Sales Officer's Charge and the Receiver's Charge (as defined in the Receivership Order).

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

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

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

23. **THIS COURT ORDERS** that, upon the granting of this Order, the title of these proceedings shall be and is hereby amended to the following:

MELVYN EISEN, TRUSTEE

Applicant

- and -

**WOODINGTON ESTATES INC., WOODINGTON MANAGEMENT INC. and
1000736785 ONTARIO LIMITED**

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**

and the registrar is hereby directed to change and modify its court records as necessary so as to reflect this change in the title of proceeding.

APPROVAL OF SALE PROCESS

24. **THIS COURT ORDERS** that the Sale Process set out in Schedule "A" hereto and the procedures contemplated therein be and are hereby approved, subject to such amendments and extensions as AGI, in its capacities as Sales Officer for the Business and Receiver for the Real Property, determines necessary or appropriate in the circumstances.

25. **THIS COURT ORDERS** that AGI is hereby exclusively authorized and directed to implement the Sale Process and do all things as are reasonably necessary to conduct and give full effect to the Sale Process and carry out and perform its obligations thereunder.

26. **THIS COURT ORDERS** that (i) the Respondents, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order shall fully cooperate with AGI in connection with the Sale Process, including providing all documents and information in their possession and control as may be requested by AGI.

27. **THIS COURT ORDERS** that AGI and its respective affiliates, partners, controlling persons, employees, representatives and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Sale Process, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of AGI in performing its obligations under the Sale Process as determined by this Court.

28. **THIS COURT ORDERS** that AGI and its counsel be and are hereby authorized but not obligated, to serve or distribute this Order, any other materials, orders, communication, correspondence or other information as may be necessary or desirable in connection with the Sale Process to any or interested party that AGI considers appropriate. For greater certainty, any such distribution, communication or correspondence shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

29. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, AGI is hereby authorized and permitted to facilitate the disclosure and transfer to each potential bidder (collectively, the “**Bidders**” and individually, a “**Bidder**”) and to their advisors, if requested by such Bidders, of personal information of identifiable individuals, but only to the extent desirable or required to negotiate or attempt to complete a sale of all or a portion of the Real Property and the Business (a “**Transaction**”), as determined by AGI. Each 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 Transaction, and if it does not complete a Transaction, shall return all such information to AGI, or in the alternative destroy all such information. A successful

Bidder shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated by a Winning Bid, shall be entitled to use the personal information provided to it that is related to the Real Property and the Business acquired pursuant to the Transaction in a manner which is in all material respects identical to the prior use of such information by all or any one of the Respondents, as applicable, and shall return all other personal information to AGI, or ensure that all other personal information is destroyed.

30. **THIS COURT ORDERS** that the selection of a Winning Bid shall be made solely by AGI, acting reasonably and in accordance with the Sale Process, and subject to further Order of this Court.

31. **THIS COURT ORDERS** that AGI is hereby authorized to apply for one or more Orders vesting title to the Real Property and the Business, or a portion of such, in a successful Bidder.

SEALING OF THE CONFIDENTIAL APPENDICES

32. **THIS COURT ORDERS** that (i) Confidential Appendix “1” and Confidential Appendix “2” to the Supplementary First Report and (ii) the confidential exhibits attached as Exhibit “A” and Exhibit “B” to the Gold Affidavit are hereby sealed and shall not form part of the public record until the completion of a Transaction or further Order of this Court.

APPROVAL OF THE INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

33. **THIS COURT ORDERS** that the interim statement of receipts and disbursements of the Receiver for the period from December 2, 2024 to May 12, 2025, attached to the Supplementary First Report, be and is hereby approved.

GENERAL

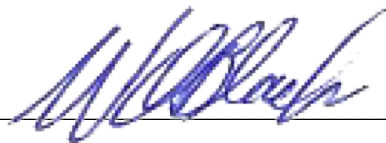
34. **THIS COURT ORDERS** that AGI may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

35. **THIS COURT ORDERS** that this Order shall be without prejudice to the ongoing right of the Applicant and Goldy Metals Holdings Inc. to apply for the appointment of a receiver of

Woodington Management and/or 785, including the Business, and for any or all of Woodington Estates, Woodington Management and 785 or any other party to oppose same.

36. **THIS COURT ORDERS** that AGI 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 AGI 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. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in any province or territory of Canada or in any foreign jurisdiction, to act in aid of and to be complimentary to the Court in carrying out the terms of this Order and to provide such assistance to AGI, as an officer of the Court, as may be necessary or desirable to give effect to this Order.

37. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.



A handwritten signature in blue ink is positioned above a solid horizontal line. The signature is cursive and appears to read 'M. D. [unclear]'. The line extends across the width of the signature.

SCHEDULE “A”

SALE PROCESS

WOODINGTON ESTATES INC. et al.

Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on December 2, 2024 (the “**December Appointment Order**”), Albert Gelman Inc. (“**AGI**”) was appointed as receiver over the assets, undertaking and property of Woodington Estates Inc. (“**Woodington Estates**”), including the real property known municipally as 7110 4th Line, Tottenham, Ontario (the “**Real Property**”), all in proceedings commenced at the Court bearing court file number CV-24-00725570-00CL.
2. In addition to the December Appointment Order, the Court granted an order on July 15, 2025, pursuant to which AGI was appointed as sales officer (in such capacity, the “**Sales Officer**”), without security, of all the assets, undertakings and properties of Woodington Management Inc. (“**Woodington Management**”) and 1000736785 Ontario Limited (“**785**”, and collectively, with Woodington Estates, the “**Respondents**”), and all proceeds thereof, including the business and assets of Woodington Lake Golf Club operating on the Real Property (collectively, the “**Business**”).
3. Woodington Estates is the registered owner of the Real Property on which the Business operates. The Business is operated and overseen by Woodington Management and 785.
4. AGI, in its capacity as Receiver of Woodington Estates and Sales Officer of Woodington Management and 785, has developed these Sale Process Procedures (as defined below) which contemplate a sale process for the Real Property and the Business (the “**Sale Process**”) in accordance with the terms herein.
5. On July 15, 2025, the Court granted an order approving the Sale Process (the “**Sale Process Order**”), all in accordance with the terms hereof and as described herein.

The Opportunity

6. The Sale Process is intended to solicit interest in and opportunities for one or more value maximizing transactions by way of sale in respect of the Real Property and the Business (a “**Transaction**”).
7. This document (the “**Sale Process Procedures**”) describes the Sale Process, including (a) the manner in which individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures, governmental organizations or other entities may gain access to or continue to have access to due diligence materials concerning the Real Property and the Business, (b) how bids involving the Real Property and the Business will be submitted to and dealt with by AGI, and (c) the anticipated timeline of a Transaction, as further detailed below.

8. The Sale Process contemplates a process that involves the submission by interested parties of binding offers by the Bid Deadline (as defined below).

Key Dates

9. The following chart contains the targeted dates with respect the to sale of the Real Property and the Business.

Milestone	Targeted Deadline
Anticipated Commencement Date	July 15, 2025
Distribution of Sale Process Materials (i.e., Teaser Letter, NDA, etc.)	July 15, 2025, or as soon as reasonably practicable following this date
Bid Deadline	September 26, 2025
Sale Approval Motion	Week of October 13, 2025, subject to Court availability
Closing of Transaction(s)	30 days after the date of the Sale Approval Order or such other date as the parties may agree

Commencement of Sale Process

10. The Sale Process shall commence upon the date of the Sale Process Order or on a further date as reasonably determined by AGI (the “**Commencement Date**”).

11. As soon as reasonably practicable after this Court’s approval of the Sale Process Order, AGI, in consultation with any realtor or other advisor retained by AGI in connection with the Sale Process, shall:

- a) in consultation with Woodington Estates, 785 and Woodington Management, prepare a list of parties who may be interested in engaging in a Transaction in respect of the Real Property and the Business (the “**Known Potential Bidders**”);
- b) in consultation with Woodington Estates, 785 and Woodington Management, prepare a plan for the marketing and sale of the Real Property and the Business;
- c) prepare and deliver to the Known Potential Bidders a non-confidential initial offer summary document (“**Teaser Letter**”) describing the opportunity in respect of the Real Property and the Business;
- d) publish a notice advertising the Sale Process in a national publication and/or such other publications as AGI may deem appropriate or advisable; and

- e) post the Sale Process Order, including the Sale Process Procedures and other relevant materials, on its website, under the appropriate matter heading, at the following URL: <https://www.albertgelman.com/filedocuments/> (the “Case Website”).

Due Diligence

12. Any party who wishes to participate in the Sale Process (a “**Potential Bidder**”) must advise AGI in writing of its interest in participating in the Sale Process and must execute and deliver a non-disclosure agreement (“**NDA**”) in form and substance satisfactory to AGI. A form of NDA prepared by AGI will be provided to Potential Bidders.

13. Starting on the Commencement Date, AGI will provide the Potential Bidders, who have provided AGI with an appropriately executed NDA, with access to an electronic data room (the “**EDR**”). The EDR will be maintained by AGI and will contain information about the Real Property and the Business, including corporate, financial and other relevant documents provided to AGI, together with such other information as any Potential Bidder may request and to which AGI has access and may approve.

14. AGI and its advisors make no representation or warranty as to the accuracy or completeness of the information contained in the EDR, or any other information provided through the due diligence process. Further, and for the avoidance of doubt, selected due diligence materials may be withheld from certain Potential Bidders if AGI determines such information represents proprietary or competitive information.

“As is, Where is” Basis

15. Any Transaction in respect of the Real Property and the Business will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by AGI or any of its respective agents, partners, shareholders, officers, directors, employees or advisors, and, in the event of a sale, all of the right, title and interest of AGI, Woodington Estates, 785 and Woodington Management in and to the Real Property and the Business will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, except as otherwise provided in such Court orders.

Bid Deadline

16. Any Potential Bidder who wishes to propose a Transaction in respect of the Real Property and the Business (a “**Bid**”, and the Potential Bidder, a “**Bidder**”), shall submit its Bid to AGI by email, at the contact information below, by no later than **5:00 p.m. EST on September 26, 2025** (the “**Bid Deadline**”):

Albert Gelman Inc., in its capacity as Receiver of Woodington Estates Inc. and as Sales Officer of Woodington Management Inc. and 1000736785 Ontario Limited.

Attn: Adam Zeldin
Tel. (416) 504-1650 (ext. 129)
Fax. (416) 504-1655
Email: azeldin@albertgelman.com

17. Only Bids received that are Qualified Bids (as defined below) will be considered by AGI.

18. AGI shall be entitled to negotiate and to seek clarification of or improvements to a Bid as soon as it is filed, and need not wait until the Bid Deadline.

Qualified Bids

19. A Bid submitted by a Bidder in this Sale Process will constitute a “**Qualified Bid**” only if it meets the following criteria in form and substance satisfactory to AGI (the “**Bid Requirements**”). The Bid(s) shall:

- a) be a Bid to acquire all or substantially all of the Real Property and the Business (a “**Sale Proposal**”);
- b) be consistent with any necessary terms and conditions established by AGI, and communicated to the Bidders, including the Sale Process Procedures;
- c) include a letter stating that (i) the Bidder’s offer is irrevocable until the selection of the Winning Bid (as defined below); and (ii) if such Bidder is selected as submitting the Winning Bid, its Bid shall remain irrevocable until the closing of the Transaction;
- d) include a duly authorized and executed Transaction agreement on the provided template agreement, or in a form and substance satisfactory to AGI, clearly specifying, among other things, the consideration to be paid by the Bidder on closing of the Transaction (the “**Purchase Price**”), together with all exhibits and schedules to the Transaction agreement;
- e) include a detailed allocation, for the Bidder’s accounting and tax purposes, of the consideration provided by the Transaction, where applicable, in respect of the following categories:
 - (i) the Real Property; and
 - (ii) the Business;
- f) include the following details:
 - (i) a description of the Real Property and the Business that is expected to be subject to the Transaction(s) and any of the Real Property and the Business expected to be excluded;
 - (ii) a statement of the consideration to be provided to AGI;
 - (iii) a specific indication of the sources of capital for the Purchase Price and the structure and financing of the Transaction;
 - (iv) a description of the conditions and approvals required to complete the closing of the Transaction(s);

- (v) a description of those liabilities and obligations (including operating liabilities) which the Bidder intends to assume and which such liabilities and obligations it does not intend to assume;
 - (vi) a listing of all employees to be assumed by the Bidder, if any; and
 - (vii) any other terms and conditions of the Sale Proposal that the Bidder believes are material to the Transaction(s), or as may otherwise be requested by AGI;
- g) propose a date for closing the proposed Transaction(s) which is no later than November 17, 2025;
- h) identify the Bidder and any principals, shareholders, guarantors and / or beneficial owners of such Bidder (collectively, the “**Principals**”) and the representatives of the Bidder who are authorized to appear and act on its behalf for all purposes regarding the Transaction(s) contemplated;
- i) include evidence upon which AGI may reasonably conclude that the Bidder has the necessary financial ability to close the contemplated Transaction(s). Such information should include, among other things, the following:
- (i) the Bidder’s current financial statements (audited, if they exist) or, in the case of a special purpose entity incorporated for the purpose of tendering a Bid in this Sale Process (an “**SPE**”), the SPE’s current financial statements (audited, if they exist);
 - (ii) contact names and numbers for verification of financing sources;
 - (iii) evidence of the Bidder’s, or, if the Bidder is an SPE, the SPE’s Principals’ internal resources and proof of any debt or equity funding commitments that are needed to close the contemplated Transaction(s); and
 - (iv) any such other form of financial disclosure or credit-quality support information or enhancement reasonably requested by AGI demonstrating that such Bidder has the ability to close the Transaction(s) contemplated;
 - (v) provided, however, that AGI shall determine, in its discretion, whether the evidence of such financial wherewithal is reasonably acceptable;
 - (vi) be accompanied by a deposit in the form of a certified cheque, bank draft or wire transfer of immediately available funds, payable to AGI “in trust”, which is equal to at least ten percent (10%) of the total consideration payable in respect of the Transaction(s);
 - (vii) include an acknowledgement that the Bidder has relied solely on its own independent review and investigation and that it has not relied on any representation by Woodington Estates, 785, Woodington Management or AGI, or their respective agents, employees or advisors;
 - (viii) not contain any break-up fee, expense reimbursement or similar type of payment; and

- (ix) not contain any condition or contingency relating to due diligence or financing or any other material conditions precedent to the Bidder's or SPE's obligation to complete the Transaction(s).

20. AGI may seek additional information and clarification from Bidders as it deems necessary or appropriate in respect of their offers at any time.

21. AGI may, in its discretion, request revisions or supplementations to any Qualified Bid and/or waive strict compliance with any one or more of the Bid Requirements and deem a non-compliant Bid to be a Qualified Bid. For the avoidance of doubt, if multiple Bids are received, AGI has no obligation to exercise its discretion or authority under this provision in respect of all Bids received even if such authority or discretion is exercised by AGI in respect of any one Bid received.

Selection of Bids

22. AGI will review all of the Qualified Bids, and may designate a Qualified Bid in respect of the Real Property and the Business as a **“Winning Bid”**, having regard to such factors as the consideration payable in respect of the Qualified Bid, the likelihood of closing, and such other matters as AGI considers relevant. For the avoidance of doubt, AGI shall be free to attempt to negotiate and improve any Qualified Bid, and shall be under no obligation to designate any Qualified Bid as the Winning Bid.

23. All designations of Qualified Bids as the Winning Bid(s) shall be subject to Court approval.

Court Approval

24. As soon as practicable after determination of the Winning Bid(s), AGI will make a motion to the Court (the **“Approval Motion”**) for an approval and vesting order in respect of the Winning Bid(s) and the underlying Transaction agreement(s) (the **“Final APA(s)”**).

25. AGI shall serve and file a report with respect to the Sale Process and Winning Bid(s) in advance of the Approval Motion and post same (with appropriate redactions, as determined by AGI in its professional judgement, as to not prejudice any future sale process/efforts to realize on the Real Property and the Business) in connection with the Approval Motion on the Case Website.

Other Terms

26. All deposits received shall be held by AGI “in trust”. All deposits submitted by Bidders who did not submit a Winning Bid shall be returned, without interest, as soon as practicable following the date on which any such offers are rejected hereunder. The deposit forming part of a Winning Bid shall be dealt with in accordance with the Final APA(s).

27. In the event that a deposit is forfeited for any reason it shall be forfeited as liquidated damages and not as a penalty.

28. All Qualified Bids (other than the Winning Bid(s)) shall be deemed rejected on the earlier of: (a) the date on which the Transaction(s) contemplated by the Final APA(s) is/are completed or (b) November 17, 2025.

29. Participants in the Sale Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Bid, due diligence activities, and any further negotiations or other actions, whether or not such lead to the consumption of a Transaction.

30. Subject to the Sale Process Order, or other order of the Court, AGI shall have the right to adopt such other rules for, or extend any deadlines in the Sale Process that it believes, in its sole discretion, will better promote the goals of the Sale Process, provided that if such modification or amendment materially deviates from this Sale Process, such modification or amendment may only be made with the written consent of AGI, or by order of the Court.

31. Except as otherwise provided in an order of the Court, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of /the Sale Process Order, the Sale Process and the Sale Process Procedures.

SCHEDULE "B"

SALES OFFICER'S CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Albert Gelman Inc., the sales officer (the "**Sales Officer**") of the assets, undertakings and properties of Woodington Management Inc. and 1000736785 Ontario Limited, including, without limitation, the business and assets of the Woodington Lake Golf Club including all proceeds thereof (collectively, the "**Business**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of _____, 2025 (the "**Order**") made in an application having Court file number CV-24-00725570-00CL, has received as such Sales Officer from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Sales Officer 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 Sales Officer pursuant to the Order or to any further order of the Court, a charge upon the whole of the real property municipally known as 7110 4th Line, Tottenham, Ontario and and the Business, 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 Sales Officer 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 Sales

Officer 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 Sales Officer to deal with the Business as authorized by the Order and as authorized by any further or other order of the Court.

7. The Sales Officer 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 _____, 2025.

Albert Gelman Inc., solely in its capacity
as Sales Officer of the Business, and not in its
personal capacity

Per: _____

Name:

Title:

MELVYN EISEN, TRUSTEE
Applicant

- and -

WOODINGTON ESTATES INC.
Respondent

Court File No.: CV-24-00725570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

**(Appointment of Sales Officer, Sale Process and
Ancillary Relief)**

AIRD & BERLIS LLP

Brookfield Place
181 Bay St. #1800
Toronto, ON M5J 2T9

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Tel: (437) 880-6105

Email: shans@airdberlis.com

Lawyers for the Receiver

APPENDIX “C”

**FIRST REPORT OF
ALBERT GELMAN INC.
AS RECEIVER OF
WOODINGTON ESTATES INC.**

JANUARY 27, 2025

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

BETWEEN:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

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

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

JANUARY 27, 2025

I. INTRODUCTION

1. This report (the “**First Report**”) is filed by Albert Gelman Inc. (“**AGI**”), in its capacity as receiver (in such capacity, the “**Receiver**”) of all the assets, undertakings and properties (collectively, the “**Property**”) of Woodington Estates Inc. (the “**Company**”), including the real property municipally known as 7110 4th Line, Tottenham, Ontario (the “**Golf Course Lands**”).
2. Pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on December 2, 2024 (the “**Filing Date**”), AGI was appointed Receiver of the Company. A copy of the Receivership Order is attached hereto as **Appendix “A”**.
3. The application to appoint AGI as Receiver (the “**Receivership Application**”) was made by the Company’s senior secured creditor, Melvyn Eisen (“**Eisen**”), trustee in respect of a syndicated loan made to the Company (the “**Applicant**”).
4. The Company is the registered owner of the Golf Course Lands, on which a thirty-six (36) hole golf course, approximately 32,000 square foot clubhouse facility (the “**Clubhouse**”) and supporting infrastructure known as “Woodington Lake Golf Club” is situated (the “**Golf Club**”).
5. The primary purpose of these receivership proceedings is to conduct a coordinated, Court-supervised sale process for the Golf Course Lands and the Golf Club business (the “**Sale Process**”), and to obtain possession of or otherwise review the Company’s and other relevant books and records to determine, among other things, ownership of the Golf Club and facilitate realizations of the Golf Course Lands, including the business of the Golf Club.
6. The Receiver has established a case website at <https://www.albertgelman.com/corporate-solutions/other-engagements/> (the “**Case Website**”), where copies of Court and other materials pertaining to these receivership proceedings are available in electronic form.
7. The Receiver has retained Aird & Berlis LLP (“**A&B**”) as its counsel in connection with these proceedings.

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 about the Company, its creditors and these proceedings;
 - b. the Receiver’s findings and observations since the commencement of these proceedings;
 - c. the Sale Process;

- d. the activities of the Receiver since the Filing Date; and
- e. the Receiver's recommendation that this Court grant an Order (the "**Sale Process and Ancillary Relief Order**") and/or a judicial determination, as the case may be, *inter alia*:
 - i. appointing AGI as a limited equitable receiver, without security, of all the assets, undertakings and properties of Woodington Management Inc. ("**WMI**") and 1000736785 Ontario Limited ("**785**", and collectively with WMI, the "**Affiliates**"), for the purpose of marketing and selling the Affiliates' assets with those of the Company in order to facilitate the orderly execution of the Sale Process, encompassing both the Golf Club and the Golf Course Lands;
 - ii. approving the Sale Process, including the Sale Process procedures, attached as Schedule "A" to the Sale Process and Ancillary Relief Order (the "**Sale Process Procedures**"), and authorizing the Receiver to conduct the Sale Process;
 - iii. that the sale of the Golf Course Lands shall take place free and clear of any encumbrances, including the Lease (as defined below), other than expressly permitted encumbrances;
 - iv. that the Lease constitutes a fraudulent conveyance and is void and unenforceable as against the creditors of the Company or, in the alternative, that the Lease disregarded the reasonable interests and expectations of the Applicant and Goldy (as defined below) as secured mortgagees, constituting oppressive conduct, and is void and unenforceable as against the Applicant and Goldy;
 - v. if the relief in 8(e)(iv) above is sought in a separate application, that such application be heard contemporaneously with the Receiver's motion;
 - vi. ordering certain disclosure to the Receiver;
 - vii. authorizing the Receiver to examine certain individuals in connection with these proceedings; and
 - viii. approving this First Report and the actions, activities and conduct of the Receiver described herein.

III. SCOPE AND TERMS OF REFERENCE

- 9. In preparing this First Report, the Receiver has relied upon certain unaudited financial information, the Company's books and records, discussions with the Company, its principal (Joseph Chetti, "**Chetti**"), and its legal counsel (Blaney McMurtry LLP, "**Blaney**"), legal counsel to the Company's senior secured creditors, Eisen (Chaitons LLP, "**Chaitons**") and Goldy (Goodmans LLP,

“**Goodmans**”), representatives from Canada Revenue Agency (“**CRA**”) and other stakeholders and individuals with knowledge of the Company’s and Chetti’s affairs.

10. While the Receiver has reviewed the various documents and other information obtained from the Company and other parties, 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, 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 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.
12. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.
13. Capitalized terms not otherwise defined in this First Report have the meanings given to them in the Sale Process Procedures.

IV. BACKGROUND

14. In connection with the Receivership Application, the following sworn affidavits were filed with the Court:
 - a. the affidavit of Melvyn Eisen sworn August 7, 2024, filed in support of the Receivership Application (the “**First Eisen Affidavit**”);
 - b. the affidavit of Kenneth Gold of Goldy Metals Holdings Inc. (the Company’s second-secured lender, “**Goldy**”) sworn August 30, 2024, filed in support of the Receivership Application (the “**First Goldy Affidavit**”);
 - c. the responding affidavit of Joseph Chetti sworn September 9, 2024, filed in opposition to the Receivership Application (the “**Chetti Affidavit**”);
 - d. the affidavit of Melvyn Eisen sworn November 21, 2024, filed in support of a motion brought by Eisen seeking the appointment of AGI as Receiver (the “**Receivership Motion**”) following the Company’s failure to meet the terms of a Letter Agreement dated October 8, 2024 (the “**Letter Agreement**”) among Eisen, Goldy and the Company, whereby the parties agreed to adjourn the Receivership Application subject to the terms and conditions of the Letter Agreement (the

“Second Eisen Affidavit”). A copy of the Letter Agreement is attached hereto as **Appendix “B”**; and

- e. the supplementary affidavit of Kenneth Gold sworn November 20, 2024, filed in support of Receivership Motion (the **“Second Goldy Affidavit”**, and collectively with the First Eisen Affidavit, the First Goldy Affidavit, the Chetti Affidavit and the Second Eisen Affidavit, the **“Affidavits”**).
15. The Affidavits provide, among other things, information concerning the Company’s background, creditor composition and events giving rise to the Receivership Application and Receivership Motion, and, accordingly, that detailed discussion has not been repeated in this First Report. Copies of the Affidavits, without exhibits, are attached hereto as **Appendix “C”**. Copies of the Affidavits, with exhibits, are available on the Case Website.

Background Regarding the Company and its Affiliates

16. The Company is a privately-held Ontario corporation and has been the registered owner of the Golf Course Lands since January 11, 2019.
17. Chetti is the sole director and officer of the Company.
18. The Receiver understands that Chetti, through companies controlled by him, acquired the Golf Course Lands and the Golf Club at/around the end of 2017, as follows:
 - a. pursuant to an agreement of purchase and sale dated December 22, 2017 (the **“Golf Course Lands APS”**), Rockland Estates Inc. (**“Rockland”**), a company controlled by Chetti, acquired the Golf Course Lands from Southridge Vistas Inc. The Receiver understands that the purchase price attributable to this transaction was approximately \$4.7 million, of which, approximately \$2.5 million was to be funded in cash, with the balance funded via a vendor-take-back (**“VTB”**) mortgage as against the Golf Course Lands and the Golf Club chattels; and
 - b. pursuant to a separate agreement of purchase and sale dated December 22, 2017 (the **“Golf Club Business APS”**), Rockland acquired the Golf Club business assets from Woodington Lake Golf Club Inc. The Receiver understands that the purchase price attributable to this transaction was approximately \$15.6 million, of which, approximately \$4.5 million was to be funded in cash, with the balance funded via a VTB as against the Golf Course Lands and the Golf Club chattels. As noted in the Golf Club Business APS, the assets acquired were the (i) golf course development, buildings and parking and (ii) golf course equipment (including golf carts and irrigation), furniture, computer and clubhouse equipment.
19. The Receiver understands that there were a series of amendments to the Golf Course Lands APS and Golf Club Business APS which indicate that, among other things, the closing date was extended

to January 11, 2019, additional deposit payments were made, and the collective cash purchase price was increased to \$8.5 million.

20. Copies of the Golf Course Lands APS and the Golf Club Business APS are attached hereto as **Appendix “D”** and **Appendix “E”**, respectively. A copy of the amending agreement evidencing the increase to the collective purchase price and additional deposit amounts is attached hereto as **Appendix “F”**.
21. Pursuant to an assignment agreement dated January 11, 2019 (the “**Assignment Agreement**”), Rockland assigned the Golf Course Lands APS to the Company and the Golf Club Business APS to WMI. A copy of the Assignment Agreement is attached hereto as **Appendix “G”**.
22. According to the Chetti Affidavit, the Golf Club is presently owned and operated by 785 and has been since approximately December 12, 2023, the day it was incorporated.
23. Chetti is the sole director of WMI. Frances Chetti, the spouse of Chetti, is the sole director of 785.
24. The Receiver was provided with a copy of a lease agreement entered into on December 15, 2023 between the Company, as landlord, and 785, as tenant (the “**Lease**”), for the use of the Golf Course Lands to operate the Golf Club, including ancillary activities related to the Golf Club operations. The Receiver’s findings and observations regarding the Lease, a copy of which is attached hereto as **Appendix “H”**, are discussed below.

Secured Creditors

Eisen

25. As noted in the First Eisen Affidavit, Eisen made a syndicated loan to the Company in the amount of \$11.5 million on January 9, 2019 (the “**Eisen Loan**”). Participants in the syndicated Eisen Loan included, among other parties, Windsor Private Capital Limited Partnership and Windsor II Limited Partnership (“**WLP**”), which collectively advanced approximately \$10.5 million towards the Eisen Loan. As further noted in the First Eisen Affidavit, the Eisen Loan is one of several syndicated loans that Eisen has provided to entities owned and/or controlled by Chetti over several years.
26. The term of the Eisen Loan was for one year, with a maturity date of March 1, 2020. The Receiver understands the Eisen Loan was to be used by the Company for various purposes, including (i) to purchase the Golf Course Lands, (ii) to fund improvements to the Golf Club and (iii) to provide additional working capital to the Company.
27. As of November 29, 2024, the amount owing under the Eisen Loan, for principal, interest and costs, which continue to accrue, was approximately \$12.3 million.
28. To secure the advances made under the Eisen Loan, the Company granted the following security (collectively, the “**Eisen Security**”) in favour of Eisen: (i) a charge/mortgage in the principal amount

of \$11.5 million on title to the Golf Course Lands (the “**Eisen Mortgage**”) and (ii) an assignment of rents.

29. In addition to the Eisen Security, each of Chetti, Elena Salvatore (the Receiver understands Ms. Salvatore is the spouse of Chetti’s business partner in respect of the Highway 27 Property, as defined below) and WMI (collectively, the “**Guarantors**”) jointly and severally guaranteed the Company’s obligations under the Eisen Mortgage (the “**Guarantee**”).

Goldy

30. Pursuant to a Commitment Letter dated July 24, 2019, Goldy made a loan to the Company in the principal amount of \$5.5 million (the “**Goldy Loan**”). The term for the Goldy Loan was also for one year, with a maturity date of August 12, 2020.
31. The Receiver understands that, to secure the Company’s obligations under the Goldy Loan, the Company granted the following security (collectively, the “**Goldy Security**”) in favour of Goldy: (i) a charge/mortgage in the principal amount of \$5.5 million on title to the Golf Course Lands (the “**Goldy Mortgage**”) and collectively with the Eisen Mortgage, the “**Mortgages**”), (ii) an assignment of rents and (iii) a general security agreement over all contracts, chattels fixtures and leasehold improvements located at or upon or relating to the Golf Course Lands. In addition, Chetti personally guaranteed the payment of all amounts owing by the Company under the Goldy Mortgage.
32. The Receiver further understands that, as at November 29, 2024, the amount owing in respect of the Goldy Loan, for principal, interest and costs, which continue to accrue, was approximately \$6.3 million.

Other Creditors

33. In addition to the registrations made pursuant to the Eisen Loan and the Goldy Loan, the Receiver is aware of the following encumbrances on title to the Golf Course Lands:
- a. a charge/mortgage in favour of Eisen and WLP in the principal amount of \$5.0 million, as security for an advance under a loan made by Eisen and WLP to another entity controlled by Chetti that owns lands and premises municipally known as 11720 Highway 27, Vaughan, Ontario (the “**Highway 27 Property**”);
 - b. a tax certificate by The Corporation of the Town of New Tecumseth (the “**Town**”) in respect of unpaid property taxes on the Golf Course Lands. The Receiver was provided with a statement of account from the Town’s counsel, which indicates that, as at January 20, 2025, approximately \$225,000 is owing to the Town in respect of property taxes; and
 - c. a construction lien registered by Sylvio Construction Co. Ltd. in the amount of approximately \$1.5 million.

34. As the Company does not maintain financial records and has not filed a tax return since 2018 (as discussed below), it is unknown to the Receiver whether the Company has obligations in addition to those noted above.

Events Leading to the Receivership Application and Receivership Order

35. As discussed in the First Eisen Affidavit and the First Goldy Affidavit, neither of the Eisen Loan or Goldy Loan were repaid on their respective maturity dates. However, the Receiver understands that no enforcement steps were taken as the Company continued to make interest payments to Eisen and Goldy through to October 2023 and June 2023, respectively. Further, as it relates to the Eisen Loan, it was represented by Chetti and understood by Eisen and WLP that the Eisen Loan would be repaid upon closing of the sale of certain other lands owned by Chetti subject to an executed agreement of purchase and sale (further details are provided in paragraph 43(f) below).
36. Following a missed interest payment in June 2023, Goldy, through its counsel, issued formal demand for repayment of the Goldy Loan by August 12, 2023. As the Company failed to cure the defaults under the Goldy Loan, on August 9, 2023, Goldy initiated power of sale proceedings (the “**Goldy Power of Sale Proceedings**”) for the sale of the Golf Course Lands unless the full indebtedness under the Goldy Loan was repaid by September 18, 2023. After negotiations among Goldy, Chetti and their respective counsel, Goldy agreed to forbear from continuing the Goldy Power of Sale Proceedings, subject to certain terms and conditions, including payment of outstanding interest for the months of July to October, 2023. While these payments were made, the monthly interest for November 2023 and December 2023 were not and, accordingly, Goldy arranged for the Golf Course Lands to be listed for sale on December 29, 2023.
37. As discussed in the First Goldy Affidavit, in January 2024, an offer to purchase the Golf Course Lands from a company controlled by Chetti was accepted by Goldy (the “**Proposed Sale**”). Ultimately, following two failed attempts to close the Proposed Sale due to lack of funding, the Proposed Sale never closed.
38. As further discussed in the First Goldy Affidavit, Goldy extended multiple indulgences to Chetti and the Company after the failure of the Proposed Sale, despite Chetti’s repeated broken promises to repay the loan. In the spring of 2024, Goldy demanded payment several times, receiving assurances from the Company/Chetti that payment was imminent, but, again, no payments were made. On May 16, 2024, Chetti signed a forbearance agreement committing to a \$1,000,000 payment by May 17, 2024, in exchange for Goldy refraining from enforcement actions. However, this payment deadline was missed, and subsequent verbal promises for payment also went unfulfilled. By June 2024, the Company’s outstanding indebtedness to Goldy had ballooned to approximately \$5.9 million.
39. As discussed in the First Eisen Affidavit, due to similar and continuing defaults under the Eisen Loan, on May 16, 2024, Eisen, through its counsel, issued demands for repayment of the Eisen Loan and

delivered a notice of intention to enforce security under section 244 of the *Bankruptcy and Insolvency Act* (the “**BIA**”). As further discussed in the First Eisen Affidavit, on the same date, Chaitons, on behalf of Eisen, demanded payment from the Guarantors pursuant to the Guarantee.

40. Throughout the summer of 2024, Chetti and the Company delayed enforcement by Eisen and Goldy by claiming to be negotiating various refinancing deals and offering additional collateral to secure the loans (as noted in the First Goldy Affidavit, it was proposed that Chetti would offer his personal residence as additional security in exchange for another forbearance agreement, but neither Chetti nor his wife signed the necessary legal documents). Despite further verbal offers and assurances of forthcoming refinancing proposals, no transactions or repayments materialized. By August 14, 2024, while Goldy received updates on a purported refinancing deal, no actionable steps had been taken.
41. The Receivership Application was commenced by Eisen, as trustee, on August 9, 2024. As noted in the First Goldy Affidavit, Goldy supported the relief sought in the Receivership Application given the Company’s continued default in respect of the Goldy Loan. The Receivership Application was initially scheduled to be heard on October 10, 2024. On October 8, 2024, the Receivership Application was adjourned subject to the terms and conditions of the Letter Agreement, to allow the Company further time to pursue refinancing and sale options. Ultimately, the Company failed to satisfy the terms/conditions of the Letter Agreement, including making the agreed upon interest payments. In the circumstances and as set out in the endorsement of Justice Black released on December 2, 2024, a copy of which is attached hereto as **Appendix “I”**, the Court granted the Receivership Order.

V. INITIAL FINDINGS AND OBSERVATIONS OF THE RECEIVER

42. Since the Filing Date, the Receiver has been working to obtain information regarding the affairs and operations of the Company in order to perform its Court-ordered mandate and prepare for the Sale Process. While certain of this information has been obtained/provided (in many cases, from third-party sources), significant portions remain outstanding, which has led to additional questions and concerns for the Receiver.
43. An overview of the Receiver’s initial findings and observations since the Filing Date is provided as follows:
 - a. **Company Financial and Tax Records** – the Receiver understands from discussions with Chetti that the Company does not maintain an accounting system or internal financial records. According to Chetti, historically, financial statements of the Company were prepared by an external accountant, David Fine of RSP LLP (“**RSP**”), who passed away in 2022, and the Company has not retained a new accountant. The Receiver contacted RSP to request copies of any historical financial statements of the Company, however RSP has responded that they have no such records at their office (RSP advised that they will check their off-site storage to

confirm if any Company records are maintained there. The Receiver does not have an update in this regard as of the date of the First Report).

Additionally, on/about January 3, 2025, the Receiver attended a call with a representative from CRA for the purpose of requesting copies of the Company's tax returns for the fiscal years 2019 to 2023. The Receiver initially made this request to the Company, but no information was received. On the call, the Receiver was advised by the CRA representative that the Company has not filed a tax return (corporate, HST or otherwise) since fiscal year 2018, the year prior to it taking assignment of the Golf Course Lands. The Receiver is investigating this matter to determine what amounts, if any, may be owing to CRA;

- b. **Acquisition of the Golf Course Lands and the Golf Club** – as noted above, the Golf Course Lands and Golf Club were acquired by entities controlled by Chetti pursuant to the Golf Course Lands APS and the Golf Club Business APS, respectively, and subsequently assigned to the Company and WMI, respectively, on January 11, 2019, pursuant to the Assignment Agreement. The Receiver notes that the Golf Club Business APS provides for a purchase price of approximately \$15.6 million, of which, approximately \$9.4 million is allocated to the Clubhouse. The Receiver further notes that, despite making requests of the Company, it has not been provided nor is it aware of any lease or other agreement entered into at the time of acquisition or otherwise between WMI and the Company with respect to the use of the Golf Course Lands;
- c. **Conveyance of WMI assets to 785** – as discussed above and in the Chetti Affidavit, Chetti represents that, since December 12, 2023, the Golf Club has been owned and operated by 785. The Receiver has requested a copy(ies) of the agreement(s) supporting the transfer/conveyance of the Golf Club assets from WMI to 785 to, among other things, confirm the purpose and validity of the transaction, as well as to confirm what consideration, if any, was exchanged. As of the date of this First Report, the Receiver has not received a response. As WMI guaranteed the obligations of the Company in respect of the Eisen Mortgage, it raises the question of whether the transfer/conveyance gives rise to a fraudulent preference or challengeable transaction. It is also noteworthy that the transfer or conveyance appears to have occurred following initiation of the Goldy Power of Sale Proceedings and nearly two-weeks prior to the Golf Course Lands being listed for sale in connection therewith;
- d. **The Lease** – the Receiver notes the following in connection with the Lease:
 - i. the Lease indicates that it was entered into on December 15, 2023, and was signed on the same date. Chetti signed the Lease on behalf of both the landlord (the Company), as “owner”, and on behalf the tenant (785), as “A.S.O.” (authorized signing officer). As noted above, Frances Chetti (Chetti's spouse) is the sole director of 785;

- ii. the Lease provides, among other things, a 10-year term commencing on April 2, 2020 (notwithstanding that the lease was entered into nearly three years later and with 785, which entity did not exist at the commencement of the lease term – as noted above, 785 was incorporated on December 12, 2023), with a rent-free period for the first five years of the term, and monthly rent of \$10,000 thereafter. The rent payable under the Lease is, therefore, insufficient to provide the Company with funding to satisfy its ongoing obligations, including interest on the Mortgages and property taxes;
- iii. the Lease also provides that, within the first five (5) years of the Lease term, 785 is to invest \$4.0 million towards renovating and enhancing the Golf Course Lands, Clubhouse and other property infrastructure. The Chetti Affidavit notes that, following a slip-and-fall incident at the Golf Club, close to \$4.0 million was spent to renovate certain parts of the Golf Club (and specifically, the rear portion). Despite making enquiries, the Receiver has not received any documentation to substantiate these costs, including the source and beneficiary of the alleged funds spent;
- iv. despite enquiries made by the Receiver, the Receiver has no information regarding who created/drafted the Lease or whether there was legal counsel involved;
- v. the Receiver understands that neither Eisen nor Goldy provided their consent to the Company prior to it entering into the Lease (as noted above, each of the Eisen Security and Goldy Security include an assignment of rents); and
- vi. the Receiver has requested a copy of any agreement in place prior to December 15, 2023 governing the arrangement between the Company and WMI for the use of the Golf Course Lands. The Receiver has not received a response to this request.

In consideration of the foregoing, the Receiver has reasonable concerns as to the validity of the Lease, the intent with which it was entered into and its potential impact on the proposed Sale Process. As such, the Receiver seeks a finding that the Lease constitutes a fraudulent conveyance and is void and unenforceable as against the creditors of the Company. In the alternative, and given the absence of the consent of Eisen and Goldy, the Receiver seeks a finding that the Lease is void and unenforceable pursuant to the oppression remedy, insofar as the execution of such disregarded the reasonable interests and expectations of Eisen and Goldy (i) under the Eisen Loan and the Goldy Loan, respectively, and (ii) as secured mortgagees registered on title to the Golf Course Lands;

- e. **WMI Financial Statements** – the Receiver obtained copies of unaudited financial statements for WMI for the fiscal years ended December 31, 2022 (the “**2022 Statements**”) and December 31, 2023 (the “**2023 Statements**” and collectively with the 2022 Statements, the “**WMI Statements**”). The WMI Statements, copies of which are attached hereto as **Appendix “J”**,

were provided to the Receiver by Barry Kerbel (“**Kerbel**”), a realtor and individual who purports to have a historical business relationship with Chetti (as noted in the First Goldy Affidavit, Kerbel acted as an intermediary between Goldy and Chetti in connection with a potential refinancing transaction for the Golf Course Lands). The Receiver notes the following with respect to the WMI Statements:

- i. the Receiver identified certain irregularities regarding the WMI Statements’ balance sheets, particularly as it relates to the recording of a land asset (WMI is not the owner of the Golf Course Lands). The notes to the 2022 Statements indicate that the property, plant and equipment (“**PPE**”) assets, which are recorded on the balance sheet at approximately \$20.4 million (cost value), include approximately \$6.5 million related to land. Further, the 2023 Statements record PPE of approximately \$24.2 million (cost value), indicating that the cost basis of PPE assets increased year-over-year by approximately \$3.8 million. As there are no notes to the 2023 Statements, it is unknown what assets comprise the FY2023 recorded balance or what the increase in the cost value of PPE relates to. On a call between the Receiver and Chetti on January 7, 2025 (the “**January 7 Call**”), Chetti advised the Receiver that the WMI Statements were prepared on a basis that “combined” the assets and operations of the Company and WMI, notwithstanding that they are two separate legal entities, do not have parent-subsidiary relationship and do not share a common parent;
- ii. the 2022 Statements include a signed Compilation Engagement Report (the “**Notice to Reader**”) dated October 11, 2024, indicating that they were compiled by Lamin Omar Dibba (“**Dibba**”), a chartered professional accountant (“**CPA**”), from information provided by management of the Company. The Receiver performed a search of Dibba’s name on the Chartered Professional Accountants of Ontario website, which indicated he is a sole practitioner and a member in good standing;
- iii. on December 30, 2024, the Receiver attended two calls with Dibba to discuss the 2022 Statements (a copy of the 2022 Statements were also sent to Dibba). During those calls, Dibba advised the Receiver that he (i) did not compile/prepare the 2022 Statements, (ii) had no knowledge of WMI, 785, Chetti or the 2022 Statements and (iii) did not recall ever having a client or otherwise compiling financial statements for a company that owns or operates a golf course. Additionally, after having reviewed the 2022 Statements, Dibba advised that the Notice to Reader was not prepared on his letterhead and the statements were not prepared in the format he uses for his clients;
- iv. the Receiver attended a call with Kerbel on January 4, 2025 (the “**January 4 Call**”) to query, among other things, if he knew who prepared the 2022 Statements, given the representations of Dibba. Kerbel advised that they were prepared by another individual,

Marvin Winick ("**Winick**"), a former licensed chartered accountant, who was expelled from membership of the Canadian Institute of Chartered Accountants (as it was then known) in the early-1990s. Kerbel further advised that it was his understanding that Winick has an arrangement with Dibba whereby Winick prepares compilation financial statements and pays a fee to Dibba to include Dibba's name and signature on the accompanying notice to reader/compilation engagement report;

- v. following the January 4 Call, the Receiver attended a further call with Dibba on January 6, 2025. On the call, Dibba advised that he did not know of either Kerbel or Winick and denied any claims of an arrangement with Winick as represented by Kerbel;
- vi. on the January 7 Call, the Receiver and Chetti discussed, among other things, the 2022 Statements and the Receiver's prior discussions with Kerbel and Dibba. During the call, the Receiver queried Chetti regarding the preparer of the WMI Statements and the purpose and timing of their preparation (October 2024 – nearly one year and two years following the applicable periods and with the lingering Receivership Application). In response, Chetti advised that the statements were prepared by Winick. When questioned about the Notice to Reader, including as it relates to the conflicting representations of Dibba and Winick, Chetti advised that the Receiver should reach out to Winick. When questioned about the purpose/timing of the statements, Chetti advised that they were prepared to seek take-out financing in respect of the Mortgages;
- vii. on January 8, 2025, the Receiver attended a call with Winick. On the call, Winick advised that he was first introduced to Chetti in 2024, that he prepared both the 2022 Statements and the 2023 Statements, and that the purported arrangement with Dibba was true, including that Winick pays a fee to Dibba to include his name on the statements and the statements were prepared based on information provided by WMI. Winick further advised that he did not perform any assurance procedures on the financial information provided and could not speak to their accuracy;
- viii. on January 24, 2025, Dibba forwarded to the Receiver a copy of an email he sent to CPA Ontario, reporting, among other things, the use of his name and signature on the 2022 Statements without his knowledge or consent, that WMI is not one of his clients and that the 2022 Statements were not prepared by him.

In consideration of the foregoing, the Receiver cautions against placing reliability on the WMI Statements. This is of particular concern given the proposed Sale Process and the need for interested parties to perform proper diligence on the Golf Club and its historical financial position and operations/results;

- f. **Torca Transaction and Use of Proceeds** – as discussed in the Affidavits, Chetti controls two companies that own lands adjacent to the Golf Course Lands, and which are purportedly subject to an agreement of purchase and sale (the “**Torca Transaction**”) with Torca Tottenham Corp. (“**Torca**”), a land developer that Chetti represents owns 1,000 acres of land in the adjacent areas. As represented in the Chetti Affidavit, the proceeds from the Torca Transaction would provide sufficient residual value to fund the repayment of both the Eisen Mortgage and the Goldy Mortgage. During a meeting between the Receiver and Chetti on December 11, 2024, Chetti represented to the Receiver that the Torca Transaction was expected to generate net sale proceeds ranging from \$25 million to \$30 million.

As discussed above, the Receivership Application was adjourned subject to certain terms and conditions agreed among Eisen, Goldy and Chetti, as formalized in the Letter Agreement. Included in these terms and conditions was the agreement to repay the Mortgages, among other obligations, from the net sale proceeds of the Torca Transaction. It was further agreed that Chetti would execute an acknowledgement re: direction and direction re: funds (the “**Torca Acknowledgement and Direction**”), directing payment of the applicable net sale proceeds of the Torca Transaction, for the benefit of Goldy and Eisen.

On December 4, 2024, during a call among the Receiver, its counsel and Blaney (counsel to Chetti), Blaney informed the Receiver that the Torca Transaction, the closing of which had already been delayed several years (as noted in the Receivership Application), was expected to close on December 12, 2024. Blaney also provided the Receiver with a letter from Torca (which was addressed to Blaney) confirming same.

On December 6, 2024, the Receiver emailed Blaney to, among other things, ask that Chetti sign the Torca Acknowledgement and Direction and return same to the Receiver (the “**Receiver’s December 6 Email**”). A copy of the Receiver’s December 6 Email, which attached a copy of the Torca Acknowledgement and Direction, is attached hereto as **Appendix “K”**. On December 9, 2024, Blaney wrote to the Receiver (the “**December 9 Blaney Email**”) advising that it had spoken with Chetti and that Chetti would sign and send the Torca Acknowledgement and Direction later that evening. A copy of the December 9 Blaney Email is attached hereto as **Appendix “L”**. On December 10, 2024, Blaney again wrote to the Receiver (the “**December 10 Blaney Email**”) to advise that, due to a drafting error identified, the signed document would hopefully be sent by the afternoon of December 10, 2024. A copy of the December 10 Blaney Email is attached hereto as **Appendix “M”**. A revised, unsigned version of the Torca Acknowledgement and Direction was sent by Blaney to the Receiver and Chetti later on December 10, 2024. A fully executed version was never sent to the Receiver.

On December 11, 2024, the Receiver attended at the Golf Club to meet with Chetti. During the meeting, Chetti informed the Receiver that the Torca Transaction would not be closing on

December 12, 2024, as previously represented, and Chetti would not sign the Torca Acknowledgement and Direction. Chetti did, however, reiterate to the Receiver of his intention to use the net sale proceeds from the Torca Transaction to repay the Mortgages.

On December 17, 2024, the Receiver received an unsolicited call from Kerbel. Among other things, Kerbel alleged that the net sale proceeds from the Torca Transaction would not be used to repay the Mortgages as (i) Chetti had already signed an irrevocable letter of direction setting out that the Torca Transaction net sale proceeds were to be used to repay loans other than the Mortgages (the “**Alleged Direction**”), and (ii) in any event, there would be insufficient net sale proceeds from the Torca Transaction to satisfy the obligations under the Mortgages (which conflicts with Chetti’s representation to the Receiver that the net sale proceeds expected to range from \$25 million to \$30 million).

During the January 7 Call (between the Receiver and Chetti), Chetti denied Kerbel’s allegations that he signed the Alleged Direction and represented that he had not entered into any agreement directing funds from the Torca Transaction;

- g. **Potential Plazacorp Refinancing** – on the January 7 Call and as reiterated in an email from Blaney to A&B dated January 8, 2025 (the “**January 8 Blaney Email**”), the Receiver was informed of a potential refinancing commitment from Plazacorp, a large, reputable land investor and developer, that would provide take-out financing in respect of the Mortgages (the “**Potential Plazacorp Refinancing**”). A copy of the January 8 Blaney Email is attached hereto as **Appendix “N”**. This financing was, as represented to the Receiver by Chetti, expected to close within two-weeks from the January 7 Call. Chetti also advised the Receiver on the January 7 Call that he expected to provide a letter of intent (“**LOI**”) within 48 hours. On January 22, 2025, the Receiver, which had not received an update on the Potential Plazacorp Refinancing since the January 8 Email, attended a call with Chetti to discuss, among other things, the status of the Potential Plazacorp Refinancing. On the call, Chetti advised the Receiver that the Potential Plazacorp Refinancing was still being pursued and was expected to close. As of the date of this First Report and despite requests of the Receiver, the Receiver has not been provided with a LOI, term-sheet or other supporting document to substantiate the representations made in connection with the Potential Plazacorp Refinancing;
- h. **Insurance** – on January 22, 2025, Goodmans (counsel to Goldy) sent the Receiver a copy of a notice of insurance policy termination (the “**Insurance Termination Notice**”) issued to WMI, stating that, among other things, the policy, which the Receiver understands provides various coverage to insure the Golf Club and its operations, will be cancelled on January 23, 2025 for non-payment of an outstanding premium (the amount of the outstanding premium is not noted in the Insurance Termination Notice). Following receipt of the Insurance Termination Notice, a copy of which is attached hereto as **Appendix “O”**, the Receiver emailed same to Chetti. Later

that day, the Receiver attended a call with Chetti, whereby Chetti advised that he would pay the outstanding premiums the next day and provide proof of payment to the Receiver. Early in the morning on January 23, 2025, A&B emailed Blaney (the “**January 23 A&B Email**”) to, among other things, provide a copy of the Insurance Termination Notice and note that Chetti advised the Receiver that payment of the outstanding premium would be made tomorrow (as the email was sent at 2:48 a.m., “tomorrow” was intended to mean January 23, 2025). A copy of the January 23 A&B Email is attached hereto as **Appendix “P”**. The Receiver followed up with Chetti via email and phone calls on January 23, 2025 to request confirmation that the outstanding premiums were paid, however, no response was provided that day. A further follow up was sent by the Receiver on January 27, 2025. This time, Chetti responded and advised, among other things, that he was working with his broker to find a less expensive policy and that it should be “done this week”. A copy of the email exchange between the Receiver and Chetti is attached hereto as **Appendix “Q”**; and

- i. **Unsatisfied Information Request** – as noted in the January 23 A&B Email, the scheduling hearing before the Court on January 16, 2025 (the “**Scheduling Hearing**”), for the purpose of setting a timetable for the procedural steps in connection with the March 6, 2025 hearing of the within motion, contemplated the provision of all requested information, to the extent Chetti had such, by January 17, 2025. The Receiver notes that no documents have been received from Chetti in that regard.

Request for Information/Documentation

44. In light of all the foregoing and to enable the Receiver to facilitate the Sale Process and execute on its Court-ordered mandate, the Receiver seeks in the proposed Sale Process and Ancillary Relief Order the production of the following information/documentation:
 - a. copies of any historical financial statements, internal or external, in respect of the Company;
 - b. copies of any environmental reports in respect of the Golf Course Lands (including, but not limited to, environmental site assessment reports, geotechnical reports and/or soil studies);
 - c. a copy of any agreement between WMI and the Company setting out the arrangement for the use of the Golf Course Lands;
 - d. a full copy of the WMI and 785 accounting system, including general ledgers and subledgers for all financial accounts;
 - e. copies of WMI and 785 monthly bank statements for the 24-month period preceding December 2024;
 - f. copies of supporting documents (including purchase orders, invoices, cancelled cheques, and other documents as may be requested) evidencing the use of funds invested by 785 in the Golf

Course Lands in connection with the \$4.0 million funding commitment provided under the Lease;

- g. a copy of the transfer/conveyance of assets agreement(s) between WMI and 785 in respect of the transfer/conveyance of the Golf Club assets;
- h. a copy of any letter of intent, term sheet or other document (including correspondence) supporting the Potential Plazacorp Refinancing; and
- i. any further information/documentation from any party with knowledge of the affairs of the Company and Chetti that the Receiver may reasonably request in connection and in accordance with its duties and obligations provided in the Receivership Order.

Authorization to Examine Individuals Under Oath

- 45. In addition, the proposed Sale Process and Ancillary Relief Order grants the Receiver the authority to examine, under oath, any individual the Receiver reasonably considers to have knowledge of the affairs of the Company, WMI or 785, including, but not limited to, Chetti. In light of the mixed-messaging and conflicting representations made to the Receiver by Chetti and other individuals regarding the Company and these proceedings, the Receiver is of the view that this relief is reasonable and necessary in the circumstances.

VI. THE SALE PROCESS

- 46. The Receiver, in consultation with A&B and legal counsel to each of Eisen and Goldy, developed the proposed Sale Process and Sale Process Procedures, a copy of which is attached hereto as **Appendix "R"**. The proposed Sale Process takes into consideration the nature of the underlying assets, the interest of creditors and stakeholders, and the pending commencement of the 2025 golf season, and is designed to be a broad and flexible process to canvass bids for a sale with a view to maximize value for stakeholders.

Selection of Realtor

- 47. In connection with the Sale Process, the Receiver intends to forthwith commence a process to solicit proposals from realtors to act as listing agent in the Sale Process. The Receiver intends to request that each realtor provide a proposal setting out each firm's experience selling golf courses, land and/or commercial properties in the Greater Toronto Area and Southern Ontario market, a marketing plan, an estimate of value and the proposed commission structure.
- 48. It is the intention of the Receiver to provide further details regarding the selection of a realtor in a subsequent report to the Court.

The Sale Process

49. The timeline and key attributes of the Sale Process are as follows (readers are cautioned to carefully read the Sale Process Procedures as the following is summary in nature as to avoid duplication):

a. the Sale Process contemplates the following timelines:

Milestone	Targeted Deadline
Anticipated Commencement Date	March 6, 2025
Distribution of Sale Process Materials (i.e., Teaser Letter, NDA, etc.)	March 6, 2025, or as soon as reasonably practicable following this date
Bid Deadline	April 21, 2025
Sale Approval Motion	Week of May 5, 2025, depending on Court availability
Closing of Transaction(s)	30 days after the date of the Sale Approval Order or such other date as the parties may agree

b. as soon as reasonably practicable following the issuance of the Sale Process and Ancillary Relief Order, if granted, the Receiver, in consultation with any realtor or other advisor retained by the Receiver in connection with the Sale Process, will:

- i. with input from 785 and WMI, prepare a list of parties who may be interested in engaging in a Transaction in respect of the Property (the “**Known Potential Bidders**”);
- ii. prepare and deliver to the Known Potential Bidders a non-confidential initial offer summary document (“**Teaser Letter**”) describing the opportunity in respect of the Property;
- iii. publish a notice advertising the Sale Process in a national publication and/or such other publications as the Receiver may deem appropriate or advisable; and
- iv. post the Sale Process and Ancillary Relief Order, including the Sale Process Procedures and other relevant materials, on the Case Website;

c. any party interested in participating in the Sale Process (a “**Potential Bidder**”) is required to inform the Receiver in writing of such and execute a non-disclosure agreement (“**NDA**”) to gain access to an electronic data room (the “**Data Room**”) maintained by the Receiver, containing confidential information about the Property. Such information will include corporate, financial and other relevant documents provided to the Receiver, together with such other information as any Potential Bidder may request and to which the Receiver has access and may approve;

- d. the Receiver will facilitate due diligence efforts by, *inter alia*, maintaining the Data Room, arranging meetings between Company and the Affiliates' management and Potential Bidders and responding to or otherwise dealing with Potential Bidders' enquiries regarding the Property;
- e. a Potential Bidder that wishes to make a bid for a Transaction(s) (a "**Bid**"), must do so on an "as is, where is" basis, without surviving representations or warranties, and submit same with the Receiver by no later than **5:00 pm (Toronto time) on April 21, 2025** (the "**Bid Deadline**");
- f. to be a "**Qualified Bid**", the Bid must, among other things:
 - i. be binding and irrevocable until at least the date that the Winning Bid is selected;
 - ii. include a duly authorized and executed Transaction agreement in a form and substance satisfactory to the Receiver, clearly specifying, among other things, the consideration to be paid by the Potential Bidder on closing of the Transaction (the "**Purchase Price**");
 - iii. include an allocation of the Purchase Price in respect of the subject Property;
 - iv. be accompanied by a deposit in the form of a certified cheque, bank draft or wire transfer of immediately available funds, payable to the Receiver, in trust, which is equal to at least ten percent (10%) of the total consideration payable in respect of the Transaction(s);
 - v. include evidence satisfactory to the Receiver of funds available to pay the Purchase Price on closing;
 - vi. not contain any condition or contingency relating to due diligence or financing or any other material conditions precedent (save and except for approval by the Court);
 - vii. include a description of the Property to be acquired and that which is to be excluded;
 - viii. include a description of the liabilities that will be assumed;
 - ix. contain the proposed treatment of the Company's and/or the Affiliates' employees (for example, anticipated employment offers and treatment of post-employment benefits);
 - x. include written evidence, satisfactory to the Receiver, that the Potential Bidder has the financial means to complete the proposed Transaction, including specific indication of the sources of capital and the structure and financing of the Transaction;
 - xi. provide evidence satisfactory to the Receiver that the Potential Bidder has the capacity to close the proposed Transaction on or before the proposed closing date under the Sale Process (i.e. the date that is thirty (30) days from the date of the Sale Process and Ancillary Relief Order or another date that may be agreed to between the Receiver and the winning bidder); and

- xii. only contemplate an acquisition on a “as is, where is” basis and must include an acknowledgement that the Potential Bidder has relied solely on its own independent review and investigation and that it has not relied on any representation by the Company, 785, WMI or the Receiver, or their respective agents, employees, or advisors;
- g. the Receiver may, in its discretion, request revisions or supplementations to any Qualified Bid and/or waive strict compliance with any one or more of the Bid Requirements and deem a non-compliant Bid to be a Qualified Bid. For the avoidance of doubt, if multiple Bids are received, the Receiver has no obligation to exercise its discretion or authority under this provision in respect of all Bids received even if such authority or discretion is exercised by the Receiver in respect of any one Bid received;

Selection of Winning Bid

- h. the Receiver will review all of the Qualified Bids, and may designate a Qualified Bid in respect of the Property as a “**Winning Bid**”, having regard to the factors noted above and such other matters as the Receiver considers relevant; and
- i. as soon as practicable after determination of the Winning Bid(s), the Receiver will make a motion to the Court (the “**Sale Approval Motion**”) for an approval and vesting order in respect of the Winning Bid(s) and the underlying Transaction agreement.

Receiver’s Recommendation Regarding the Sale Process

50. The Receiver recommends that this Honourable Court approve the Sale Process and grant the Sale Process and Ancillary Relief Order for the following reasons:
- a. in the Receiver’s view, the Sale Process, including its terms, procedures and proposed timeline, is reasonable taking into account similar processes in the context of an insolvency proceeding, the underlying assets, and the interests of relevant stakeholders;
 - b. the Receiver will engage the services of a reputable real estate broker, led by individuals who have experience selling similar properties and other properties subject to insolvency proceedings;
 - c. the proposed Sale Process is structured to be a fair, open and transparent process intended to canvass the market broadly on an orderly basis;
 - d. the duration of the Sale Process, while expedited, is sufficient to allow interested parties to perform diligence and submit Bids, while balancing the interests of the Company’s secured creditors, as well as to best align with the commencement of the 2025 golf season;
 - e. past sale efforts while Chetti remained in control of the Golf Club have been unsuccessful;

- f. as more described in more detail below, a coordinated, Court-supervised sale process for the Golf Course Lands together with the Golf Club will, in the Receiver's view and based on discussions with an experienced golf course owner and operator, attract greater interest from potential buyers and increase the likelihood of a value-maximizing transaction as compared to selling the Golf Course Lands separately from the Golf Club business; and
- g. each of Eisen and Goldy support the Sale Process and the proposed Sale Process and Ancillary Relief Order.

The Inclusion of the Golf Club in the Sale Process and the Receiver's Limited Appointment

51. In light of the current circumstances as described herein, and given the inherent overlap and inextricable relationship between the Golf Course Lands and the Golf Club, the Receiver is of the view that it is critical to sell the Golf Club and the Golf Course Lands through a consolidated sale process for the following reasons:
- a. a sale of only the Golf Course Lands (without the Golf Club itself) will:
 - i. significantly diminish or even eliminate the pool of potential purchasers and the expected proceeds received from any sale transaction, given there is no income producing lease in place between the Company and 785; and
 - ii. create the risk of administrative and operational complications should the Golf Club continue to operate;
 - b. although there may be development potential in the Golf Course Lands, the Receiver understands that the Golf Course Lands are not zoned for development purposes. Despite potential future development value, any returns to a purchaser of the Golf Course Lands will not be realizable in the near future;
 - c. the Clubhouse, which represents an important and valuable asset for any potential future owner/operator of the Golf Club, is an immovable structure attached to the Golf Course Lands;
 - d. the highest value and best use of the assets of the Company, WMI and 785 is to operate such as a golf course;
 - e. the sale of the Golf Course Lands alone is likely to cause confusion surrounding the purchase price allocation and due diligence process;
 - f. the Receiver will need a certain level of control over both the Golf Club and the Golf Course Lands, and the ability to convey clearly to the prospective buyers what is being sold and who is selling it; and
 - g. a consolidated sale process run by the Receiver, with assistance from appropriate advisors, will, in these circumstances, maximize value for stakeholders.

52. In addition, given the conduct of Chetti prior to and during these receivership proceedings, including a pattern of broken promises, retaining an expelled-CPA to prepare financial statements with irregularities for the purpose of soliciting take-out financing, completing a potentially fraudulent transfer/conveyance of assets to a related company, and entering into a lease with questionable commercial terms and without the consent of Eisen and Goldy, the Receiver is of the view that it is reasonable and appropriate in the circumstances that the Court grant the requested relief and appoint AGI as an equitable receiver of WMI and 785, in a limited capacity, solely to facilitate an orderly execution of the Sale Process.

VII. ACTIVITIES OF THE RECEIVER

53. The Receiver's activities prior to and since the Filing Date have included, among other things, the following:
- a. corresponding extensively with A&B, Chaitons and Goodmans, regarding all aspects of the Receiver's mandate;
 - b. reviewing and commenting on the Receivership Application and Receivership Motion materials and corresponding with Chaitons regarding same;
 - c. attending at the Golf Club on December 11, 2024 with Chetti to discuss, among other things, matters relating to these receivership proceedings and taking possession of any Company books and records on-site (which were limited);
 - d. opening a receivership bank account;
 - e. establishing and maintaining the Case Website;
 - f. communicating with Chetti and Blaney regarding various matters concerning these receivership proceedings, including, among other matters, the operations of the Golf Club, the relationship between the Company and WMI/785, including any agreements between the parties governing same, the Torca Transaction and Torca Acknowledgement and Direction, the Potential Plazacorp Refinancing, the WMI Statements, the books and records of the Company, and the Insurance Termination Notice;
 - g. corresponding with Blaney and Chetti in connection with the Receiver's requests for certain books and records and other information/documentation concerning the Company and its affairs;
 - h. preparing the Notice and Statement of the Receiver pursuant to Section 245(1) and 246(1) of the BIA;

- i. corresponding with Chaitons and Goodmans regarding funding of these proceedings in accordance with the Receivership Order. Since the Filing Date, the Receiver has not yet borrowed any funds, but intends to do so in the near term;
- j. corresponding with an experienced appraiser in connection with commissioning an appraisal of the Golf Course Lands and Golf Club;
- k. corresponding with CRA regarding these proceedings and to request/discuss historical corporate and sales tax returns;
- l. corresponding with the Town, including its counsel, regarding property tax arrears on the Golf Course Lands;
- m. corresponding with Kerbel regarding the Alleged Direction, the WMI Statements and other matters concerning these proceedings, the Company and Chetti;
- n. corresponding with Dibba and Winick regarding the WMI Statements;
- o. corresponding with an experienced golf course owner and operator in connection with the proposed Sale Process;
- p. corresponding with various parties, including their agents and advisors, that have expressed interest in a transaction to acquire the Golf Course Lands and the Golf Club;
- q. reviewing the aide-memoire of the Receiver dated January 15, 2025 and supporting materials, in connection the Scheduling Hearing;
- r. attending at Court on January 16, 2025 for the Scheduling Hearing;
- s. reviewing the Sale Process Procedures, Sale Process and Ancillary Relief Order and other materials in connection with the within motion;
- t. drafting this First Report; and
- u. dealing with all other matters pertaining to the administration of this mandate not specifically set out above.

VIII. RECOMMENDATION AND CONCLUSION

54. Based on all of the foregoing, the Receiver respectfully recommends that this Honourable Court grant the Sale Process and Ancillary Relief Order.

All of which is respectfully submitted this 27th day of January 2025

**ALBERT GELMAN INC.,
solely in its capacity as Receiver of
Woodington Estates Inc.
and not its personal or any other capacity**

 Bryan
Gelman

Per: _____
Bryan Gelman, *CIRP, LIT*



Per: _____
Adam Zeldin, *CPA, CA, CIRP, LIT*

APPENDIX “D”

**SUPPLEMENTARY FIRST REPORT OF
ALBERT GELMAN INC.
AS RECEIVER OF
WOODINGTON ESTATES INC.**

MAY 13, 2025

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

BETWEEN:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

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

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

MAY 13, 2025

I. INTRODUCTION AND PURPOSE

1. This report (the “**Supplementary First Report**”) supplements the First Report of Albert Gelman Inc. (“**AGI**”) dated January 27, 2025 (the “**First Report**”) in its capacity as receiver (in such capacity, the “**Receiver**”) of all the assets, undertakings and properties (collectively, the “**Property**”) of Woodington Estates Inc. (the “**Company**”), including the real property municipally known as 7110 4th Line, Tottenham, Ontario (the “**Golf Course Lands**”). The Company is the registered owner of the Golf Course Lands, on which is built a golf course including, among other things, two eighteen-hole golf courses and supporting infrastructure known as “Woodington Lake Golf Club” (the “**Golf Club**”).
2. The primary purpose of these receivership proceedings is to conduct a coordinated, Court-supervised sale process for the assets over which AGI is appointed as receiver, and to obtain possession of or otherwise review the Company’s and other relevant books and records to determine, among other things, ownership of the Golf Club and facilitate realizations to creditors.
3. Capitalized terms not defined in this Supplementary First Report have the meanings given to them in the First Report.
4. Unless otherwise stated, this Supplementary First Report is subject to the scope and terms of reference in the First Report.
5. The Receiver has established a case website at <https://www.albertgelman.com/filedocuments/> (the “**Case Website**”), where copies of Court and other materials pertaining to these receivership proceedings are available in electronic form.

The Receiver’s Motion

6. The First Report was filed in support of the Receiver’s motion to the Court, initially returnable on March 6, 2025, and subsequently adjourned to April 16, 2025 and again to June 27, 2025 (the “**Receiver’s Motion**”), for an Order (the “**Sale Process and Ancillary Relief Order**”) and/or a judicial determination, as the case may be, *inter alia*:
 - a. appointing AGI as a limited equitable receiver, without security, of all the assets, undertakings and properties of Woodington Management Inc. and 1000736785 Ontario Limited (collectively, the “**Affiliates**”), for the purpose of marketing and selling the Affiliates’ assets with those of the Company in order to facilitate the orderly execution of the Sale Process, encompassing both the Golf Course Lands and the Golf Club, sold together to maximize realization, among other things;
 - b. approving the amended Sale Process, including the Sale Process procedures, attached as Schedule “A” to the Sale Process and Ancillary Relief Order, and authorizing the Receiver to conduct the Sale Process;

- c. that the sale of the Golf Course Lands shall take place free and clear of any encumbrances, including the Lease (as defined in the First Report), other than expressly permitted encumbrances;
 - d. that the Lease constitutes a fraudulent conveyance and is void and unenforceable as against the creditors of the Company or, in the alternative, that the Lease disregarded the reasonable interests and expectations of the Applicant and Goldy as secured mortgagees, constituting oppressive conduct, and is void and unenforceable as against the Applicant and Goldy;
 - e. if the relief in 6(d) above is sought in a separate application, that such application be heard contemporaneously with the Receiver's Motion;
 - f. compelling certain disclosure to the Receiver;
 - g. authorizing the Receiver to examine certain individuals in connection with these proceedings; and
 - h. approving the First Report and the actions, activities and conduct of the Receiver described in the First Report. A copy of the First Report (without appendices) is attached hereto as **Appendix "A"**.
7. In/around late February 2025, leading up to the original scheduling of the Receiver's Motion on March 6, 2025, the Receiver, the Company, Eisen and Goldy (and their respective counsel) were actively engaged in discussions/negotiations regarding a cooperative sale process arrangement, the agreement of which would render a significant portion of the Receiver's Motion moot. In light of the foregoing and in the spirit of working towards a consensual deal, the parties agreed to adjourn the hearing of the Receiver's Motion to April 16, 2025.
8. As discussed below, while discussions/negotiations ensued, a deal did not materialize. Consequently, and given that the previously contemplated schedule for the delivery of materials and cross-examinations could no longer be met, the parties agreed to establish a new timetable for litigating the Receiver's Motion. At a case conference before the Court held on April 2, 2025 (the "**April 2 Case Conference**"), Justice Steele issued an endorsement (the "**April 2 Endorsement**"), *inter alia*, (i) scheduling a full-day hearing before Justice Black on June 27, 2025 (the "**June 27 Hearing**") for the purpose of hearing the Receiver's Motion and (ii) setting a schedule for the delivery of materials and dates for cross-examinations in connection with the June 27 Hearing. A copy of the April 2 Endorsement is attached hereto as **Appendix "B"**.

Purposes of the Supplementary First Report

9. The purpose of this Supplementary First Report is to provide the Court with:
- a. an update regarding security granted by WMI in favour of Eisen, which was brought to the Receiver's attention on May 9, 2025, and the impact of same on the Receiver's Motion;

- b. an update on other matters concerning these receivership proceedings since the date of the First Report;
- c. background information pertaining to the relief regarding an increase in the Receiver's Borrowing Limit (as defined below) from \$250,000 to \$650,000; and
- d. information pertaining to the Receiver's request for additional relief, *inter alia*:
 - i. sealing the confidential appendices to the Supplementary First Report, until the closing of any transaction resulting from the Sale Process or further order of the Court; and
 - ii. approving the Receiver's interim statement of receipts and disbursements, as described in this Supplementary First Report.

II. SECURITY OVER WMI

- 10. As noted in the First Report, the Receiver was appointed pursuant to an application made by Eisen, in connection with the Eisen Mortgage and underlying security granted by the Company over the Property, including the Golf Course Lands. The Receiver had understood, prior to the date of its appointment and in the period that has elapsed since, that Eisen did not hold security over the assets of WMI.
- 11. However, on May 9, 2025, the Receiver was advised by Eisen's counsel, Chaitons LLP ("**Chaitons**"), that a general security agreement (the "**WMI GSA**") had been executed on January 4, 2019, between Eisen and WMI. The Receiver understands that the WMI GSA purports to secure all the assets, property and undertakings of WMI in favour of Eisen.
- 12. While the Receiver has discussed the WMI GSA with Chaitons, as of the date of this Supplementary First Report, neither the Receiver nor its independent legal counsel has yet had the opportunity to substantively review the WMI GSA or form any conclusions as to its validity and enforceability.
- 13. The Receiver understands that Eisen will bring a motion before the Court seeking the appointment of a receiver over WMI and 785 pursuant to, among other things, its rights under the WMI GSA (the "**May 2025 Eisen Motion**"). In light of this development, the Receiver's Motion, which sought, among other things, an equitable receivership appointment over WMI and 785, may no longer be required in the form in which the relief was originally filed. The Receiver has thus, on the assumption that the May 2025 Eisen Motion will be filed, updated and amended the relief sought in the Receiver's Motion accordingly and intends to provide the Court with further information in a subsequent report at the appropriate time, if necessary.

III. UPDATE ON OTHER MATTERS SINCE THE FIRST REPORT

The February 2025 Eisen Motion

14. On February 10, 2025, Eisen (the first and third mortgagee on the Golf Course Lands) served a notice of motion (the “**February 2025 Eisen Motion**”) in support of the Receiver’s Motion and seeking an order from the Court that the business and assets of the Golf Club be included in the Sale Process. A copy of the February 2025 Eisen Motion is attached hereto as **Appendix “C”**. The February 2025 Eisen Motion was also filed to, amongst other things, address a potential jurisdictional concern raised by Joseph Chetti (“**Chetti**”) and the Company’s counsel arising in respect of the relief sought in the Receiver’s Motion. While the Receiver has always been of the view that such concern is without merit, the Receiver believes that such concern is nevertheless addressed by the May 2025 Eisen Motion.

Responding Motion Record

15. On February 21, 2025, the Company served a motion record in response to the Receiver’s Motion (the “**Responding Motion Record**”), within which Chetti filed a further affidavit sworn February 19, 2025 (the “**Second Chetti Affidavit**”). Among other things, the Responding Motion Record opposes the relief sought in the Receiver’s Motion as it relates to the Sale Process and AGI’s previously proposed limited receivership appointment over WMI and 785.
16. Based on its review, the Receiver notes the following with respect to the Second Chetti Affidavit:
 - a. **Inaccuracies regarding AGI’s proposed appointment as equitable receiver** – the Second Chetti Affidavit mischaracterizes both the Receiver’s intentions regarding its mandate and contemplated powers under the proposed equitable receivership. While this relief is now alternative to that contained in the May 2025 Eisen Motion, the Receiver notes the following:
 - i. the appointment of AGI as equitable receiver over WMI and 785, if needed, is solely intended to support the orderly execution of the Sale Process. It was neither contemplated nor intended that AGI would take possession of WMI’s or 785’s property, or be responsible for, or interfere with the operations of the Golf Club. The intended scope of the equitable receivership, if sought, is limited explicitly by the multiple carve outs to AGI’s proposed appointment in the Sale Process and Ancillary Relief Order contained in the Receiver’s motion record dated January 27, 2025;
 - ii. additionally, the assertion that the existing lending group would be unwilling to fund Golf Club operations during the Sale Process is inaccurate. While debtor-in-possession financing terms were not formalized, the Receiver was advised through discussions with Eisen and WLP that there was interest in providing such funding—subject to

conditions, including the Court granting the Receiver's requested relief and the establishment of an acceptable cash flow monitoring protocol;

- iii. for added clarity and as more fully discussed in the First Report, a coordinated, Court-supervised sale process for the Golf Course Lands together with the Golf Club will, in the Receiver's view, and based on discussions with an experienced golf course owner and operator, attract greater interest from potential buyers and increase the likelihood of a value-maximizing transaction as compared to selling the Golf Course Lands separately from the Golf Club business. It appears that Chetti and the Company share this view. In the Second Chetti Affidavit, there is reference to a November 24, 2024 unsworn affidavit of Chetti which states, "In my opinion, it would be difficult to get sufficient value to repay the lenders if one were to attempt to sell the land without selling the golf course that operates on it". This shared understanding formed the basis for efforts to reach an agreement on a cooperative sale process. Although those negotiations ultimately broke down, the underlying rationale remains unchanged: a joint sale of the Golf Course Lands and Golf Club represents the most effective path forward—one which, along with all the facts at hand, underpins the Receiver's request for relief;
- b. **Involvement of Chetti, WMI and 785 in the Sale Process** – the Second Chetti Affidavit misrepresents the Receiver's intentions to involve Chetti, WMI and 785 in the Sale Process proposed in the motion record dated January 27, 2025. The Receiver has already communicated to Chetti its intended process for selecting a listing agent (including the realtors from whom proposals will be solicited, which Chetti did not oppose), and the Receiver retains discretion to consult with any parties it deems appropriate in marketing and selling the Property, including Chetti, WMI and 785, subject to any decision on any of their part to participate in the process as a prospective purchaser. As discussed further herein, the Receiver was open to jointly developing a cooperative sale process and, together with A&B, invested significant time negotiating a consensual sale process agreement;
- c. **The Lease** – the Second Chetti Affidavit states that the Lease terms are commercially unusual, claiming that 785 was granted unrestricted use of the Golf Course Lands to operate the Golf Club without paying rent for four years, followed by a reduced rent thereafter. It further suggests that these terms were deliberately structured to eliminate a commercial lease expense and reduce the financial support Chetti would otherwise have had to provide to WMI and 785. However, it remains unclear to the Receiver how the Company was expected to meet its ongoing obligations to its lenders (including principal and interest payments) and other creditors (such as The Corporation of the Town of New Tecumseth (the "Town") for property taxes, which obligation has ballooned to more than \$225,000) in the absence of rental income.

The Lease was also said to be conditional on 785 investing \$4.0 million to be used towards improvements to the Golf Course Lands—an investment Chetti claims was more beneficial than having WMI or 785 pay ongoing rent to the Company. Notwithstanding the Receiver's repeated requests, to date, Chetti has also failed to provide the Receiver with any evidence that the purported \$4.0 million investment was actually made or what improvements resulted from same.

The Receiver notes that the Second Chetti Affidavit fails to address the curious timing of the execution of the Lease (i.e. after the Eisen Mortgage and Goldy Mortgage were in default and following the commencement of the Goldy Power of Sale Proceedings), nor does it provide, in the Receiver's view, any reasonable explanation as to why each of Eisen and Goldy were not notified of the Lease at the time it was executed (as well as the nearly 13-month period that followed, until it was provided following requests from the Receiver).

Taking the foregoing into consideration, as well as the findings/questions raised by the Receiver in the First Report and Eisen in the February 2025 Eisen Motion, the Receiver continues to have reasonable concerns as to the validity of the Lease, the intent with which it was entered into and its potential impact on the proposed Sale Process.

- d. **Efforts to cooperate with the Receiver** – in the Second Chetti Affidavit, it is represented that Chetti is making every effort to gather and provide the information requested by the Receiver and, despite many of the records not being in his possession, Chetti continues to search for the relevant documents to the best of his ability. However, as discussed later in this report, the Receiver made several information requests both before and after the date of the Second Chetti Affidavit, the majority of which remain outstanding. The Receiver's ongoing attempts to follow up on these requests have been substantively ignored. In addition, on or about March 10, 2025, the Receiver and Chetti agreed to schedule an in-person meeting among the Receiver and the bookkeeper of WMI/785 for the purpose of addressing, in part, the Receiver's information requests. The meeting was postponed by Chetti due to a family medical matter. During the ensuing three weeks, the Receiver emailed Chetti four times to reschedule the meeting. No substantive response has been provided;
- e. **Offer for the sale of the Golf Course Lands/Golf Club** – the Second Chetti Affidavit misrepresents the facts surrounding an offer made for the Golf Course Lands and Golf Club. Ashleen Hotels Inc. ("**Ashleen**"), a company the Receiver understands to operate in the hospitality industry, submitted an unsolicited offer to Chetti on December 8, 2024 (the "**Initial Offer**"), for the acquisition of the Company. For clarity, the offer is drafted such that Woodington Estates Inc. is the seller – not WMI, 785 or a combination of the entities. The Receiver notes that the Initial Offer contemplated a purchase price in excess of the amount of all known liabilities of the Company at that time. Before advising the Receiver of the offer, Chetti marked

up the offer to, among other things, increase the purchase price by \$4.5 million and update the seller to include 785, and returned it to Ashleen, unsigned (the “**Revised Offer**”). On December 19, 2024, Blaney, on behalf of Chetti, sent an email to the Receiver to, among other things, advise of the Revised Offer and Chetti’s revisions to same, and included a copy of the Revised Offer as an attachment. A redacted copy of the Revised Offer is included herein as **Appendix “D”**. An unredacted copy of the Revised Offer is included herein as **Confidential Appendix “1”**. Based on direct conversations with the prospective buyer’s agent, the Receiver understands that the buyer was not prepared to proceed at the inflated price.

Chetti’s assertion that the Receiver failed to pursue this offer and that it allowed a valuable opportunity to be lost is a misrepresentation. In fact, the Receiver engaged in multiple discussions with the prospective buyer’s agent to explore the viability of a transaction in the context of these receivership proceedings. The buyer’s agent even attended the Receiver’s office, unsolicited, to better understand the proceedings and the steps required to advance a deal. At the meeting (and on subsequent calls among the Receiver and the agent), the Receiver advised that any offer seeking to acquire the Golf Course Lands and the Golf Club business would need to encompass the property/assets of the Golf Course Lands and the Golf Club, and should be submitted jointly to the Receiver and Chetti for consideration. A revised email offer (the “**Second Revised Offer**”) was later submitted, but at a significantly reduced price compared to what was contemplated in the Initial Offer, and which would result in a shortfall to the Company’s creditors. The Receiver further notes that the buyer under the Second Revised Offer was a numbered company, which, as advised by Ashleen’s agent, is an entity related to Ashleen. A redacted copy of the Second Revised Offer is included herein as **Appendix “E”**. An unredacted copy of the Second Revised Offer is included herein as **Confidential Appendix “2”**. The Receiver, in turn (and in consideration of the *Soundair* principals), advised the agent that the revised offer was insufficient to support a transaction outside of a formal, Court-approved sale process and encouraged the prospective purchaser to participate in the contemplated Sale Process, should the Court grant the relief in the Receiver’s Motion.

The Receiver is of the view that efforts to market the Golf Course Lands and Golf Club may be impaired if the Revised Offer and Second Revised Offer are made public at this time as the information could be prejudicial to any future sale efforts, including the proposed Sale Process. In the circumstances, the Receiver believes that it is appropriate for the Revised Offer and Second Revised Offer to be filed with the Court on a confidential basis and sealed until the completion of the Sale Process, should the Court grant such relief, or upon further order of the Court.

Efforts to Negotiate a Cooperative Sale Process Agreement

17. Since the Filing Date, the Receiver and the Company, as well as their respective counsel, with the involvement of Eisen, WLP and Goldy (and their respective counsel), discussed and engaged in negotiations regarding a collaborative sale process structure. These discussions/negotiations took place prior to and since the service of the Receiver's Motion and the Responding Motion Record, with a view to reaching an agreement prior to the initial return date of the Receiver's Motion (March 6, 2025, the "**March 6 Hearing**"). As noted above, while material progress was made, the parties agreed to adjourn the March 6 Hearing to April 16, 2025, to provide the time needed to either (i) finalize a collaborative sale process agreement or (ii) prepare to litigate the Receiver's Motion.
18. After agreeing to adjourn the March 6 Hearing, the parties continued to discuss/negotiate. However, there remained certain unresolved matters. In an effort to resolve these matters, on March 6, 2025, each of the Receiver, the Company, Eisen and WLP, as well as their counsel and counsel to Goldy, attended an in-person, without-prejudice meeting at the offices of the Receiver's counsel, Aird & Berlis LLP ("**A&B**") (the "**March 6 Meeting**"). On March 12, 2025, A&B circulated a revised draft of the collaborative sale process agreement to Company counsel, which draft had been shared with and approved by counsel to Eisen and Goldy.
19. No agreement having been formalized, on March 20, 2025, A&B circulated a proposed litigation timetable to Company counsel. On March 24, 2025, Company counsel responded to A&B, providing a conditional term sheet for the Proposed New Refinancing (as defined below) (the "**March 24 Blaney Email**").
20. After exchanges between A&B and Company counsel on March 25 and 26, 2025, it was determined that the Receiver's Motion would need to be rescheduled (resulting in the April 2 Case Conference and April 2 Endorsement).

Prospective Refinancing Transaction

21. A copy of a term sheet (the "**Term Sheet**") setting out the terms of a conditional offer to refinance the Golf Course Lands (the "**Proposed New Refinancing**"), attached to the March 24 Blaney Email, is summarized as follows:
 - a. Refinancing commitment: \$22.015 million;
 - b. Purpose of funds: replacement of two existing private mortgages: first for \$12.5 million and second for \$6.0 million, with the remainder of funds to be used towards soft costs for development preparation and the interest reserve;
 - c. Term: 12 months (6 months closed);
 - d. Interest rate: 10.75%;

- e. Fees: \$990,000 (or 4.5% of loan amount);
- f. Deposit (refundable): \$15,000;
- g. Sources/uses of funds:

Uses	Amount (in \$000s)	Sources	Amount (in \$000s)
Payment of existing first mortgage	12,500	New first mortgage	22,000
Payment of existing second mortgage	6,000	Deposit	15
Interest reserve (6 months)	1,183		
Legal fees (estimated)	10		
Fees	990		
Available for use	1,333		
Total uses	22,015	Total sources	22,015

- h. Conditions: including, but not limited to, performing further due diligence and obtaining an appraisal that confirms the proposed loan-to-value is no greater than what is indicated in the Term Sheet (i.e. at least 57.44%).
22. The Receiver notes the following regarding the Proposed New Refinancing:
- a. the contemplated fee of \$990,000 is considerably high. When combined with interest, the Company will effectively be paying a blended rate of 15% over the 12-month term of the loan, which is 4% greater than the current interest rates in effect for the Eisen Mortgage and the Goldy Mortgage;
 - b. as discussed in the First Report, Eisen has a collateral mortgage of \$5.0 million secured against the Golf Course Lands, which ranks in third position behind the Goldy Mortgage. Absent a subordination of the fees and interest reserve to Eisen's collateral mortgage, the terms of the Proposed New Refinancing are prejudicial to Eisen;
 - c. the Receiver has received little to no substantive information regarding the proposed lender or its capacity to complete the Proposed New Refinancing. The Receiver has not been provided with sufficient information to instill any level of confidence that the Proposed New Refinancing will meaningfully develop; and
 - d. Eisen has informed the Receiver that the terms of the Proposed New Refinancing are unacceptable and does not support proceeding with a refinancing transaction on that basis.

Outstanding Information Requests

23. As discussed in the First Report, since its appointment, the Receiver has been working to obtain information regarding the affairs and operations of the Company in order to perform its Court-ordered mandate and prepare for the Sale Process. While certain of this information was obtained/provided

(in many cases, from third-party sources), significant portions remained outstanding as of the date of the First Report, which led to additional questions and concerns for the Receiver.

24. Since the date of the First Report, the Receiver has continued its efforts to obtain information regarding the affairs and operations of the Company. On February 4, 2025, February 10, 2025 and March 4, 2025 (collectively, the “**Information Request Emails**”), the Receiver sent emails to Chetti to request, inter alia, the following information:
 - a. historical financial information of the Company;
 - b. environmental reports concerning the Golf Course Lands;
 - c. any agreement between the Company and WMI setting out the arrangement for the use/lease/occupation etc. of the Golf Course Lands (it was subsequently represented in the Second Chetti Affidavit that no such agreement existed);
 - d. copies of documents supporting the use of funds in respect of the alleged investment by 785 in the Golf Course Lands in connection with the \$4.0 million funding commitment provided under the Lease;
 - e. copy of the transfer/conveyance of assets agreement(s) between WMI and 785 in respect of the transfer/conveyance of any Golf Club assets;
 - f. updates on the status of the Potential Plazacorp Refinancing, including supporting documents evidencing same, and the Torca Transaction;
 - g. updates with respect to insurance on the Golf Club. As noted in the First Report, the Golf Club’s previous insurance policy was terminated due to non-payment of premiums. At that time, Chetti was working to secure a more affordable replacement. Following further follow-ups by the Receiver, Chetti confirmed that a new policy had been put into effect and provided a copy of the policy on March 11, 2025; and
 - h. financial and other information regarding the operations and affairs of the Golf Club in connection with the Receiver’s attempts to arrange for an appraisal of the Golf Club.
25. Copies of the Information Request Emails are attached hereto as **Appendix “F”**.
26. At the March 6 Meeting, the Receiver and Chetti discussed the Receiver’s information requests, where Chetti expressed to the Receiver that he wished to cooperate and agreed to arrange an in-person meeting among the Golf Club’s bookkeeper and the Receiver, particularly to address and satisfy the Receiver’s information request in connection with the proposed appraisal. Following additional correspondence after the March 6 Meeting, a meeting was scheduled for March 12, 2025. On March 11, 2025, Chetti wrote to the Receiver to advise that the meeting had to be postponed one-week as Chetti had to tend to a family medical matter. On March 17, 2025, the Receiver wrote

to Chetti to confirm that the meeting was to proceed as rescheduled, but did not receive a response. Despite additional attempts by the Receiver to reschedule the meeting (which Chetti did not respond to), the meeting never occurred.

27. On April 24, 2025, the Receiver sent a further email to Chetti in connection with its prior information requests (the “**April 24 Email**”), a copy of which is attached hereto as **Appendix “G”**.
28. Also on April 24, 2025, the Receiver received a copy of unaudited 2024 financial statements for WMI (the “**2024 WMI Statements**”) from Barry Kerbel, a realtor and individual who purports to have a historical business relationship with Chetti. The Receiver subsequently provided a copy of the financial statements to Chetti and Company counsel on May 5, 2025, seeking to, among other things, verify the validity of same. A copy of the Receiver’s email is attached hereto as **Appendix “H”**. The Receiver received two responses from Chetti on May 6, 2025, advising that the financial statements should not be relied upon and instructing the Receiver to cease any further requests for information. These responses are attached hereto as **Appendix “I”**.
29. As of the date of this Supplementary First Report, the Receiver has not received a response to its requests for documents/information regarding (i) historical financial information of the Company, (ii) the \$4.0 million funding commitment provided under the Lease, (iii) the transfer/conveyance of assets agreement(s) between WMI and 785 in respect of the transfer/conveyance of any Golf Club assets, (iv) the status of the Potential Plazacorp Refinancing and the Torca Transaction and (v) financial and other information regarding the operations and affairs of the Golf Club, including specific questions regarding the reporting of the historical financial statements of WMI.

Other Matters

Torca Transaction

30. Background regarding the Torca Transaction is provided in the First Report and not repeated herein.
31. Since the First Report, the Receiver has requested (including the Information Request Emails and the April 24 Email) an update on the status of the Torca Transaction. The Receiver was last advised by Chetti that the Torca Transaction would close by no later than February 28, 2025. The Receiver has not received a response from Chetti regarding its requests for updates on such. The Receiver understands from other sources that, as of the date of this Supplementary First Report, the Torca Transaction has not closed.

Potential Plazacorp Refinancing

32. Background regarding the Potential Plazacorp Refinancing is provided in the First Report and not repeated herein.
33. Since the First Report, the Receiver has requested (including the Information Request Emails and the April 24 Email) an update on the status of the Potential Plazacorp Refinancing. The Receiver has

not received a response from Chetti regarding its requests for such updates. The Receiver is not aware of any development regarding the Potential Plazacorp Refinancing.

IV. BORROWING LIMIT

34. The Receiver's borrowing limit pursuant to paragraph 21 of the Receivership Order is presently \$250,000 (the "**Receiver's Borrowing Limit**"). To date and in accordance with the Receivership Order, the Receiver has borrowed \$250,000 from Eisen by way of a Receiver's Certificate dated January 31, 2025 (the "**January 2025 Receiver's Certificate**").
35. The Receiver understands that the Company does not maintain bank accounts, and, as a land-owner that provides tenancy free-rent to its tenant, has no source of income. The Receiver is required to borrow funds for the professional costs and ancillary disbursements associated with the administration of these proceedings. As detailed in the statement of interim receipts and disbursements for the period from the Filing Date to May 12, 2025 (as discussed below, the "**Interim SRD**"), the Receiver has used virtually all of the funds borrowed. In order to continue to fund these proceedings and implement the Sale Process, the Receiver recommends that the Receiver's Borrowing Limit be increased to \$650,000. The receiver understands that such relief will be included in the May 2025 Eisen Motion.
36. The Receiver notes that each of Eisen and Goldy support the proposed increase to the Receiver's Borrowing Limit.

V. INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

37. Attached hereto at **Appendix "J"** is the Interim SRD, which reflects the Receiver's receipts and disbursements for the period from the Filing Date to May 12, 2025. As set out in the Interim SRD, the Receiver is currently holding funds in the amount of approximately \$182, as of May 12, 2025.

VI. ACTIVITIES OF THE RECEIVER

38. The Receiver's activities since the date of the First Report have included, among other things, the following:
 - a. corresponding extensively with A&B, Chaitons (counsel to Eisen) and Goodmans (counsel to Goldy), regarding all aspects of the Receiver's mandate and these receivership proceedings;
 - b. reviewing a demand letter dated February 11, 2025 issued to Chetti by Goodmans (on behalf of Goldy), demanding on Chetti's personal guarantee granted in favour of Goldy in respect of the Company's obligations under the Goldy Loan;
 - c. dealing with various matters, concerning insurance of the Golf Club and Golf Course Lands, including, corresponding with Chetti and his insurance broker, regarding the Insurance

- Termination Notice and replacement insurance for the Golf Club, arranging insurance in respect of the Golf Course Lands, corresponding with Aon Parizeau Inc./Aon Reed Stenhouse Inc., the insurance broker engaged by the Receiver, regarding same, and corresponding with an insurance consultant in respect of various insurance matters concerning the Golf Club and the Golf Course Lands;
- d. corresponding with realtors regarding the proposed Sale Process and the status of the proceedings generally;
 - e. corresponding with a golf course equipment financier who financed the purchase of WMI's/785's machinery and equipment (including golf carts), regarding the status of the proceedings generally and the proposed Sale Process;
 - f. corresponding with Chetti, the Company and Blaney (the Company's counsel), regarding various matters in these proceedings, including the Receiver's information requests, the proposed Sale Process, the proposed cooperative sale process, insurance matters, the Proposed New Refinancing and other matters concerning these proceedings;
 - g. dealing with various matters in connection with the proposed cooperative sale process, including:
 - i. reviewing and commenting on multiple drafts of an agreement setting out the terms of the contemplated cooperative sale process (collectively, the "**Draft Agreements**");
 - ii. attending at the March 6 Meeting;
 - iii. preparing an estimated realization analysis setting out a range of outcomes from the sale of the Golf Course Lands and Golf Club; and
 - iv. corresponding with A&B, Chetti, the Company, Blaney, Chaitons, WLP and Goodmans regarding the Draft Agreements and other matters concerning the proposed cooperative sale process;
 - h. corresponding with Chaitons, Eisen and Goodmans regarding funding of these proceedings in accordance with the Receivership Order. As noted above, since the Filing Date, the Receiver has borrowed \$250,000;
 - i. executing the January 2025 Receiver's Certificate;
 - j. corresponding with various parties, including their agents and advisors, that have expressed interest in a transaction to acquire the Golf Course Lands and the Golf Club;
 - k. corresponding with WLP regarding the Responding Motion Record, the proposed Sale Process, the proposed cooperative sale process and the Proposed New Refinancing, among other things;

- l. reviewing past appraisals of the Golf Club;
- m. corresponding with John Chetti (Chetti's son) regarding an alleged offer to acquire the Golf Course Lands;
- n. reviewing materials and corresponding with various counsel and A&B in connection with ancillary litigation proceedings;
- o. reviewing the Proposed New Refinancing term sheet and corresponding with A&B, Blaney, Chaitons and Goodmans regarding same and the terms of and other related matters concerning the Proposed New Refinancing;
- p. reviewing the aide-memoire of the Receiver dated April 1, 2025 in connection with the April 2 Case Conference, as well as the proposed timetable for delivery of materials in connection with the June 27 Hearing, and corresponding with A&B, Chaitons, Goodmans and Blaney regarding same;
- q. attending at Court in respect of the April 2 Case Conference;
- r. dealing with estate banking matters, including opening an estate bank account and paying post-filing expenses;
- s. maintaining the Case Website;
- t. preparing the Notice and Statement of the Receiver pursuant to Section 246(2) of the BIA;
- u. preparing the Interim SRD;
- v. reviewing various materials filed in connection with these proceedings since the First Report, including, among other materials, the Responding Motion Record and the February 2025 Eisen Motion;
- w. drafting this Supplementary First Report; and
- x. dealing with all other matters pertaining to the administration of this mandate.


VII. RECOMMENDATION AND CONCLUSION

39. Based on all of the foregoing, the Receiver respectfully recommends that this Honourable Court grant the relief described herein.

All of which is respectfully submitted this 13th day of May 2025

**ALBERT GELMAN INC.,
solely in its capacity as Receiver of
Woodington Estates Inc.
and not its personal or any other capacity**

 **Bryan
Gelman**
Per: _____
Bryan Gelman, *CIRP, LIT*


Per: _____
Adam Zeldin, *CPA, CA, CIRP, LIT*

APPENDIX “E”

**SECOND SUPPLEMENTARY FIRST REPORT OF
ALBERT GELMAN INC.
AS RECEIVER OF
WOODINGTON ESTATES INC.**

JUNE 20, 2025

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

BETWEEN:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

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

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

JUNE 20, 2025

I. INTRODUCTION AND PURPOSE

1. This report (the "**Second Supplementary First Report**") supplements the First Report of the Receiver dated January 27, 2025 (the "**First Report**") and the Supplementary First Report of the Receiver dated May 13, 2025 (the "**Supplementary First Report**").
2. Copies of the First Report and Supplementary First Report, each without appendices, are attached hereto as **Appendix "A"** and **Appendix "B"**, respectively. Copies of the First Report and Supplementary First Report, each with appendices, are available on the Receiver's website at <https://www.albertgelman.com/filedocuments/>.
3. Capitalized terms not defined in this Second Supplementary First Report have the meanings given to them in the First Report and the Supplementary First Report.
4. Unless otherwise stated, this Second Supplementary First Report is subject to the scope and terms of reference in the First Report.

Purpose of the Second Supplementary First Report

5. The purpose of this Second Supplementary First Report is to:
 - a. provide a short update on recently filed materials in this matter and briefly address the responding affidavit filed by Chetti dated June 16, 2025 (the "**Third Chetti Affidavit**"); and
 - b. provide the Court with an update with respect to the Receiver's mandate to monitor receipts and disbursements of WMI and 785, as ordered pursuant to the endorsement of The Honourable Justice Black dated June 2, 2025 (the "**June 2 Endorsement**"), a redacted copy of which is attached hereto as **Appendix "C"**.

II. RECENT UPDATES

6. On June 11, 2025, Turf Care Financial Ltd., Care Lending Group Limited, operating as Turf Care Financial, and Turf Care Products Canada Ltd. ("**Turf Care**") served an application under the PPSA for possession of certain leased equipment used in the day-to-day operations of the Golf Club (the "**Turf Care Application**"). On June 16, 2025, Turf Care also served a motion record responding to the materials filed by the Receiver and Eisen on May 13, 2025.
7. As noted above, the Third Chetti Affidavit was served on June 16, 2025 and addresses, among other things: (i) the WMI GSA, (ii) a purported security interest in 785 held by Rock Garden Development Corporation (a company controlled by Chetti, as represented in the Third Chetti Affidavit), (iii) a proposed refinancing transaction, (iv) Eisen's Third Mortgage (as defined in the Third Chetti Affidavit) on the Golf Course Lands and the interrelationship of same with respect to the Highway 27 Property (as defined in the First Report) and (v) the Turf Care Application.

8. The Receiver understands that Eisen will be filing an affidavit in response to the Third Chetti Affidavit.

The Proposed Refinancing

9. The Third Chetti Affidavit discusses a proposed refinancing transaction that would provide sufficient funding to repay the Eisen Loan and Goldy Loan, in full (i.e. the first and second mortgages on the Golf Course Lands). It is unclear to the Receiver if the foregoing refinancing transaction is the same proposed refinancing transaction discussed in the Supplementary First Report (and defined therein as the "Proposed Refinancing"). The Receiver's comments regarding the Proposed Refinancing are provided in the Supplementary First Report and not repeated herein.
10. The Third Chetti Affidavit also represents that Chetti anticipates receipt of a commitment letter imminently in respect of the contemplated refinancing transaction. As of the date of this Second Supplementary First Report, the Receiver has not been provided with a copy of a commitment letter in this regard.

III. UPDATE ON THE RECEIVER'S MONITORING MANDATE

11. The June 2 Endorsement provides, *inter alia*, the following:

"Mr. Chaiton for the applicant asked that I also include, as terms of the adjournment, that AGI be allowed to monitor receipts and disbursements of the respondents and that only ordinary course business expenditures are to be permitted pending the determination of the motion. Mr. Ullman resists these terms. On balance the terms strike me as fair and reasonable, and I order them. There is benefit to maintaining the status quo pending the disposition of this matter."
12. On June 2, 2025, the Receiver wrote to Chetti to, among other things, request and coordinate the delivery of documentation and information in connection with the Receiver's monitoring mandate as ordered in the June 2 Endorsement (the "**June 2 Receiver Email**"). A copy of the June 2 Receiver Email is attached hereto as **Appendix "D"**.
13. On the same day, Blaney McMurtry LLP (counsel to the Respondent, "**Blaney**"), responded to the Receiver (the "**June 2 Blaney Email**") to, among other things, suggest that the June 2 Receiver Email overstates the intention of the June 2 Endorsement and that Blaney would provide a response to the June 2 Receiver Email. A copy of the June 2 Blaney Email is attached hereto as **Appendix "E"**.
14. On June 5, 2025, the Receiver, together with its counsel (Aird & Berlis LLP, "**A&B**"), attended a call with Blaney to discuss, among other things, the June 2 Receiver Email, including the scope of the Receiver's information request and the Receiver's monitoring mandate more broadly.
15. On June 12, 2025, the Receiver, A&B, and Blaney participated in a follow-up call to discuss, among other matters, the status of the Receiver's information request and monitoring mandate, as no

- progress had been made to date. During the call, it was conveyed to the Receiver that, in light of Chetti's personal health situation, other members of his family, including his son, John Chetti ("**John**"), would be managing the operations and affairs of the Golf Club on an interim basis. It was further discussed that, in view of this arrangement, John would be the appropriate point of contact for coordinating the monitoring mandate, and that Blaney would follow up with him accordingly.
16. On June 13, 2025, the Receiver emailed John (the "**June 13 Receiver Email**") to coordinate the Receiver's attendance at the Golf Club to review records and set a protocol for ongoing monitoring. A copy of the June 13 Receiver Email is attached hereto as **Appendix "F"**.
 17. On June 16, 2025, the Receiver sent a follow-up email to John, as no response had been received to the June 13 Receiver Email. Shortly thereafter, John replied and requested a call, which the Receiver attended. During the call, the Receiver and John discussed scheduling a meeting to review financial records and set a monitoring protocol. However, John declined to schedule or confirm any meeting until June 18, 2025. The Receiver remains unclear as to the relevance of this delay in the context of its monitoring mandate—particularly given its understanding that interim measures were in place for the operation of the golf club, and that the requested information should be readily accessible through the in-house bookkeeper.
 18. Later on June 16, 2025, A&B wrote to Blaney to advise of, among other things, the Receiver's call with John (the "**June 16 A&B Email**") and to request that Blaney speak with its client to rectify the matter. A copy of the June 16 A&B Email is attached hereto as **Appendix "G"**.
 19. On June 18, 2025, the Receiver sent a follow-up email to John. In response, John wrote to the Receiver that, due to delays in connection with Chetti's medical situation, he would respond the following day to coordinate a time.
 20. In consideration of all the foregoing and as it had been sixteen (16) days since the June 2 Endorsement and the Receiver's initial outreach to commence the monitoring mandate, the Receiver sent a further email to John on June 18, 2025 (the "**June 18 Receiver Email**"), in an effort to advance the monitoring process. As noted in the June 18 Receiver Email, the Receiver requested a shortened list of information be provided immediately, consisting of materials it expected would be readily available from the in-house bookkeeper (without prejudice to its broader information request). A copy of the June 18 Receiver Email is attached hereto as **Appendix "H"**. In response, John advised that he would provide the requested information but that it "*will take a couple of days*".
 21. As of the date of this Second Supplementary First Report, the Receiver has not received any of the requested information nor has the Receiver been able to confirm a date to meet with any representative of the Golf Club. As such, no monitoring pursuant to the June 2 Endorsement has taken place.

All of which is respectfully submitted this 20th day of June 2025

**ALBERT GELMAN INC.,
solely in its capacity as Receiver of
Woodington Estates Inc.
and not its personal or any other capacity**

A handwritten signature in blue ink, consisting of stylized, overlapping loops and lines, positioned above a horizontal line.

Per: _____
Adam Zeldin, CPA, CA, CIRP, LIT

APPENDIX “F”

**THIRD SUPPLEMENTARY FIRST REPORT OF
ALBERT GELMAN INC.
AS RECEIVER OF
WOODINGTON ESTATES INC.**

JULY 10, 2025

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

BETWEEN:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

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

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

JULY 10, 2025

I. INTRODUCTION AND PURPOSE

1. This report (the “**Third Supplementary First Report**”) supplements the First Report of the Receiver dated January 27, 2025 (the “**First Report**”), the Supplementary First Report of the Receiver dated May 13, 2025 (the “**Supplementary First Report**”) and the Second Supplementary First Report of the Receiver dated June 20, 2025 (the “**Second Supplementary First Report**” and collectively with the First Report and the Supplementary First Report, the “**Prior Reports**”).
2. Copies of the First Report, Supplementary First Report and Second Supplementary First Report, each without appendices, are attached hereto as **Appendix “A”**, **Appendix “B”** and **Appendix “C”**, respectively. Copies of the First Report, Supplementary First Report and Second Supplementary First Report, each with appendices, are available on the Receiver’s website at <https://www.albertgelman.com/filedocuments/>.
3. Capitalized terms not defined in this Third Supplementary First Report have the meanings given to them in the Prior Reports.
4. Unless otherwise stated, this Third Supplementary First Report is subject to the scope and terms of reference in the First Report.

Purpose of the Third Supplementary First Report

5. The purpose of this Third Supplementary First Report is to provide an update to the Court since the date of the Second Supplementary First Report regarding the Receiver’s mandate to monitor receipts and disbursements of WMI and 785 (the “**Monitoring Mandate**”), as ordered pursuant to the endorsement of The Honourable Justice Black dated June 2, 2025 (the “**June 2 Endorsement**”), a redacted copy of which is attached hereto as **Appendix “D”**.

II. UPDATE ON THE RECEIVER’S MONITORING MANDATE

6. As noted in the Second Supplementary First Report, the June 2 Endorsement provides, *inter alia*, the following:

“Mr. Chaiton for the applicant asked that I also include, as terms of the adjournment, that AGI be allowed to monitor receipts and disbursements of the respondents and that only ordinary course business expenditures are to be permitted pending the determination of the motion. Mr. Ullman resists these terms. On balance the terms strike me as fair and reasonable, and I order them. There is benefit to maintaining the status quo pending the disposition of this matter.”

7. Details of the Receiver’s activities in connection with the Monitoring Mandate are set out in the Second Supplementary First Report. As discussed therein, as of the date of the Second Supplementary First Report, no progress had been made in advancing the Monitoring Mandate.

8. On June 25, 2025, the Receiver sent a follow up email (the “**June 25 Receiver Email**”) to John Chetti (“**John**”). As discussed in the Second Supplementary First Report, the Receiver had previously been advised by Respondent’s counsel that John and other Chetti family members are currently assisting with managing the operations and affairs of the Golf Club on an interim basis due to Chetti’s medical situation. The June 25 Receiver Email asked for confirmation of when the requested information sought in connection with the Monitoring Mandate would be provided and to schedule a meeting to attend at the Golf Club to review financial records and establish a monitoring protocol. A copy of the June 25 Receiver Email is attached hereto as **Appendix “E”**.
9. Later on June 25, 2025, John responded to the Receiver (the “**June 25 John Email**”) as follows:

“We are prepared to pay off all parties by next Friday. We will not be granting any more access and we require final invoices. We will not incur or pay anymore Receiver bills and are in the process of having a review to see if the bills are justified. We will be documenting the receivers role in this transaction to ensure it is acting ethically.”

A copy of the June 25 John Email is attached hereto as **Appendix “F”**.
10. On July 3, 2025, the day before the alleged “pay off” date referenced in the June 25 John Email, the Receiver sent a follow-up email to John (the “**July 3 Receiver Email**”) requesting an update and copies of the supporting documentation to substantiate the proposed committed financing represented in the email. The July 3 Receiver Email, a copy of which is attached hereto as **Appendix “G”**, also noted that the Receiver would not be responding to the remainder of the June 25 John Email at that time, and that the absence of a response should not be taken as any acceptance of, or agreement with, the statements made therein.
11. Later that same day, John responded to the Receiver to request a call. The Receiver attended a call with John on July 3, 2025, during which John, among other things, claimed to have obtained committed financing and indicated that the Respondent’s counsel was engaged in discussions with Eisen’s counsel regarding potential refinancing terms.
12. On July 4, 2025, the Receiver sent a further email to John to: (i) request documentation in support of the purported committed financing, (ii) respond to the statements made in the June 25 John Email not previously addressed in the July 3 Receiver Email, and (iii) address the continued lack of cooperation and failure to provide information relating to the Monitoring Mandate (the “**July 4 Receiver Email**”). The Receiver again requested the necessary information to carry out the Monitoring Mandate and proposed scheduling a meeting to establish a monitoring protocol. A copy of the July 4 Receiver Email is attached hereto as **Appendix “H”**.
13. As of the date of this Third Supplementary First Report, the Receiver has not received a response to the July 4 Receiver Email, has not received any of the information it has requested regarding the Monitoring Mandate and has not been able to confirm a meeting date with any representative of the

Golf Club. As a result, no monitoring pursuant to the June 2 Endorsement has taken place despite the Receiver's efforts.

All of which is respectfully submitted this 10th day of July 2025

**ALBERT GELMAN INC.,
solely in its capacity as Receiver of
Woodington Estates Inc.
and not its personal or any other capacity**



Per: _____
Adam Zeldin, CPA, CA, CIRP, LIT

APPENDIX “G”

Steven Pitucci

Importance: High

On Wed, Oct 15, 2025 at 7:37 PM Robert Scott <robert.scott@lennard.com> wrote:

Good evening, Christos.

We are reaching out regarding your client's bid submitted on October 9th, 2025 in respect of the Sale Process for Woodington Lake Golf Club and the surrounding real property ([7110 4th Line, Tottenham, Ontario](#)) (the "**Bid**"). Pursuant to the Sale Process, a qualified bid must be accompanied by a deposit equal to at least 10% of the total consideration payable in respect of the bid.

Without addressing the Bid's compliance with the other requirements under the Sale Process, we wish to bring to your attention that the Bid was not accompanied by the appropriate deposit. Please remit the proper deposit to AGI as soon as possible and by no later than this Friday, October 17, 2025 at 12:00pm (Toronto time). If the requested deposit is not provided to AGI by the time provided, the offer will be disqualified for consideration. AGI's wire instructions are attached for your reference. Please let us know should you have any questions.

Thank you,

Robert

Robert Scott
Executive Vice President
D. 647.400.4845
robert.scott@lennard.com

Lennard Commercial Realty, Brokerage
201-[60 Columbia Way, Markham Ontario L3R 0C9](#)
Let's stay connected. Click [here](#) and provide your consent to receive Lennard Updates.

APPENDIX “H”

Steven Pitucci

From: Chris Zaremis <christoszaremis@gmail.com>
Sent: Friday, October 17, 2025 8:07:05 p.m.
To: Robert Scott <robert.scott@lennard.com>
Subject: Re: Woodington Lake G C

Received thank you

Regards
Christos Zaremis
Royal LePage Citizen Realty, Brokerage
416-578-8877

On Fri, Oct 17, 2025 at 7:21 PM Robert Scott <robert.scott@lennard.com> wrote:

Good evening, Christos.

Your lack of clarity surrounding the process has arisen from your conflation of separate comments and conversations that were mutually agreed to be verified thereafter, leading to your interpretation of the “facts.” That characterization is inaccurate and inconsistent with the sale process approved by the Court pursuant to an order dated July 15, 2025 (attached for reference, the “**Sale Officer Appointment and Sale Process Order**”).

For reference, we have attached the sale process procedures, which were approved with the Sales Officer Appointment and Sale Process Order (the “**Procedures**”). Paragraphs 19 to 23 of the Procedures expressly set out the requirements of a “qualified bid” and the process by which the Receiver/Sales Officer will select the winning bid. Nowhere in the Procedures does it state that the Receiver/Sales Officer is to confirm the winning bid prior to receiving a deposit. In fact, doing so would be counter-intuitive given that an offer received without a deposit would not be considered in the first instance.

We look forward to the receipt of your client’s deposit by no later than 5:00 p.m. on Monday, October 20, 2025. Absent receipt of the deposit on time, your client’s offer will no longer be considered. For added clarity, pursuant to paragraph 26 of the Procedures, “*All deposits received shall be held by AGI “in trust”. All deposits submitted by Bidders who did not submit a Winning Bid shall be returned, without interest, as soon as practicable following the date on which any such offers are rejected hereunder. The deposit forming part of a Winning Bid shall be dealt with in accordance with the Final APA(s).*”

We welcome the opportunity to speak with you, but to avoid any further misunderstanding, we will only do so either in writing or on a call with the receiver/sales officer (and/or its counsel) present.

Thank you,
Robert

Robert Scott

Executive Vice President

D. 647.400.4845

robert.scott@lennard.com

Lennard:

Lennard Commercial Realty, Brokerage

201-[60 Columbia Way, Markham Ontario L3R 0C9](#)

Let's stay connected. Click [here](#) and provide your consent to receive Lennard Updates.

From: Chris Zaremis <christoszaremis@gmail.com>

Sent: Thursday, October 16, 2025 9:18:24 p.m.

To: Robert Scott <robert.scott@lennard.com>

Subject: Re: Woodington Lake Golf Club

Hi Robert

As per our conversation earlier tonight, I'm writing you this email stating the fact that we were aware that our bid would be the only one that the receiver will be working with when the deposit is made. After further discussions today, October 16, 2025 you said that we're still dealing with all the bids. We just want some clarification on how the process works. I understand there's procedure and protocols that there's more steps to follow after the deposit is made.

I appreciate your attention in this matter and all the effort you have put in to answering all my questions.

Thank you very much. Have a good night.

Regards

Christos Zaremis

Royal LePage Citizen Realty, Brokerage

416-578-8877

From: Robert Scott <robert.scott@lennard.com>

Sent: Thursday, October 16, 2025 2:14 PM

To: Chris Zaremis <christoszaremis@gmail.com>

Cc: Scott Sutherland <ssutherland@lennard.com>; Mackenzie Scott <mscott@lennard.com>; Pamela Liegler <pamela.liegler@lennard.com>

Subject: Re: Woodington Lake Golf Club

Good afternoon, Christos.

The requirement under the court-approved process is that the offer is accompanied by a 10% or more deposit. Your submission is incomplete and will therefore be disqualified if the deposit is not received. It is only the next

step of our review process. While the preference is that the deposit be received by no later than end of day Friday, we are willing to accommodate a deadline of 5pm Monday (October 20, 2025).

Thank you,

Robert

Robert Scott

Executive Vice President

D. [647.400.4845](tel:647.400.4845)

robert.scott@lennard.com

Lennard:

Lennard Commercial Realty, Brokerage

201-60 Columbia Way, Markham Ontario L3R 0C9

Let's stay connected. Click [here](#) and provide your consent to receive Lennard Updates.

From: Chris Zaremis <christoszaremis@gmail.com>

Sent: Thursday, October 16, 2025 10:44:13 a.m.

To: Robert Scott <robert.scott@lennard.com>

Subject: Re: Woodington Lake Golf Club

Hi Robert

Subject to my client bringing in the \$**[REDACTED]** deposit please confirm that our offer will be accepted or signed back. The deposit is also conditional upon review of the sign back.

Thank you very much. Enjoy your day.

Regards

Christos Zaremis

Royal LePage Citizen Realty, Brokerage

416-578-8877

On Wed, Oct 15, 2025 at 7:37 PM Robert Scott <robert.scott@lennard.com> wrote:

Good evening, Christos.

We are reaching out regarding your client's bid submitted on October 9th, 2025 in respect of the Sale Process for Woodington Lake Golf Club and the surrounding real property ([7110 4th Line, Tottenham, Ontario](#)) (the "**Bid**"). Pursuant to the Sale Process, a qualified bid must be accompanied by a deposit equal to at least 10% of the total consideration payable in respect of the bid.

Without addressing the Bid's compliance with the other requirements under the Sale Process, we wish to bring to your attention that the Bid was not accompanied by the appropriate deposit. Please remit the proper deposit to AGI as soon as possible and by no later than this Friday, October 17, 2025 at 12:00pm (Toronto time). If the requested deposit is not provided to AGI by the time provided, the offer will be disqualified for consideration. AGI's wire instructions are attached for your reference. Please let us know should you have any questions.

Thank you,

Robert

Robert Scott

Executive Vice President

D. 647.400.4845

robert.scott@lennard.com

Lennard Commercial Realty, Brokerage

201-[60 Columbia Way, Markham Ontario L3R 0C9](#)

Let's stay connected. Click [here](#) and provide your consent to receive Lennard Updates.

APPENDIX “I”

Steven Pitucci

From: John Chetti <jc@gmpizza.com>

Sent: October 20, 2025 9:56 AM

To: Adam Zeldin <azeldin@albertgelman.com>

Cc: Bryan Gelman <bgelman@albertgelman.com>; Steven L. Graff <sgraff@airdberlis.com>; Scott Sutherland <ssutherland@lennard.com>; Robert Scott <robert.scott@lennard.com>; Pamela Liegler <pamela.liegler@lennard.com>; Samantha Hans <shans@airdberlis.com>

Subject: Re: Bid

lets have a call

John Chetti

Queen Margherita

www.gmpfrozenfoods.com

jc@gmpizza.com

On Mon, Oct 20, 2025 at 9:14 AM Adam Zeldin <azeldin@albertgelman.com> wrote:

As noted previously, please send us your specific questions and we will address them accordingly. If you insist to have a call, we will require our counsel and realtor to be present. I have copied both on this email.

Thanks,

Adam

Adam Zeldin, CPA, CA, CIRP, LIT

Managing Director (Ontario)



T: 416.504.1650 ext. 129

M: 416.602.8820

E: azeldin@albertgelman.com

From: John Chetti <jc@qmpizza.com>
Sent: October 20, 2025 8:56 AM
To: Adam Zeldin <azeldin@albertgelman.com>
Cc: Bryan Gelman <bgelman@albertgelman.com>
Subject: Re: Bid

The listing agent has already misrepresented to the royal lepage agent who has my offer. I need to speak with you directly or Albert ASAP or else we will be taking different course of action today.

My cell is [REDACTED]... I think you should call me. I have tried numerous times and your unwillingness to cooperate has been evident.

John Chetti

Queen Margherita
www.qmpfrozenfoods.com
jc@qmpizza.com

On Mon, Oct 20, 2025 at 8:47 AM Adam Zeldin <azeldin@albertgelman.com> wrote:

Hi John,

Send us an email with your questions. If the questions are sale process related, you are also free to reach out to the listing agent (Scott Sutherland; ssutherland@lennard.com).

Thanks,

Adam

Adam Zeldin, CPA, CA, CIRP, LIT

Managing Director (Ontario)

T: 416.504.1650 ext. 129

M: 416.602.8820

E: azeldin@albertgelman.com

From: John Chetti <jc@qmpizza.com>
Sent: October 20, 2025 7:14 AM
To: Adam Zeldin <azeldin@albertgelman.com>
Subject: Bid

Adam,

I've reached out numerous times to you and I haven't received a reply from you.

It is imperative I speak directly with you or Albert this morning. Failing which I will be forced to commence at urgent motion.

A simple yet effective conversation can avoid delays and costs. I've tried numerous times and have reached a tipping point.

John Chetti
Queen Margherita
www.qmpfrozenfoods.com
jc@qmpizza.com

APPENDIX “J”

Steven Pitucci

From: Robert Scott <robert.scott@lennard.com>

Date: Monday, October 20, 2025 at 3:23 PM

To: jc@qmpizza.com <jc@qmpizza.com>

Cc: Pamela Liegler <pamela.liegler@lennard.com>, Scott Sutherland <[SSutherland@lennard.com](mailto:ssutherland@lennard.com)>, Mackenzie Scott <mscott@lennard.com>

Subject: Woodington Lake G C - Deposit Deadline

Good afternoon, John.

Thank you for your call earlier today.

We have received direction from the Receiver that the deadline for receipt of your deposit, in full, of (\$[REDACTED]) is extended until 5 p.m., Tuesday, October 21st, 2025 (EST). Without the receipt of your deposit under this timeline, your offer will no longer be considered in this sale process.

Thank you,
Robert

Robert Scott

Executive Vice President

D. 647.400.4845

robert.scott@lennard.com

Lennard:

Lennard Commercial Realty, Brokerage

201-60 Columbia Way, Markham Ontario L3R 0C9

Let's stay connected. Click [here](#) and provide your consent to receive Lennard Updates.

APPENDIX “K”

Steven Pitucci

From: Chris Zaremis <christoszaremis@gmail.com>

Sent: Tuesday, October 21, 2025 4:55:34 p.m.

To: Robert Scott <robert.scott@lennard.com>

Subject: Re: Woodington Lake G C

Hi Robert

My client needs til Thursday October 23 3pm extension please.

Sorry for the inconvenience please let me know if this can be done

Thank you enjoy your evening

Regards

Christos Zaremis

Royal LePage Citizen Realty, Brokerage

416-578-8877

APPENDIX “L”

Steven Pitucci

From: Chris Zaremis <christoszaremis@gmail.com>
Sent: Wednesday, October 22, 2025 10:17:44 p.m.
To: Robert Scott <robert.scott@lennard.com>
Subject: Agreement of purchase and sale Woodington Lake

Hi Robert

I'm writing you this email to let you know that my client has revised their bid and sent to their lawyer Gowling LLP for review. It will be sent to you tomorrow afternoon, and the deposit will be sent to you as well before end of day.

Sorry for the late email. I just wanted you to know you will receive it tomorrow.

Thank you enjoy your evening

Regards
Christos Zaremis
Royal LePage Citizen Realty, Brokerage
416-578-8877

APPENDIX “M”

Steven Pitucci

Attachments: Leadout Capital Inc. Bank Accounts.pdf

From: Chris Zaremis <christoszaremis@gmail.com>

Sent: Friday, October 24, 2025 2:08:15 p.m.

To: Robert Scott <robert.scott@lennard.com>

Subject: In Regard to Woodington Golf course APS.

Hi Robert

Please see attached correspondence with respect to John Chetti formal offer. It is still at the lawyers for review. These 3 items will be amended in the offer.

Bank account is attached for deposit verification.

- ? **Amend** the deposit provision to clarify that there will be approximately **45 days for due diligence** (including financing and other items), during which time the deposit is fully refundable **at the sole and absolute discretion** of the Purchaser (**Leadout Capital Inc. in trust for John Chetti or a corporation to be named**).
- ? **Revise** the assignment language so that the APS **may be fully assigned**.
- ? **Add** clarifying language confirming that an assignment of the APS **fully releases the assignor from all liability**.

Regards

Christos Zaremis

Royal LePage Citizen Realty, Brokerage

416-578-8877

APPENDIX “N”

Steven Pitucci

From: Samantha Hans <shans@airdberlis.com>

Sent: November 14, 2025 11:05 AM

To: jc@gmpizza.com

Cc: Adam Zeldin <azeldin@albertgelman.com>; Bryan Gelman <bgelman@albertgelman.com>; Steven L. Graff <sgraff@airdberlis.com>

Subject: RE: Bid integrity

Hi John,

We are in receipt of your below email to AGI as Receiver/Sales Officer in respect of the Woodington Sale Process.

We disagree with your characterization of the Sale Process. We are unaware of what is meant by “fraud” or what factual scenario would support the litigation that you are threatening.

On the contrary, our client has held numerous discussions with you and your advisors, as well as other bidders and stakeholders, in order to conduct and advance the Sale Process in accordance with its mandate and in a way that maximizes value for the stakeholders. The Sales Officer/Receiver has meaningfully considered both of the bids you submitted, as well as your proposal, despite there being material inconsistencies between same and a failure to abide by certain aspects of the Sale Process. Our client has not exhibited favouritism towards the second mortgagee and has made a concerted effort to work with you fairly on this matter.

The Sales Officer/Receiver owes a duty to the creditors and the Court, and has made considerable effort to ensure stakeholders are heard and have had the opportunity to participate in the Sale Process. The successful bid will be presented to the Court and subject to Court approval. As such, you or your legal counsel, along with the other stakeholders, will have an opportunity to speak to/oppose any proposed sale should you wish to do so. Similarly, we will have to present our accounts to the Court in order to have them approved, so same will be made available in the public court materials (redacted as needed to preserve privilege).

We would be pleased to speak with you further about your concerns, but AGI will continue to carry out its mandate as a Court officer. You can expect to hear from AGI shortly with respect to updates on your bid and the Sale Process.

Thank you,

Samantha Hans

Associate

T 437.880.6105

E shans@airdberlis.com

Aird & Berlis LLP | Lawyers

Toronto | Vancouver

Aird & Berlis LLP operates as a multi-disciplinary practice.

From: John Chetti <jc@qmpizza.com>

Sent: Thursday, November 13, 2025 5:04 PM

To: Bryan Gelman <bgelman@albertgelman.com>; Adam Zeldin <azeldin@albertgelman.com>

Subject: Bid integrity

Gentleman,

It is increasingly apparent that the bid process has been tainted. Ken receiving information on my bid, contravenes the integrity of the process. You have had my bid for a significant amount of time and it's becoming stale. I will not stand for collusion so that Ken steal the golf course. Even during our presentations, everything is being done to protect Ken Gould. As of 4 PM on Friday will be instructing legal council to commence litigation against all parties and informed the courts of this fraud. Lastly, we want everybody's up-to-date working statements for professional fees as we believe that there is a fraud before the courts. We are very jaded by the favouritism shown to Ken in this process. Lastly we had a without prejudice call yesterday that parts were repeated to David Ullman not kosher!!! My trust in the process is diminishing by the day.

Please note we are strongly considering making this public as you have and will fight vigorously for the property. If adequate arrangements are not made by 4 PM tomorrow we will be pursuing our options in a public format.

John Chetti

Queen Margherita

www.qmpfrozenfoods.com

jc@qmpizza.com

APPENDIX “O”

Steven Pitucci

From: John Chetti <jc@qmpizza.com>

Sent: November 14, 2025 4:06 PM

To: Steven L. Graff <sgraff@airdberlis.com>

Cc: Adam Zeldin <azeldin@albertgelman.com>; Bryan Gelman <bgelman@albertgelman.com>; Samantha Hans <shans@airdberlis.com>

Subject: Re: Bid integrity

Please know the next course of action is to reach out to every media outlet regarding the fraudulent and collusive conduct involving the Ontario Superior Courts, Kenneth Gold, and Albert Gelman Inc. These parties are working together to extract improper fees from an innocent widow while simultaneously conspiring with Kenneth Gold to undermine and dismiss John Chetti's legitimate bid offer for Woodington Lake Golf Club.

The major concern is that this coordinated behaviour is enriching certain individuals while those who were meant to have involvement, closure, and **fair treatment in this process are instead being harmed**. There are multiple recordings and supporting evidence that will be made available to the media, demonstrating this clear misconduct.

This message needs to be clear: This will not stop until the facts are heard. Starting Monday November 17th, 2025, formal legal action will be pursued.

Please govern yourselves accordingly.

John Chetti

Queen Margherita

www.qmpfrozenfoods.com

jc@qmpizza.com

On Fri, Nov 14, 2025 at 3:56 PM John Chetti <jc@qmpizza.com> wrote:

The courier is ready to pick up the check. Where will it be?

John Chetti

Queen Margherita

www.qmpfrozenfoods.com

jc@qmpizza.com

On Fri, Nov 14, 2025 at 3:45 PM John Chetti <jc@qmpizza.com> wrote:

I will have somebody down in one hour to pick up our check

John Chetti

Queen Margherita

www.qmpfrozenfoods.com

jc@qmpizza.com

On Fri, Nov 14, 2025 at 3:40 PM John Chetti <jc@qmpizza.com> wrote:

We will address this with the media and courts, enjoy your weekend.

John Chetti

Queen Margherita
www.qmpfrozenfoods.com
jc@qmpizza.com

On Fri, Nov 14, 2025 at 3:39 PM John Chetti <jc@qmpizza.com> wrote:

Return the deposit we're done,

John Chetti

Queen Margherita
www.qmpfrozenfoods.com
jc@qmpizza.com

On Fri, Nov 14, 2025 at 3:33 PM Steven L. Graff <sgraff@airdberlis.com> wrote:

John;

I don't know how a phone call will be productive. Feel free to convey what you wish in writing.

Steven L. Graff
Partner

T 416.865.7726
E sgraff@airdberlis.com

Aird & Berlis LLP | Lawyers
Toronto | Vancouver

Aird & Berlis LLP operates as a multi-disciplinary practice.

This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error.
If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.

From: John Chetti <jc@qmpizza.com>

Sent: November 14, 2025 3:31 PM

To: Samantha Hans <shans@airdberlis.com>

Cc: Adam Zeldin <azeldin@albertgelman.com>; Bryan Gelman <bgelman@albertgelman.com>; Steven L. Graff <sgraff@airdberlis.com>

Subject: Re: Bid integrity

Please call me to discuss [REDACTED]. We have serious concerns and are very motivated to see an end to this process and are considering all options. I believe a phone call would go a long way. I will leave in your discretion.

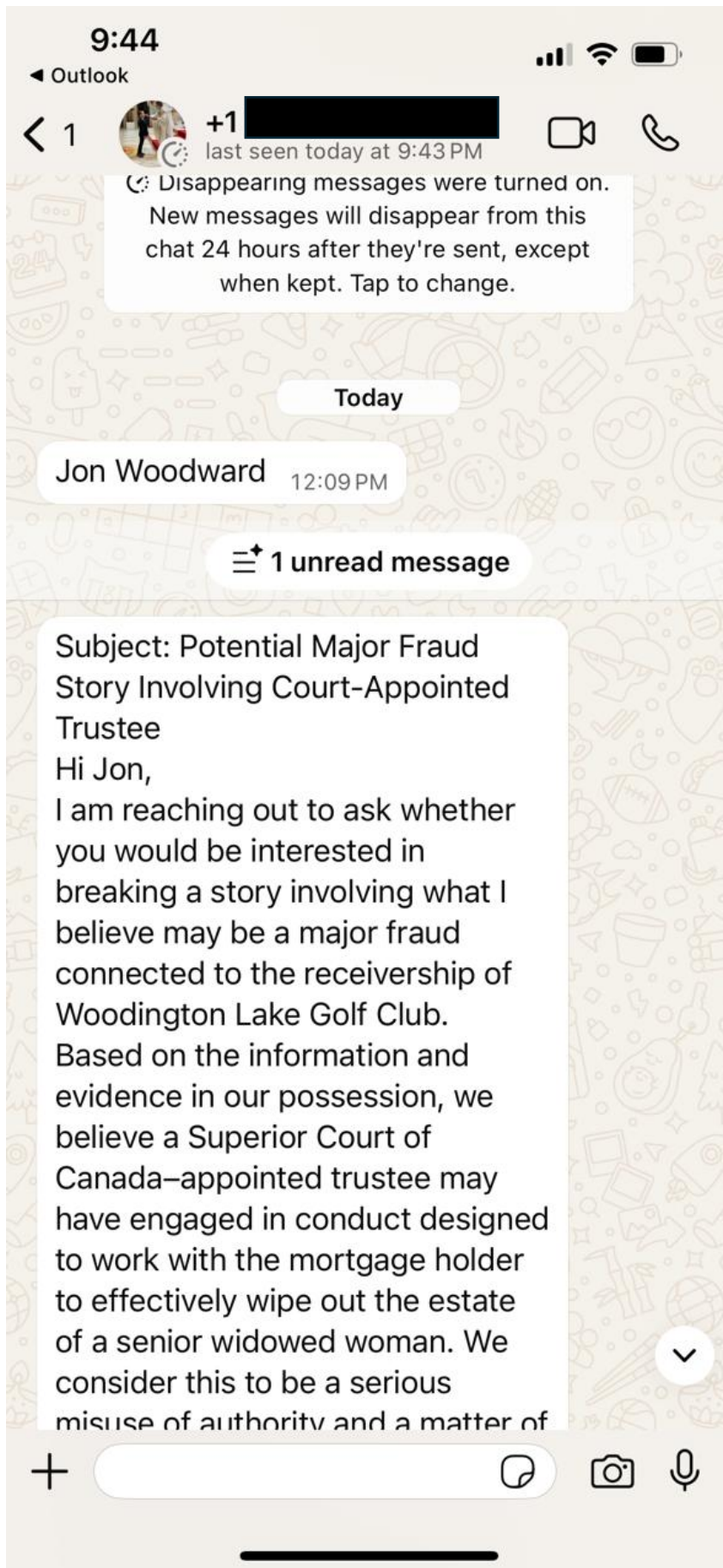
John Chetti

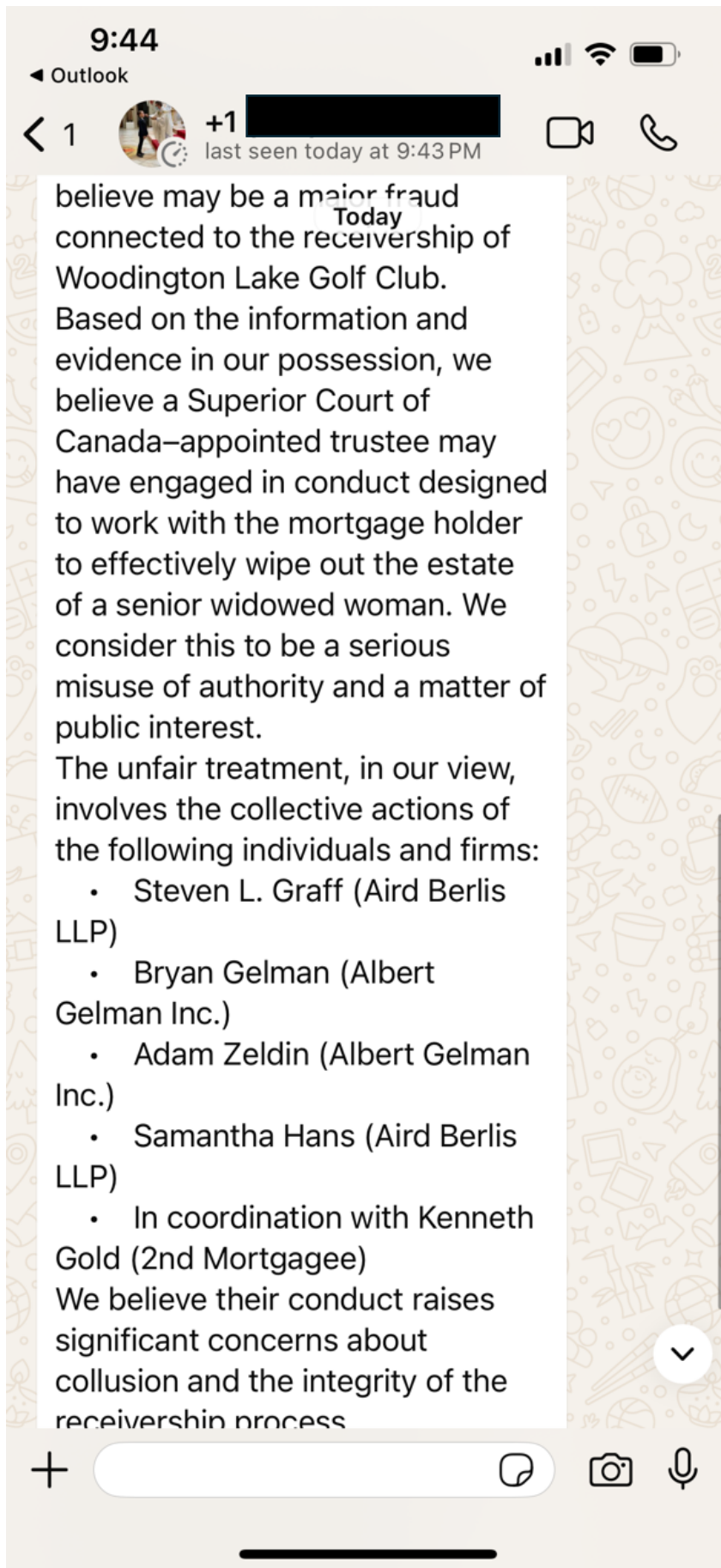
Queen Margherita

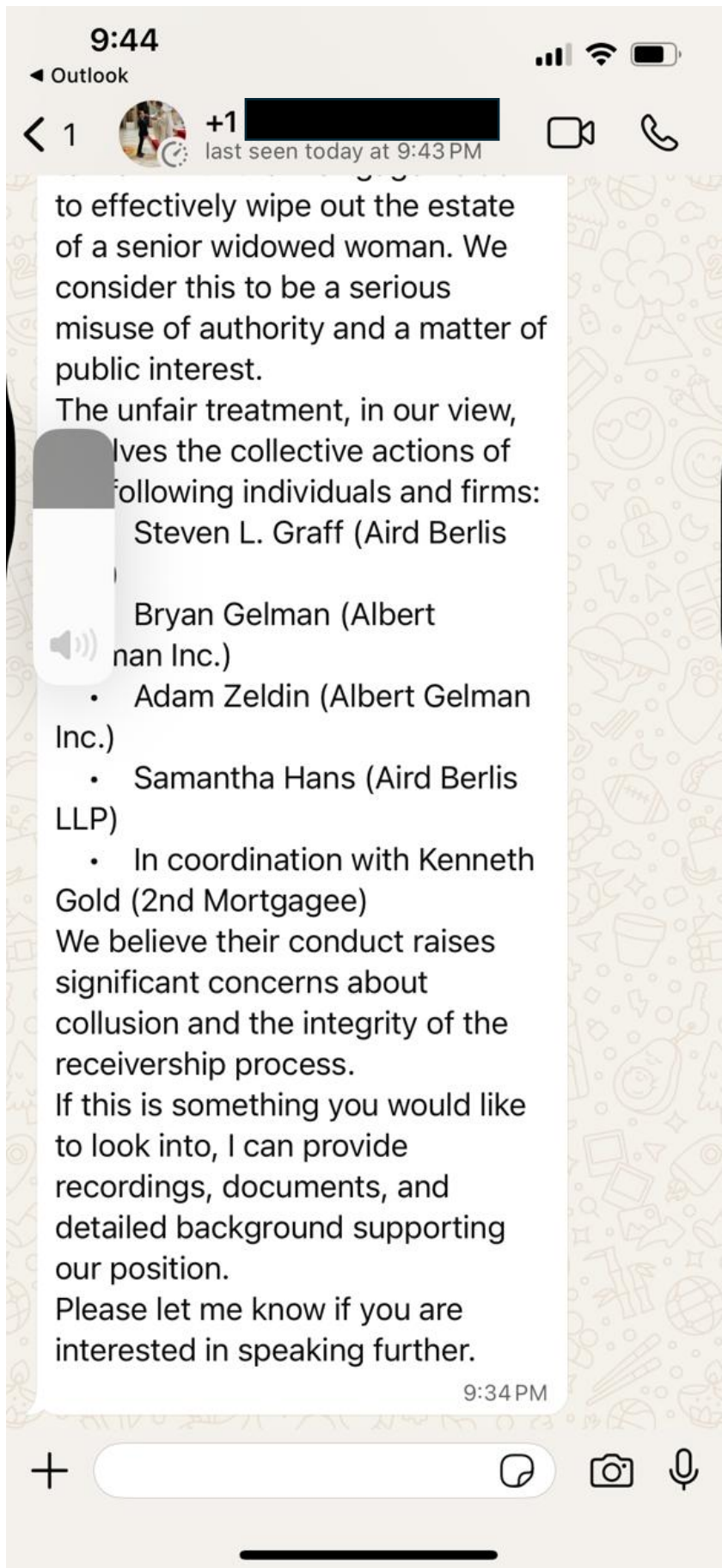
www.qmpfrozenfoods.com

jc@qmpizza.com

APPENDIX “P”







to effectively wipe out the estate of a senior widowed woman. We consider this to be a serious misuse of authority and a matter of public interest.

The unfair treatment, in our view, involves the collective actions of the following individuals and firms:

Steven L. Graff (Aird Berlis & Gorn, LLP)

Bryan Gelman (Albert Gelman Inc.)

- Adam Zeldin (Albert Gelman Inc.)
- Samantha Hans (Aird Berlis LLP)

• In coordination with Kenneth Gold (2nd Mortgagee)

We believe their conduct raises significant concerns about collusion and the integrity of the receivership process.

If this is something you would like to look into, I can provide recordings, documents, and detailed background supporting our position.

Please let me know if you are interested in speaking further.

9:34 PM



APPENDIX “Q”

**ALBERT GELMAN INC., solely in its capacity as the Receiver of Woodington Estates Inc.
and as the Sales Officer of Woodington Management Inc. and 1000736785 Ontario
Limited, and not in its personal or corporate capacities**

- and -

Purposeful Group Ltd.

AGREEMENT OF PURCHASE AND SALE

January 14, 2026

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AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE dated as of the 14th day of January, 2026.

BETWEEN:

ALBERT GELMAN INC. (“AGI”), solely in its capacity as the Receiver of Woodington Estates Inc. and as the Sales Officer of Woodington Management Inc. and 1000736785 Ontario Limited (collectively, the **“Debtors”**), and not in its personal or corporate capacities (in such capacity, the **“Vendor”**)

- and -

PURPOSEFUL GROUP LTD. (the **“Purchaser”**)

WHEREAS:

- A. Woodington Estates Inc. (**“Woodington Estates”**) is the registered and beneficial owner of the Real Property (as defined herein), encompassing an area of approximately 451 acres (as defined herein), improved with two 18 hole golf courses, a clubhouse/banquet hall, maintenance and storage buildings, parking areas, a pump house and other additional support structures (collectively, with all other assets, undertakings and property of Woodington Estates, the **“Woodington Estates Assets”**), on which a golf course business is operated (the **“Woodington Lake Golf Club”**).
- B. Woodington Lake Golf Club is operated and overseen by Woodington Management Inc. (**“Woodington Management”**) and 1000736785 Ontario Limited (**“785”**); collectively with Woodington Management, the **“Business Debtors”**; and collectively with both Woodington Estates and Woodington Management, the **“Debtors”**).
- C. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the **“Court”**) made on December 2, 2024 (the **“Receiver Appointment Order”**), AGI was appointed as receiver (in such capacity, the **“Receiver”**) over the assets, undertakings and property of Woodington Estates, including the Real Property.
- D. Pursuant to an order of the Court made on July 15, 2025 (the **“Sales Officer Appointment Order”**), AGI was appointed as sales officer (in such capacity, the **“Sales Officer”**) over the assets, undertakings and property of the Business Debtors (collectively, the **“Business Assets”**).
- E. AGI, in its capacities as Receiver and Sales Officer is authorized to market and sell the Woodington Estates Assets and the Business Assets, respectively.
- F. The Purchaser, subject to Court Approval, has agreed to purchase and acquire, and the Vendor has agreed to sell, transfer and assign to the Purchaser, the Purchased Assets (as defined herein), on the terms and conditions set forth herein.

NOW THEREFORE, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

“**Affiliate**” means with respect to any Person, (i) any other Person that directly, or through one or more intermediaries, Controls or is Controlled by or is under common Control with such Person; (ii) any other Person that is an officer, director, partner, member, principal, manager or trustee of or serves in a similar capacity with respect to such Person, or (iii) any other Person in which such Person, directly or indirectly, is a partner, principal, shareholder, member, beneficiary or otherwise an owner. For purposes hereof, the term “**Control**” of Person shall mean the power, directly or indirectly, to direct or cause the direction of management and policies of such Person, whether through ownership of voting securities, by contract or otherwise and the term “**Controlled**” has a correlative meaning;

“**Agreement**” means this agreement of purchase and sale and any schedules and exhibits attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;

“**Applicable Law**” means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives or requirements issued by Governmental Authorities; and (iv) the terms and conditions of all Permits, in each case which are applicable to such Person, asset, transaction, event or circumstance;

“**Approval and Vesting Order**” means an order of the Court, in a form and substance satisfactory to the Purchaser and the Vendor: (a) approving the Transaction in accordance with the provisions of this Agreement; (b) vesting the Purchased Assets to the Purchaser free and clear of all Claims and Encumbrances (other than Permitted Encumbrances) and interests; and (c) transferring the Turfcare Agreements to the Purchaser free and clear of all Claims and Encumbrances subject to the interests of Turfcare or its successors in the Turfcare Agreements;

“**Assignment and Assumption of Contracts**” means the assignment by the Vendor and assumption by the Purchaser of the Assumed Contracts (other than any Assumed Contracts that are the subject of any specific assignment and assumption agreement on Closing), to be delivered by each of them on Closing;

“Assignment and Assumption of Other Property” means the assignment by the Vendor and assumption by the Purchaser of the Other Property, to be delivered by each of them on Closing;

“Assumed Contracts” means, any Contract, Lease, agreement, commitment, understanding or arrangement in which the Purchaser has elected to assume on Closing, excluding the Turfcare Agreements (which for greater certainty are Purchased Assets);

“Assumed Liabilities” means: (i) all Liabilities arising and accruing in respect of the Purchased Assets from the period after Closing and not related to any default existing at, prior to or as a consequence of Closing; (ii) all Liabilities arising from or in connection with the Assumed Contracts arising and accruing in respect of the period after Closing and not related to any default existing at, prior to or as a consequence of Closing; (iii) the amount of the Liabilities under the Turfcare Agreements (which is estimated to be approximately [REDACTED]); and (iv) any other Liabilities which the Purchaser agrees in writing to assume on or before the Closing Date;

“AVO Certificate” means the certificate signed by AGI substantially in the form to be attached as Schedule A to the Approval and Vesting Order confirming that: (i) the Purchaser has paid, and the Vendor has received payment of, the Purchase Price in relation to the purchase by the Purchaser of the Purchased Assets, and (ii) the conditions to be complied with at or prior to the Closing as set out in Article 9, have been satisfied or waived by the Vendor or the Purchaser;

“Books and Records” means the books, records, files and papers in the possession or control of the Vendor relating in any way to the Business or Purchased Assets;

“Business” means the golf course business previously operated by the Business Debtors;

“Business Assets” has the meaning set out in the Recitals;

“Business Day” means any day other than a Saturday, Sunday or a statutory holiday in the City of Toronto in the Province of Ontario;

“Business Debtors” has the meaning set out in the Recitals;

“Business Debtors’ Priority Payables” means: (a) any Liabilities of the Business Debtors that rank in priority to the Claims of the Business Debtors’ secured creditors; and (b) any amounts owing on account of the Business Debtors’ obligations pursuant to the Court-ordered charges granted by the Receivership Appointment Order or the Sales Officer Appointment Order.

“Chattels” means any moveable property, fixtures, improvements, inventory, supplies and other chattels used in the management, maintenance, repair, or operation of the Business.

“Claims” means any and all past, present and future claims, charges, suits, proceedings, liabilities, deficiencies, demands, controversies, actions, causes of action, obligations, losses, damages, penalties, orders, judgments, costs, expenses, fines, amounts paid in

settlement, disbursements, legal fees on a substantial indemnity basis, and other professional fees and disbursements, interest, demands and actions of any nature or any kind whatsoever, including, without limitation, any labour grievances, pay equity claims, and successor employer claims;

“**Closing**” means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Purchased Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;

“**Closing Date**” means the earlier of: (a) thirty (30) days following the date of the Approval and Vesting Order; or (b) a date as the Parties may agree upon in writing, but in any event no later than the Outside Date;

“**Contracts**” means all the contracts, licences, Leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements and engagements to which one or more of the Debtors is a party and any amendments thereto;

“**Court**” has the meaning set out in the Recitals;

“**Court Approval**” means the issuance of the Approval and Vesting Order by the Court approving the sale of the Purchased Assets;

“**Cure Costs**” means the amounts, if any, to be paid to: (i) cure any monetary defaults under any of the Assumed Contracts as a condition to assigning and assuming any of the Assumed Contracts; (ii) obtain any third party consents required to effect and implement an assignment of the applicable Assumed Contracts to the Purchaser; and (iii) otherwise effect an assignment to the Purchaser of any Assumed Contracts;

“**Debtors**” has the meaning set out in the Recitals;

“**Deposit**” has the meaning ascribed to that term in Section 3.3(a)(i);

“**Effective Time**” means 9:00 a.m. (Toronto time) on the Closing Date;

“**Encumbrances**” means all mortgages, pledges, charges, liens, executions, levies, charges, financial or other monetary claims, debentures, trust deeds, claims, trusts or deemed trusts (whether contractual, statutory or otherwise), assignments by way of security or otherwise, security interests (whether contractual, statutory or otherwise), conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, or similar interests or instruments charging, or creating a security interest in, or against title to, the Purchased Assets or any part thereof or interest therein, and any agreements, leases, licenses, occupancy agreements, registered instruments, options, easements, servitudes, rights of way, restrictions, executions or other liens, charges or encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Purchased Assets or any part thereof or interest therein, in each case whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;

“Environmental Law” means any and all applicable federal, provincial, municipal or local laws, by-laws, statutes, regulations, orders, judgments, decrees, ordinances and directives relating to or otherwise imposing liability of standards of conduct in respect of any Hazardous Materials or otherwise relating to the protection or preservation of the environment;

“Equipment” is the equipment (in the nature of chattels, including appliances), the Chattels and the furniture, in each case, owned by any one of the Debtors and which is situated in, on or around the Real Property and used exclusively in the maintenance, repair or operation of the Real Property, excluding the Equipment subject to the Turfcare Agreements;

“Excluded Assets” has the meaning set forth in Section 2.3;

“Governmental Authority” means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory, enforcement or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Purchased Assets or this Transaction;

“GST” means the goods and services tax payable pursuant to the *Excise Tax Act* (Canada);

“Hazardous Materials” means any pollutants, contaminants, chemical, dangerous, deleterious, noxious, hazardous, corrosive or toxic substances, asbestos containing materials, flammable or explosive substance, halon, radon or other radioactive materials, polychlorinated biphenyl, ureaformaldehyde foam insulation, or any other materials, substances, wastes or phenomenon which are now or hereafter prohibited, controlled, or regulated under Environmental Laws;

“HST” means the goods and services tax and/or harmonized sales tax payable pursuant to the *Excise Tax Act* (Canada);

“Information Technology” means, collectively, any and all software, computer and computer-related hardware, computer systems, servers, network equipment, firmware, middleware, embedded applications, workstations, routers, hubs, databases, data communication lines, all other information technology equipment and all associated documentation, help files, comments and logs (including debugging logs) owned by the Debtors which are used in connection with the ownership and/or operation of the business of the Debtors at the Business;

“Intellectual Property” means any and all patents, copyrights, trademarks, trade secrets, knowhow, inventions (whether or not patentable), algorithms, software programs (including source code and object code), processes, protocols, product designs, industrial designs, blueprints, drawings, data, customer lists, URLs and domain names, specifications, documentations, reports, catalogs, literature, and any other forms of technology or proprietary information of any kind, including all rights therein and all

applications for registration or registrations thereof that are owned by the Debtors in relation to the Business;

“**Leases**” means all offers to lease, leases, licenses, occupancy agreements or agreements to lease and other instruments and agreements by which (i) any person occupies, or has the right to occupy any portion of the Real Property; or (ii) any of the Debtors are bound to possess or occupy any portion of the Real Property, together with any and all amendments, assignment, extensions, modifications and restatements thereto, and “**Lease**” means any one of them;

“**Liabilities**” means any and all debts, liabilities, commitments and obligations of any nature whatsoever, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim or order of a Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking;

“**Notice**” means any notice, demand, approval, consent, information, agreement, offer, payment, request or other communication to be given under or in connection with this Agreement;

“**Order**” means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with or issued by any Governmental Authority (whether temporary, preliminary, or permanent);

“**Other Property**” means, collectively, all trademarks, domain names, Information Technology, and other Intellectual Property, if any, which are used in connection with the ownership and/or operation of the Business, including for certainty any web sites and the contents thereof, and including all of the existing trademarks, trade names, logos, commercial symbols, business names or other Intellectual Property rights exclusively identifying the Business;

“**Outside Adjustment Date**” has the meaning set forth in Section 3.4;

“**Outside Date**” means March 13, 2026 or such other date as the Parties may agree;

“**Parties**” means, collectively, the Purchaser and the Vendor, and “**Party**” means any one of them;

“**Permits**” means (i) all permits, consents, orders, waivers, applications, authorizations, licences, certificates, approvals, variances, registrations, franchises, rights, privileges and exemptions or the like issued or granted by any Governmental Authority, or by any third party with respect to the Business or the Real Property; and (ii) any contracts or other agreements that must be entered into with any Governmental Authority in connection with the Business or the Real Property;

“**Permitted Encumbrances**” means those Encumbrances set forth on Schedule D, if any, or as agreed to by the Purchaser, in its sole discretion;

“Person” includes any individual, corporation, limited liability company, unlimited liability company, body corporate, partnership, limited partnership, limited liability partnership, firm, joint venture, syndicate, association, capital venture fund, trust, trustee, executor, administrator, legal personal representative, estate, government, Governmental Authority and any other form of entity or organization, whether or not having legal status;

“Personal Information” means information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee of an organization;

“Purchase Price” has the meaning ascribed to that term in Section 3.1;

“Purchased Assets” means the assets, property and rights of the Debtors including the Woodington Estates Assets, the Business Assets and the Turfcare Agreements, which includes, without limitation, the assets, property and rights set out on Schedule B, but excluding the Excluded Assets;

“Purchaser” has the meaning ascribed to that term in the Recitals;

“Purchaser’s Solicitors” means Osler, Hoskin & Harcourt LLP;

“Real Property” means the real property municipally known as 7110 4th Line, Tottenham, Ontario L0G 1W0, and legally described in PIN: 58170-0498 LT, as more particularly described in Schedule A attached hereto, together with all buildings, improvements and structures thereon, and the fixtures (other than trade fixtures) affixed thereto;

“Representative” means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates;

“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 Persons having a right to possess or occupy any space in or on the Real Property, now or hereafter, pursuant to a Lease;

“Third Party” means any Person who is not a Party or an Affiliate of a Party;

“Third Party Consent” has the meaning ascribed to that term in Section 3.8;

“Transaction” means the transaction for the purchase and sale of the Purchased Assets, together with all other transactions contemplated in this Agreement, all as contemplated in this Agreement;

“Transaction Personal Information” means any Personal Information in the possession, custody or control of the Vendor or the Debtor, including Personal Information of suppliers of the Debtors, that is:

- (i) disclosed to the Purchaser or its Representatives before the Effective Time by the Vendor or the Debtors, their Representatives, or otherwise; or
- (ii) collected by the Purchaser or its Representatives before the Effective Time from the Vendor or the Debtors, their Representatives, or otherwise;

in each case in connection with the Transaction;

“Turfcare Agreements” means any Contracts pursuant to which Care Lending Group Inc. o/a Turfcare Financial or its Affiliates (collectively, **“Turfcare”**) is or was a party, as such Contracts have been or will be acquired by Goldy Metals Holdings Inc., or a related party or an Affiliate thereof;

“Vendor” has the meaning ascribed to that term in the Recitals;

“Vendor’s Solicitors” means the law firm of Aird & Berlis LLP; and

“Warranties” means, collectively, all warranties and guarantees, if any, remaining in existence, in connection with the construction, renovation or operation of the building or other improvements on the Real Property, or in connection with the Chattels.

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

- (a) All references to monetary amounts are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word “include” and “including” and derivatives thereof shall be read as if followed by the phrase “without limitation”.
- (d) The words “hereto”, “herein”, “hereof”, “hereby”, “hereunder” and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (f) Reference to any Article, Section, Schedule or Exhibit means an Article, Section, Schedule, or Exhibit of this Agreement unless otherwise specified.

- (g) If any provision of a Schedule or Exhibit hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.
- (h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.
- (j) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.
- (k) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto and any regulations promulgated thereunder.

1.3 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule A	Legal Description of Real Property
Schedule B	Purchased Assets
Schedule C	Excluded Assets
Schedule D	Permitted Encumbrances

1.4 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, on the Closing Date, effective as of the Closing, the Purchased Assets free and clear of all Claims and Encumbrances other than the Permitted Encumbrances.

2.2 Assumption of Obligations

Provided that Closing occurs and subject to the terms and conditions of this Agreement, the Purchaser shall assume, fulfill, perform and be responsible for all the Assumed Liabilities.

2.3 Excluded Assets

Nothing contained herein or in any agreements, instruments, or other documents to be delivered at the Closing shall be deemed to sell, transfer, assign, convey or deliver the Excluded Assets to the Purchaser or any Affiliate of the Purchaser, and the Vendor and the Debtors, as applicable, shall retain all right, title, and interest to, in, and under the Excluded Assets, and neither the Purchaser nor any Affiliate of the Purchaser shall have any liability therefor or entitlement thereto. “**Excluded Assets**” shall mean the properties, rights, assets and undertakings of the Debtors listed in Schedule “C”.

Following Closing, the Purchaser shall promptly notify the Vendor of any Excluded Assets (including, without limitation, any cash or accounts receivable) which may come into the possession or control of the Purchaser, and thereupon shall promptly release or pay such Excluded Assets to the Vendor and, for greater certainty, title shall not be deemed to vest to the Purchaser in respect of any Excluded Assets.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The aggregate purchase price payable by the Purchaser to the Vendor for the Purchased Assets, excluding all applicable Taxes, shall be the sum of: (a) the assumption of the Assumed Liabilities by the Purchasers; and (b) the cash amount of [REDACTED] (such sum being hereinafter referred to as the “**Purchase Price**”), and shall be subject to any customary adjustments on account of the sale of the Real Property as described herein.

The Purchase Price shall be satisfied in accordance with Section 3.3(b). The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Purchased Assets as of the Closing Date.

3.2 Allocation of Purchase Price

The Purchaser’s allocation of the Purchase Price is: (a) the amount of [REDACTED], which shall be allocated to the Woodington Estates Assets; (b) the amount of [REDACTED] plus the assumption of the Assumed Liabilities, which, together, shall be allocated to the Business Assets (collectively the “**Allocation**”).

The Allocation may be specified by the Purchaser in greater detail within each of these categories prior to the Closing Date; however, the Purchaser shall not amend the Allocation as among the amount paid for the Woodington Estates Assets and the Business Assets, provided that, notwithstanding the Allocation, the distribution of any proceeds from the Purchased Assets

remains subject to further order of the Court. This Section 3.2 shall survive the closing of the Transaction.

3.3 Deposit and Satisfaction of Purchase Price

- (a) The Parties acknowledge that:
 - (i) on or around October 10, 2025, the Purchaser paid the sum of [REDACTED] (the “**Deposit**”) to the Vendor in connection with its original bid; and
 - (ii) the Deposit is sufficient for the purposes of compliance with the Sales Officer Appointment Order;
 - (iii) the Deposit shall be held and applied by the Vendor in accordance with the terms and conditions of this Agreement (including this Section 3.3).
- (b) At Closing, the Purchase Price shall be paid and satisfied as follows:
 - (i) as to the amount of the Deposit, the Vendor shall retain the amount of the Deposit and apply such amount against the amount of the Purchase Price;
 - (ii) by the assumption of the Assumed Liabilities; and
 - (iii) as to the balance of the cash component of the Purchase Price, along with any adjustments and additional amounts owing in respect of applicable HST properly payable by the Purchaser on the Purchased Assets other than the Real Property, the Purchaser shall pay to the Vendor such amount by electronic wire transfer.
- (c) If this Agreement is terminated:
 - (i) (A) pursuant to Section 11.1(a) by mutual agreement of the Parties; (B) pursuant to Sections 11.1(b) or 11.1(c) by the Purchaser; (C) pursuant to Section 11.1(e) by the Vendor; or (D) for any other reason other than as contemplated under Section 3.3(c)(ii); then the Deposit shall be returned to the Purchaser, without deduction; or
 - (ii) pursuant to Section 11.1(d) by the Vendor, the full amount of the Deposit, shall be forfeited to the Vendor,

and, subject to Section 11.2, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. In the event of termination of this Agreement under Section 3.3(c)(ii) pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit constitutes a genuine pre estimate of liquidated damages representing the Vendor’s Liabilities as a result of Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any

claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre estimate of the Vendor's damages.

3.4 Adjustments

There shall be adjustments on Closing for all items of income and expense relating to the Purchased Assets and which are usual in transactions of this nature. The Vendor shall be responsible for all expenses and entitled to all revenue accrued from the Purchased Assets ending on the day preceding the Closing Date and thereafter the Purchaser shall be responsible for all expenses and shall be entitled to all revenue accruing from the Purchased Assets.

A draft statement of adjustments (the "**Statement of Adjustments**") shall be delivered to the Purchaser by the Vendor not less than five (5) Business Days prior to the Closing Date, together with the details of the calculations used by the Vendor to arrive at all debits and credits on the Statement of Adjustments calculated up to the Closing Date. The Vendor shall give the Purchaser and its representatives reasonable access during normal business hours to, if available, the Vendor's working papers and supporting documentation in order to confirm the Statement of Adjustments.

If the final cost or amount of any item which is to be adjusted cannot be determined at Closing, then an initial adjustment for such item shall be made at Closing, such amount to be estimated by the Vendor, acting reasonably, as at the Closing Date on the basis of the best evidence available at the Closing as to what the final cost or amount of such item will be. Save as otherwise provided for in this Agreement, a final adjustment of any estimated amount or any error or omission in the Closing statement of adjustments shall be made no later than thirty (30) days after the Closing Date (the "**Outside Adjustment Date**"). Save as may otherwise be permitted pursuant to this Agreement, no re-adjustment may be claimed by any party following the Outside Adjustment Date. If the parties cannot agree on the final adjustment, any unresolved matter shall be submitted to an independent national firm of chartered professional accountants mutually agreed to by the parties (the "**Independent Accountant**"), and the Independent Accountant shall be given access to all materials and information reasonably requested by it for such purpose. The rules and procedures to be followed in the arbitration proceedings shall be determined by the Independent Accountant in its discretion. The Independent Accountant's determination of all such matters shall be final and binding on both parties and shall not be subject to appeal by either party. The fees and expenses of the Independent Accountant payable by the parties shall be determined by the Independent Accountant, at its discretion.

3.5 Utilities

The Vendor shall use reasonable efforts to obtain utility meter readings for the Real Property (but not, for greater certainty, for utilities that are billed to Tenants directly for which Tenants are directly responsible to utility providers) on the day before the Closing Date, and if such readings are obtained, there shall be no adjustment of such items. The Vendor shall pay the utility bills for the period to the day preceding the Closing Date (or such amount shall be adjusted for on Closing), and the Purchaser shall pay the utility bills for the period subsequent thereto. If a utility company will not issue separate bills, the Purchaser will receive a credit against the Purchase Price for Vendor's portion and will pay the entire bill prior to delinquency after the Closing Date.

If the Vendor has paid any utilities in advance, then the Vendor shall be entitled to adjust on Closing for any prepaid amount as of the Closing Date (if known) or the Purchaser shall be charged its portion of such payment as of the Closing Date.

3.6 Property Taxes

All property taxes imposed on or with respect to the Purchased Assets for the tax year that includes the Closing Date will be prorated between the Vendor and the Purchaser as of the Closing Date. The Vendor will be liable for the portion of such taxes based on the number of days in the year occurring prior to the Closing Date, and the Purchaser will be liable for the portion of such taxes based on the number of days in the year occurring on and after the Closing Date. This includes all municipal realty taxes, assessments, levies and penalties of any nature or kind, and interest and costs thereon, including all levies and special charges set forth in the respective tax bills of any government taxation authority.

The Purchaser shall, at its option, be entitled to continue any realty tax appeals, complaints, applications, or proceedings pending for any calendar year prior to the calendar year in which the Closing Date occurs and shall be entitled to receive from the municipality any payment resulting therefrom. To the extent the Vendor receives any of the aforementioned payments, it shall hold said payments in trust for the Purchaser and forthwith remit the payments to the Purchaser.

3.7 Sales Tax, Land Transfer Tax and Registration Fees on Transfer

The Parties agree that:

- (a) HST is applicable in addition to the Purchase Price, and the Purchaser shall pay or cause the payment of all applicable HST on that portion of the Purchase Price allocated pursuant to this Agreement to assets subject to HST, directly to the Canada Revenue Agency, as and when the same are payable, unless the Debtors are registered for HST and the Vendor provides a valid HST registration number for the Debtors to the Purchaser prior to Closing (in which case such HST shall be paid to such Debtor subject to section 3.7(b) below);
- (b) in respect of HST as it relates to the Real Property, the Purchaser certifies it, or any person or entity acquiring beneficial ownership of the Real Property on behalf of the Purchaser, is and will be registered under Subdivision D of Division V of Part IX of the ETA on Closing, and on Closing the Purchaser or any person or entity acquiring beneficial ownership of the Real Property on behalf of the Purchaser shall deliver a certificate (the “**Purchaser’s HST Certificate**”), in the customary form, to the Vendor confirming that the Purchaser or any person or entity acquiring beneficial ownership of the Real Property on behalf of the Purchaser on Closing is registered for HST, setting out its HST number, and that it will self-assess and remit the HST applicable on the Real Property to the applicable governmental authorities and indemnify and save harmless the Vendor and its shareholders, directors, officers, employees and agents from all claims, actions, causes of action, proceedings, losses, damages, costs, liabilities and expenses incurred, suffered or sustained as a result of:

- (i) its failure to pay, or the Vendor's failure to collect or remit any HST payable in connection with the conveyance or transfer to the Purchaser of the Real Property, whether arising from a reassessment or otherwise;
 - (ii) its failure to file any HST returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with the Canada Revenue Agency in connection with the conveyance or transfer to the Purchaser of the Real Property; or
 - (iii) any inaccuracy, misstatement or misrepresentation made by the Purchaser in the Purchaser's HST certificate; and
- (c) in the event the Purchaser is not registered under Subdivision D of Division V of Part IX of the ETA for HST purposes and, as a result thereof, the Vendor is required to collect and remit HST, the Purchaser shall deliver to the Vendor on Closing by wire transfer in the amount of HST payable with respect to the Real Property, if any, in the transaction herein contemplated.
- (d) the Purchaser is liable for and shall pay all land transfer tax and other similar taxes and duties, fees in respect of the registration of the transfer, and other like charges properly payable by a Purchaser upon and in connection with the sale, assignment and transfer of the Purchased Assets from the Vendor to the Purchaser.

The terms of this Section 3.7 shall survive Closing.

3.8 Assumed Contracts

- (a) No later than five (5) Business Days prior to the hearing for the Approval and Vesting Order, the Purchaser shall advise the Vendor in writing which of the Contracts that the Purchaser wishes to assume on Closing, if any. If the Purchaser fails to give such notice to the Vendor within such time period, the Purchaser shall be deemed to have elected not to assume any of the Contracts on Closing, except for the Turfcare Agreements (which for greater certainty are Purchased Assets).
- (b) In connection with any Assumed Contract that requires the consent or approval of a Third Party in order to assign or transfer such Assumed Contract to the Purchaser, the Vendor shall use commercially reasonable efforts to obtain the consent of the Third Party in accordance with the provisions of such Assumed Contract (each such consent being a "**Third Party Consent**") at least five (5) Business Days prior to obtaining the Approval and Vesting Order.
- (c) For the avoidance of doubt, the Vendor shall not be required to expend any funds to obtain a Third Party Consent. If the Vendor has not obtained a Third Party Consent in respect of an Assumed Contract, (i) the Purchaser shall be entitled, at its option, to seek such consent from the applicable Third Party; and (ii) the Vendor will seek the approval of the Court to the assignment/transfer of such Assumed Contract without consent of the Third Party in the Approval and Vesting Order. If any Third Party Consent is not obtained and the Court does not approve the

assignment/transfer of the Assumed Contract to which such Third Party Consent relates as part of the Approval and Vesting Order, then this Agreement or any document delivered in connection with this Agreement shall not constitute an assignment of such Assumed Contract, which shall cease to constitute Purchased Assets without any corresponding reduction to the Purchase Price, provided that notwithstanding such Assumed Contract ceasing to constitute Purchased Assets and to the extent permitted by Applicable Laws:

- (i) the Vendor will, at the request, direction, and sole cost of the Purchaser, acting reasonably, assist the Purchaser in a timely manner and on a commercially reasonable best-efforts basis (with any costs relating to obtaining such consent to be for the Purchaser's account), in applying for and obtaining all Third Party Consents in a form satisfactory to the Vendor and the Purchaser, acting reasonably, and take such actions and do such things as may be reasonably and lawfully designed to attempt to provide the benefits of such non-assignable Assumed Contract to the Purchaser, including holding same in trust for the benefit of the Purchaser or acting as agent for the Purchaser pending such assignment; and
 - (ii) in the event that the Vendor receives funds after Closing pursuant to such non-assignable Assumed Contract, the Vendor will promptly pay over to the Purchaser all such funds collected by the Vendor, net of any outstanding costs provided in subsection (c) above or payable or potentially payable with respect to such non-assignable Assumed Contract.
- (d) To the extent that any Cure Costs are required to be paid to obtain the assignment of any Assumed Contract, the payment of such Cure Costs by the Purchaser shall be a condition to the assignment of such Assumed Contract and be paid from the Purchase Price up to the maximum amount of \$100,000.

The terms of this Section 3.8 shall survive Closing.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Vendor's Representations

The Vendor hereby represents and warrants to the Purchaser that:

- (a) the Vendor has the necessary authority and capacity to enter into this Agreement and all other documents contemplated herein to which it is or will be a party;
- (b) the Vendor represents and warrants that the statements and matters set forth in the recitals to this Agreement are true, accurate, and complete in all material respects as of the date of this Agreement;

- (c) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by the Vendor, and constitutes a legal, valid and binding obligation of the Vendor (solely in its capacity as Trustee in Bankruptcy of the Debtor);
- (d) Each of the Debtors is a registrant under Part IX of the *Excise Tax Act* and shall provide their respective HST registration number to the Purchaser prior to Closing; and
- (e) the Debtors and the Vendor are each not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

4.2 Purchaser's Representations

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;
- (b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;
- (c) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;
- (d) no approval or consent of any Governmental Authority is required by the Purchaser in connection with the execution, delivery and performance of this Agreement and the completion of this Transaction;
- (e) this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (f) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by, the Purchaser;
- (g) the Purchaser is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada); and

- (h) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price (including the Deposit), any land transfer taxes, applicable GST/HST, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto.

4.3 Enforcement of Representations and Warranties

- (a) The representations and warranties of each Party contained in this Agreement shall survive until Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of the representations and warranties contained in this Article 4 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Vendor or the Debtors, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.

4.4 Limitations

With the exception of the Vendor's representations and warranties in Section 4.1 and the Purchaser's representations and warranties in Section 4.2, neither Party nor its Representatives, nor any of its officers, directors, employees make, have made or shall be deemed to have made any other representation or warranty, express or implied, at law or in equity, in respect of the Debtors, the Purchaser, the Purchased Assets or the sale or purchase of the Purchased Assets pursuant to this Agreement unless otherwise noted herein.

ARTICLE 5 "AS IS, WHERE IS" AND NO ADDITIONAL REPRESENTATIONS AND WARRANTIES

5.1 Due Diligence Acknowledgement

The Purchaser acknowledges and agrees that, subject to Section 5.3:

- (a) it is solely responsible to perform any inspections it deems pertinent to the purchase of the Purchased Assets and to be satisfied as to the condition of the Purchased Assets;
- (b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings

or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof, except as set forth herein;

- (c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Purchased Assets that:
- (i) the Purchaser has inspected the Purchased Assets and is satisfied with the physical condition thereof and has conducted such investigation of the Purchased Assets as the Purchaser has determined appropriate;
 - (ii) other than as noted in this Agreement, none of the Vendor, the Debtor or their respective Representatives or Affiliates have made, any oral or written representation, warranty, promise or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Purchased Assets and/or the offering or sale of the Purchased Assets;
 - (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Purchased Assets made by the Vendor, the Debtors or their respective Representatives, except as set forth herein;
 - (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Purchased Assets and the facts and circumstances related thereto, except as set forth herein;
 - (v) any information provided or to be provided by or on behalf of the Vendor with respect to the Purchased Assets was obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information; and
 - (vi) none of the Vendor, the Debtors or their respective Representatives or Affiliates are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Purchased Assets, or the operation thereof, made or furnished by any broker, agent, employee, or other Person.

5.2 “As Is, Where Is”, No Additional Representations

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an “as is, where is” and “without recourse” basis as they shall exist on the Closing Date. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself

with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and have been waived by the Purchaser. Without limiting the generality of the foregoing, the Purchaser acknowledges having conducted its own due diligence and investigations in respect of the environmental state of the Real Property, the existence, presence, nature, kind, state or identity of any Hazardous Materials on, at, in, under, or about the Real Property, the existence, state, nature, kind, identity, extent and effect of any Permits, administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under any Environmental Law, and the existence, nature, kind, state or identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Materials whether on, at, in, under or about the Real Property or elsewhere. The description of the Purchased Assets contained in the Schedules hereto is for the purpose of identification only. No representation, warranty or condition has or will be given by the Vendor concerning completeness or the accuracy of such descriptions. The Purchaser further acknowledges that all written and oral information (including, without limitation, analyses, financial information and projections, compilations and studies) obtained by the Purchaser from the Vendor with respect to the Purchased Assets or otherwise relating to the Transaction has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete. The Purchaser further acknowledges that the Vendor shall be under no obligation to deliver the Purchased Assets to the Purchaser and that it shall be the Purchaser's sole responsibility to take possession of the Purchased Assets. The Purchaser acknowledges that the Vendor may leave any unwanted inventory at the Real Property on Closing at no cost to the Vendor.

- (a) For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, the Debtors, their respective Affiliates or their respective Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:
 - (i) the title and interest of the Vendor or the Debtors in and to the Purchased Assets;
 - (ii) the income to be derived from the Purchased Assets, if any;
 - (iii) the quality, condition, marketability, profitability, fitness for a particular purpose or merchantability of any tangible depreciable equipment or property interests which comprise the Purchased Assets;
 - (iv) the suitability of the Purchased Assets for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;
 - (v) the validity or enforceability of the Assumed Contracts or the ability to assign any of the Assumed Contracts;

- (vi) any Permits that may be needed to complete the purchase of the Purchased Assets contemplated by this Agreement;
 - (vii) the manner or quality of the construction or materials, if any, incorporated into the Purchased Assets;
 - (viii) the manner, quality, state of repair or lack of repair of the Purchased Assets;
 - (ix) the nature and quantum of the Assumed Liabilities; or
 - (x) any other matter with respect to the Purchased Assets.
- (b) The Purchaser acknowledges that the release and disclaimer described in this Article 5 is intended to be very broad and, except for its express rights under this Agreement, the Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.
- (c) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor, the Debtors, their respective Affiliates and their respective Representatives in respect of the Purchased Assets and any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the Applicable Law, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

5.3 Encroachments

The Purchaser agrees that the Vendor shall not be responsible for any matters relating to encroachments on or to the Real Property, or encroachments onto adjoining lands, or to remove same, or for any matters relating to any applicable zoning regulations or by-laws in existence now or in the future affecting any of the Real Property, and accepts that title shall be conveyed subject to the Permitted Encumbrances.

ARTICLE 6 RISK AND COSTS AND INSURANCE

6.1 Risk and Costs

- (a) The Purchased Assets will be at the sole risk and responsibility of the Vendor and the Debtors until the Effective Time and thereafter will be at the sole risk and

responsibility of the Purchaser. If, prior to the Closing, the Purchased Assets are materially damaged or destroyed such that repair or replacement costs will exceed \$1,000,000, or shall be appropriated, expropriated or seized by a Governmental Authority then, at its option, the Purchaser may decline to complete the Transaction. Such option will be exercised within 10 days after notification to the Purchaser by the Vendor of the occurrence of damage or destruction, appropriation, expropriation or seizure (or prior to the Closing Date if such occurrence takes place less than 10 days before the Closing Date) in which event this Agreement will be terminated automatically and the Deposit shall be returned to the Purchaser without deduction. If the Purchaser does not exercise such option, it will complete the Transaction contemplated herein and will be entitled to an assignment of the proceeds of insurance, if any, referable to such damage or destruction.

6.2 Insurance

Any property, liability and other insurance maintained by the Vendor and/or the Debtors in relation to the Purchased Assets shall not be transferred at Closing but shall remain the responsibility of the Vendor and the Debtors until the Closing Date. 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 12:01 a.m. on the Closing Date.

ARTICLE 7 INDEMNIFICATION

7.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall, subject to the terms herein:

- (a) be liable to the Vendor, the Debtors, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtors, their respective Affiliates and their respective Representatives from and against;

all Liabilities imposed on, incurred by or asserted against the Vendor, the Debtors, their respective Affiliates and/or their respective Representatives solely and directly related to the Purchased Assets and the Assumed Liabilities, whether arising or accruing on or after the Closing Date, including: (i) all Liabilities attributable to the ownership, operation, use or maintenance of the Purchased Assets during the period following the Closing Date; (ii) all Liabilities arising or accruing on or after the Closing Date under any Assumed Contract; and (iii) any other Liabilities for which the Purchaser has otherwise agreed to indemnify the Vendor and the Debtors pursuant to this Agreement. The Purchaser's indemnity obligations set forth in this Section 7.1 shall survive the Closing Date indefinitely pursuant to Section 12.6.

7.2 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

ARTICLE 8 PRE-CLOSING MATTERS, CONDITIONS AND COVENANTS

8.1 Conduct of Vendor Until Closing

- (a) Except: (a) as expressly provided in this Agreement; (b) with the prior written consent of the Purchaser (not to be unreasonably withheld, conditioned or delayed); or (c) as otherwise provided in the Approval and Vesting Order or any other order of the Court; following the date hereof and prior to Closing, to the extent reasonably practicable, the Vendor shall:
 - (i) cause the Purchased Assets to be maintained, in accordance with good industry practice, and in material compliance with all Applicable Laws (including for greater certainty, all Environmental Laws), the directions of Governmental Authorities and the terms and conditions of the Assumed Contracts;
 - (ii) not sell, pledge, assign, lease, license, or cause, permit, or suffer the imposition of any Encumbrance (other than Permitted Encumbrances) on, or otherwise dispose of, any of the Purchased Assets, except in the ordinary course of normal day-to-day operations of the Purchased Assets;
 - (iii) not enter into any Contract relating to the Business that is not cancellable upon written notice or less without penalty or payment and is not entered into in the ordinary course of the Business;
 - (iv) not incur any indebtedness or other obligations that are secured on the Purchased Assets or any part thereof, other than as prescribed by the Receiver Appointment Order and the Sales Officer Appointment Order;
 - (v) not authorize or agree, in writing or otherwise, to take any of the actions in respect of the foregoing.
- (b) Until the Closing Date, the Vendor shall provide the Purchaser with access to the Purchased Assets as reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Purchased Assets to the Purchaser following Closing in accordance herewith.
- (c) The access to the Purchased Assets to be afforded to the Purchaser and its Representatives pursuant to this Section 8.1 will be subject to any applicable Assumed Contracts and all of the Vendor's and the Debtors' site entry protocols, health, safety and environmental rules, policies and procedures. Further, the

Purchaser acknowledges and agrees that it shall indemnify and save harmless the Vendor and its Representatives harmless from any and all Claims arising from such inspections, tests and investigations pursuant to this Section 8.1 (save and except for any Claims resulting from the mere discovery of conditions already existing at the time of such access, testing or inspections).

8.2 Covenant of the Vendor

The Vendor shall use the cash held by the Business Debtors to pay the Business Debtors' Priority Payables as soon as practicable, subject to further Order of the Court.

8.3 Privacy Laws

- (a) Each Party shall, and shall ensure that its Representatives shall, comply with Applicable Law in the course of their collection, use and disclosure of Transaction Personal Information pursuant to this Agreement.
- (b) Each Party agrees that the collection, use and disclosure of Transaction Personal Information is necessary for the purposes of determining if the Parties will proceed with the Transaction and completing the Transaction.
- (c) The Purchaser shall, and shall ensure that its Representatives shall, not use Transaction Personal Information for any purposes other than those related to evaluation of the Transaction and/or the completion of the Transaction.
- (d) If the Transaction proceeds, neither the Purchaser nor any of its Representatives shall, after Closing, without the consent of the individuals to whom such Personal Information relates, or as otherwise permitted or required by Applicable Law, use or disclose Transaction Personal Information for purposes other than those for which such Transaction Personal Information was originally collected prior to Closing.
- (e) In the event of the successful completion of the Transaction, the Purchaser, if and only to the extent required by Applicable Law that governs the Personal Information of individuals whose Personal Information has become Transaction Personal Information, shall notify such individuals that a business transaction has taken place and that their Personal Information was disclosed by the Vendor to the Purchaser for the purposes of this Agreement.
- (f) If this Agreement is terminated as provided herein, the Purchaser shall promptly deliver to the Vendor all Transaction Personal Information in its possession or in the possession of its Representatives, including all copies, reproductions, summaries or extracts thereof or the Purchaser shall promptly proceed with arranging the destruction of the same.
- (g) The Purchaser shall use all reasonable efforts to protect and safeguard the Transaction Personal Information including to protect the Transaction Personal Information from loss or theft, or unauthorized access disclosure, copying, use,

modification, disposal or destruction and promptly advise the Vendor should any such loss, theft or unauthorized activity occur prior to the completion of the Transaction.

ARTICLE 9 CONDITIONS

9.1 Mutual Conditions

The respective obligations of the Parties to complete the purchase and sale of the Purchased Assets are subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) the Court shall have granted the Approval and Vesting Order;
- (b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Purchased Assets; and
- (c) the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Vendor and the Purchaser.

9.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the purchase of the Purchased Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Vendor contained in Section 4.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;
- (b) the Vendor shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement;
- (c) on Closing title to the Real Property shall be free of all Encumbrances other than the Permitted Encumbrances;
- (d) on Closing, no legal or regulatory action or proceeding shall have been commenced by any third party, including any Governmental Authority, nor any injunction awarded and continuing in force, to enjoin, restrict or prohibit the purchase and sale of the Purchased Assets contemplated hereby; and

- (e) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 10.2.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

9.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the sale of the Purchased Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Purchaser contained in Section 4.2 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;
- (b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;
- (c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all the documents contemplated in Section 10.3; and
- (d) the Vendor has not lost its ability to convey the Purchased Assets due to an order of the Court.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

9.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 9.1, 9.2 and 9.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

ARTICLE 10 CLOSING

10.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date, or at such other time as the Parties may agree in writing.

10.2 Deliveries on Closing by the Vendor

The Vendor shall deliver (or cause to be delivered) to the Purchaser or the Purchaser's Solicitors on or before the Closing Date:

- (a) a direction regarding funds directing the party to which the balance of the Purchase Price shall be paid;
- (b) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (c) an executed AVO Certificate, which shall be filed by the Vendor with the Court;
- (d) subject to Section 3.8(c)(i), the Assignment and Assumption of Contracts (to the extent such Assumed Contracts are assignable), and to the extent not assignable, an agreement by the Vendor to hold same in trust for the Purchaser in accordance with Section 3.8(c)(i);
- (e) the Assignment and Assumption of Other Property;
- (f) an assignment of the Warranties, if any;
- (g) all documents listed in Section 9.3 which contemplate execution by the Vendor;
- (h) a bring down certificate of an officer of the Vendor on behalf of the Vendor (and not in their personal capacity and without personal liability) setting out that its representations and warranties contained in this Agreement are true and accurate in all material respects as at the Closing Date, with the same effect as though made on the Closing Date;
- (i) a certificate of the Vendor confirming it is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (j) the DRA (as defined herein);
- (k) an application for vesting in Teraview in accordance with the Purchaser's direction regarding title;
- (l) a general conveyance/bill of sale in relation to the Equipment and any documents in the possession of the Vendor evidencing ownership of such Equipment;
- (m) the Statement of Adjustments, in a form and substance satisfactory to the Purchaser, acting reasonably, which shall be delivered to the Purchaser at least five (5) Business Days prior to the Closing Date;
- (n) an undertaking to readjust the Statement of Adjustments;
- (o) vacant possession of the Real Property, subject only to the Permitted Encumbrances and the Leases;

- (p) any necessary deeds, conveyances, transfers and assignments and any other instruments necessary or reasonably required to transfer (or record the transfer of) the Purchased Assets to the Purchaser with good (and in the case of the Real Property, marketable) title, free and clear other than Permitted Encumbrances;
- (q) all master keys and duplicate keys to any building located on the Real Property that are in the possession and control of the Vendor;
- (r) the Third Party Consents to the extent obtained in accordance with the terms herein; and
- (s) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably. The Purchaser shall be responsible for preparing any and all conveyance materials not otherwise specifically set out in this Section 10.2.

10.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver (or cause to be delivered) to the Vendor or the Vendor's Solicitor on or before the Closing Date:

- (a) the balance of the Purchase Price as contemplated by Section 3.3(b)(ii) by wire transfer in immediately available funds, together with all other amounts required to be paid by the Purchaser to the Vendor hereunder at Closing, if any;
- (b) an undertaking to readjust the Statement of Adjustments;
- (c) subject to Section 3.8(c)(i), the Assignment and Assumption of Contracts (to the extent such Assumed Contracts are assignable), and to the extent not assignable, an agreement by the Vendor to hold same in trust for the Purchaser in accordance with Section 3.8(c)(i);
- (d) the Assignment and Assumption of Other Property;
- (e) an assignment of the Warranties, if any;
- (f) a direction regarding title;
- (g) an application for vesting in Teraview in accordance with the Purchaser's direction regarding title;
- (h) the DRA (as defined herein);
- (i) a bring down certificate of an officer of the Purchaser on behalf of the Purchaser (and not in their personal capacity and without personal liability) setting out that its representations and warranties contained in this Agreement are true and accurate in

all material respects as at the Closing Date, with the same effect as though made on the Closing Date;

- (j) the Purchaser's HST Certificate referred to in Section 3.7(b); and
- (k) any necessary deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

10.4 Closing Costs

The Vendor and the Purchaser shall each be responsible for the costs of their respective solicitors. The Purchaser shall be responsible for and pay all land transfer taxes payable on the assignment of the Real Property to the Purchaser and the registration fees payable in connection with the registration of the conveyance of the Real Property.

10.5 Closing Matters

Except as may otherwise be agreed to by the parties or their respective solicitors, all documents, monies, and other items (except items to be delivered at the Real Property) shall be delivered on the Closing Date as follows:

- (1) each of the Purchaser and the Vendor shall be obliged to retain a solicitor who is both an authorized Teraview Electronic Registration System or "TERS" user and in good standing with the Law Society of Ontario, and such solicitors are hereby authorized by the parties to enter into a document registration agreement in the form adopted by the Joint LSUC-CBAO Committee on Electronic Registration of Title Documents on March 29, 2004 or any replacement thereof with such changes as agreed to by the Vendor's Solicitors and the Purchaser's Solicitors, each acting reasonably (the "DRA");
- (2) the delivery and exchange of the closing documents and balance of the Purchase Price, and the release of them to the Vendor and the Purchaser, as the case may be, shall be governed by the DRA;
- (3) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by either party (in this paragraph called the "**Tendering Party**") upon the other party (in this paragraph called the "**Receiving Party**") when the solicitor for the Tendering Party has:
 - (a) delivered all applicable closing documents to the Receiving Party's solicitor in accordance with the provisions of this Agreement;
 - (b) advised the solicitor for the Receiving Party, in writing, that the Tendering Party is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and
 - (c) completed all steps required by TERS to complete this Transaction that can be

performed or undertaken by the Tendering Party's solicitor without the cooperation or participation of the Receiving Party's solicitor, and specifically when the Tendering Party's solicitor has electronically "signed" the electronic transfers and any other registrable documentation for completeness and granted "access" to the Receiving Party's solicitor (but without the Tendering Party's solicitor releasing them for registration by the Receiving Party's solicitor), without the necessity of personally attending upon the Receiving Party or the Receiving Party's solicitor with the closing documents and without any requirement to have an independent witness evidencing the foregoing.

It is a condition of Closing that all matters of payment, execution and delivery of documents by each party to the other shall be deemed to be concurrent requirements and it is specifically agreed that nothing will be complete at the Closing until everything required to be paid, executed and delivered under this Agreement at the Closing has been paid, executed and delivered.

ARTICLE 11 TERMINATION

11.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing:

- (a) by the written agreement of both the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require the approval of the Court;
- (b) by the Purchaser, upon written notice to the Vendor, if there has been a breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 9.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within 10 days, such longer period as is reasonable under the circumstances, not to exceed forty (40) days) following the date upon which the Vendor received such notice;
- (c) by the Purchaser, upon written notice to the Vendor, any time after the Outside Date, if (i) the Approval and Vesting Order has not been obtained, or (ii) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;
- (d) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 9.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor has provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within 10 days,

such longer period as is reasonable under the circumstances, not to exceed forty (40) days) following the date upon which the Purchaser received such notice; or

- (e) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if (i) the Approval and Vesting Order has not been obtained, or (ii) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Vendor.

11.2 Effect of Termination

Notwithstanding any termination of this Agreement as permitted under Section 11.1, or as otherwise provided for in this Agreement, the provisions of those Sections which are meant to survive termination, including, but not limited to, Section 3.3 (Deposit and Satisfaction of Purchase Price), 12.7 (Governing Law), Section 12.1 (Fees, Commissions and other Costs and Expenses) and 12.17 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.3.

ARTICLE 12 GENERAL

12.1 Fees, Commissions and other Costs and Expenses

Each of the Vendor and the Purchaser will pay its respective legal and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses whatsoever and howsoever incurred.

Except for Lennard Commercial Realty, neither the Vendor nor any Affiliate thereof has engaged any real estate broker in connection with this Transaction and no brokerage, realtor, or other similar success fee will be payable as by the Vendor and/or any Affiliate thereof as a result of the Transaction.

12.2 Planning Act

This Agreement is subject to compliance with the *Planning Act* (Ontario), as amended. The parties agree that compliance with the *Planning Act* (Ontario) shall be the responsibility of the Purchaser at its costs.

12.3 Confidentiality

Both prior to the Closing Date and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason thereafter, the Purchaser will not disclose to anyone or use for its own or for any purpose other than the purpose contemplated by this Agreement any confidential information concerning the Vendor or the operations obtained by the Purchaser pursuant hereto, and will hold all such information in the strictest confidence and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason, will return all documents, records and all other information or data relating to the Vendor or to the operations

which the Purchaser obtained pursuant to this Agreement or arrange for the destruction of the same.

12.4 Public Announcements

Except as required by Applicable Law, including without limitation in connection with the Approval and Vesting Order or any other Order of the Court, no public announcement or press release concerning the sale and purchase of the Purchased Assets may be made by the Vendor or the Purchaser without the prior consent and joint approval of the Vendor and the Purchaser.

12.5 Dissolution of Debtor

The Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to cause the dissolution or wind-up of any of the Debtors subsequent to the Closing Date, or otherwise cause or allow any of the Debtors to cease operations in any manner or at any time subsequent to the Closing Date as the Vendor may determine in its sole discretion, which may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil its obligations under this Agreement that survive Closing.

12.6 Survival

Upon Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, unless specified specifically to survive and provided that notwithstanding the Closing contemplated hereunder or the delivery of documents pursuant to this Agreement, the obligations and covenants of the Parties set out in Section 4.3 (Enforcement of Representations and Warranties), Section 3.7 (Sales Tax, Land Transfer Tax and Registration Fees on Transfer), Article 5 ("As Is, Where Is" and No Additional Representations and Warranties) and Article 12 (General), shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein or otherwise in accordance with Applicable Laws.

12.7 Governing Law

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Ontario for the resolution of any such dispute arising under this Agreement.
- (b) The Parties consent to the jurisdiction and venue of the Court, as applicable, for the resolution of any such disputes, regardless of whether such disputes arose under this Agreement. Each Party agrees that service of process on such Party as provided in Section 12.15 shall be deemed effective service of process on such Party.

12.8 Further Assurances

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

12.9 Assignment

Neither this Agreement nor any of the rights, interests and obligations hereunder, may be assigned by any Party (by operation of law or otherwise) without the express written consent of the other Parties; provided, that this Agreement and the rights and obligations of the Purchaser hereunder may be assigned by Purchaser, without the prior written consent of the Vendor, to one or more of the Purchaser's Affiliates, so long as (i) such Affiliate is designated in writing by the Purchaser to the Vendor prior to service of the Vendor's motion materials seeking the Approval and Vesting Order (and references to Purchaser herein shall include its permitted designees where applicable) and (ii) the Purchaser continues to be bound by the terms of the Agreement and remain obligated in full hereunder, including with respect to the Purchaser's obligation to pay the Purchase Price, until Closing.

12.10 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

12.11 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

12.12 Time

Time is of the essence in this Agreement. Where anything is required to be done under this Agreement on a date which falls on a day that is not a Business Day, then the date for such thing to be done shall be the next Business Day, and, without limiting the foregoing, if the Closing Date is not a Business Day or a day on which the applicable land registry office for the Real Property is open for business, then the Closing Date shall be the next following Business Day on which all applicable land registry offices for the Real Property are open for business.

12.13 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement.

12.14 Tender and Closing Arrangements

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement and any tender or delivery of documents or money hereunder may be made upon the Vendor or the Purchaser or the solicitors acting for them.

12.15 Notices

Any Notice must be in writing, sent by personal delivery, courier or electronic mail and addressed:

- (a) in the case of the Vendor:

Albert Gelman Inc.
250 Ferrand Dr., Suite 403
Toronto, ON M3C 3G8

Attention: Adam Zeldin
Email: azeldin@albertgelman.com

With a copy to the Vendor's Solicitors:

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

Attention: Steven Graff and Samantha Hans
Email: sgraff@airdberlis.com and shans@airdberlis.com

- (b) In the case of the Purchaser:

Purposeful Group Ltd.
22 Diefenbaker Street
St. John's, Newfoundland
A1A 2M1

Attention:
Email:

With a copy to the Purchaser's Solicitors:

Osler, Hoskin & Harcourt LLP
First Canadian Place, 100 King Street West, Suite 6300
Toronto, ON M5X 1B8

Attention: Dave Rosenblat and Justin Kanji
Email: drosenblat@osler.com and jkanji@osler.com

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed.

12.16 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns pursuant to the terms and conditions of this Agreement.

12.17 Third Party Beneficiaries

Except as otherwise provided for in this Agreement (including this Section 12.17), each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns and, except as otherwise provided for in this Agreement, no Person other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. For the avoidance of doubt, the Vendor's Affiliates, the Debtors, their respective Affiliates, and each of their respective Representatives are intended third-party beneficiaries of the indemnities provided for in Section 7.1, and shall have the right to enforce the provisions thereof as though they were parties hereto. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor is acting as agent and/or as trustee of the Vendor's Affiliates, the Debtors, their respective Affiliates, and each of their respective Representatives.

12.18 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision's validity or enforceability in any other jurisdiction.

12.19 Vendor's Capacity

The Purchaser acknowledges that: (i) the Vendor, in executing the Agreement, is entering into the Agreement solely in its capacity as Receiver and Sales Officer of the Debtors, as applicable, and not in its personal or any other capacity; (ii) the Vendor shall have no personal or corporate liability of any kind whether in contract, tort or otherwise; and (iii) the Vendor's authority to act in respect of the Purchased Assets is governed by provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended and the *Courts of Justice Act*, RSO 1990, c C.43, as amended.

12.20 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

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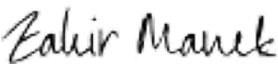
IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

**ALBERT GELMAN INC., SOLELY IN ITS
CAPACITY AS THE RECEIVER OF
WOODINGTON ESTATES INC. AND
SALES OFFICER OF WOODINGTON
MANAGEMENT INC. AND 1000736785
ONTARIO LIMITED, AND NOT IN ITS
PERSONAL OR CORPORATE CAPACITY**

Per: 

Name: Adam Zeldin
Title: Managing Director

PURPOSEFUL GROUP LTD.

Per: 

Name: Zahir Manek
Title: General Counsel

**SCHEDULE A
LEGAL DESCRIPTION OF REAL PROPERTY**

Legal Description:

PIN 58170-0498 LT

PT LTS 1, 2 & 3 CON 4 AS IN RO1284373 EXCEPT PT 1 51R31629 TECUMSETH;
S/TRO318906; NEW TECUMSETH

Municipal Address:

7110 4th Line, Tottenham, Ontario L0G 1W0

SCHEDULE B
PURCHASED ASSETS

The Purchased Assets shall include the following:

- (a) the Real Property;
- (b) the Assumed Contracts;
- (c) Turfcare Agreements;
- (d) the Other Property;
- (e) the Warranties;
- (f) the Equipment;
- (g) the Books and Records; and
- (h) Other Assets: all other assets not specifically enumerated in this Schedule B, but otherwise used, held for use or intended to be used in the operation of the Real Property, other than the Excluded Assets.

SCHEDULE C
EXCLUDED ASSETS

The Excluded Assets consist of the following:

- (a) cash, cash equivalents, money on deposit with banks, certificates of deposit and similar instruments and short-term investments held by the Debtors or the Vendor for and on behalf of the Debtors;
- (b) other than as noted herein, including but not limited to section 6.1, any benefits payable under all insurance policies relating to Real Property or the other Purchased Assets for the period prior to the Closing;
- (c) all funds or deposits held by suppliers, customers or any other Person in trust for or on behalf of any one of the Debtors; and
- (d) any HST refunds due to any one of the Debtors for the period prior to and up to the Closing.

SCHEDULE D
PERMITTED ENCUMBRANCES

1. Instrument No. RO318906 being a Transfer of Easement registered on December 22, 1969.
2. Instrument No. 51R9747 being a Reference Plan registered on September 10, 1980.
3. Instrument No. 51R13112 being a Reference Plan registered on November 28, 1984.
4. Instrument No. SC59220 being a Notice of a Site Plan Agreement registered on September 27, 2002.
5. Instrument No. SC595587 being a Land Registrar's Order registered on October 25, 2007.
6. Instrument No. 51R40761 being a Reference Plan registered on December 9, 2016.
7. Instrument No. SC1421201 being an Application to register By-law Number 2017-085 registered on June 16, 2017.
8. Instrument No. SC1568886 being a Transfer registered on January 11, 2019.

67094724.4

APPENDIX “R”

WOODINGTON – INFORMATION REQUESTS FROM ALBERT GELMAN INC.

REVISED ON JULY 17, 2025

Requests for Monitoring

- 1) The general ledger details (or copy of the QuickBooks bookkeeping file) for the past 3 fiscal years (2022, 2023, 2024 and 2025 to-date) for the entities Woodington Management Inc. (“WMI”), Woodington Estates Inc. (“WEI”) and 1000736785 Ontario Limited (“785”)
- 2) A list of all active bank accounts (identified by the last 6 digits) held by WMI, WEI and 785
- 3) Bank statements and copies of cancelled cheques for the months April, May and June 2025 for all of the accounts listed in #2 above
- 4) Credit card statements used for business purchases for the months April, May and June 2025
- 5) To be provided every 7 days starting July 1, 2025, for all of the accounts listed in #2:
 - a) Excel / .CSV / PDF downloads covering the past 7 days (including credit card activity), to be retrieved from the financial institution(s) online portal(s);
 - b) Copies of cancelled cheques and EFT/wire payment details showing names of the payees, cleared over the past 7 days;
 - c) Payroll report details for payroll payments disbursed over the past 7 days, including names of the employees and amounts paid;
 - d) Copies of vendor receipts and invoices to support all expenditures incurred over the past 7 days;
 - e) E-transfer payment reports showing names of payees and amounts covering the past 7 days, to be retrieved from the financial institution(s) online portals;
 - f) Sales deposit reports from 3rd party POS payment processors (e.g. Moneris / Chase), along with cheque deposit slips (if applicable), covering the past 7 days; and
 - g) Listing of payments and deposits going to/from any individual or entity related to WEI, WMI and/or 785 covering the past 7 days, if applicable.
- 6) For the approval of receipts and disbursements of WMI, 785 and WEI (if applicable) in excess of \$10,000 per transaction:
 - a) A listing of all disbursements that need to be paid over the next 7 days, including names of the payees and expected amounts of payment;
 - b) Supporting invoices issued by the vendors (or payrun summaries / HST return drafts to be executed) to support the above expected disbursements, above; and
 - c) Copies of all customer cheques received that are to be deposited in the accounts of the entities, above.
- 7) A list of any independent contractors retained by WEI, WMI and/or 785
- 8) Copies of financial statements, T2 corporate tax returns, and HST returns for WMI and 785 for the past three fiscal years. We were previously advised that no such documents exist for WEI. However, if they do, please also send copies of same.

WOODINGTON – INFORMATION REQUESTS FROM ALBERT GELMAN INC.
REVISED ON JULY 17, 2025

Requests for Appraisal

- 1) Three-year history on rounds played
- 2) Capital expenditures (CAPEX) over \$5k in the past 5 years
- 3) Areas that require immediate investment – clubhouse repairs, sand trap upgrades, etc. – as applicable
- 4) Details on any land use restrictions, if known?
- 5) Copies of all environmental or geotechnical reports/studies
- 6) Other than the lease arrangement between WEI and 785, is there any leased land associated with the club?
- 7) Are there easements on the land used by the club?
- 8) Are there any development plans or other equivalent documents in draft or otherwise?
- 9) List of all capital equipment, separated by leased and owned
- 10) List of all recurring lease payments including the amount, the payment frequency (e.g. monthly, biweekly, or otherwise), to whom they are paid, and a description of the lease that they pertain to
- 11) Breakdown of non-golfing events and number of participants (weddings, prom, etc.) for the previous three years and 2025 & 2026 bookings

APPENDIX “S”

Steven Pitucci

From: Steven Pitucci
Sent: August 1, 2025 1:08 PM
To: frances@woodingtonlake.com
Cc: Adam Zeldin; Bryan Gelman
Subject: Woodington - July '25 Withdrawals

Importance: High

Hi Frances,

During our monitoring to-date, we came across the following four withdrawals from WMI's bank account this past month:

- July 7th \$60,000.00 (per Darlene: "draft sent to offset debt owing")
- July 7th \$40,000.00 (per Darlene: "draft sent to offset debt owing")
- July 14th \$10,000.00 per Darlene: "loan to Joe")
- July 17th \$110,000.00 (per Darlene: "\$ sent to Prudent Development")

Darlene informed me that she was not provided supporting documentation to substantiate the nature of these withdrawals.

At your earliest convenience, please clarify/provide the following for each of these following four transactions, above:

- 1) Who the funds were sent to
- 2) Why the funds were sent
- 3) Please provide supporting documents to substantiate these withdrawals.

Provided that Monday is a holiday, I coordinated with Darlene to visit in-person next Wednesday. Therefore, we kindly request a response to this email by early next week.

Regards,
Steven

Steven Pitucci, CPA, CA
Senior Associate – Accounting Support & Advisory



Albert Gelman Inc. | T: 416.504.1650 ext. 128 | E: spitucci@albertgelman.com | A: 250 Ferrand Dr., Suite 403, Toronto, ON, M3C 3G8 www.albertgelman.com

This message and any attachments are solely for the intended recipient and may contain confidential or privileged information. If you are not the intended recipient, any disclosure, copying, use, or distribution of the information included in this message and any attachments is prohibited. If you have received this communication in error, please notify us by reply e-mail and immediately and permanently delete this message and any attachments. Thank you.

APPENDIX “T”

Steven Pitucci

From: Steven Pitucci
Sent: August 6, 2025 7:41 PM
To: frances@woodingtonlake.com
Cc: Accounting; Bryan Gelman; Adam Zeldin
Subject: WMI - Outstanding Monitoring Items
Attachments: Woodington - July '25 Withdrawals; WMI Missing Support as of Aug 6 2025 - for Frances.pdf
Importance: High

Hi Frances,

Thanks again for meeting with me to discuss outstanding deliverables in relation to our monitoring efforts. For ease of reference, below is the compiled list of items that we require from you.

Please provide this information to us by end of day tomorrow. If you are informed by the bank that the delivery of any of the above items will be delayed, please forward us the email correspondence from the bank indicating same by tomorrow.

- 1) Please refer to my email sent on August 1st regarding the details needed for the four withdrawals in July 2025 that you indicate were repayments back from WMI to your corporation (email attached for reference). Please also provide support for the deposits that you or your corporation originally made to WMI to establish these withdrawals as loan repayments.
- 2) Please also find attached a list of other bank withdrawals that Darlene has indicated to me that she does not have supporting documentation. Please provide the supporting documentation and confirm the nature of the transactions (i.e. business or personal). For completeness, this list includes the withdrawals raised on my email August 1st.
- 3) Please provide support from the bank for all wire payments and e-transfers made in (deposited) and out (withdrawn) of WMI's bank account from July 1, 2025 to present. Darlene requested this from you back on July 23rd.
- 4) Please provide copies of all credit card statements (e.g. Capital One) being paid by WMI covering the period of April 2025 to present. Darlene also requested this from you back on July 23rd.
- 5) Please confirm the legal name of your corporation (summarized as "Prudent Development") to which funds were sent to from WMI.

Provided that our monitoring work is ongoing, further queries over receipts and disbursements may be raised to you at a later date.

Regards,
Steven

Steven Pitucci, CPA, CA
Senior Associate – Accounting Support & Advisory

Albert Gelman Inc. | T: 416.504.1650 ext. 128 | E: spitucci@albertgelman.com | A: 250 Ferrand Dr., Suite 403, Toronto, ON, M3C 3G8 www.albertgelman.com

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CONFIDENTIAL

WMI - Missing Support for Bank Withdrawals from July 1 to August 6, 2025

Prepared by Albert Gelman Inc.

As of August 6, 2025

Item #	Cleared Date on Bank Statement	Withdrawal Amount (\$)	Comments from Darlene
1	2025-07-02	- 8,904.88	"Prudential Lease Per Joe (I think for truck he said)"
2	2025-07-02	- 3,688.04	"Rogers Personal")
3	2025-07-03	- 166.47	"Longos FB No Receipt")
4	2025-07-03	- 113.74	"Shoppers Drug Mart Personal")
5	2025-07-03	- 21.99	"Longos FB No Receipt"
6	2025-07-05	- 114.92	"Chapters Personal"
7	2025-07-07	- 60,000.00	"Draft Sent for Debt Owing Per Frances No Details Who"
8	2025-07-07	- 40,000.00	"Draft Sent for Debt Owing Per Frances No Details Who"
9	2025-07-07	- 15,000.00	"Draft Sent for Legal Owing Per Frances No Details Who"
10	2025-07-07	- 87.15	"Chapters Personal"
11	2025-07-09	- 241.51	"Shoppers Drug Mart Personal"
12	2025-07-09	- 167.50	"Longos FB No Receipt"
13	2025-07-11	- 4,839.36	LCBO
14	2025-07-11	- 1,000.00	"Money Sent to Carmelina Chetti By Frances No Details Personal"
15	2025-07-11	- 91.06	"Ultramar Gas No Receipt Details"
16	2025-07-14	- 10,000.00	"Money Sent to Joey Recchia - Loan No Details Per Frances"
17	2025-07-14	- 3,000.00	"Capital One MasterCard Payment No Details"
18	2025-07-15	- 1,000.00	"Money Sent to Anna Butryn By Frances No Details Personal")
19	2025-07-15	- 101.85	"Chapters Personal"
20	2025-07-16	- 105.92	"Shoppers Drug Mart Personal")
21	2025-07-16	- 25.50	"Parking at University Health Personal"
22	2025-07-17	-110,000.00	"Draft Sent for Debt Owing Per Frances No Details Prudential ?"
23	2025-07-17	- 500.00	"Money Sent to Carmelina Chetti By Frances No Details Personal"
24	2025-07-18	- 87.79	"Esso Gas No Receipt Details"
25	2025-07-21	- 126.42	"Longos FB No Receipt"
26	2025-07-22	- 339.00	"Money Sent to Michael Sabatino By Frances No Details Personal"
27	2025-07-23	- 2,520.00	"\$ sent to QMP"
28	2025-07-24	- 100.00	"\$ sent to John Chetti"
29	2025-07-25	- 2,825.00	"Grass Appeal Personal"
30	2025-07-25	- 3,000.00	"\$ sent to John Chetti"
31	2025-07-29	- 2,062.00	"Personal "
32	2025-07-29	- 2,062.49	"Personal "
33	2025-07-29	- 150.10	"Longo's Vendor Invoice"
34	2025-08-01	- 91.00	"Gas Personal"
35	2025-08-05	- 112.11	"Longo's Vendor Invoice"

APPENDIX “U”

August 8, 2025

DELIVERED VIA EMAIL (dullmann@blaney.com)

Woodington Estates Inc.
Woodington Management Inc.
1000736785 Ontario Limited
c/o Blaney McMurtry LLP
2 Queen Street East, Suite 1500
Toronto, ON M5C 3G5

Attention: David T. Ullmann

Dear Mr. Ullmann:

**RE: Melvyn Eisen, Trustee v. Woodington Estates Inc., Woodington Management Inc.
and 1000736785 Ontario Limited
Court File No. CV-24-00725570-00CL**

As you are aware, we are counsel to Albert Gelman Inc. (“**AGI**”) in connection with the above-noted matter. AGI was appointed as Receiver over Woodington Estates Inc. pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 2, 2024. AGI was also appointed as Sales Officer over Woodington Management Inc. and 1000736785 Ontario Limited (collectively, with Woodington Estates Inc., the “**Respondents**”) pursuant to an Order of the Court dated July 15, 2025 (the “**July 15 Order**”).

On July 17, 2025, to carry out its mandate under the July 15 Order, AGI wrote to John Chetti to request certain information from the Respondents, including, among other items, all financial statements, bank account and credit card statements, vendor invoices, payroll reports and sales deposit reports for each entity, as applicable. This information request is attached hereto as Schedule “A”.

We understand that during its review of certain bank statements, AGI has flagged the following withdrawals made from 1000736785 Ontario Limited’s bank account (the “**Bank Account**”) during the month of July (the “**July Withdrawals**”):

1. \$60,000 withdrawn on July 7, 2025, with the notation “draft sent to offset debt owing”;
2. \$40,000 withdrawn on July 7, 2025, with the notation “draft sent to offset debt owing”;
3. \$10,000 withdrawn on July 14, 2025, with the notation “loan to Joe”; and
4. \$110,000 withdrawn on July 17, 2025, with the notation “\$ sent to Prudent Development”.

AGI was not provided with supporting documentation to substantiate or support the July Withdrawals, and, as a result, has sent the following correspondence.

1. On August 1, 2025, AGI wrote to Frances Chetti to request supporting documentation and inquire on why the July Withdrawals were sent and to whom they were sent.
2. On August 5, 2025, AGI followed up with Frances Chetti on the information and documentation request made on August 1, 2025.
3. On August 6, 2025, AGI made further information requests to Frances Chetti, which included a list of 35 withdrawal transactions from the Bank Account for which supporting documentation is currently sought (the “**August 6 List**”). The August 6 List includes the July Withdrawals and is attached hereto as Schedule “B”.

Pursuant to paragraph 5 of the July 15 Order, AGI, in its capacity as Sales Officer, is expressly empowered and authorized to exercise control over any and all receipts and disbursements in respect of the business and assets of Woodington Lake Golf Club (the “**Business**”). The July 15 Order states that the Sales Officer shall permit Woodington Management Inc. and 1000736785 Ontario Limited to pay reasonable ordinary course expenses for the supply of goods and services of the Business, provided that all disbursements of the Business remain subject to approval by the Sales Officer.

Despite multiple requests, as of August 8, 2025, AGI has not received an adequate response to the above-noted inquiries from Frances Chetti, John Chetti or any other representative of the Respondents. We understand that Frances Chetti has advised AGI that she owns Prudent Development. However, AGI has not received any further details on the July Withdrawals or documentation confirming ownership of Prudent Development.

As such, AGI has not been able to determine whether these transactions are reasonable ordinary course expenses for the supply of goods and services of the Business. These transactions have not been approved by AGI and the July Withdrawals must be returned to the Bank Account by no later than August 12, 2025. We trust you and your client will promptly attend to this.

AGI reserves all rights and remedies afforded to it in its capacities as Receiver and Sales Officer of the Respondents, as applicable, in respect of the transactions contained in the August 6 List or any other transactions or information relating to the Respondents and the operation of the Business.

We look forward to hearing from you.

Yours truly,

AIRD & BERLIS LLP



Steven Graff
SG/sh

cc. *Albert Gelman Inc., Receiver and Sales Officer* (Bryan Gelman, bgelman@albertgelman.com and Adam Zeldin, azeldin@albertgelman.com)

AIRD BERLIS

SCHEDULE “A”

WOODINGTON – INFORMATION REQUESTS FROM ALBERT GELMAN INC.

REVISED ON JULY 17, 2025

Requests for Monitoring

- 1) The general ledger details (or copy of the QuickBooks bookkeeping file) for the past 3 fiscal years (2022, 2023, 2024 and 2025 to-date) for the entities Woodington Management Inc. (“WMI”), Woodington Estates Inc. (“WEI”) and 1000736785 Ontario Limited (“785”)
- 2) A list of all active bank accounts (identified by the last 6 digits) held by WMI, WEI and 785
- 3) Bank statements and copies of cancelled cheques for the months April, May and June 2025 for all of the accounts listed in #2 above
- 4) Credit card statements used for business purchases for the months April, May and June 2025
- 5) To be provided every 7 days starting July 1, 2025, for all of the accounts listed in #2:
 - a) Excel / .CSV / PDF downloads covering the past 7 days (including credit card activity), to be retrieved from the financial institution(s) online portal(s);
 - b) Copies of cancelled cheques and EFT/wire payment details showing names of the payees, cleared over the past 7 days;
 - c) Payroll report details for payroll payments disbursed over the past 7 days, including names of the employees and amounts paid;
 - d) Copies of vendor receipts and invoices to support all expenditures incurred over the past 7 days;
 - e) E-transfer payment reports showing names of payees and amounts covering the past 7 days, to be retrieved from the financial institution(s) online portals;
 - f) Sales deposit reports from 3rd party POS payment processors (e.g. Moneris / Chase), along with cheque deposit slips (if applicable), covering the past 7 days; and
 - g) Listing of payments and deposits going to/from any individual or entity related to WEI, WMI and/or 785 covering the past 7 days, if applicable.
- 6) For the approval of receipts and disbursements of WMI, 785 and WEI (if applicable) in excess of \$10,000 per transaction:
 - a) A listing of all disbursements that need to be paid over the next 7 days, including names of the payees and expected amounts of payment;
 - b) Supporting invoices issued by the vendors (or payrun summaries / HST return drafts to be executed) to support the above expected disbursements, above; and
 - c) Copies of all customer cheques received that are to be deposited in the accounts of the entities, above.
- 7) A list of any independent contractors retained by WEI, WMI and/or 785
- 8) Copies of financial statements, T2 corporate tax returns, and HST returns for WMI and 785 for the past three fiscal years. We were previously advised that no such documents exist for WEI. However, if they do, please also send copies of same.

WOODINGTON – INFORMATION REQUESTS FROM ALBERT GELMAN INC.
REVISED ON JULY 17, 2025

Requests for Appraisal

- 1) Three-year history on rounds played
- 2) Capital expenditures (CAPEX) over \$5k in the past 5 years
- 3) Areas that require immediate investment – clubhouse repairs, sand trap upgrades, etc. – as applicable
- 4) Details on any land use restrictions, if known?
- 5) Copies of all environmental or geotechnical reports/studies
- 6) Other than the lease arrangement between WEI and 785, is there any leased land associated with the club?
- 7) Are there easements on the land used by the club?
- 8) Are there any development plans or other equivalent documents in draft or otherwise?
- 9) List of all capital equipment, separated by leased and owned
- 10) List of all recurring lease payments including the amount, the payment frequency (e.g. monthly, biweekly, or otherwise), to whom they are paid, and a description of the lease that they pertain to
- 11) Breakdown of non-golfing events and number of participants (weddings, prom, etc.) for the previous three years and 2025 & 2026 bookings

SCHEDULE “B”

CONFIDENTIAL

WMI - Missing Support for Bank Withdrawals from July 1 to August 6, 2025

Prepared by Albert Gelman Inc.

As of August 6, 2025

Item #	Cleared Date on Bank Statement	Withdrawal Amount (\$)	Comments from Darlene
1	2025-07-02	- 8,904.88	"Prudential Lease Per Joe (I think for truck he said)"
2	2025-07-02	- 3,688.04	"Rogers Personal")
3	2025-07-03	- 166.47	"Longos FB No Receipt")
4	2025-07-03	- 113.74	"Shoppers Drug Mart Personal")
5	2025-07-03	- 21.99	"Longos FB No Receipt"
6	2025-07-05	- 114.92	"Chapters Personal"
7	2025-07-07	- 60,000.00	"Draft Sent for Debt Owing Per Frances No Details Who"
8	2025-07-07	- 40,000.00	"Draft Sent for Debt Owing Per Frances No Details Who"
9	2025-07-07	- 15,000.00	"Draft Sent for Legal Owing Per Frances No Details Who"
10	2025-07-07	- 87.15	"Chapters Personal"
11	2025-07-09	- 241.51	"Shoppers Drug Mart Personal"
12	2025-07-09	- 167.50	"Longos FB No Receipt"
13	2025-07-11	- 4,839.36	LCBO
14	2025-07-11	- 1,000.00	"Money Sent to Carmelina Chetti By Frances No Details Personal"
15	2025-07-11	- 91.06	"Ultramar Gas No Receipt Details"
16	2025-07-14	- 10,000.00	"Money Sent to Joey Recchia - Loan No Details Per Frances"
17	2025-07-14	- 3,000.00	"Capital One MasterCard Payment No Details"
18	2025-07-15	- 1,000.00	"Money Sent to Anna Butryn By Frances No Details Personal")
19	2025-07-15	- 101.85	"Chapters Personal"
20	2025-07-16	- 105.92	"Shoppers Drug Mart Personal")
21	2025-07-16	- 25.50	"Parking at University Health Personal"
22	2025-07-17	-110,000.00	"Draft Sent for Debt Owing Per Frances No Details Prudential ?"
23	2025-07-17	- 500.00	"Money Sent to Carmelina Chetti By Frances No Details Personal"
24	2025-07-18	- 87.79	"Esso Gas No Receipt Details"
25	2025-07-21	- 126.42	"Longos FB No Receipt"
26	2025-07-22	- 339.00	"Money Sent to Michael Sabatino By Frances No Details Personal"
27	2025-07-23	- 2,520.00	"\$ sent to QMP"
28	2025-07-24	- 100.00	"\$ sent to John Chetti"
29	2025-07-25	- 2,825.00	"Grass Appeal Personal"
30	2025-07-25	- 3,000.00	"\$ sent to John Chetti"
31	2025-07-29	- 2,062.00	"Personal "
32	2025-07-29	- 2,062.49	"Personal "
33	2025-07-29	- 150.10	"Longo's Vendor Invoice"
34	2025-08-01	- 91.00	"Gas Personal"
35	2025-08-05	- 112.11	"Longo's Vendor Invoice"

APPENDIX “V”

CONFIDENTIAL

WMI - Missing Support for Bank Withdrawals from July 1 to August 25, 2025

Prepared by Albert Gelman Inc.

As of September 4, 2025

Item #	Cleared Date on Bank Statement	Withdrawal Amount (\$)	Comments from Darlene	Updates from AGI
1	2025-07-02	- 8,904.88	"Prudential Lease Per Joe (I think for truck he said)"	
2	2025-07-02	- 3,688.04	"Rogers Personal")	
3	2025-07-03	- 166.47	"Longos FB No Receipt")	
4	2025-07-03	- 113.74	"Shoppers Drug Mart Personal")	
5	2025-07-03	- 21.99	"Longos FB No Receipt"	
6	2025-07-05	- 114.92	"Chapters Personal"	
7	2025-07-07	- 60,000.00	"Draft Sent for Debt Owing Per Frances No Details Who"	
8	2025-07-07	- 40,000.00	"Draft Sent for Debt Owing Per Frances No Details Who"	
9	2025-07-07	- 15,000.00	"Draft Sent for Debt Owing Per Frances No Details Who"	Wire details provided
10	2025-07-07	- 87.15	"Chapters Personal"	
11	2025-07-09	- 241.51	"Shoppers Drug Mart Personal"	
12	2025-07-09	- 167.50	"Longos FB No Receipt"	
13	2025-07-11	- 4,839.36	LCBO	
14	2025-07-11	- 1,000.00	"Money Sent to Carmelina Chetti By Frances No Details Personal"	
15	2025-07-11	- 91.06	"Ultramar Gas No Receipt Details"	
16	2025-07-14	- 10,000.00	"Money Sent to Joey Recchia - Loan No Details Per Frances"	
17	2025-07-14	- 3,000.00	"Capital One MasterCard Payment No Details"	
18	2025-07-15	- 1,000.00	"Money Sent to Anna Butryn By Frances No Details Personal")	
19	2025-07-15	- 101.85	"Chapters Personal"	
20	2025-07-16	- 105.92	"Shoppers Drug Mart Personal")	
21	2025-07-16	- 25.50	"Parking at University Health Personal"	
22	2025-07-17	- 110,000.00	"Draft Sent for Debt Owing Per Frances No Details Prudential ?"	
23	2025-07-17	- 500.00	"Money Sent to Carmelina Chetti By Frances No Details Personal"	
24	2025-07-18	- 87.79	"Esso Gas No Receipt Details"	
25	2025-07-21	- 126.42	"Longos FB No Receipt"	
26	2025-07-22	- 339.00	"Money Sent to Michael Sabatino By Frances No Details Personal"	
27	2025-07-23	- 2,520.00	"\$ sent to QMP"	
28	2025-07-24	- 100.00	"\$ sent to John Chetti"	
29	2025-07-25	- 2,825.00	"Grass Appeal Personal"	
30	2025-07-25	- 3,000.00	"\$ sent to John Chetti"	
31	2025-07-29	- 2,062.00	"Personal "	
32	2025-07-29	- 2,062.49	"Personal "	
33	2025-07-29	- 150.10	"Longo's Vendor Invoice"	
34	2025-08-01	- 91.00	"Gas Personal"	
35	2025-08-05	- 112.11	"Longo's Vendor Invoice"	
36	2025-08-08	- 30,000.00	Chq#50859 \$30,000.00 to Joey Recchia	
37	2025-08-08	- 500.00	"Etransfer Isabella Desouza"	
38	2025-08-11	- 457.19	"Longos Purchase No Receipt"	
39	2025-08-12	- 6,000.00	"Draft Done Frances No Details"	
40	2025-08-12	- 475.17	Mb-Bell Mobility - Cellular 02149040 "Personal"	
41	2025-08-12	- 5,000.00	Mb-Cibc Visa 02105371 "Credit Card Pymt Frances No Details"	
42	2025-08-12	- 194.93	Mb-Enbridge Gas Inc 02119306 "Personal"	
43	2025-08-12	- 1,364.58	Mb-Enercare Home Ser(12 Digt Act) 02125730; "Personal"	
44	2025-08-12	- 941.58	Mb-Td Visa 02113309; "Credit Card Pymt Frances No Details"	
45	2025-08-13	- 4,000.00	Mb-Capital One Mastercard 03709415; "Credit Card Pymt Frances No Details"	
46	2025-08-14	- 100.00	Esso Circle K; "Frances to Provide - No Details"	
47	2025-08-19	- 5,000.00	Mb-Cibc Visa 19111465; "Frances to Provide - No Details"	
48	2025-08-19	- 5,000.00	Mb-Capital One Mastercard 19109906; "Frances to Provide - No Details"	
49	2025-08-19	- 5,000.00	Mb-Canadian Tire Mastercard 19106943; "Frances to Provide - No Details"	
50	2025-08-20	- 6,000.00	Mb-Canadian Tire Mastercard 21950442; "Frances to Provide - No Details"	
51	2025-08-21	- 8,000.00	Mb-Canadian Tire Mastercard 22968253; "Frances to Provide - No Details"	
52	2025-08-21	- 9,000.00	Mb-Canadian Tire Mastercard 22826024; "Frances to Provide - No Details"	
53	2025-08-21	- 5,000.00	Mb-Canadian Tire Mastercard 22057194; "Frances to Provide - No Details"	
54	2025-08-21	- 2,000.00	Mb-Cibc Visa 22055258; "Frances to Provide - No Details"	
Total Unaccounted For To Date		- 351,679.25		

APPENDIX “W”

**WMI - Observations of Cash Sales Not Deposited to the 785 Account
From July 1 to September 30, 2025
Prepared by Albert Gelman Inc.**

From Review of General Ledger Entries and Cash Sales Reports

<u>Date</u>	<u>Department</u>	<u>Cash Not Deposited in WMI's Bank Account (\$)</u>	<u>Controller's Explanatory Note</u>
2025-07-01	Pro Shop	1,880.00	JOE KEPT
2025-07-02	Pro Shop	255.00	JOE KEPT
2025-07-03	Pro Shop	620.00	JOE KEPT
2025-07-04	Pro Shop	300.00	JOE KEPT
2025-07-05	Pro Shop	255.00	JOE KEPT
2025-07-05	Food & Beverage	135.00	JOE KEPT
2025-07-06	Pro Shop	1,750.00	JOE KEPT
2025-07-06	Food & Beverage	65.00	JOE KEPT
2025-07-07	Pro Shop	475.00	JOE KEPT
2025-07-08	Pro Shop	635.00	JOE KEPT
2025-07-09	Pro Shop	590.00	JOE KEPT
2025-07-10	Pro Shop	820.00	JOE KEPT
2025-07-11	Pro Shop	740.00	JOE KEPT
2025-07-11	Food & Beverage	140.00	JOE KEPT
2025-07-12	Pro Shop	1,050.00	JOE KEPT
2025-07-12	Food & Beverage	10.00	JOE KEPT
2025-07-13	Pro Shop	1,930.00	JOE KEPT
2025-07-13	Food & Beverage	130.00	JOE KEPT
2025-07-14	Pro Shop	655.00	JOE KEPT
2025-07-14	Food & Beverage	190.00	JOE KEPT
2025-07-15	Pro Shop	645.00	JOE KEPT
2025-07-16	Pro Shop	590.00	JOE KEPT
2025-07-16	Food & Beverage	35.00	JOE KEPT
2025-07-17	Pro Shop	380.00	JOE KEPT
2025-07-18	Pro Shop	855.00	JOE KEPT
2025-07-19	Pro Shop	745.00	JOE KEPT
2025-07-19	Food & Beverage	260.00	JOE KEPT
2025-07-20	Pro Shop	2,690.00	JOE KEPT
2025-07-20	Food & Beverage	395.00	JOE KEPT
2025-07-21	Pro Shop	725.00	JOE KEPT
2025-07-21	Food & Beverage	325.00	JOE KEPT
2025-07-22	Pro Shop	275.00	JOE KEPT
2025-07-24	Food & Beverage	70.00	JOE KEPT
2025-07-27	Pro Shop	930.00	JOE KEPT
2025-08-09	Pro Shop	1,725.00	JOE KEPT DEPOSIT
2025-08-09	Food & Beverage	35.00	JOE KEPT DEPOSIT
2025-08-10	Food & Beverage	375.00	JOE KEPT DEPOSIT
2025-08-12	Pro Shop	50.00	JOE KEPT DEPOSIT
2025-08-13	Pro Shop	455.00	JOE KEPT DEPOSIT
2025-08-15	Food & Beverage	185.00	JOE KEPT DEPOSIT
2025-08-17	Pro Shop	1,310.00	JOE KEPT DEPOSIT
2025-08-18	Pro Shop	645.00	JOE KEPT DEPOSIT
2025-08-18	Food & Beverage	70.00	JOE KEPT DEPOSIT
2025-08-19	Pro Shop	630.00	JOE KEPT DEPOSIT
2025-08-19	Food & Beverage	190.00	JOE KEPT DEPOSIT
2025-08-20	Food & Beverage	55.00	JOE KEPT DEPOSIT
2025-08-21	Pro Shop	195.00	JOE KEPT DEPOSIT
2025-08-22	Pro Shop	1,290.00	JOE KEPT DEPOSIT
2025-08-23	Food & Beverage	10.00	JOE KEPT DEPOSIT
2025-08-24	Pro Shop	2,100.00	JOE KEPT DEPOSIT
2025-08-24	Food & Beverage	10.00	JOE KEPT DEPOSIT
2025-08-25	Pro Shop	130.00	JOE KEPT DEPOSIT
		<u>31,005.00</u>	

From Review of Sales Invoices, Payment Receipts and Third Party Email Correspondence

<u>Date</u>	<u>Customer / Invoice #</u>	<u>Cash Not Deposited in WMI's Bank Account (\$)</u>
2025-07-07	Ukrainian Golf Association / E00389	1,700.00
2025-08-09	Juventus Club Toronto / E00373	2,500.00
2025-09-15	Juventus Club Toronto / E00373	8,758.48
		<u>12,958.48</u>

Total Cash Sales Not Deposited \$43,963.48

APPENDIX “X”

Steven Pitucci

From: tournaments
Sent: September 19, 2025 12:43 PM
To: Accounting
Subject: Fw: Final Invoice - Juventus 2025
Attachments: Juventus - Final Invoice 2025.pdf

Hi Darlene,

Please see below re: the Juventus tournament on Sunday, September 14, 2025.

I have attached the invoice to this email with the outstanding balance of \$8,758.48.

Best Regards,

Mirna

Woodington Lake Golf Club

7110 4th Line, Tottenham, Ontario

LOG 1W0

905-936-4343

From: Lenny Lotta <treasurer@jofctoronto.com>
Sent: Monday, September 15, 2025 10:06 AM
To: tournaments <tournaments@woodingtonlake.com>
Cc: John Groe <president@jofctoronto.com>; Rocco Simone <vp@jofctoronto.com>
Subject: Re: Final Invoice - Juventus 2025

Good morning Mirna,

Rocco and I will be settling the balance directly with John C. as per my conversation with him this morning.

Thank you for holding our 2026 date and for your work with us on the 2025 tournament.

Lenny

Leonardo Lotta,
Treasurer, Juventus Official Fan Club Toronto

<<http://www.jofctoronto.com/>>

treasurer@jofctoronto.com <<mailto:treasurer@jofctoronto.com>>
www.jofctoronto.com <<http://www.jofctoronto.com/>>

<<https://www.facebook.com/groups/312559000620/>> <<https://twitter.com/juveclubTO>>
<<https://www.youtube.com/channel/UCc-SoskKzMGW97sAfiPqbdA>> <<https://www.instagram.com/accounts/login/>>

<<https://ci3.googleusercontent.com/mail-sig/AlorK4xqhiBvH-D3d-QfDhs4dDA4TatocjjL-kRM-17es8GKIM80PCsgFgSjwAkS7FzcNyMLpiUaw6g>>

APPENDIX “Y”

CONFIDENTIAL

WMI - Missing Support for Bank Withdrawals from July 1 to September 30, 2025

Prepared by Albert Gelman Inc.

As of October 9, 2025

Item #	Cleared Date on Bank Statement	Withdrawal Amount (\$)	Comments from Darlene	Updates from AGI
1	2025-07-02	- 8,904.88	"Prudential Lease Per Joe (I think for truck he said)"	
2	2025-07-02	- 3,688.04	"Rogers Personal")	
3	2025-07-03	- 166.47	"Longos FB No Receipt")	
4	2025-07-03	- 113.74	"Shoppers Drug Mart Personal")	
5	2025-07-03	- 21.99	"Longos FB No Receipt"	
6	2025-07-05	- 114.92	"Chapters Personal"	
7	2025-07-07	- 60,000.00	"Draft Sent for Debt Owning Per Frances No Details Who"	
8	2025-07-07	- 40,000.00	"Draft Sent for Debt Owning Per Frances No Details Who"	
9	2025-07-07	15,000.00	"Draft Sent for Debt Owning Per Frances No Details Who"	Wire details provided
10	2025-07-07	- 87.15	"Chapters Personal"	
11	2025-07-09	- 241.51	"Shoppers Drug Mart Personal"	
12	2025-07-09	- 167.50	"Longos FB No Receipt"	
13	2025-07-11	- 4,839.36	LCBO	
14	2025-07-11	- 1,000.00	"Money Sent to Carmelina Chetti By Frances No Details Personal"	
15	2025-07-11	- 91.06	"Ultramar Gas No Receipt Details"	
16	2025-07-14	- 10,000.00	"Money Sent to Joey Recchia - Loan No Details Per Frances"	
17	2025-07-14	- 3,000.00	"Capital One MasterCard Payment No Details"	
18	2025-07-15	- 1,000.00	"Money Sent to Anna Butryn By Frances No Details Personal")	
19	2025-07-15	- 101.85	"Chapters Personal"	
20	2025-07-16	- 105.92	"Shoppers Drug Mart Personal")	
21	2025-07-16	- 25.50	"Parking at University Health Personal"	
22	2025-07-17	- 110,000.00	"Draft Sent for Debt Owning Per Frances No Details Prudential ?"	
23	2025-07-17	- 500.00	"Money Sent to Carmelina Chetti By Frances No Details Personal"	
24	2025-07-18	- 87.79	"Esso Gas No Receipt Details"	
25	2025-07-21	- 126.42	"Longos FB No Receipt"	
26	2025-07-22	- 339.00	"Money Sent to Michael Sabatino By Frances No Details Personal"	
27	2025-07-23	- 2,520.00	"\$ sent to QMP"	
28	2025-07-24	- 100.00	"\$ sent to John Chetti"	
29	2025-07-25	- 2,825.00	"Grass Appeal Personal"	
30	2025-07-25	- 3,000.00	"\$ sent to John Chetti"	
31	2025-07-29	- 2,062.00	"LA-Z-BOY Furniture Purchase No Receipt Personal "	
32	2025-07-29	- 2,062.49	"LA-Z-BOY Furniture Purchase No Receipt Personal "	
33	2025-07-29	- 150.10	"Longo's Vendor Invoice"	
34	2025-08-01	- 91.00	"MI FUELS WOODBRIDGE GAS NO RECEIPT" "Personal"	
35	2025-08-05	- 112.11	"Longo's Vendor Invoice"	
36	2025-08-08	- 30,000.00	Chq#50859 \$30,000.00 to Joey Recchia	
37	2025-08-08	- 500.00	"Etransfer Isabella Desouza"	
38	2025-08-11	- 457.19	"Longos Purchase No Receipt"	
39	2025-08-12	- 6,000.00	"Draft Done Frances No Details"	
40	2025-08-12	- 475.17	Mb-Bell Mobility - Cellular 02149040 "Personal"	
41	2025-08-12	- 5,000.00	Mb-Cibc Visa 02105371 "Credit Card Pymt Frances No Details"	
42	2025-08-12	- 194.93	Mb-Enbridge Gas Inc 02119306 "Personal"	
43	2025-08-12	- 1,364.58	Mb-Enercare Home Ser(12 Digt Act) 02125730; "Personal"	
44	2025-08-12	- 941.58	Mb-Td Visa 02113309; "Credit Card Pymt Frances No Details"	
45	2025-08-13	- 4,000.00	Mb-Capital One Mastercard 03709415; "Credit Card Pymt Frances No Details"	
46	2025-08-14	- 100.00	Esso Circle K; "Frances to Provide - No Details"	
47	2025-08-19	- 5,000.00	Mb-Cibc Visa 19111465; "Frances to Provide - No Details"	
48	2025-08-19	- 5,000.00	Mb-Capital One Mastercard 19109906; "Frances to Provide - No Details"	
49	2025-08-19	- 5,000.00	Mb-Canadian Tire Mastercard 19106943; "Frances to Provide - No Details"	
50	2025-08-20	- 6,000.00	Mb-Canadian Tire Mastercard 21950442; "Frances to Provide - No Details"	
51	2025-08-21	- 8,000.00	Mb-Canadian Tire Mastercard 22968253; "Frances to Provide - No Details"	
52	2025-08-21	- 9,000.00	Mb-Canadian Tire Mastercard 22826024; "Frances to Provide - No Details"	
53	2025-08-21	- 5,000.00	Mb-Canadian Tire Mastercard 22057194; "Frances to Provide - No Details"	
54	2025-08-21	- 2,000.00	Mb-Cibc Visa 22055258; "Frances to Provide - No Details"	
55	2025-07-28	- 614.84	Fsb Finance Ltd. "Home Insurance Capner Court"	
56	2025-08-28	- 614.84	Fsb Finance Ltd. "Home Insurance Capner Court"	
57	2025-09-29	- 614.84	Fsb Finance Ltd. "Home Insurance Capner Court"	
Total Unaccounted For To Date		- 353,523.77		

APPENDIX “Z”



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ ENDORSEMENT FORM

COURT FILE NO: CV-24-00725570-00CL DATE: MAY 30, 2025

NO. ON LIST: 01

TITLE OF PROCEEDING: **EISEN TRUSTEE, MELVYN v. WOODINGTON ESTATES INC. et al**

BEFORE: **JUSTICE W.D. BLACK**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Harvey Chaiton Gary, Counsel	Applicant: Eisen, Trustee, Melvyn	harvey@chaitons.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Nicole Maragna, Counsel	Lien Claimant: Silvio Construction	nmaragna@bianchipresta.com
David T. Ullmann, Counsel	Respondent: Woodington Estates Inc.	dullmann@blaney.com
Langley Douglas Drew, Counsel	Respondent: Turf Care Products Canada Limited	dlangley@wvllp.ca
Tom Friedland, Counsel	Respondent: Goldy Metals Holdings Inc.	tfriedland@goodmans.ca
Samantha Hans, Counsel	Receiver: Albert Gelman Inc.	shans@airdberlis.com -
Adam Zeldin, Counsel	Receiver: Albert Gelman Inc.	azeldin@albertgelman.com
Steve Graff, Counsel	Receiver: Albert Gelman Inc	sgraff@airdberlis.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE W.D. BLACK:

- [1] A full-day motion was scheduled - by Steele J. in her endorsement of April 2, 2025 - to proceed before me in this matter (with which I have had previous involvement) on June 27, 2025. The motion was framed as a motion to allow the receiver ("Receiver"), currently appointed over WEI (this endorsement will use this and other terms as defined in the materials) to undertake a sales process relative to the lands and golf course at issue in this case.
- [2] Justice Steele in her endorsement confirmed a timetable for the exchange of materials and for cross-examinations (if required).
- [3] It is worth noting that the Receiver was initially appointed over only WEI because, at the time of the application, the security held by the applicant appeared to be limited to the Real Property.
- [4] On May 9, 2025, the Receiver learned that the applicant had discovered a general security agreement ("GSA") executed by WMI in favour of Mr. Eisen. The applicant proceeded to file a motion record containing a fresh as amended notice of motion for the appointment of AGI as receiver over WMI and 785, and an affidavit sworn by Mr. Eisen on May 13 attaching a copy of the newly discovered GSA.
- [5] The Receiver has since received from Gowlings (who acted for Joseph Chetti when he (via entities he controlled) purchased the Real Property and the Golf Club in January of 2019), a letter from Gowlings to Mr. Eisen enclosing various executed closing documents, including a copy of the GSA.
- [6] It is clear that the surfacing of the WMI GSA somewhat expands and changes the nature of the hearing that was scheduled for June 27. Among other things, the Receiver, while still seeking approval of a sales process (which is opposed by the respondent WEI), is also now seeking the appointment of AGI as an equitable receiver over WMI and 785 as alternative relief.
- [7] There is a debate among the parties as to who bears responsibility – or who bears what degree of responsibility – for the late emergence of the WMI GSA.
- [8] The respondent WEI asserts, as its first position, that the applicant is primarily or solely responsible for the late appearance of the WMI GSA, and that I ought to exclude the WMI GSA from the record.
- [9] I decline to do that. It is not clear to me that responsibility for the late surfacing of the WMI GSA is not shared, and in any event, it strikes me as a document that is relevant to this matter going forward.
- [10] WEI’s second position is that the motion ought to be adjourned, for at least three reasons.
- [11] First, Mr. Ullman for WEI argues that the applicant’s office had at least two months to review their records – and took all of that time – such that fairness requires that the respondent have a like amount of time to respond to the changed circumstances.

[12] Second, WEI argues that there is no prejudice to the applicant (and the Receiver) to wait until the fall, and that the golf course, as one might expect, is booked up with various events through the summer that ought not to be disrupted.

[13] [REDACTED]

[14] The applicant and the Receiver took issue with all three arguments.

[15] In my view, which I expressed to the parties, a hearing during the week of July 14 represents a reasonable compromise, and so I have booked the matter for a full day on July 15, 2025.

[16] On that basis, the parties agreed to a schedule between now and the return of the motion, as follows:

(a) [REDACTED]

(b) The Turf Care motion is to be delivered by June 10, 2025;

(c) The respondent's responding materials are to be delivered by June 13, 2025;

(d) If there is a CCAA application (which I am told is being contemplated by the respondent), reply material is to be delivered by June 20, 2025;

(e) Written interrogatories of the Receiver are due by June 23, 2025;

(f) Cross-examinations (Mr. Chetti, Mr. Eisen and possibly a representative of Windsor Private Capital Limited Partnership and a representative of Turf Care), on June 25-26, 2025;

(g) Factums of the moving parties by July 7, 2025;

(h) Delivery of factums from responding parties by July 11, 2025; and

(i) As noted, the full day hearing on July 15, 2025.

[17] The Receiver and I have received certain additional medical information concerning Mr. Chetti's condition today (May 30), ahead of schedule. It is clear that that information demonstrates that Mr. Chetti has a legitimate and significant medical concern.


[18] I was asked by Mr. Ullman during the hearing [REDACTED] to allow for Mr. Chetti's cross-examination to proceed on the basis of written interrogatories. Counsel opposite advised that they would be prepared to agree to examine Mr. Chetti remotely, or even to come to his residence [REDACTED]

[19] [REDACTED]

[20] In the circumstances, I direct, provisionally, that the examination of Mr. Chetti may proceed by Zoom (or other agreed remote platform), or at a location (within reason) of Mr. Chetti's choice. [REDACTED]

[21] Mr. Chaiton for the applicant asked that I also include, as terms of the adjournment, that AGI be allowed to monitor receipts and disbursements of the respondents and that only ordinary course business expenditures are to be permitted pending the determination of the motion. Mr. Ullman resists these terms. On balance the terms strike me as fair and reasonable, and I order them. There is benefit to maintaining the status quo pending the disposition of this matter.

[22] Parties made additional representations about positions they wish to assert, and about costs. In my view those matters are best left to the hearing of the motion itself.



W.D. BLACK J.

RELEASE DATE: JUNE 2, 2025

APPENDIX “AA”

Woodington Estates Inc.
Interim Statement of Receipts and Disbursements
For the Period December 2, 2024 to January 23, 2026
(in CAD; unaudited)

	Notes	Amount
Receipts		
Receiver's and Sales Officer's borrowings	1	650,000
Cash transfer from 785	2	233,543
Interest		8,165
Total receipts		891,708
Disbursements		
Professional fees and disbursements (including HST)		
Receiver/Sales Officer	3	456,931
Aird & Berliss LLP	3	393,518
Appraisal fees	4	9,282
Insurance	5	1,792
HST on disbursements (excluding professional fees)		1,328
Other sundry disbursements	6	3,837
Total disbursements		866,688
Estate balance		25,019

General Note

The above is prepared on a cash basis. Capitalized terms not defined have the meanings given to them in the Receiver's/Sales Officer's second report to Court dated January 26, 2026.

Notes

1. Represents the borrowings of the Receiver and Sales Officer to date in accordance with the Receiver Appointment Order and the Sales Officer Appointment Order.
2. Represents cash transferred from the 785 Account to the estate account to fund professional fees incurred by the Sales Officer and its counsel.
3. Includes the fees and disbursements (including applicable taxes) of the Receiver/Sales Officer and its counsel, that have already been paid. The figures do not include any unpaid and accrued fees/disbursements.
4. Represents the costs of the following appraisals: (i) an appraisal of the Woodington Management golf course equipment and machinery and (ii) an appraisal of the Real Property/Golf Club.
5. The Receiver has arranged for the Real Property to be insured. The Receiver understands that no such insurance was in place prior to the receivership.
6. Includes filing fees, travel costs in connection with attending at the Golf Club, postage, search fees and other incidental costs of the administration.

APPENDIX “BB”

Steven Pitucci

From: Steven L. Graff <sgraff@airdberlis.com>
Sent: Monday, January 19, 2026 8:49:15 PM
To: David T. Ullmann <DUllmann@blaney.com>
Subject: Re: Motion Record of 785

David;

We will be relying on the following email before the court on Wednesday and on any motion before the court.

Thank you for your prior email. While we don't intend to return the funds paid to satisfy certain professional fees at this time, for the reasons laid out below, we hope to come to a solution on this issue without having to go to Court. Should the Court order such funds be returned, we will of course oblige, but we do not think this is currently necessary. We also feel that your email and position, in view of the below (and otherwise) is unnecessary and creates issues and contention where it need not. Respectfully, it's the forest through the trees that we all need to be focussed on. In any event, the fees are covered by a Court-ordered charge and remain subject to approval by the Court. It is intended that such approval will be sought in the near term, at which point it will be open to you and your client to object to same. We are hopeful that such challenge will not be part of the instructions you are given and will not be necessary. Both A&B and AGI have only done that which has been necessary throughout this entire administration, and we have been quite efficient, at least in my view. Obtaining the requisite level of information and cooperation from members of the Chetti family has not always been an easy task. And, of course, it goes without question or the need to say that if we or AGI were ever to be successfully challenged on our fees paid to date, we commit to refunding them to the appropriate estate account.

Now, the legal basis for having taken the funds. The Sales Officer Appointment Order of July 15, 2025 empowers and authorizes the Sales Officer to, among other things, "exercise control over any and all receipts and disbursements of the [b]usiness". The only qualification to this power is that the Sales Officer shall not stop WMI and 785 from making reasonable ordinary course payments for the supply of goods and services, but even these payments are subject to approval by the Sales Officer. Paying the reasonable professional fees of a Court officer and its counsel, which fees had been accruing for months, is simply an exercise of control over "any and all receipts and disbursements".

This is coupled with the authority granted by paragraph 18 of the Sales Officer Appointment Order which states that "prior to the passing of its accounts, the Sales Officer 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". While we appreciate there may be a technical interpretation of the words "in its hands", we do not see how this situation would be practically different if the funds would have been put into another bank account over which AGI had sole signing authority, as would happen in a receivership. The Sales Officer Appointment Order was drafted such that funds would remain in the 785 account for operational ease. However, AGI was given sole signing authority of the account and control of the funds therein.

You also assert in your correspondence that the Sales Officer did not check to see what impact the payment of the fees would have on the business. This is not true. The Sales Officer considered the operational cash flow needs of the golf course and made a judgement call based on a reasonable analysis of the business expenses that it is aware of during the winter months. The fees were not paid on a whim but were paid with a mind to timing and operations: well after the summer and fall busy months and at a time when operational expenses were seasonally lower. We also note here that the fees were paid when the bank account contained, what we understand to be, at least in recent history, a record amount of cash. Arguably, this increase in cash is itself attributable to AGI's oversight and control.

AGI has worked diligently towards the conclusion of a successful sales process, while monitoring daily the receipts and disbursements of the business. As you know, various representatives from AGI attend the golf course and meet with management very consistently. The professional fees of the Receiver/Sales Officer and its counsel should not go unpaid when its Court-ordered mandate is being fulfilled and there is no harm suffered by the business. As you are likely aware, there has never been a request to make a payment from management that was denied due to insufficient funds. In fact, there are still plenty of funds available currently should such be needed.

It is also important to note that the funds that were taken out of the account over which the Sales Officer has control were only taken in a proportionate amount relative to the time that relates specifically to the sales officer mandate, as opposed to the receivership mandate. There was a thoughtful calculation of the quantum specifically taken out of the said account.

We do not see the value in incurring costs associated with your motion, which will ultimately negatively impact the stakeholders. We would be pleased to speak further with you on this in the hopes of finding a more practical, and less costly solution.

Thanks,

Steven L. Graff
Partner | Lawyer

T 416.865.7726
E sgraff@airdberlis.com

Aird & Berlis LLP
Toronto | Vancouver

Aird & Berlis LLP operates as a multi-disciplinary practice.

This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error. If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.

APPENDIX “CC”



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00725570-00CL **DATE:** JANUARY 21, 2026

NO. ON LIST: 1

TITLE OF PROCEEDING: MELVYN EISEN, TRUSTEE v. WOODINGTON ESTATES
INC. et al

BEFORE: JUSTICE W.D. BLACK

PARTICIPANT INFORMATION

For Applicant:

Name of Person Appearing	Name of Party	Contact Info
Harvey Chaiton	Counsel to the Applicant, Melvyn Eisen, Trustee	harvey@chaitons.com

For Respondent:

Name of Person Appearing	Name of Party	Contact Info
Samantha Hans Steven Graff	Counsel to Albert Gelman Inc.	shans@airdberlis.com sgraff@airdberlis.com
Adam Zeldin Bryan Gelman	Albert Gelman Inc., Receiver of Woodington Estates Inc.	azeldin@albertgelman.com bgelman@albertgelman.com
David Ullmann	Counsel to the Respondent, 1000736785 Ontario Inc.	dullmann@blaney.com

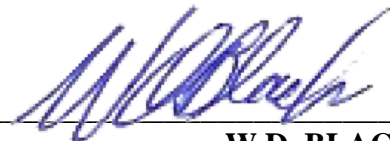
For Other:

Name of Person Appearing	Name of Party	Contact Info
Brittni Tee Tom Friedland	Counsel to Goldy Metals Holdings Inc.	btee@goodmans.ca tfriedland@goodmans.ca
Justin Kanji Dave Rosenblat	Counsel to Purposeful Group Ltd.	jkanji@osler.com drosenblat@osler.com,
Jared Brown	Counsel to John Chetti	jbrown@brownlaw.ca
L. Mancuso	Counsel to Silvio Construction Ltd.	lmancuso@bianchipresta.com

ENDORSEMENT

- [1] There were two main items before me on this 30-minute case conference.
- [2] First, 785 (in this endorsement I will use this and other terms as defined in past endorsements and in the parties' materials), delivered materials in connection with a proposed motion relative to an amount of \$234,000 which 785 alleges was "seized" by AGI without notice or permission on or about January 9, 2026.
- [3] Mr. Ullman of counsel for 785, wrote to me just in advance of this morning's appointment, asking that 785's motion be dealt with as a first priority today.
- [4] I declined to do so. This morning's hearing was booked as a case conference, and in any event AGI had not yet provided responding materials regarding the \$234,000.
- [5] It is evident that there are arguments on both sides of this issue, and I was not prepared to make the order sought by 785 this morning on this record. As I also observed to the parties, the amount at issue is relatively modest in this matter, and there was no evidence before me as to the specific operational imperative(s) for which those funds are required. On the other hand, generally speaking, the court's expectation is that an officer of the court will obtain approval of his or her or its fees (which is apparently the purpose for which AGI appropriated the funds at issue). All by way of saying that it is my hope that once the parties exchange additional information, the issues with respect to the \$234,000 can be worked out on consent. If not, I will address the matter – in the expectation that the record for this issue will be complete – when we reconvene with respect to the other main item before the court this morning.
- [6] That is, AGI in its capacity as Sales Officer, having conducted a Sales Process, has received, and is recommending that a Transaction proceed on the basis of, an offer from the Purposeful Group Ltd. (the "Purchaser").
- [7] The Sales Officer advises that there is an outside date for the closing of the proposed Transaction of March 13, 2026, such that allowing for a potential appeal period, the AVO and related relief in respect of the Transaction must be confirmed by February 11, 2026.
- [8] AGI is joined, in supporting the proposed Transaction, by the senior secured creditor, by another significant creditor, and (of course) by the Purchaser.
- [9] On the other side, 785 provisionally opposes the Transaction, but subject to receiving from AGI additional details about the Transaction and the proposed distribution of proceeds of sale. John Chetti, who himself has a bid for the relevant property, also opposes the Transaction, and also wishes to receive the additional disclosure sought by 785.
- [10] On the disclosure point, counsel for AGI advises that disclosure is, and has been available on the condition that the parties who wish to receive it, sign a non-disclosure agreement. I expect that the disclosure issues will therefore be resolved in the near term, on that basis.
- [11] I have booked a 90-minute hearing, before me, on February 4, 2026 at 11:30 a.m.
- [12] At that time, I expect to hear AGI's motion for an AVO and its related motion for various ancillary relief. To the extent that 785 and/or John Chetti are at that point opposing that relief, and/or continuing to advance a competing bid or bids, I expect to address those matters as well.

- [13] I confirm AGI's advice that, beyond the approval to be sought for the Transaction, it expects only to request a distribution (from the sale proceeds) to the senior secured creditor, and is prepared to agree that other allocation and distribution matters be left for another day.
- [14] I expect the parties to work out a timetable for the exchange of materials, and any related procedural steps, with respect to the proposed sale, and with respect to the \$234,000 issue if it remains in dispute.



W.D. BLACK J.

DATE RELEASED: JANUARY 23, 2026