

Court File No. CV-24-00086270-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

and

2673422 ONTARIO INC.

Respondent

MOTION RECORD OF THE RECEIVER

(Returnable May 8, 2025)

April 25, 2025

HARRISON PENZA LLP

Barristers & Solicitors

130 Dufferin Avenue, Suite 1101

London, ON N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel: 519-679-9660

Fax: 519-667-3362

Email: thogan@harrisonpensa.com

Solicitors for the Receiver,

BDO Canada Limited

TO: Service List

INDEX

INDEX

Tab	Document	Page No.
1	Notice of Motion dated April 25, 2024	5
	Schedule A – Approval and Vesting Order	14
	Schedule B – Ancillary Order	25
2	Second Report of the Receiver dated April 23, 2025	32
	Appendix A – Appointment Order dated August 13, 2024	50
	Appendix B – Sale Process Approval Order dated December 10, 2024	67
	Appendix C – Agreement of Purchase and Sale dated March 10, 2025 (redacted)	72
	Appendix D – Statement of Receipts and Disbursements	116
	Appendix E – Fee Affidavit of Robyn for the accounts of Harrison Pensa LLP sworn April 23, 2025	118
	Appendix F – Fee Affidavit of Thomas Masterson for the accounts of Harrison Pensa LLP sworn April 23, 2025	133
	Appendix G – Independent Legal Opinion of Harrison Pensa LLP dated April 23, 2025	149
	Appendix H – Parcel Register for 737 King Street, Hamilton	161
	Appendix I - PPSA search for 2673422 Ontario Inc.	168
	Appendix J – Creditor Claims Process package	175

Tab 1

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 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**

NOTICE OF MOTION

BDO Canada LIMITED (“**BDO**”) in its capacity as court-appointed receiver (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings and properties of the Respondent, 2673422 Ontario Inc. (the “**Debtor**”), will make a Motion to a Judge.

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

- In writing under subrule 37.12.1 (1) because it is on consent;
- In writing as an opposed motion under subrule 37.12.1 (4);
- In person;
- By telephone conference;
- By video conference.

at the following location:

On May 8, 2025, at 10:00 p.m., or as soon after that time as the Motion can be heard by judicial teleconference via Zoom at Hamilton, Ontario.

THE MOTION IS FOR:

1. An Approval and Vesting Order, substantially in the form attached hereto at Schedule “A”, approving the transaction (the “**Transaction**”) contemplated by the Agreement of Purchase and Sale dated March 10, 2025 (the “**Sale Agreement**”) as described in the Receiver’s Second Report to the Court dated April 23, 2025 (the “**Second Report**”) and contained in the Confidential Supplement to the Second Report (the “**Confidential Supplement**”), for the sale of the Real Property (as defined below) and vesting all of the right, title and interest in and to the Real Property absolutely in and to Kashmina Inc. and Bridlepath Capital Corporation (the “**Purchasers**”), free and clear of and from any security, charge or other encumbrance.

2. An Ancillary Order, substantially in the form at Schedule “B” to this Notice of Motion:
 - a) Abridging the time for service, filing and confirmation of the Notice of Motion and the Motion Record, and validating service so that this motion is properly returnable on May 8, 2025;

 - b) Approving the Second Report and the activities and conduct of the Receiver set out therein provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Second Report;

 - c) Sealing the Confidential Supplement until the completion of the Transaction, or until a further order of this Court;

 - d) Approving the Interim Statement of Receipts and Disbursements of the Receiver, as detailed in the Second Report;

 - e) Approving the professional fees and disbursements of the Receiver and its counsel, Harrison Pensa LLP, as set out in the Second Report, and authorizing payment of same;

 - f) Approving and directing the Receiver to make the Distributions, as provided for in the Second Report; and

 - g) Approving the Creditors Claims Process, as provided for in the Second Report.

3. The costs of this motion on a substantial indemnity basis, if opposed; and,
4. Such further and other relief as counsel may request and this honourable court may permit.

THE GROUNDS FOR THE MOTION ARE:

The Appointment of the Receiver and the Real Property

1. Pursuant to an Order of this Court made on August 13, 2024 (the “**Appointment Order**”), BDO was appointed Receiver, without security, of the assets, undertakings and properties of the Debtor, including the real property owned by the Debtor and municipally known as 737 King Street East, Hamilton, Ontario (the “**Real Property**”).
2. The Real Property consists of a two-story walk-up hotel, containing 38 hotel rooms.
3. On December 10, 2024, the Honourable Justice Sheard issued an Order approving a sales process of the Real Property (the “**Sales Process Order**”).

The Receiver's Activities

4. The details of the Receiver's activities since the First Report of the Receiver to the Court dated November 18, 2024, are provided in the Second Report. The Receiver's activities have concentrated on, *inter alia*, the following:
 - a. Monitoring the Debtor to ensure the continued operation of the business at the Real Property;
 - b. Corresponding with parties with respect to these proceedings; and,
 - c. carrying out the sales process pursuant to the Sales Process Order (the “**Sales Process**”).
5. The Receiver states that its actions, as outlined in the Second Report, should be approved by this Honourable Court.

The Sales Process and the Sale Agreement

6. The Receiver completed the Sales Process in accordance with the Sales Process Order, which resulted in substantial interest and several offers to purchase the Real Property.

7. Following a review of the offers received, discussions with offerors, and further negotiations, on March 10, 2025, the Receiver entered into the Sale Agreement with the Purchasers.
8. The details of the Sale Agreement are provided in the Confidential Supplement. The Receiver recommends the approval and completion of the Sale Agreement for, *iner alia*, the following:
 - a. The Sales Process was Court approved, was fulsome and meets the *Soundair* principals;
 - b. The Sale Agreement provides certainty as to realizations, subject to the terms of the Sale Agreement, and is supported by Motor City Community Credit Union Limited (“**MCCCU**”); and
 - c. The Purchase Agreement eliminates any future risk to the Receiver as regards to market conditions.
9. The Receiver is of the view that the Sale Agreement represents a commercially reasonable transaction which will maximize the recovery and is in the best interests of all stakeholders.

Sealing Order

10. The disclosure of the information contained in the Confidential Supplement could potentially impair the maximizing purpose of the Sales Process, and the sealing order sought in relation to the Confidential Supplement (i) aligns with the purpose of the Sales Process and the interest promoted therein; (ii) is fair and reasonable in the circumstances; and (iii) will achieve the desired benefit without unduly impairing the openness of the Court’s process.
11. Until such time as the Real Property is sold, or until further order of this Court, the Receiver is of the view that the information and documentation contained in the Confidential Supplement should be sealed in order to avoid the negative impact that the dissemination of the confidential information contained therein would have.

Professional Fees

12. The Appointment Order requires the Receiver and its legal counsel to pass its accounts from time to time.
13. The Receiver and its counsel have each properly incurred fees and disbursements as detailed in the Second Report.
14. The Receiver seeks the approval of the Receiver's fees and its counsel's fees, as detailed in the Second Report, and payment of same.

Proposed Distributions

15. The Receiver has obtained an independent legal opinion regarding the validity and enforceability of the security held by MCCCUC, which concludes that MCCCUC's security with respect to the Real Property is valid and enforceable.
16. The Receiver recommends the distribution as detailed in the Second Report, as follows:
 - a. Firstly, to the Receiver's fees and its counsel's fees, as detailed in the Second Report;
 - b. Secondly, to pay the Debtor's outstanding harmonized sales tax to the Canada Revenue Agency and outstanding realty taxes to the City of Hamilton;
 - c. To pay the balance of the funds residing in the Receiver's account to MCCCUC, which is expected to be sufficient to pay the amount owing by the Debtor in full.

(collectively, the "**Proposed Distributions**").

17. The Receiver seeks approval of the Proposed Distributions.

Creditor Claims Process

18. The Receiver has developed a claims package (the "**Creditor Claims Package**") to be provided to any known unsecured creditors of the Debtor and has prepared a Notice to Creditors to be published in the Hamilton Spectator detailing further instructions to recover on their claims (the "**Claims Process**").

19. The Creditor Claims Package includes, *inter alia*, a Proof of Claim Form that unsecured creditors will be required to file by a date to be determined by the Receiver that is 45 days from the mailing and publication of the notice to creditors (the “**Claims Bar Date**”). The Claims Bar Date is to stand as the final bar, and any claims of a person who does not return a Proof of Claim on or before the Claims Bar Date shall be barred and extinguished.
20. The Receiver seeks approval of the Creditors Claims Process.
21. Section 243 and 249 of the *Bankruptcy and Insolvency Act*.
22. Sections 100 and 137(2) of the *Courts of Justice Act*.
23. Rules 1.04, 2, 3, 37, 38, and 60.10 of the Rules of Civil Procedure.
24. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

1. The Appointment Order;
2. The Second Report and the Appendices thereto; and,
3. Such materials as counsel may advise and this Honourable Court may permit.

April 25, 2025

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

Timothy C. Hogan (LSO #36553S)
Tel: 519-679-9660
Fax: 519-667-3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
BDO Canada Limited

TO: Service List

SERVICE LIST

	Name	Method of Service
1	<p>BDO Canada Limited 805-25 Main Street W. Hamilton, Ontario L8P 1H1</p> <p>Robyn Duwyn Tel: 519-578-6910 Email: rduwyn@bdo.ca</p>	<p>By Email to: rduwyn@bdo.ca</p>
2	<p>Motor City Community Credit Union Limited</p> <p>McTAGUE LAW FIRM LLP Barristers & Solicitors 455 Pelissier Street Windsor, Ontario N9A 6Z9</p> <p>Tom Serafimovski LSO#30330T TEL:519-255-4386 Email: tserafimovski@mctague.law</p> <p><i>Lawyers for the Applicants</i></p>	<p>Email: tserafimovski@mctague.law</p>
	<p>Baldwin Law Professional Corporation 54 Victoria Avenue P.O Box 1537 Belleville, ON K8N 5J2</p> <p>Gregory R. M. Parker Tel: 613-771-9991 Email: gparker@baldwinlaw.ca</p> <p><i>Lawyers for the Purchaser</i></p>	<p>Email: gparker@baldwinlaw.ca</p>
3	<p>2673422 Ontario Inc 737 King Street East, Hamilton, Ontario L8M 1A4</p> <p>Baldwin Sennecke Halman, LLP 25 Adelaide Street East, Suite 1320 Toronto, ON M5C 3A1</p> <p>Jeffrey A. Halman Direct Line (416) 601-1036 Fax (416) 601-0655 JHalman@bashllp.com</p> <p><i>Lawyers for the respondent</i></p>	<p>Email : JHalman@bashllp.com</p>

4	<p>Her Majesty The Queen in Right of Ontario As represented by Ministry of Finance 33 King Street, 6 Floor Oshawa, Ontario L1H 8H5 Attention: Steven Groeneveld</p> <p>Senior Counsel, Ministry of Finance Tel: 905-440-2470 Email: steven.groeneveld@ontario.ca</p>	<p>By Email to: steven.groeneveld@ontario.ca</p>
5	<p>Canada Revenue Agency c/o Department of Justice Ontario Regional Office 120 Adelaide St. W., Suite 400 Toronto, Ontario M5G 1T1 Email: AGC-PGC.Toronto-Tax-Fiscal@justie.gc.ca</p>	<p>By Email to: AGC-PGC.TorontoTaxFiscal@justie.gc.ca</p>
6	<p>Insolvency Unit Province of Ontario Email: insolvency.unit@ontario.ca</p>	<p>By Email to: insolvency.unit@ontario.ca</p>
7	<p>The Corporation of the Municipality of Hamilton 71 Main Street West Hamilton, Ontario L8P 4Y5</p>	<p>By Courier</p>
8	<p>Jayprakash Patel 14 Grossbeak Crescent Scarborough, Ontario M1X 1X1</p>	<p>By Courier</p>
9	<p>Komalben Patel 22 Brakenbridge Street Ajax, Ontario L1Z 186</p>	<p>By Courier</p>
10	<p>Samit Patel 71 Muscat Crescent Ajax, Ontario L1Z 0B8</p>	<p>By Courier</p>
11	<p>Nisha Patel 71 Muscat Crescent Ajax, Ontario L1Z 0B8</p>	<p>By Courier</p>
12	<p>Hiten Negandhi 197 Autumn Hill Boulevard Thornhill, Ontario L4J 8Y7</p>	<p>By Courier</p>

Schedule "A"

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

THE HONOURABLE

)

THURSDAY, THE 8TH

JUSTICE

)

DAY OF MAY, 2025

)

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by BDO Canada Limited, solely in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of 2673422 Ontario Inc, (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement (the "Sale Agreement") between the Receiver and Kashmina Inc. and Bridlepath Capital Corporation (together, the "Purchaser") dated March 10, 2025 and vesting in the Purchaser all of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets") and referenced in Schedule "B" hereto, was heard this day by judicial videoconference via Zoom at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report of the Receiver and Appendices thereto and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Sydney Inghelbrecht sworn, April 25, 2025, filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional

documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Sheard dated August 13, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Wentworth No. 62 of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.
4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and

remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those Assumed Employees, if any, as defined in the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
7. THIS COURT ORDERS that, notwithstanding:
 - a. the pendency of these proceedings;
 - b. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - c. any assignment in bankruptcy made in respect of the Debtor;
8. THIS COURT ORDERS that the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act (Canada)* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
9. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the

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

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

Justice, Ontario Superior Court of Justice - Commercial List

Schedule A – Form of Receiver’s Certificate

Court File No. CV-24-00086270-0000

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

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Sheard of the Ontario Superior Court of Justice (the "Court") dated August 13, 2024, BDO Canada Limited was appointed as the receiver (the "Receiver") of the undertaking, property, and assets of 2673422 Ontario Inc. ("Debtor").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of March 10, 2025 (the "Sale Agreement") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of 2673422 Ontario Inc. and Kashmina Inc. and Bridlepath Capital Corporation (the "Purchaser"), and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

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

2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

BDO CANADA LIMITED, solely in its capacity as Receiver of the undertaking, property and assets of 2673422 Ontario Inc. and not in its personal capacity

Per: _____
Name:
Title:

Schedule B – Purchased Assets

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

LTS 1, 2 & 3, PL 46; HAMILTON being all of PIN 17199-0020 (LT)

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

1. WE1346797, being a charge in favour of Motor City Community Credit Union Limited registered April 2, 2019;
2. WE1346798, being a notice of assignment of rents general in favour of Motor City Community Credit Union Limited registered April 2, 2019.

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

(unaffected by the Vesting Order)

1. HL258869, being an agreement with The Corporation of the City of Hamilton registered December 30, 1963;
2. WE1738998, being a notice from Metrolinx registered May 24, 2024;
3. WE1739021, being a notice from Metrolinx registered May 24, 2024.

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

and

2673422 ONTARIO INC.

Applicant

Respondent

Court File No. CV-24-00086270-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON, ONTARIO

ORDER

HARRISON PENZA LLP

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

Timothy C. Hogan (LSO #36553S)

Tel: (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
BDO Canada Limited.

Schedule “B”

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) THURSDAY, THE 8TH
JUSTICE)
DAY OF MAY, 2025

B E T W E E N:

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent

ANCILLARY ORDER

THIS MOTION, made by BDO Canada Limited, in its capacity as the Court-appointed receiver (the "Receiver") of the undertakings, property and assets of 2673422 Ontario Inc. (the "Debtor"), appointed pursuant to the Order of the Honourable Justice L. Sheard dated August 13, 2024, for an Order seeking certain ancillary relief, was heard this day by judicial teleconference via Zoom at 45 Main Street East, Hamilton, Ontario.

ON READING the Notice of Motion dated April 25, 2025, the Second Report of the Receiver dated April 23, 2025 and Appendices thereto (the "Second Report"), and the Confidential Supplement to the Second Report (the "Confidential Supplement"), and on hearing the submissions of counsel for the Receiver and all other counsel and parties present, no one else appearing for any other person on the service list, although properly served as appears from the affidavit of Sydney Inghelbrecht sworn April 25, 2025, filed;

SERVICE

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

REPORT AND ACTIVITIES OF THE RECEIVER

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

STATEMENT OF RECEIPTS AND DISBURSEMENTS

3. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements as detailed in the Second Report, are hereby approved.

FEE APPROVAL

4. **THIS COURT ORDERS** that the Receiver's fees and disbursements, as detailed in the Second Report and set out in set out in the Affidavit of Robyn Duwyn, sworn April 23, 2025, and attached as Appendix "E" to the Second Report, are hereby approved.
5. **THIS COURT ORDERS** that the Receiver's counsel's fees and disbursements, as detailed in the Second Report and set out in set out in the Affidavit of Thomas Masterson, sworn April 23, 2025, and attached as Appendix "F" to the Second Report, are hereby approved.

SEALING

6. **THIS COURT ORDERS** that the Confidential Supplement be and is hereby sealed, pending the completion of a court-approved sale of the Real Property (as detailed and defined in the Second Report), or until further Order of this Court.

DISTRIBUTION

7. **THIS COURT ORDERS** that the Receiver is authorized to and shall make the following distributions:
- a. Firstly, payment of the fees and disbursements of the Receiver and the Receiver's counsel herein approved;
 - b. Secondly, payment to the City of Hamilton for outstanding taxes in relation to the Real Property, and to Canada Revenue Agency in relation to the Debtor's outstanding harmonized sales tax; and
 - c. Thirdly, to Motor City Community Credit Union Limited, up to the total amount of the Debtor's indebtedness to Motor City Community Credit Union Limited at the time of such distribution.

CREDITOR CLAIMS PROCESS

8. **THIS COURT ORDERS** that the Creditor Claims Process as detailed in the Second Report, is hereby approved.

GENERAL

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

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

Justice, Ontario Superior Court of Justice

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

v.

2673422 ONTARIO INC.

Applicant

Respondent

Court File No. CV-24-00086270-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON, ONTARIO

ORDER

HARRISON PENZA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel : (519) 679-9660

Fax: (519) 667-3362

Email: thogan@harrisonpensa.com

Lawyers for the Receiver,
BDO Canada Limited

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

and

2673422 ONTARIO INC.

Applicant

Respondent

Court File No. CV-24-00086270-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON, ONTARIO

NOTICE OF MOTION

HARRISON PENZA LLP

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

Timothy C. Hogan (LSO #36553S)

Tel: (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
BDO Canada Limited.

Tab 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN :

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent

**SECOND REPORT TO THE COURT SUBMITTED BY BDO CANADA LIMITED,
IN ITS CAPACITY AS RECEIVER OF
2673422 ONTARIO INC.**

April 23, 2025

Table of Contents

1. Introduction and Background.....	1
2. Terms of Reference	2
3. Purpose of the Receiver's First Report.....	3
4. Receiver's Activities	5
5. Receiver's Sale of the 737 King Street Property.....	6
6. Statement of Receipts and Disbursements of the Receiver.....	9
7. Fees and Disbursements of the Receiver and Counsel to the Receiver	10
8. Distribution	11
9. Creditor Claims Process.....	13
10. Recommendations	14

Appendices

- Appendix A** - Appointment Order dated August 13, 2024
- Appendix B** - Sale Process Approval Order dated December 10, 2024
- Appendix C** - Agreement of Purchase and Sale dated March 10, 2025 (redacted)
- Appendix D** - Statement of Receipts and Disbursements
- Appendix E** - Fee Affidavit of Robyn Duwyn for the accounts of BDO Canada Limited as Receiver sworn April 23, 2025
- Appendix F** - Fee Affidavit of Thomas Masterson for the accounts of Harrison Pensa LLP sworn April 23, 2025
- Appendix G** - Independent Legal Opinion of Harrison Pensa LLP dated April 23, 2025.
- Appendix H** - Parcel Register for 737 King Street, Hamilton
- Appendix I** - PPSA search for 2673422 Ontario Inc.
- Appendix J** - Creditor Claims Process package

1. Introduction and Background

1.1 Introduction

1.1.1 This report is submitted by BDO Canada Limited, in its capacity as Receiver (“**BDO**” or the “**Receiver**”) of the assets, undertakings and properties of 2673422 Ontario Inc. (“**2673 Ontario**” or the “**Debtor**”), including the real property municipally known as 737 King Street East, Hamilton, Ontario (“**737 King**” or the “**Real Property**”).

1.1.2 Upon application by Motor City Community Credit Union Limited (“**MCCCU**” or the “**Credit Union**”) BDO was appointed as Receiver by the Order of Madam Justice Sheard dated August 13, 2024 (the “**Appointment Order**”). A copy of the Appointment Order is attached as **Appendix A** to this report.

1.2 Background

1.2.1 737 King is a two-story walk-up hotel, located in the city of Hamilton, just east of downtown. The property consists of 38 hotel rooms and currently operates as the ‘Budget Inn’.

1.2.2 Mr. Samit Patel is the President and one of several Directors of the Debtor. The Receiver understands that Mr. Patel’s spouse, Nisha Patel, is the Treasurer of the Debtor and also a Director.

1.2.3 Receiver submitted its First Report to Court dated November 18, 2024 (the “**First Report**”) in support of a motion for, among other things, Orders approving a Sales and Marketing Process and authorizing the Receiver to enter into a listing agreement with Avison Young (“**AY**”) for the sale of 737 King at an initial listing price of \$3,200,000. On December 10, 2024, the Court granted an Order (the “**Sale Process Approval Order**”) which, among other things, approved the Sales and Marketing Process and listing of the Real Property for sale (the “**Sale Process**”). The Sale Process Approval Order is attached as **Appendix B**.

2. Terms of Reference

- 2.1 In preparing this Second Report, the Receiver has relied upon unaudited and draft, internal financial information obtained from 2673 Ontario's books and records and discussions with management and staff (the "**Information**"). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information and expresses no opinion, or other form of assurance, in respect of the Information.

3. Purpose of the Receiver's First Report

- 3.1 This constitutes the Receiver's Second Report to the Court (the "**Second Report**") in this matter and is filed:
- (a) to provide this Court with information on:
 - (i) the Receiver's activities since the date of the First Report;
 - (ii) the results of the Sale Process; and
 - (b) in support of the Receiver's motion for Orders:
 - (i) approving the Agreement of Purchase and Sale dated March 10, 2025 between the Receiver, as vendor, and Kashmina Inc. and Bridlepath Capital Corporation (the "**Purchasers**"), as purchasers, in respect of the Real Property (the "**737 King APS**"), and authorizing the Receiver to complete the transaction contemplated therein (the "**Transaction**");
 - (ii) sealing the Confidential Supplement to the Second Report dated April 23, 2025 and all appendices thereto (the "**Confidential Supplement**") filed with the Court from the public record until the Transaction has been completed;
 - (iii) approving the Second Report, the Confidential Supplement and the activities and conduct of the Receiver described herein;
 - (iv) approving the Receiver's Statement of Receipts and Disbursements for the period August 13, 2024 to February 28, 2025 (the "**Statement of Receipts and Disbursements**");
 - (v) approving BDO's accounts for professional fees and disbursements as Receiver ("**BDO Fees**");
 - (vi) approving the fees and disbursements of Harrison Pensa LLP ("**HP**"), counsel to the Receiver, ("**HP Fees**", and collectively with the BDO Fees, the "**Professional Fees**"); and

- (vii) approving the following distributions to be made following the completion of the Transaction:
 - (A) firstly, the Professional Fees of the Receiver and its legal counsel as detailed within this Second Report and subject to the approval of the Court;
 - (B) secondly, the distribution of \$43,885.05 to Canada Revenue Agency (“**CRA**”) in full satisfaction of CRA’s claim for unpaid HST;
 - (C) thirdly, the distribution of \$1,485,392.98 plus per diem interest of \$296.81 from January 29, 2025 to MCCCUC in full payment of 2673 Ontario’s indebtedness to MCCCUC; and
- (viii) authorizing the Receiver to conduct a claims process to determine any unsecured creditors of the Debtor prior to a final distribution of proceeds from the Transaction.

4. Receiver's Activities

- 3.1 Since the filing of its First Report the Receiver has:
- (a) Monitored the Debtor to ensure the continued operation of the business at 737 King;
 - (b) responded to calls, e-mails and letters received from parties with respect to these proceedings; and
 - (c) Assisted AY with the Sale Process, including attendance at 737 King with several potential purchasers

Debtor Conduct and Efforts to Refinance

- 4.2 The Debtor has continued to provide general co-operation to the Receiver including, as noted above, providing limited financial and insurance information and day to day management of the business.
- 4.3 Further to the discussion within the First Report on the Debtor's efforts to refinance the Real Property, on several subsequent occasions the Debtor, the Debtor's counsel or a party apparently related to the Debtor have contacted the Receiver regarding arrangements to payout the indebtedness of MCCCUC.
- 4.4 Between January 1, 2025 and March 31, 2025 the Receiver was contacted at least 18 times in relation to the refinancing and was informed that the payout the MCCCUC debt as imminent.
- 4.5 As of this Second Report the Receiver has not been provided with a letter of intent, term sheet / commitment letter or evidence of funds.

5. Receiver's Sale of the 737 King Street Property

SALE PROCESS

- 5.1 The Sale Process Approval Order authorized the Receiver to enter into a listing agreement with AY at an initial listing price of \$3,200,000, which was finalized on December 17, 2024.
- 5.2 In view of the holiday season, AY commenced marketing of 737 King in the second week of January 2025. AY's activities included the following:
- (a) Posted the listing with the Toronto Real Estate Board and on the Multiple Listing Service (MLS)
 - (b) Established a virtual data room containing financial and property information;
 - (c) Prepared a brochure / Investment summary in both print and pdf format;
 - (d) Engaged in a digital marketing campaign through the use of various social media outlets, email campaigns and the AY website;
 - (e) Promoted the Real Property to industry contacts;
 - (f) Advertised in print media;
 - (g) Cold called potential interested parties; and
 - (h) Conducted tours and engaged in discussion with prospective purchasers;
- 5.3 With substantial interest in the property and several showings during January and early February 2025, AY established a bid deadline of 4:00 pm on February 27, 2025, which was communicated to all interested parties on February 6, 2025. The MLS listing was also amended to include the bid deadline.
- 5.4 Five (5) offers were received for the Real Property. Following review of the offers received, discussions with offerors, and further negotiations, on March 10, 2025 the Receiver entered into the 737 Kings APS for the sale of the Real Property to the Purchasers.

737 KING APS

- 5.5 A copy of the 737 King APS with the purchase price and deposit redacted is attached as **Appendix C**. An unredacted copy of the 737 King APS is attached as **Appendix A** to the Confidential Supplement.
- 5.6 The Receiver's analysis of the Transaction is contained in the Confidential Supplement.
- 5.7 As described in the First Report, the Receiver commissioned appraisals of the Real Property by Antec Appraisal Group of Burlington, Ontario ("**Antec**") and Metrix Realty Group of London, Ontario ("**Metrix**"). A summary of the appraisals was included in Confidential Appendix A to the First Report. The appraisal reports of Antec and Metrix are attached as appendices to the Confidential Supplement.
- 5.8 The Real Property has been listed for sale since December 17, 2024. The proposed selling price appears reasonable given appraised values of the Real Property. The Receiver therefore believes with the exposure of the Real Property through a professional broker, and the indication of value through the appraisals, that the proposed selling price in the King APS is reasonable in the circumstances and the KING APS is supported by the Soundair principles.
- 5.9 Receiver is seeking approval for the sale of the Real Property pursuant to the 737 King APS and a Vesting Order in respect of the Real Property.
- 5.10 The Receiver requests that the Court make an order sealing the Confidential Supplement to avoid the negative impact which the dissemination of the confidential information contained therein might have should the Transaction fail to close for any reason. Publication of the purchase price would undermine the fairness of the resumption of the sale process that may be required if the Transaction does not close.
- 5.11 The Receiver consulted with MCCCUC during the negotiation process with the Purchasers. MCCCUC has advised the Receiver that it supports the Transaction.
- 5.12 In the event the Court grants the Approval and Vesting Order, the Transaction is scheduled to close 10 days following Court approval.
- 5.13 The Receiver is satisfied that the Real Property was properly exposed to the relevant marketplace and the Transaction represents fair value for the Real Property.

- 5.14 The Receiver is of the view that it has maximized the realization available and the Transaction is commercially reasonable in all respects. Given the foregoing, the Receiver is of the view that the Transaction is in the best interests of the creditors and other stakeholders of 2673 Ontario.
- 5.15 The Receiver recommends that the Court approve the completion of the Transaction.
- 5.16 Approximately five days prior to the completion of the Transaction the Receiver will terminate the employment of all employees of the Debtor, cease operations of the Budget Inn at 737 King, and undertake other tasks in order to provide vacant possession to the Purchasers as required by the 737 King APS.

6. Statement of Receipts and Disbursements of the Receiver

6.1 The Receiver maintains a separate trust bank account estate. Attached as **Appendix D** is the Statement of Receipts and Disbursements. A summary of significant receipts and disbursements to date is provided below:

- (a) Receiver's advance from MCCCUC of \$20,000. (Receiver's Certificate #1)
- (b) Environmental consulting and appraisal fees of \$19,940, inclusive of HST.

6.1.2 As at February 28, 2025 the Receiver has \$76.76 on deposit in the estate trust account. The Purchasers' deposit on the Transaction was received subsequent to this date.

7. Fees and Disbursements of the Receiver and Counsel to the Receiver

- 7.1 Pursuant to Paragraph 18 of the Appointment Order, the Receiver and counsel to the Receiver shall be paid their reasonable Professional Fees in each case at their standard rates and charges. The Receiver and counsel to the Receiver have been granted a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, as security for payment of the Professional Fees.
- 7.2 Pursuant to paragraph 19 of the Appointment Order, the Receiver and counsel to the Receiver are to pass their accounts from time to time before a judge of the Ontario Superior Court of Justice.
- 7.3 The fees and disbursements of the Receiver for the period from appointment through to completion are detailed in the affidavit of Robyn Duwyn, a copy of which is attached as **Appendix E**.
- 7.4 The Receiver's fees and disbursements from appointment to April 23, 2025 encompass 146.7 hours and totals \$69,324.50, exclusive of HST.
- 7.5 Receiver submits that the hourly rates charged by the Receiver and its staff are commensurate with commercially reasonable rates for mid-market insolvency firms in the Southwestern Ontario region.
- 7.6 The fees and disbursements of the Receiver's counsel are detailed in the affidavit of Thomas Masterson, a copy of which is attached as **Appendix F**.
- 7.7 The Receiver's counsel's fees for the period August 20, 2024 to April 22, 2025 encompass 61.2 hours and totals \$26,022.68, inclusive of disbursements and HST.
- 7.8 It is the Receiver's opinion that the Professional Fees are fair and reasonable and justified in the circumstances and accurately reflect the work done by the Receiver and HP in connection with the receivership during the relevant periods. The Receiver recommends approval of the Professional Fees by the Court.

8. Distribution

- 8.1 The Receiver obtained an independent legal opinion from HP indicating that, subject to the customary assumptions and qualifications, the MCCCUC security is valid, binding and enforceable over the personal property of 2673 Ontario. A copy of the independent legal opinion of HP dated April 9, 2025 (the “**HP Opinion**”) is also attached hereto as **Appendix G** to this Report.
- 8.2 Attached hereto as **Appendix H** to this Report is a copy of the Parcel Register for the Real Property.
- 8.3 Attached hereto as **Appendix I** to this Report is a copy of a search as against the Debtor under the *Personal Property Security Act* (“**PPSA**”).
- 8.4 The MCCCUC security includes a charge in the principal amount of \$1,650,000 registered against the Real Property on April 2, 2019 (the “**MCCCUC Charge**”) securing all indebtedness of 2673 Ontario to MCCCUC.
- 8.5 MCCCUC has advised the Receiver that 267 Ontario is indebted to MCCCUC on account of principal, interest and professional fees as at January 29, 2025 in the amount of \$1,485,392.98 (the “**MCCCUC Indebtedness**”), plus per diem interest of \$296.81 and continuing professional fees, which is secured by the MCCCUC security.
- 8.6 The Receiver provided notice of the receivership to Canada Revenue Agency (“**CRA**”). By Notice of Assessment dated January 8, 2025, CRA has advised the Receiver of outstanding HST in the amount of \$43,885.05, for the period to August 13, 2024. The outstanding HST amounts will be paid to CRA from the proceeds of the Transaction, in priority to the MCCCUC Indebtedness.
- 8.7 The Receiver has confirmed outstanding property taxes owed to the City of Hamilton (“**Hamilton**”), the amount is estimated to be \$157,542 at closing. Such amounts will be paid directly to Hamilton on the completion of the Transaction.
- 8.8 The Receiver is not aware of any other claims having priority over the claims of MCCCUC, CRA and the City of Hamilton
- 8.9 The Receiver is seeking authorization to distribute the funds on hand after the

completion of the Transaction as follows:

- (a) firstly, the Professional Fees of the Receiver and its legal counsel as detailed within this Second Report and subject to the approval of the Court;
- (b) secondly, the distribution of \$43,885.05.72 to CRA in full satisfaction of CRA's claim for unpaid HST;
- (c) thirdly, the distribution of \$1,485,392.98 plus per diem interest of \$296.81 from January 29, 2025 to MCCCUC in full payment of 2673 Ontario's indebtedness to MCCCUC; and

8.10 As discussed in the following section of this Second Report, the Receiver seeks authorization to undertake a process to determine the unsecured claims against the Debtor by former employees, utilities or other suppliers. In a subsequent motion the Receiver will seek approval of the Court of a final distribution to unsecured creditors and the residual, if any, to be distributed to the Debtor.

9. Creditor Claims Process

- 9.1 The Receiver has developed a claims package (the “**Creditor Claims Package**”) to be provided to any known unsecured creditors based on its review of the PPSA, limited financial information provided by 2673 Ontario and discussions with management.
- 9.2 Additionally, the Receiver will publish a Notice to Creditors in the Hamilton Spectator and provide the Creditor Claims Package to any potential creditors arising from the published notice.
- 9.3 The Creditor Claims Package is attached as **Appendix J** and consists of the following documents:
- (a) Notice to Creditors;
 - (b) Instruction Letter
 - (c) Proof of Claim Form
- 9.4 All creditors will be required to file a Proof of Claim to be received by a date to be determined by the Receiver that is 45 days from the mailing and publication of the Notice to Creditors (the “**Claims Bar Date**”). The Claims Bar Date is to stand as the final bar and any claims of a person who does not return a Proof of Claim on or before the Bar Date, shall be forever barred and extinguished.

10. Recommendations

- 10.1 The Receiver recommends and respectfully requests that the Court grant the relief summarized at paragraph 3.1 (b) of this Second Report.

All of which is Respectfully Submitted this 23rd day of April, 2025

BDO Canada Limited in its capacity as Court Appointed Receiver of
2673422 Ontario Inc. and not in any personal capacity.



Per: Robyn Duwyn, CPA, CA, CIRP
Licensed Insolvency Trustee
Senior Vice President

APPENDIX A

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)
JUSTICE L. SHEARD)

TUESDAY, THE 13TH
DAY OF AUGUST, 2024

BETWEEN:

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent



**ORDER
(appointing Receiver)**

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing BDO Canada LLP ("BDO") as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets,, undertakings and properties of 2673422 Ontario Inc. (the "Debtor"), acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 55 Main Street West, Hamilton, Ontario, via video conference.

ON READING the affidavit of Steven Schincariol sworn June 28, 2024 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing for the Debtor although duly served as appears from the affidavits of service of Scott Greenaway sworn July 31, 2024 and of Emily Ryan-Harrison sworn July 31, 2024 and on reading the consent of BDO 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, BDO is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the “**Property**”).

RECEIVER’S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor in relation to the Property or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and

negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$150,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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 Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that

nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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 DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor in relation 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 Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may

consider necessary or desirable, provided that the outstanding principal amount does not exceed \$150,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

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

orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/2673422-ontario-inc>

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

GENERAL

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

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

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

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

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that the 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 Debtor's estate with such priority and at such time as this Court may determine.

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



Issued and entered electronically by

Local Registrar
45 Main St East
Hamilton, ON
L8N 2B7

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO Canada LLP ("BDO") the receiver (the "Receiver") of the assets, undertakings and properties of 2673422 Ontario Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

BDO solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

MOTOR CITY COMMUNITY CREDIT UNION LIMITED v. 2673422 ONTARIO INC.
Applicant Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

ORDER

TOM SERAFIMOVSKI
LSO # 30330T
McTAGUE LAW FIRM LLP
Barristers & Solicitors
455 Pelissier Street
Windsor, Ontario N9A 6Z9
(T) 519-255-4386
(E) tserafimovski@mctague.law

LAWYERS FOR THE APPLICANT

Our File: 83577

APPENDIX B

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) TUESDAY, THE 10TH
JUSTICE SHEARD) DAY OF DECEMBER, 2024

B E T W E E N:

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent



ORDER

THIS MOTION made by BDO Canada LLP, in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertakings, property and assets of 2673422 Ontario Inc., appointed pursuant to the Order of the Honourable Justice Sheard dated August 13, 2024, for an order:

1. That the time for service, filing and confirmation of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable today, and dispensing with further service and confirmation hereof;
2. Approving the Receiver's First Report to the Court dated November 18, 2024 (the "**First Report**"), and the activities and conduct of the Receiver as detailed therein and that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the First Report;
3. Authorizing and directing the Receiver to execute a listing agreement (the "**Listing Agreement**") on terms acceptable to the Receiver between the Receiver and Avison Young ("**AY**") for the sale of the Real Property (as defined below) and to take such steps as the Receiver deems necessary or advisable to carry out the terms thereof;
4. Authorizing and directing the Receiver, with AY as its real estate consultant, to carry out the sale process in respect of the Property (as defined in the Appointment Order) and the Debtor's real property municipally known as 737 King Street East, Hamilton, ON (the "**Real Property**") as set out in the First Report (collectively the "**Sales Process**") and to take

such steps and execute such documentation as the Receiver considers necessary or desirable in carrying out its obligations thereunder, subject to prior approval of this Court being obtained before completion of any transaction under the Sale Process;

5. Sealing the Confidential Appendix (as defined in the Motion Record) until the completion of the Sale Process and the completion of the sale of the Real Property, or until a further order of this Court;
6. Costs of this motion on a substantial indemnity basis, if opposed; and,
7. Such further and other relief as counsel may request and this honourable court may permit,

was heard this day by judicial telephone conference via Zoom at 45 Main Street East, Hamilton, Ontario.

ON READING the Notice of Motion dated November 22, 2024, the First Report, and on hearing the submissions of counsel for the Receiver and all other counsel and parties present, as properly served as appears from the affidavits of Sydney Inghelbrecht sworn November 22, 2024, and November 27, 2024, filed;

1. THIS COURT ORDERS that the time for service, filing and confirmation of the Notice of Motion and the Motion Record be and is abridged so that this motion is properly returnable today and hereby dispenses with further service and confirmation hereof.
2. THIS COURT ORDERS that the First Report, and the activities and conduct of the Receiver as detailed therein, be and are approved; provided however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
3. THIS COURT ORDERS that the Receiver authorized and directed to execute the Listing Agreement and to take such steps as the Receiver deems necessary or advisable to carry out the terms thereof.
4. THIS COURT ORDERS that the Sale Process is hereby approved and authorizes and directs the Receiver to take such steps and execute such documentation as the Receiver considers necessary or desirable in carrying out its obligations thereunder, subject to prior approval of this Court being obtained before completion of any transaction under the Sale Process.

5. THIS COURT ORDERS that the Confidential Appendix be and is sealed until completion of the sale of the Real Property, or until further Order of this Court.

L. Sheard J.

Justice, Ontario Superior Court of Justice

Issued and entered electronically by

Local Registrar
45 Main St East
Hamilton, ON
L8N 2B7

MOTOR CITY COMMUNITY CREDIT UNION LIMITED v.

2673422 ONTARIO INC.

Applicant

Respondent

Court File No. CV-24-00086270-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON, ONTARIO

ORDER

HARRISON PENZA ^{LLP}

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)

Tel : (519) 679-9660

Fax: (519) 667-3362

Email: thogan@harrisonpensa.com

Lawyers for the Receiver,
BDO Canada LLP

APPENDIX C

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT is made as of the 10 day of March, 2025.

BETWEEN:

BDO CANADA LIMITED, in its capacity as Court-appointed receiver of the assets, undertakings and properties of **2673422 ONTARIO INC.**, (the “**Company**”)

and not in any other capacity and with no personal or corporate liability

(hereinafter called the “**Vendor**”)

OF THE FIRST PART

- and -

KASHMINA INC. AND BRIDLEPATH CAPITAL CORPORATION,
corporations validly incorporated pursuant to the laws of the Province of
Ontario.

(hereinafter collectively called the “**Purchaser**”)

OF THE SECOND PART

RECITALS:

Whereas:

- A. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) in court file CV-24-00086270-0000 (the “**Proceedings**”), dated the 13th day of August, 2024 (the “**Appointment Order**”), the Vendor was appointed as Receiver of all the assets, property and undertaking of the Company acquired for or used in connection with the business carried on by the Company, including all proceeds thereof (collectively, the “**Assets**”).
- B. Pursuant to the Appointment Order, the Vendor is authorized to sell the Assets and apply for an Order of the Court approving the sale of any or all of the Assets and vesting title to such Assets in the Purchaser.
- C. On December 10, 2024, the Court made an order (the “**Marketing Process Order**”) approving, among other things, a marketing process (the “**Marketing Process**”) for the solicitation of offers (each, a “**Bid**”) for the purchase of the Lands and other related Purchased Assets (each as defined herein), which Bid must include (among other things) a binding agreement of purchase and sale, in the form attached contained in the Data Room as defined below.

- D. Subject to an order being issued by the Court approving the sale of the Purchased Assets and pursuant to the terms of this Agreement, the Purchaser has offered to purchase the Purchased Assets and the Vendor has accepted such an offer on the terms and conditions contained herein. The Purchaser acknowledges that the Vendor's acceptance of such offer and execution of this Agreement are subject to the terms and conditions contained herein and approval of the Court of such actions.

NOW THEREFORE IN CONSIDERATION of the premises and the mutual agreements in this Agreement, and for other consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

"Acceptance Date" means the date upon which this Agreement has been accepted by both parties;

"Accounts Receivable" means all those accounts receivable, book debts or other debts owing (whether or not invoiced or then due) to the Company as at the Closing Date related to the Purchased Assets;

"Adjustments" means the adjustments to the Purchase Price made pursuant to Section 2.6 hereof;

"Agreement" means this agreement of purchase and sale resulting from the acceptance, by the Vendor, of the offer provided for in Section 7.16 and all Schedules attached hereto and the terms "hereof" and "hereto" refer to this Agreement as a whole and references to **"Section"** and **"subsection"** mean the relevant section or subsection of this Agreement unless the context specifically indicates otherwise;

"Applicable Law" means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, regulatory policy or guideline, by-law (zoning or otherwise), or Order, or any consent, exemption, approval or license of any Governmental Authority, that applies in whole or in part to the Transaction, the Vendor, the Purchaser, the Company or to any of the Purchased Assets;

"Appointment Order" means the Order of the Honourable Justice Sheard of the Ontario Superior Court of Justice (Commercial List) dated the 13th day of August, 2024, appointing the Vendor as Receiver of all of the assets, property and undertaking of the Company, including the Purchased Assets, pursuant to section 243 of the BIA and section 101 of the *Courts of Justice Act*, R.S.O 1990, c.C.43, as amended;

"Approval and Vesting Order" means an Order or Orders of the Court in a form substantially in accordance with Schedule A authorizing and approving the Transaction contemplated under this Agreement and ordering that all right, title and interest of the Vendor in the Purchased Assets be vested in the Purchaser free and clear of any right, title or interest of the Company or of any other Claims and Encumbrances, except for Permitted Encumbrances, whether or not they have attached or been perfected, registered or filed, whether secured or unsecured or otherwise, by or of all Persons;

“Assignment of Contracts and Warranties” means the assignment and assumption agreement in respect of the Assumed Contracts and any Warranties, including an indemnity by the Purchaser in favour of the Vendor in respect of all obligations arising prior to or after the Closing Date in the form attached hereto as Schedule D;

“Assumed Contracts” means the Contracts that are legally assignable by the Vendor and which the Purchaser agrees to assume on Closing, as set out in Schedule E;

“Assumed Employees Liabilities” has the meaning given to such term in Section 2.8(d).

“Assumed Employees” has the meaning given to such term in Section 5.1(b).

“Assumed Liabilities” has the meaning set out in Section 2.8.

“Authorization” means any Order, permit, approval, consent, waiver, licence, development agreement or other authorization issued, granted, given or authorized by, or made applicable under the authority of, any Governmental Authority having jurisdiction.

“BIA” means the *Bankruptcy and Insolvency Act* of Canada as the same may be amended from time to time;

“Building” means, collectively, the buildings and all other structures, fixtures, equipment and improvements located on the Purchased Real Property, and which are the property of the Company;

“Business Day” means a day other than a Saturday or Sunday, on which chartered banks are open for the transaction of domestic business in Toronto, Ontario;

“Chattels” means the chattels and equipment owned by the Company located on, incorporated or situated in, on, around or upon any Building or upon the Purchased Real Property, and includes all equipment, devices or any other chattels or other tangible personal property owned by the Company and located on the Purchased Real Property or in any Building and used exclusively in the operation and maintenance of the Purchased Real Property, excluding any chattels and equipment owned by persons other than the Company;

“Claims” shall have the meaning ascribed thereto in the Approval and Vesting Order;

“Closing” means the completion of the sale to, and purchase by, the Purchaser of the Purchased Assets in accordance with the terms of this Agreement;

“Closing Date” means ten (10) Business Days after the Court grants the Approval and Vesting Order or such other date as the parties hereto agree to in writing;

“Closing Document” means any document delivered at or subsequent to the Closing Time as provided in or pursuant to this Agreement;

“Closing Time” means 5:00 p.m. Toronto time on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing shall take place;

“Company” means 2673422 Ontario Inc.;

“Company Employee Plans” means any Plans maintained or otherwise contributed to, or required to be maintained or contributed to, by or on behalf of the Company with respect to its employees.

“Confidentiality Agreement” means the confidentiality agreement dated _____ delivered by the Purchaser in favour of the Vendor;

“Contracts” means the full benefit and advantage of all contracts, agreements and entitlements of the Company related to the Purchased Real Property, other than the interest of the Company in any of the Accounts Receivable, any Equipment Leases, or any Intellectual Property;

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

“Data Room” means the online virtual data room hosted by the Vendor’s Agent containing the Project Documents and other information pertaining to the Purchased Assets to which the Purchaser has been given access;

“Deposit” means the deposit to be paid by the Purchaser pursuant to 2.4(a);

“DRA” has the meaning ascribed to it in Section 7.8;

“Employees” means any and all: (i) officers, employees, individual consultants and individual service providers of the Company or any predecessors of the Company who are actively working for the Company (including full-time, part-time or temporary employees); and (ii) officers, employees, individual consultants and individual service providers of the Company or any predecessors of the Company who are not actively working for the Company because they have been laid off on a temporary or indefinite basis; and (iii) officers, employees, individual consultants and individual service providers of the Company or any predecessors of the Company who are not actively working for the Company because they are on statutory or approved leaves of absence (including maternity leave, parental leave, short-term or long-term disability leave, workers’ compensation and other statutory leaves).

“Encumbrances” shall have the meaning ascribed to thereto in the Approval and Vesting Order;

“Equipment Leases” means equipment leases in favour of the Company as specifically listed in Schedule G;

“Excluded Assets” means all Assets except for the Purchased Assets – for greater certainty, all bank accounts of the Company and any cash on hand and cash equivalents at Closing shall not be included in the Purchased Assets;

“Excluded Employees” has the meaning set out in subsection 5.1(b);

“Fixed Assets” means all of the assets and any and all other fixed assets, machinery, equipment, computers, furniture, furnishings and vehicles owned by the Company and currently located at the Purchased Real Property together with all operating manuals, maintenance logs, and equipment drawings and specifications in the possession of the Vendor relating thereto as specifically listed in Schedule H;

“Governmental Authority” means any domestic or foreign government whether federal, provincial, state or municipal and any governmental agency, governmental authority, governmental tribunal or governmental commission of any kind whatever;

“HST Certificate and Indemnity” means the HST Certificate and Indemnity in the form attached at Schedule J hereto;

“including” means **“including without limitation”** and the term **“including”** shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it;

“Intellectual Property” means any patents, trade names, trademarks and other intellectual property and the goodwill appurtenant thereto to the extent same comprises property of the Company as of the Closing Date, any and all other patents, trade names, trademarks and other intellectual property and the goodwill appurtenant thereto together with all documents, drawings, and technical data in the possession of the Vendor related exclusively thereto as specifically listed in Schedule I;

“Liabilities” means all costs, expenses, charges, debts, liabilities, commitments and obligations of any nature or kind, whether accrued or fixed, actual, absolute, contingent, latent or otherwise, matured or unmatured or determined or undeterminable, including those arising under any Applicable Law or Claim and those arising under any Contract or undertaking or otherwise, including any tax liability or tort liability of the Company;

“Order” means any order (draft or otherwise), judgment, injunction, decree, award or writ of any Court, tribunal, arbitrator, Governmental Authority, or other Person;

“Other Party” has the meaning ascribed to it in Section 7.10;

“Parties” means the Purchaser and the Vendor together, and **“Party”** means either one of them;

“Permitted Encumbrances” shall mean those encumbrances listed in Schedule B;

“Person” or **“person”** shall be broadly interpreted and includes an individual, body corporate, partnership, joint venture, trust, association, unincorporated organization, the Crown, any Governmental Authority or any other entity recognized by law;

“Plan” means any plan, arrangement, agreement, program, policy, practice or undertaking, whether oral or written, formal or informal, insured or uninsured, unregistered, that provides any employee benefit, fringe benefit, supplemental unemployment benefit, bonus, incentive, termination, change of control, health, welfare, medical, dental, disability, life insurance and any similar plans, programmes, arrangements or practices, in each case: (i) for the benefit of an employees or other Persons who are receiving remuneration for work or services provided to the given employer who are not employees (or any spouses, dependants, survivors or beneficiaries of such Persons); (ii) that are maintained, sponsored or funded by the employee’s employer; or (iii) under which such employer has, or shall have, any liability or contingent liability;

“Plans, Reports and Specifications”, means any plans, drawings, architect, planner or other consultant reports and specifications relating to the Purchased Real Property;

“Project Documents” means the documents, information, reports and materials relating to the Purchase Assets which: (a) are in existence as of the Acceptance Date; (b) are in the possession and control of the Vendor as of the Acceptance Date; and (c) which have been made available to the Purchaser, by access to the Data Room or otherwise, for review and examination but excluding documents and instruments registered on title to the Purchased Real Property and other information available in the public domain. Without limiting the foregoing, the Project Documents include copies of the following:

- (a) copies of the Plans, Reports and Specifications;
- (b) copies of any building condition reports relating to the Purchased Real Property;
- (c) copies of any environmental reports relating to the Purchased Real Property;
- (d) copies of all property tax and water/sewer bills for 2022, 2023 and 2024 to date;
- (e) copies of any documentation relating to any realty tax appeals related to the Purchased Real Property;
- (f) operating, property and security manuals with respect to the Chattels, the Buildings and the fixtures and systems located within, on or under the Purchased Real Property;
- (g) copies of the Contracts;
- (h) a list of Chattels, if any;
- (i) a list of Employees (without reference to names), together with, their positions and material terms of employment including wages/salary, incentive compensation, service date, benefits and vacation entitlement and accrual;

“Purchase Price” has the meaning ascribed thereto in Section 2.3;

“Purchased Assets” means, subject to the terms hereof all of the interest of the Company in the following:

- (a) the Purchased Real Property, including the Building;
- (b) any Assumed Contracts and Warranties, if any;
- (c) Plans, Reports and Specifications, to the extent assignable;
- (d) any Chattels, if any;
- (e) the Assumed Liabilities;
- (f) any Fixed Assets, if any;

“Purchaser Employee Plans” means any Plans maintained or otherwise contributed to, or required to be maintained or contributed to, by or on behalf of the Purchaser with respect to its employees.

“Purchaser’s Solicitors” means the firm of Baldwin Law Professional Corporation (54 Victoria Ave, Belleville, ON K8N 5J2), or such other firm or firms of solicitors as are

retained by the Purchaser from time to time and written notice of which is delivered to the Vendor;

“**Related Person**” has the meaning in the BIA;

“**Statement of Adjustments**” means the statement to be prepared by the Vendor setting out the Adjustments and to be delivered as contemplated by Section 3.2(g);

“**Purchased Real Property**” means the lands and premises described in Schedule C;

“**Transaction**” means the transaction of purchase and sale contemplated pursuant to this Agreement;

“**Vendor’s Agent**” means •;

“**Vendor’s Solicitors**” means the firm of Harrison Pensa LLP, or such other firm or firms of solicitors as are retained by the Vendor from time to time and written notice of which is delivered to the Purchaser; and

“**Warranties**” means any existing warranties and guarantees, if any, for the initial construction or subsequent additions to or upgrading of the Purchased Real Property and the systems therein.

1.2 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended or to any restated or successor legislation of comparable effect.

1.3 Headings

The division of this Agreement into articles, Sections, subsections and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Number and Gender

In this Agreement, words in the singular include the plural and vice-versa and words in one gender include all genders.

1.5 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of or between the Parties.

1.6 Amendment

This Agreement may only be amended, modified or supplemented by a written agreement signed by each Party.

1.7 Waiver of Rights

Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and

only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

1.8 Schedules

The following Schedules form part of this Agreement:

- Schedule A - Approval and Vesting Order
- Schedule B - Permitted Encumbrances
- Schedule C - Legal Description of Purchased Real Property
- Schedule D - Assignment of Contracts and Warranties
- Schedule E - Assumed Contracts
- Schedule F - HST Certificate and Indemnity
- Schedule G - Equipment Leases
- Schedule H - Fixed Assets
- Schedule I - Intellectual Property

1.9 Applicable Law

This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in force in Ontario (excluding any conflict of laws, rule or principle which might refer such interpretation to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the courts of Ontario with respect to any matter arising hereunder or related hereto. The parties exclude the application of the UN Convention on Contracts for the International Sale of Goods, and the International Sale of Goods Act (Ontario) as amended, replaced or re-enacted from time to time.

1.10 Currency

Unless specified otherwise, all statements of or references to dollar amounts in this Agreement are to Canadian dollars.

1.11 Third Party Beneficiaries

Nothing in this Agreement or in any Closing Document is intended expressly or by implication to, or shall, confer upon any Person other than the Parties, any rights or remedies of any kind.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

The Vendor shall sell, assign and transfer to the Purchaser and the Purchaser shall purchase the Purchased Assets on the Closing Date pursuant to the Vesting Order and the Purchaser shall pay the Purchase Price on the Closing Date, subject to the terms and conditions contained in this Agreement.

2.2 Purchaser Acknowledgements and Agreements

The Purchaser acknowledges and agrees as follows:

- (a) the Project Documents have been made available for review by the Purchaser and its representatives;
- (b) the Vendor does not guarantee title to the Purchased Assets and the Vendor shall not be required to furnish or produce any document, record or evidence of title with respect to the Purchased Assets except those in its possession, which have already been reviewed by the Purchaser, and the Purchaser has conducted or will have conducted and shall be deemed to have conducted, prior to executing and delivering this Agreement, such inspections of the condition of and title to the Purchased Assets and all such other due diligence as it deems appropriate and has satisfied itself with regard to these matters;
- (c) on Closing, title to the Purchased Real Property shall be subject to the Permitted Encumbrances;
- (d) the Purchaser has had reasonable access to the Purchased Real Property and other Purchased Assets and conducted its own investigations and inspections of the Purchased Assets and that the Purchaser is responsible to conduct its own inspections and investigations of all matters and things connected with or in any way related to the Purchased Assets, that the Purchaser has satisfied itself with respect to the Purchased Assets and all matters and things connected with or in any way related to the Purchased Assets;
- (e) the Purchaser has relied entirely upon its own investigation and inspections in entering into this Agreement, that the Purchaser is purchasing the Purchased Assets entirely on an **“as is, where is”** basis as at the date hereof and as at the Closing Date at the Purchaser’s own risk and peril;
- (f) the Purchaser will accept the Purchased Assets in their state, condition and location on Closing and that the Purchaser hereby acknowledges that the Vendor has made no express or implied agreement, representations, warranties, statements or promises of any kind whatsoever, legal or conventional, as to the title, condition, area, square footage, suitability for development, physical characteristics, profitability, use or zoning, the existence of latent defects, outstanding work orders, deficiency notices, compliance requests, development fees, imposts, lot levies, sewer charges, zoning and building code violations, the existence, validity, terms and conditions of any licences, permits, consents or other regulatory approvals relating to or in any way connected with the Purchased Real Property or the existence of zoning or building entitlements affecting the

Purchased Real Property, any environmental matter, contamination or condition (including without limitation, any remediation, containment, restoration and/or any other works related to any environmental matter, contamination, or condition, on, in, abutting, above or below the Purchased Real Property) or any other aspect or characteristic of the Property or other Purchased Assets whatsoever, or as to the compliance with any Applicable Laws affecting the Transaction, save and except as are expressly contained in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) (including sections 13, 14 and 15) do not apply to the sale of the Purchased Assets and have been waived by the Purchaser, and the Vendor, their affiliates (as defined in the *Ontario Business Corporations Act*), managers, partners, general partner, trustees, shareholders, directors, officers, employees and agents of each and any of them, and each and any of their respective heirs, successors, personal representatives, executors, trustees, successors and assigns, and all such Persons are hereby fully, finally and irrevocably released accordingly;

- (g) except as expressly set out in this Agreement, no adjustment shall be allowed to the Purchaser for any changes in condition, quality or quantity of the Purchased Assets to and including the Closing Date. Except as specifically contemplated and provided for in this Agreement, the Purchaser acknowledges that the Vendor is not required to inspect, or provide any inspection, of the Purchased Assets or any parts thereof and the Purchaser shall be deemed, at its own expense, to have relied entirely upon its own inspection and investigation of the Purchased Assets. Nothing contained herein shall require the Vendor, following Closing, to take possession of, protect, preserve, or otherwise safeguard any Purchased Assets.
- (h) any and all information relating to the Purchased Assets (including any Project Documents or any information memorandum given by the Vendor, either Company, or any other person to the Purchaser) was delivered to the Purchaser solely for the Purchaser's convenience and there is no representation or warranty of any kind whatsoever made by the Vendor nor either of the Companies or any other person with respect to the accuracy or completeness of any such information. Without limiting the foregoing, it is agreed that the Vendor does not represent or warrant the accuracy and/or inaccuracy and/or the completeness or incompleteness of any such information and shall not have any liability to the Purchaser as a result of any errors or omissions in such information or any use that may be made of the information by the Purchaser. The Purchaser acknowledges and agrees that the Purchaser is solely responsible for the verification of any Project Documents or other information provided hereunder.
- (i) there is no representation whatsoever as to the presence or absence of hazardous substances on any of the Purchased Real Property including urea formaldehyde foam insulation and any "contaminant" within the meaning of the *Environmental Protection Act* (Ontario). There is no representation or warranty, statement or promise concerning:
 - (i) the presence or absence of contaminants on, in or about the Purchased Assets;
 - (ii) the discharge of contaminants from, on, or in relation to the Purchased Assets;

- (iii) the existence, state, nature, identity, extent or effect of any administrative orders, control orders, stop orders, compliance orders or any other orders, proceedings or actions under the *Environmental Protection Act* (Ontario), the *Ontario Water Resources Act* (Ontario) in relation to the Purchased Assets;
- (iv) the existence, state, nature, kind, identity, extent or effect of any liability on the Purchaser to fulfill any obligations with respect to the environmental condition or quality of the Purchased Assets.

The Purchaser acknowledges and agrees that it accepts each of the Purchased Assets subject to its environmental condition and any contamination, and acknowledges that the Vendor shall have no obligation whatsoever to remediate or otherwise bring the Purchased Assets into compliance with Applicable Law and that the Purchaser shall have no recourse against the Vendor for any such existing environmental condition or contamination;

- (j) the descriptions of any of the Purchased Assets contained in this Agreement and/or in the Schedules appended hereto are for the purposes of identification only and the Vendor is not liable for any error or omission in such Schedules, nor shall any such descriptions constitute or be deemed to be representations or warranties of the Vendor;
- (k) it shall be the Purchaser's sole responsibility to obtain, at its own expense, and the Purchaser shall use its best efforts to obtain, any consents, approvals or any further documentation or assurances which may be required to be obtained by Purchaser (but not the Company or the Vendor) to carry out the terms of this Agreement.
- (l) the Purchaser shall assume, at its own cost, complete responsibility for compliance with all Applicable Laws in connection with the Purchased Assets, or the use thereof by the Purchaser, after the Closing Date.
- (m) without limiting any of the foregoing or anything else contained herein, the Purchaser further acknowledges and agrees that the obligation of the Purchaser to complete the Transaction on the Closing Date is not subject to any condition relating to any of the foregoing matters nor any other condition except as expressly set out in Section 6.1 of this Agreement.
- (n) The Purchaser acknowledges and agrees that this Section 2.2 shall survive and not merge on Closing.

2.3 Buyer's Conditions

The obligation of the Purchaser to complete the transactions contemplated by this Agreement on Closing shall be subject to the following conditions:

- (a) Due Diligence. The Purchaser shall have conducted such searches, inspections and tests that the Purchaser, in its sole and absolute discretion, deems advisable with respect to the Property including, without limitation, title searches, physical and engineering inspections, environmental audits, financial audits, operating costs analysis, review of the Leases, financial credit of Tenants, Contracts, Permitted Encumbrances, compliance with city planning requirements, rental

revenue from the Property and (i) is satisfied, in its sole and absolute discretion, with the results of such searches; and (ii) has obtained approval from its investment committee to proceed, all as evidenced by delivery to the Vendor or the Vendor's Solicitors of the Due Diligence Termination Waiver, duly executed by both parties comprising the Purchaser. For certainty, if the Purchaser has not delivered the Due Diligence Termination Waiver by the Due Diligence Date, the foregoing condition shall be deemed not to have been satisfied or waived, this Agreement shall be at an end, and the Deposit (and any interest thereon) shall be returned to the order of Bridlepath Capital Corporation.

(collectively the "Purchaser's Conditions")

The Purchaser's Conditions are inserted for the sole benefit of the Purchaser and may be waived by it at any time. The Purchaser shall notify the Vendor or the Vendor's Solicitors in writing no later than 4:59 pm on the fourteenth (14th) day following the Acceptance Date, that the Buyer's Conditions have been satisfied or waived, failing which, this Agreement shall thereupon be terminated and the Purchaser shall be entitled to the return of the Deposit without interest and without deduction, and the Vendor hereby irrevocably directs the Vendor's Solicitor to immediately forward the Deposit to the order of Bridlepath Capital Corporation in such circumstances.

2.4 Purchase Price and Allocation

The purchase price for the Purchased Assets (not including all applicable taxes, for which the Purchaser shall also be liable in accordance with Section 2.7) shall be Dollars (\$ _____) (the "**Purchase Price**") and the Purchase Price shall be allocated among the Purchased Assets as follows:

Lands and Building	\$ _____
All other Purchased Assets	\$ _____

2.5 Payment of Purchase Price

The Purchaser shall pay the Purchase Price to the Vendor as follows:

- (a) the sum of CDN \$ _____, which is equal to ten per cent (10%) of the Purchase Price, shall be paid by delivery of certified funds, bank draft or wire transfer payable to the Vendor "in Trust," with the submission of this Agreement by the Purchaser to the Vendor and held by the Vendor, without interest, as a deposit (the "**Deposit**") which shall be dealt with in accordance with Section 2.5; and
- (b) the balance of the Purchase Price shall be delivered to the Vendor at Closing payable in cash, by delivery of a certified cheque or bank draft or by wire transfer.

2.6 Deposit

- (a) The Deposit shall be paid by the Purchaser and held in escrow by the Vendor in a non-interest bearing account, until the Closing Time, at which time the Deposit shall be applied on account of the Purchase Price or as otherwise provided for in this Agreement.

- (b) If this Agreement:
- (i) is terminated or the Closing otherwise fails to occur for any reason other than a breach by the Purchaser of its obligations under this Agreement, then the Purchaser shall be entitled to the return of the Deposit without interest within three (3) Business Days, the Purchaser shall have no recourse against the Vendor and this Agreement shall become null and void;
 - (ii) is terminated or the Closing otherwise fails to occur as a result of the breach of the Purchaser of its obligations under this Agreement, then the Vendor shall be entitled to retain the Deposit as liquidated damages, and shall be entitled to pursue all of its other rights and remedies against the Purchaser.

2.7 Adjustments

- (a) The Vendor shall endeavour to prepare and deliver to the Purchaser at least two (2) Business Days prior to the Closing Date, the Statement of Adjustments with all adjustments made as of the Closing Date. The Statement of Adjustments shall have annexed to it complete details of the calculations used by the Vendor to arrive at all of the debits and credits thereon. Except as aforesaid, no adjustments shall be allowed to the Purchaser for changes in the Purchased Assets from the time of acceptance of this Agreement up to and including the Closing Date. If the final cost or amount of any item that is to be adjusted cannot be determined at Closing, then the adjustment for such item shall be made at Closing on the basis of the cost or amount as estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at Closing as to what the final adjustment should be. The estimated adjustments as determined in accordance with this Agreement shall, for all purposes, be a final adjustment or final adjustments and the Vendor shall be under no obligation to re-adjust any item on the Statement of Adjustments after Closing. The Closing Date shall be for the Purchaser's account both as to revenue and as to expenses.
- (b) The Purchaser hereby acknowledges that there may be outstanding arrears with respect to real property taxes and utilities and agrees that the Vendor, at its option, shall be entitled to make adjustment on the Statement of Adjustments for such matters or, in the alternative, direct that a portion of the proceeds due on Closing be used to pay out such arrears. The Purchaser further covenants and agrees to deliver an irrevocable direction to the applicable Governmental Authority authorizing it to pay to the Vendor any realty tax rebate (together with interest thereon) obtained by the Vendor for the period prior to Closing, provided that in the event the Governmental Authority does not deliver such rebate directly to the Vendor, the Purchaser hereby irrevocably undertakes to deliver same to the Vendor upon either receipt or readjustment of same. This Section 2.7(b) shall survive Closing.

2.8 Taxes

The Purchaser shall be liable for and shall pay, in addition to the Purchase Price, all federal and provincial sales taxes, land transfer taxes and any other taxes or duties payable in connection with the conveyance and transfer of the right, title and interest, if any, of the Vendor in and to the Purchased Assets (collectively, the "**Taxes**") to the Purchaser and the Purchaser undertakes and agrees to pay all such Taxes on Closing, subject to the

Purchaser's right to deliver the HST Certificate and Indemnity, and provided that the Vendor and the Purchaser agree that the appropriate elections with respect to the payment of Taxes shall be made. The Purchaser shall indemnify and agrees to hold and save the Vendor harmless from and against any and all costs, expenses, liabilities and damages incurred or suffered by the Vendor as a result of the failure of the Purchaser to pay any of the Taxes exigible in connection with the Transaction.

2.9 Assumption of Liabilities

At the Time of Closing, the Purchaser will assume and thereafter fulfil, perform and discharge when due the following Liabilities of the Company outstanding as at the Closing Date (collectively, the "**Assumed Liabilities**");

- (a) all Liabilities arising from or in connection with the Assumed Contracts arising on and after the Closing Date;
- (b) all Liabilities with respect to the Permitted Encumbrances, any Warranties, any Authorizations and any limitations and restrictions on the use or application of any of the Purchased Assets, except only to the extent that any such liabilities and obligations are expunged and discharged by the Approval and Vesting Order;
- (c) all Liabilities arising from or in connection with any Taxes for which the Purchaser is responsible pursuant to Section 2.8;
- (d) all Liabilities and obligations arising from or in connection with (i) Section 5.1; (ii) relating to the Purchaser's employment of, or termination of employment (whether or not arising under or in respect of any Purchaser Employee Plan) of any Assumed Employees, to the extent arising on or after the Closing Date; (iii) relating to the acceptance of the Purchaser's offer of employment or notice of continued employment to any Employee pursuant to the terms of Section 5.1; (iv) the failure of the Purchaser to satisfy its obligations under Section 5.1 with respect to any Employee; and (v) under any Purchaser Employee Plan; (collectively, the "**Assumed Employees Liabilities**"), but for further clarity the Purchaser shall not be liable for any Liabilities and obligations arising (whether before or after the Closing Date) from Employees who are offered employment by the Purchaser and who decline such offer.

2.10 Capacity of the Vendor

The Vendor is entering into this Agreement solely in its capacity as the Receiver of the Assets pursuant to the Appointment Order, and not in its personal or any other capacity, and the Vendor and its agents, officers, directors and employees will have no personal or corporate liability under or as a result of this Agreement or otherwise in connection with this Agreement or the Transaction. Any claim against the Vendor shall be limited to and only enforceable against the Assets then held by or available to it in its said capacity as Vendor of the Assets and shall not apply to its personal property and asset held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Purchased Real Property.

ARTICLE 3 CLOSING

3.1 Time and Place of Closing

The Closing shall take place at the Closing Time at the offices of the Vendor's Solicitors, 1101-130 Dufferin Avenue, London, Ontario, or at such other place as may be agreed upon by the Vendor's Solicitors and the Purchaser's Solicitors, subject to Section 7.9 hereof.

3.2 Vendor's Closing Deliveries

On or before the Closing Date, the Vendor shall execute (where applicable) and deliver to the Purchaser or the Purchaser's Solicitors the following:

- (a) the Receiver's Certificate in the form appended as Schedule "A" to the Approval and Vesting Order;
- (b) the Approval and Vesting Order;
- (c) an Application to register the Approval and Vesting Order and Receiver's Certificate on the Lands;
- (d) a bill of sale to convey, assign and transfer the Chattels (if any), Plans, Reports and Specifications and rights to assume any tax appeals;
- (e) the Assignment of Contracts and Warranties, if applicable;
- (f) the certificate with respect to the Vendor's representations and warranties referred to in Section 4.1;
- (g) a certificate of an officer of the Vendor confirming that neither the Vendor is not a "non-resident" of Canada within the meaning of *Income Tax Act* (Canada);
- (h) the Statement of Adjustments, which the Vendor shall deliver to the Purchaser at least two (2) Business Days prior to the Closing Date with all back-up calculations;
- (i) all master keys (and duplicate keys, if any), together with all combinations as may be applicable, for all locks in the Building which are in the Vendor's possession or in the possession of its property manager, if any;
- (j) a direction directing payment of the balance of the Purchase Price; and
- (k) any other documents required by this Agreement.

3.3 Purchaser's Closing Deliveries

On the Closing Date, the Purchaser shall execute (where applicable) and deliver to the Vendor or the Vendor's Solicitors the following:

- (a) payment of the balance of the Purchase Price in accordance with Article 2;
- (b) the Assignment of Contracts and Warranties, if applicable;

- (c) if applicable, a direction to Vendor with respect to the transfer of title to any of the Purchased Assets;
- (d) the certificate with respect to the Purchaser's representations and warranties referred to in Section 4.2;
- (e) the HST certificate and indemnity referred to in Section 3.4;
- (f) an acknowledgement of the Purchaser with respect to the matters set out in Section 2.2; and
- (g) any other documents required by this Agreement.

3.4 HST

With respect to harmonized sales tax ("**HST**") payable by the Purchaser pursuant to the Excise Tax Act (Canada) (the "**Act**"), the parties covenant and agree that, if on Closing, the Purchaser shall be a registrant for purposes of the Act, then, to the extent provided under the Act:

- (a) the Vendor shall not collect HST from the Purchaser in respect of the Transaction and the Purchaser shall file returns and remit such HST to the applicable Authorities, when and to the extent required by the Act;
- (b) the Purchaser shall indemnify the Vendor and hold the Vendor harmless from any liability under the Act arising because of breach of the obligations of the Purchaser set out in this Section 3.4 or arising under the Act, together with all losses, costs and expenses resulting from such breach; and
- (c) the Purchaser shall provide a certificate and indemnity in the form set out in Schedule G on Closing confirming its HST registration number under the Act,

failing which, the Purchaser shall pay to the Vendor on Closing the HST payable by the Purchaser with respect to the Transaction and the Vendor shall remit such HST to the applicable Authorities in accordance with the Act. The obligations of the Purchaser and the Vendor under this Section 3.4 shall not merge on, and shall survive, Closing.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Vendor

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying upon such representations and warranties in entering into this Agreement:

- (a) The Vendor has been appointed Receiver of the Company pursuant to the Appointment Order.
- (b) The Vendor has done no act to dispose of or encumber any of the Purchased Assets.
- (c) The Vendor is not a non-resident person of Canada within the meaning of the *Income Tax Act* (Canada).

- (d) The Vendor: (i) has duly executed this Agreement and (ii) has, or will have after obtaining the Approval Order and the Vesting Order, all necessary power, authority and capacity to enter into this Agreement and the Closing Documents to which it is a party and to carry out its obligations under this Agreement and the Closing Documents to which it is or will be party to in connection with the Transaction and to perform its obligations hereunder and thereunder.
- (e) There are no outstanding options, agreements of purchase and sale or other agreements or commitments obligating the Vendor to sell any of the Purchased Assets other than this Agreement;
- (f) This Agreement has been, and each Closing Document to which the Vendor is a party will on Closing be, duly executed and delivered by the Vendor, and this Agreement constitutes, and each Closing Document to which the Vendor is a party will, on Closing, constitute, a valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms.

4.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying upon such representations and warranties in entering into this Agreement:

- (a) The Purchaser is a corporation duly incorporated, organized, and validly existing under the laws of its jurisdiction of incorporation. No proceedings have been taken or authorized by the Purchaser or, to the best of the Purchaser's knowledge, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Purchaser.
- (b) The Purchaser has all necessary power and capacity to execute and deliver, and to observe and perform its covenants and obligations under, this Agreement and the Closing Documents to which it is a party. The Purchaser has taken all corporate action necessary to authorize the execution and delivery of, and the observance and performance of, its covenants and obligations under this Agreement and the Closing Documents to which it is or shall be a party.
- (c) This Agreement has been, and each Closing Document to which the Purchaser is a party will on Closing be, duly executed and delivered by the Purchaser, and this Agreement constitutes, and each Closing Document to which the Purchaser is a party will, on Closing, constitute, a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms.
- (d) The Purchaser is not a non-Canadian within the meaning of the *Investment Canada Act* (Canada).
- (e) The Purchaser is an HST registrant under the Excise Tax Act (Canada).
- (f) Neither the execution and delivery of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under the constating documents or by-laws of the Purchaser or any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound

4.3 Interpretation

Each representation and warranty made by a Party in this Agreement shall be treated as a separate representation and warranty in respect of each statement made and the interpretation of any statement made shall not be restricted by reference to, or inference from, any other statement made in a representation and warranty of such Party.

4.4 Commission

Each Party represents and warrants to each other Party that no other Party will be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated hereby because of any action taken by, or agreement or understanding reached by, that Party.

4.5 Survival Provisions

All representations, warranties, statements, covenants and agreements made by the Purchaser in this Agreement or any Closing Document shall survive the Closing indefinitely.

ARTICLE 5 EMPLOYEES

5.1 Employee Matters

- (a) The Vendor has made available to the Purchaser a schedule of all Employees (without reference to names), together with, their positions and material terms of employment including wages/salary, incentive compensation, service date, benefits and vacation entitlement and accrual. The Vendor will inform the Purchaser on a periodic basis, or as requested, of any changes to the Employees (other than Excluded Employees).
- (b) The Purchaser and the Vendor agree that Purchaser shall not be assuming any of the Employees, and the Vendor and/or the Company shall be responsible and liable for any liabilities or obligations associated with the Employees prior to the Closing Date, including without limitation but not limited to, any required notice of termination, termination or severance pay (required under Applicable Law or under any Contract), employment insurance, workplace safety and insurance/workers' compensation, Canada Pension Plan, salary or wages, vacation pay, overtime pay, payroll or employer health Taxes, commissions or vacation entitlements and accruals. shall remain the obligati and liability of the Vendor or the Company, including any obligations for termination pay, severance pay, accrued vacation or other entiltements pursuant to thethe Employment Standards Act, 2000 (Ontario) or otherwise at law..

ARTICLE 6 CONDITIONS PRECEDENT

6.1 Conditions of Closing

Either the Purchaser or the Vendor shall be obliged to complete the Closing only if each of the conditions precedent set out below in Section 6.1(a) through Section 6.1(e) inclusive, has been satisfied in full at or before the Closing Time.

(a) **Accuracy of Representations and Performance of Covenants**

At the Closing Time, all of the representations and warranties of each of the Purchaser and the Vendor made in or pursuant to this Agreement shall be true and correct as if made at and as of the Closing Time (regardless of the date as of which the information in this Agreement or in any schedule or other document made pursuant hereto is given) except as such representations or warranties may be affected by the appeal of any Court Order referred to herein. At the Closing Time, each of the Purchaser and the Vendor shall have observed or performed in all respects all of the obligations, covenants and agreements which it must perform at or before the Closing Time. Each of the Purchaser and the Vendor shall have received immediately prior to the Closing Time a certificate from the other certifying, to the best of its knowledge, information and belief (after due enquiry) that the conditions in this Section 6.1 to be satisfied by it have been satisfied.

(b) **Consents, Authorizations and Registrations**

All consents, approvals, Orders and authorizations of any Person or Governmental Authority (or registrations, declarations, filings or recordings with any of them), required for the Closing (other than routine post-closing notifications or filings), shall have been obtained or made on or before the Closing Time.

(c) **Litigation**

No Order shall have been entered that prohibits or restricts the Closing. Neither of the Parties, nor any of their respective directors, officers, employees, or agents, shall be a defendant or third party to or threatened with any litigation or proceedings, before any court or Governmental Authority which, in the opinion of either the Purchaser or the Vendor, acting reasonably, could prevent or restrict that Party from performing any of its obligations in this Agreement or any Closing Document, including the appeal or any threatened appeal of the Approval and Vesting Order.

(d) **Receipt of Closing Documentation**

All documentation relating to the sale and purchase of the Purchased Assets and such other Closing Documents relating to the due authorization and completion of the sale and purchase and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Purchaser and the Vendor of their obligations under this Agreement shall be satisfactory to each of the Purchaser, the Vendor and their respective counsel, as applicable. Each of the Purchaser and the Vendor shall have received copies of the Closing Documents and all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated hereby and the taking of all corporate proceedings in connection therewith in form (as to certification and otherwise) and substance satisfactory to each of the Purchaser, the Vendor and their respective counsel.

(e) **Orders**

The Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect of the Vesting and Approval Order.

6.2 Waiver

Any Party may waive, by notice to the other Parties, any condition set forth in this Article 6 which is for its benefit. No waiver by a Party or any condition, in whole or in part, shall operate as a waiver of any other condition.

6.3 Failure to Satisfy Conditions

If any condition set forth in Section 6.1 is not satisfied at the Closing Time, or if it becomes apparent that any such condition can not be satisfied at the Closing Time, the Party entitled to the benefit of such condition (the "**First Party**") may terminate this Agreement by notice in writing to the other Party and in such event, unless the other Party can show that the condition or conditions which have not been satisfied and for which the First Party has terminated this Agreement are reasonably capable of being performed or caused to be performed by the First Party or have not been satisfied by reason of a default by the First Party hereunder, the Parties shall be released from all obligations hereunder.

6.4 Treatment of Project Documents

If, for any reason, the Transaction is not completed, the Purchaser shall, forthwith upon request, return to the Vendor or destroy all of the Project Documents and any other files and information made available to the Purchaser, other than electronic files which the Purchaser agrees to keep confidential.

ARTICLE 7 GENERAL

7.1 Non-Disclosure of Transaction

In accordance with the Confidentiality Agreement, the Purchaser agrees that (without the express written consent of the Vendor) it will not, and will cause its officers, directors, employees, representatives and advisors not to, disclose or permit to be disclosed to any Person, any information relating to the Purchase Price or any of the other terms of this Agreement, other than to the equity holders of the Purchaser and Persons solicited by the Purchaser to provide financing in connection with the Transaction (and the Purchaser shall ensure, for the benefit of the Vendor, that such parties shall treat all such information in the strictest confidence and the Purchaser shall indemnify the Vendor in that regard).

7.2 Risk of Loss

Up to the time of the Closing, the Purchased Assets shall be and remain at the risk of the Vendor, and shall thereafter be at the Purchaser's risk. Pending Closing, the Vendor will hold all insurance policies and any proceeds derived therefrom and related to the Purchased Assets in trust for the parties as their respective interests may appear and, in the event of loss or damage to the Purchased Real Property occurring before such time by reason of fire, tempest, lightning, earthquake, flood or other act of God, explosion, riot, civil commotion, insurrection, war or otherwise howsoever, the amount of such insurance proceeds paid or payable to the Vendor with respect thereto shall be applied in reduction of the Purchase Price and the transfer of the Purchased Real Property to the Purchaser shall proceed in the manner described herein and without any reduction or adjustment to the Purchase Price or any other change in terms of this Agreement.

7.3 Records

The Purchaser agrees to maintain the Records for a period of at least seven (7) years following the Closing and shall provide access to the Vendor to such records, as the Vendor may reasonably require to complete its administration of the receivership of the Company.

7.4 Expenses

Each Party shall pay all expenses it incurs in authorizing, preparing, executing and performing any aspect of the Transaction contemplated by this Agreement, whether or not the Closing occurs, including all fees and expenses of its legal counsel, bankers, investment bankers, brokers, accountants or other representatives or consultants.

7.5 Time

Time is of the essence of each provision of this Agreement.

7.6 Planning Act

This Agreement is subject to compliance with the subdivision control provision of the *Planning Act* (Ontario), and this Agreement shall be effective to create an interest in the Purchased Real Property only if such provisions are complied with on or prior to the Closing Date.

7.7 Solicitors as Agents

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

7.8 Electronic Registration

The Vendor and the Purchaser covenant and agree to cause their respective solicitors to enter into a document registration agreement substantially in the form adopted by the Joint LSUC-CBAO Committee on Electronic Registration of Title Documents on March 29, 2004 or any successor version thereto, as the same may be amended by the agreement of both the Vendor's Solicitors and the Purchaser's Solicitors (the "**DRA**"), together with the requirement that the registering solicitor shall be obliged to provide the non-registering solicitor with evidence of the completion of registrations of electronic documents in the electronic registration system (the "**System**") upon the registration of the electronic documents promptly upon completion thereof. It is understood and agreed that the DRA shall outline or establish the procedures and timing for completing the Transaction, and shall be executed by both the Vendor's Solicitors and the Purchaser's Solicitors and exchanged between such solicitors (such that each solicitor has a copy of the DRA duly executed by both solicitors) by no later than one Business Day before the Closing Date. The delivery and exchange of the Closing Documents and funds, and the release thereof to the Vendor and the Purchaser, as the case may be, shall be governed by the DRA, pursuant to which the solicitor receiving any Closing Documents and/or funds will be required to hold them in escrow and will not be entitled to release them except in strict accordance with the provisions of the DRA.

7.9 Tender of Documents

Any tender of documents and money pursuant to this Agreement may be made on the Vendor or on the Purchaser or their respective solicitors, and money may be tendered by wire transfer. Notwithstanding the foregoing sentence, as the System is operative and mandatory for the Purchased Assets, 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 (the “**Tendering Party**”) upon the other party (the “**Other Party**”) when the Tendering Party’s solicitor has: (i) delivered electronically executed copies of all Closing Documents, keys, if any, and funds, if any, to the Other Party’s solicitor in accordance with the provisions of this Agreement and the DRA; (ii) advised the Other Party’s solicitor, 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 (iii) completed all steps required by the System in order to complete the Transaction that can be performed or undertaken by the Tendering Party’s solicitor without the co-operation or participation of the Other Party’s solicitor, including electronically signing the Transfer for completeness but not for release until all deliveries required hereunder have been delivered in accordance with the terms hereof) all without the necessity of personally attending upon the Other Party or the Other Party’s solicitor with the aforementioned documents and without any requirement to have an independent witness evidence the foregoing.

7.10 Notices

Any notice, demand or other communication (in this Section, a “notice”) required or permitted to be given or made hereunder shall be given in writing and addressed as follows:

(a) In the case of a notice to the Vendor, addressed to it at:

BDO Canada Limited, in its capacity as the Court appointed Receiver of
all of the property and assets of 2673422 Ontario Inc.
51 Breithaupt Street, Suite 300
Kitchener, ON N2H 5G5

Attention: Robyn Duwyn
Email: rduwyn@bdo.ca
Tel.: (519) 578-6910
Fax: (519) 439-4351

and with a further copy to the Vendor’s Solicitors at:

Harrison Pensa LLP
Barristers & Solicitors
Suite 1101
130 Dufferin Avenue
London, ON N6A 5R2

Attention: Tim Hogan
Tel.: (519) 661-6743
Email: thogan@harrisonpensa.com

(b) In the case of the Purchaser:

Kashmina Inc.

Attention: Kashif Maredia.
Tel.: 647-267-6980.
Email: kmaredia14@gmail.com.

Bridlepath Capital Corporation

Attention: Shafiq Punjani
Tel: 416-871-7861
Email: spunjani@bridlepathproperties.com

and with a further copy to the Purchaser's Solicitors at:

Baldwin Law Professional Corporaton.

Attention: Gregory R. M. Parker _____.
Tel: 613-771-9991 _____.
Email: gparker@baldwinlaw.ca _____.

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by email with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

7.11 Public Announcements / Confidentiality of Agreement

Before the Closing Date, no Party shall make any public statement or issue any press release concerning the transactions contemplated by this Agreement except as may be necessary, in the opinion of counsel to the Party making such disclosure, to comply with the requirements of all Applicable Law or in connection with the obtaining of Orders necessary for the performance of this Agreement. If any such public statement or release is so required, the Party making such disclosure shall consult with the other Parties prior to making such statement or release, and the Parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such statement or release which is satisfactory to all Parties. This Section 7.11 shall not apply to the report to be made by the Vendor to the Court in connection with seeking the Approval and Vesting Order. The Parties expressly acknowledge and agree that the Vendor shall seek a Sealing Order from the Court with respect to this Agreement and the Purchase Price such that certain of the terms of this Agreement shall not become public until after Closing has been fully contemplated.

7.12 Assignment

- (a) The Purchaser may not assign any or all rights or benefits under this Agreement to any Person without the Vendor's written consent;
- (b) Except as provided in Section 7.12(a), no assignment of benefits or arrangement for substituted performance by one Party shall be of any effect.
- (c) This Agreement shall ensure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation or statutory arrangement of any Party) and permitted assigns.

7.13 Further Assurances

Each Party shall do such acts and shall execute such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other Party may in writing at any time and from time to time reasonably request be done and or executed, in order to give full effect to the provisions of this Agreement and each Closing Document.

7.14 Remedies Cumulative

The rights and remedies of the Parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any Party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect or prejudice any other right or remedy to which such Party may be lawfully entitled for the same default or breach.

7.15 Counterparts

This Agreement may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original. All executed counterparts taken together shall constitute one agreement.

7.16 Irrevocable Offer

This Agreement shall constitute an irrevocable offer to purchase by the Purchaser which will be open for acceptance by the Vendor until 5:00 p.m. (Eastern Time) on the 7th _____ day of _____ March _____, 2025. If this Agreement has not been fully accepted in accordance with its terms by 5:00 p.m. (Eastern Time) on the 7th _____ day of _____ March _____, 2025, such offer shall be null and void and the Purchaser shall have no obligation to the Vendor and vice versa.

IN WITNESS WHEREOF this Agreement has been executed by the Purchaser on the 10th day of March, 2025

Kashmina Inc.

Per: *Kashif Maredia*

Name: Kashif Maredia

Title: Director

Title 2

I have the authority to bind the corporation

Bridlepath Capital Corporation

Per: 

Name: Shafiq Punjani

Title: Director

I have the authority to bind the corporation

IN WITNESS WHEREOF this Agreement has been executed by BDO CANADA LIMITED, solely in its capacity as court-appointed Receiver of all of the property and assets of 2673422 ONTARIO INC. and not in any other capacity and with no personal or corporate liability on the 10 day of March, 2025.

BDO CANADA LIMITED, solely in its capacity as court-appointed Receiver of all of the property and assets of 2673422 ONTARIO INC. and not in any other capacity and with no personal or corporate liability

Per:



Name: Robyn Duwyn
Title: Senior Vice President

I/We have the authority to bind the corporation

hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Sheard dated August 13, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of {INSERT DETAILS} of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.
4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and

remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtors' past and current employees, including personal information of those Assumed Employees, if any, as defined in the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.
7. THIS COURT ORDERS that, notwithstanding:
 - a. the pendency of these proceedings;
 - b. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
 - c. any assignment in bankruptcy made in respect of the Debtors;
8. THIS COURT ORDERS that the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
9. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the

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

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

Justice, Ontario Superior Court of Justice - Commercial List

Schedule A – Form of Receiver’s Certificate

Court File No. CV-24-00086270-0000

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

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Sheard of the Ontario Superior Court of Justice (the "Court") dated August 13, 2024, BDO Canada Limited was appointed as the receiver (the "Receiver") of the undertaking, property, and assets of 2673422 Ontario Inc. ("Debtor").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE] (the "Sale Agreement") between the Receiver, solely in its capacity as court-appointed receiver of all of the property and assets of 2673422 Ontario Inc. and [NAME] (the "Purchaser"), and provided for the vesting in the Purchaser of the Debtors' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

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

2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

BDO CANADA LIMITED, solely in its capacity as Receiver of the undertaking, property and assets of 2673422 Ontario Inc. and not in its personal capacity

Per: _____
Name:
Title:

SCHEDULE B
PERMITTED ENCUMBRANCES

Specific:

1. None

General:

1. Any undetermined or inchoate liens and charges incidental to the Purchased Assets.
2. The reservations, limitations, provisos, conditions, restrictions, and exceptions expressed in the letters patent or grant from the Crown and all statutory exceptions to title;
3. The provisions of governing municipal by-laws;
4. Municipal taxes, liens, charges, including hydro and water charges, rates and assessments accruing from day to day and not yet due and payable;
5. Any defects or minor encroachments which might be revealed by an up-to-date survey of the Lands;
6. Any right of expropriation conferred upon, reserved to, or vesting in His Majesty the King in Right of Canada and Ontario;
7. Any registered restrictions or covenants that run with the Lands provided that same have been complied with in all material respects;
8. Any easements, rights of way or right of re-entry in favour of a developer, not materially or adversely impairing the present use of the Purchased Assets;
9. Any agreements with municipal, utilities or public authorities provided that same have been complied with in all material respects;

SCHEDULE C

LEGAL DESCRIPTION OF PURCHASED REAL PROPERTY

LTS 1, 2 & 3, PL 46; HAMILTON being all of PIN 17199-0020 (LT)

SCHEDULE D

FORM OF ASSIGNMENT AND ASSUMPTION OF CONTRACTS AND WARRANTIES

ASSIGNMENT AND ASSUMPTION OF CONTRACTS AND WARRANTIES

THIS ASSIGNMENT made as of this ● day of ●, 2025 (the "Effective Date").

BETWEEN:

BDO CANADA LIMITED., solely in its capacity as court-appointed Receiver of all of the property and assets of 2673422 ONTARIO INC. and not in any other capacity and with no personal or corporate liability (the "Assignor")

- and -

●

(the "Assignee")

WHEREAS:

A. Pursuant to a purchase and sale agreement made as of the ● day of ●, 2025 (the "Purchase Agreement"), the Assignor, as vendor, agreed to sell and the Assignee, as purchaser, agreed to purchase, *inter alia*, the lands and premises legally described in Schedule "A" hereto (collectively, the "Property") on the terms and subject to the conditions set out therein.

B. The Purchase Agreement provides for the execution and delivery of this assignment of the Contracts described in Schedule "B" hereto.

NOW THEREFORE in consideration of the sum of \$10.00, the mutual covenants and agreements hereinafter contained and contained in the Purchase Agreement, and other good and valuable consideration now paid by each party to the others, the receipt and sufficiency of which consideration is hereby acknowledged, the parties covenant and agree as follows:

1. Definitions

All capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Purchase Agreement.

2. Assignment of Contracts

Effective as of the Effective Date, the Assignor hereby absolutely and unconditionally assigns, transfers and sets over unto the Assignee all of the Assignor's right, title and interest in and to the Contracts and Warranties, and all rights, benefits and advantages accruing to the Assignor thereunder or arising therefrom, to have and to hold the same absolutely.

3. Assumption by Purchaser

The Assignee hereby accepts the assignment and transfer contained in Section 2 hereof, and hereby agrees with the Assignor that from and after the Effective Date, it will assume, observe, perform, fulfill and be bound by each and every covenant, proviso, obligation, term and condition of the Assignor that is contained in the Contracts and Warranties, save and except with respect to matters pertaining to any period prior to the Effective Date.

4. Indemnity

The Purchaser shall indemnify and save the Vendor harmless with respect to any claims arising pursuant to or in connection with the Contracts and Warranties from and after the Effective Date.

5. Notices

Any notice, request, consent, acceptance, waiver or other communication required or permitted to be given under this Assignment shall be given in accordance with the notice provisions in the Purchase Agreement.

6. Further Assurances

Each of the parties hereto shall, at the expense of the requesting party, execute and deliver such additional documents and instruments and shall perform such additional acts as may be reasonably necessary or appropriate in connection with this Assignment and all transactions contemplated by this Assignment to effectuate, carry out and perform all of the covenants, obligations, and agreements contained herein.

7. Successors and Assigns

The provisions of this Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

8. Counterparts

This Assignment may be executed in any number of counterparts and all such counterparts shall, for all purposes, constitute one agreement binding on all the parties hereto notwithstanding that all parties are not signatories to the same counterpart, provided that each party has signed at least one counterpart.

9. Facsimile Signatures

This Assignment may be executed and delivered by facsimile or electronic transmission and the parties hereto may rely upon all such facsimile or electronic signatures as though such facsimile or electronic signatures were original signatures.

10. Governing Law

This Assignment shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

[Remainder of page intentionally left blank]

DATED as of the Effective Date.

[COMPANY NAME]

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the corporation

BDO CANADA LIMITED, solely in its capacity as court-appointed Receiver of all of the property and assets of 2673422 ONTARIO INC. and not in any other capacity and with no personal or corporate liability

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the corporation

SCHEDULE E

ASSUMED CONTRACTS

None

SCHEDULE F

HST CERTIFICATE AND INDEMNITY

HST CERTIFICATE, UNDERTAKING AND INDEMNITY

TO: BDO CANADA LIMITED, solely in its capacity as court-appointed Receiver of all of the property and assets of 2673422 ONTARIO INC. and not in any other capacity and with no personal or corporate liability (the "**Vendor**")

FROM: Kashmina Inc. and Bridlepath Capital Corporation (collectively the "**Purchaser**")

RE: Agreement of Purchase and Sale made as of the ● day of ●, 2025 (the "**Purchase Agreement**"), made between the Vendor and the Purchaser, with respect to the property legally described in Schedule "A" attached hereto (the "**Property**")

IN CONSIDERATION of the closing of the above transaction and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby certifies and agrees that:

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

The undersigned acknowledges and agrees that the foregoing shall survive and not merge upon closing of the above-noted transaction.

This HST Certificate, Undertaking and Indemnity may be executed and delivered by electronic transmission or .PDF instead of delivering a signed original and the parties hereto may rely upon such electronic signatures, or .PDF as though it was an original signature.

[Remainder of page intentionally left blank; signature page follows]

DATED this ● day of ●, 2025.

●

Per:

Name:

Title:

Per:

Name:

Title:

I/We have authority to bind the Corporation.

SCHEDULE G
EQUIPMENT LEASES

None

SCHEDULE H
FIXED ASSETS

SCHEDULE I
INTELLECTUAL PROPERTY

None

APPENDIX D

2673422 Ontario Inc.
Statement of Receipts and Disbursements
August 13, 2024 to February 28, 2025

Receipts

MCCCU Advance (Receiver's Certificate #1)	20,000.00	
Interest earned	<u>21.26</u>	
		\$ 20,021.26

Disbursements

Appraisal and Environmental Consulting fees	17,650.00	
HST paid on disbursements	2,294.50	
		<u>19,944.50</u>

Excess of receipts over disbursements

76.76

Represented by:

Funds held by Receiver

Balance in Receiver's account as at February 28, 2025		<u><u>\$ 76.76</u></u>
---	--	------------------------

APPENDIX E

**ONTARIO SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE RECEIVERSHIP OF
2673422 ONTARIO INC**

AFFIDAVIT OF ROBYN DUWYN

I, **Robyn Duwyn**, of the City of Burlington, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Senior Vice-President of BDO Canada Limited (“BDO”), the Receiver 2673422 Ontario Inc (the “Company”) and as such, I have knowledge of the matters hereinafter deposed to.
2. By Order dated August 13, 2024. BDO Canada Limited was appointed as Receiver of the Company (the “Receiver”).
3. Since appointment, the Receiver has been engaged in the following:
 - Send the Receiver’s 245 and 246 notice;
 - Complete site visits and monitoring the Debtor to ensure continued operation of the business;
 - All required banking;
 - Obtain two appraisals of the Real Property;
 - Obtain three listing proposals from licensed real estate brokers;
 - Have groundwater sampling and environmental assessment of the Real Property completed;
 - Establish a sale process for the Real Property;
 - Prepare First Report to Court of the Receiver and the Confidential Supplement for approval of the sales process;
 - Implement the sales process for the real property;
 - Advertising the Receivers Sales Process on the MLS, online and email;

- Establish electronic data room for the sale process, compile and upload numerous documents for prospective purchasers;
 - Telephone calls and electronic mail with prospective purchasers to provide Confidentiality and Non-Disclosure Agreement, set-up data room access;
 - Complete property tours;
 - Review offer received for the Real Property and negotiate with successful bidder;
 - Continue oversight of operations;
 - All negotiations with the Debtor, debtors legal counsel and representative regarding the sales process and potential refinancing;
 - Communication with the principals of the Company Re: updates, potential refinancing and prepare multiple payout statements; and,
 - Prepare Second Report to Court of the Receiver and the Confidential Supplement.
4. In the course of performing the duties pursuant to the Appointment Order and as set out above at paragraph 5, the Receiver's staff expended 146.7 hours for the period of August 13, 2024 to April 23, 2025. Attached hereto and marked as Exhibit "A" to this my Affidavit is the account of the Receiver together with a summary sheet.
5. To the best of my knowledge, the rates charged by the Receiver throughout the course of these proceedings are comparable to the rates charged by other insolvency practitioners in the Ontario mid-market for providing similar insolvency and restructuring services.
6. The hourly billing rates outlined in Exhibit "A" to this my Affidavit are not more than the normal hourly rates charged by BDO Canada Limited for services rendered in relation to similar proceedings.
7. I verily believe that the fees and disbursements incurred by the Receiver are fair and reasonable in the circumstances.

8. This Affidavit is sworn in support of the motion for approval of the Receiver's fees and disbursements and for no other or improper purposes.

SWORN BEFORE ME at the City of
London in the Province of Ontario
on the 24th day of April, 2025



Commissioner for Taking Affidavits

Maxine Beverly Finnegan, a Commissioner, etc.,
Province of Ontario, for BDO Canada Limited and BDO Canada LLP.
Expires May 14, 2027



ROBYN DUWYN, CPA, CA, CIRP
Licensed Insolvency Trustee

Attached is Exhibit A
To the Affidavit of Robyn Duwyn
Sworn the 24th day of April, 2025

A handwritten signature in blue ink that reads "M. Finnegan". The signature is written in a cursive style with a large, looped 'M' and a long, sweeping tail.

A Commissioner, Etc

Maxine Beverly Finnegan, a Commissioner, etc.,
Province of Ontario, for BDO Canada Limited and BDO Canada LLP.
Expires May 14, 2027



Tel: 519 660 6540
 Fax: 519 439 4351
 www.bdo.ca

BDO Canada Limited
 100-633 Colborne Street
 London, ON N6B 2V3 Canada

"A"

INVOICE

2673422 Ontario Inc.
c/o BDO Canada Limited
100-633 Colborne Street
London, ON N6B 2V3

Date

April 23, 2025

Invoice No.

CINV

Re: 2673422 Ontario Inc. - Receivership

FOR PROFESSIONAL SERVICES RENDERED in connection with our engagement as Court Appointed Receiver for the above noted entity for the period August 13, 2024 to April 23, 2025 as per the details below.

Our Fee:	\$ 69,324.50
HST - 13% (#R101518124)	9,012.19
Total Due	\$78,336.69

Summary of Time Charges	Hours	Rate	Amount
R. Duwyn, Sr. Vice President	91.8	495.00	\$ 45,441.00
D. Flett, Vice President	50.6	450.00	22,770.00
G. Harper, Sr. Analyst	0.6	335.00	201.00
D. Pulsone, Analyst	1.6	275.00	440.00
M. Finnegan, Administrative	2.1	225.00	472.50
Total	146.7		\$ 69,324.50

Staff	Date	Comments	Hours
R. Duwyn	27-Jun-24	Review draft affidavit, order and motion material.	0.5
R. Duwyn	10-Jul-24	Service list review and edit.	0.2
R. Duwyn	31-Jul-24	Review motion material.	0.5
R. Duwyn	8-Aug-24	Review material, planning call with MCCCUC and Counsel. Email to BDO Counsel.	0.7
D. Flett	08-Aug-24	Review application record materials and call with MCCU and legal counsel.	1.0
R. Duwyn	12-Aug-24	Review documents, planning with staff for first day.	1.5
R. Duwyn	13-Aug-24	Court hearing for appointment. First day activities, checklists, discuss staffing. Site visit to review property.	2.3
D. Flett	13-Aug-24	Court hearing and emails with R. Duwyn re order, engagement, initial plan; call and emails re extranet site, internal checklists.	0.8
R. Duwyn	14-Aug-24	Email from BDO counsel. Draft info request list for debtor. Email to debtor. Online review of hotel property.	0.7
D. Flett	14-Aug-24	Review documents on file and complete internal checklists - receivership, knowledge of business; R. Duwyn, P Patel emails re engagement	1.5
D. Flett	15-Aug-24	Call with P. Patel, R. Duwyn re receiver appointment, business operations, banking, insurance, other matters; follow-up call with R. Duwyn; review corporation profile, application record and summary memo to R. Duwyn re shareholders and directors; prepare receiver's s. 245/246 notice.	1.8
R. Duwyn	15-Aug-24	Email from MCCCUC counsel. Call with Mr. Patel, update to MCCCUC. Schedule site visit. Review and summarize insurance policy, email to debtor on same. Review FS. Email to BDO counsel. Review draft 245 notice.	2.1
R. Duwyn	16-Aug-24	Obtain and review draft order. Send to counsel.	0.3
R. Duwyn	19-Aug-24	Review appraisal and environmental reports. Email to counsel. Call from Mr. Patel on meeting, call with staff on same.	1.2
.R. Duwyn	20-Aug-24	Quotes for Phase II and groundwater well monitoring from two companies. Calls and emails on same. Attend on site for tour. Emails with BDO counsel. Email to Director Re: meeting and financial information. Update to MCCCUC.	2.8
G. Harper	20-Aug-24	Prepare/attend site with R. Duwyn.	0.6
R. Duwyn	21-Aug-24	Call with legal counsel. Review revised insurance documents. Complete and send receiver 245 notice.	0.9
M. Finnegan	21-Aug-24	Faxed 245 Notice & Order to OSB.	0.3
R. Duwyn	22-Aug-24	Update to staff on status and next steps. File review, draft and send update to counsel.	1.5
M. Finnegan	22-Aug-24	Sent 245 Notice & Appt Order to CRA intake centre.	0.2
R. Duwyn	23-Aug-24	Email with Pravin. Comments form BDO counsel, email update to MCCCUC. Emails with enviro consultants.	0.5

Staff	Date	Comments	Hours
D. Flett	26-Aug-24	Brief call with R. Duwyn re status and review summary email to MCCCUC.	0.2
R. Duwyn	3-Sep-24	Email with Debtor.	0.2
R. Duwyn	4-Sep-24	Draft and send email to MCCCUC. Email with Director.	0.4
D. Flett	4-Sep-24	R. Duwyn, S. Schincariol emails re status.	0.1
R. Duwyn	6-Sep-24	Email to and from Patel Re: refinancing.	0.3
R. Duwyn	9-Sep-24	Emails to listing agents on listing proposals. Follow up call with same. Email to appraisers for quotes.	1.7
R. Duwyn	10-Sep-24	Call with Mr. Patel on payout. Update with staff. Emails with listing brokers.	0.5
R. Duwyn	11-Sep-24	Email with appraisers and listing agents.	0.4
R. Duwyn	12-Sep-24	Emails on appraisals and listing proposals. Email to third appraiser for quote.	0.5
R. Duwyn	13-Sep-24	Emails on appraisals and enviro work, proceed with work. Call with Metrix on appraisal. Review and sign appraisal agreement.	0.7
R. Duwyn	16-Sep-24	Schedule site visits. Email from Mr. Patel, respond. Email form MCCCUC counsel and respond.	0.7
R. Duwyn	17-Sep-24	Property showings to two real estate agents. Call and email to Mr. Patel. Email with appraiser. Payment of invoice, additional info to appraiser.	1.5
R. Duwyn	18-Sep-24	Update email to MCCCUC and counsel. Review and sign back EXP contract. Call to CRA. Approve invoice. Call with CRA	1.0
R. Duwyn	19-Sep-24	Call and email with appraiser, send property info. Draft and send letter to accountant.	0.6
R. Duwyn	20-Sep-24	Site visit to check on property. F/u with environmental company and confirm attendance. Call to CRA. Call with Colliers on listing proposal. Setup showing.	0.9
R. Duwyn	23-Sep-24	Enviro company and relator meeting setup.	0.4
R. Duwyn	24-Sep-24	Call and email with insurance company on coverage. Obtain bank account and look to obtain statements. Update call with colliers on property viewing. Call with company counsel, email from same, respond. Call with CRA, update on all accounts.	1.6
R. Duwyn	25-Sep-24	Update to MCCCUC and counsel on status and Company legal counsel. Updates with brokers and appraisers. Check in with enviro company.	0.7
R. Duwyn	26-Sep-24	Call with Avison Young, obtain review and summarize listing proposal.	0.5
R. Duwyn	30-Sep-24	Email with company counsel Re: possible LOI for refinancing. Environmental questionnaire.	0.4
R. Duwyn	1-Oct-24	Listing proposal review.	0.2
D. Flett	2-Oct-24	Brief review of prior environmental reports, complete EXP questionnaire and forward to R. Duwyn; brief review of CBRE listing proposal and update proposal summary / comparison.	1.0

Staff	Date	Comments	Hours
R. Duwyn	2-Oct-24	Review and sign environmental questionnaire. Update with both appraisal company on timing. Book showing.	0.5
R. Duwyn	3-Oct-24	Review colliers listing proposal.	0.4
D. Flett	3-Oct-24	Brief review of Colliers listing proposal and update listing comparison schedule; email with R. Duwyn re list price	0.7
R. Duwyn	4-Oct-24	Update listing proposal chart. Follow up with company counsel. Prepare and send update to MCCCUCU.	0.6
D. Flett	7-Oct-24	Review R. Duwyn summary to MCCCUCU and updated listing proposal summary.	0.1
R. Duwyn	7-Oct-24	Update with staff on status. Bank rec.	0.3
R. Duwyn	8-Oct-24	Emails with company on showing and refinance.	0.4
R. Duwyn	9-Oct-24	Call with Colliers on proposal.	0.2
R. Duwyn	10-Oct-24	Attend on site for tour with Metrix appraisal service. F/u with Antec appraisal.	1.2
R. Duwyn	11-Oct-24	Email with listing broker.	0.1
R. Duwyn	15-Oct-24	Emails with Debtor and counsel. Emails with listing brokers. Update on status of various proposals, ESA, appraisal.	0.5
R. Duwyn	16-Oct-24	Update with counsel.	0.1
R. Duwyn	18-Oct-24	Update with EXP on phase I environmental. Review Antec appraisal, update tracking. Review Phase I ESA and limited Phase II draft.	1.5
R. Duwyn	21-Oct-24	Complete review of appraisal and ESA and email to same. Discuss update to bank with staff. Emails with counsel to debtor on refinance. Calculate balance outstanding.	0.9
D. Flett	21-Oct-24	Review EXP Phase I and groundwater testing report, Antec appraisal, broker listing proposals; Update and prepare summary schedule and draft report to MCCCUCU on appraisal, listing, environmental and borrowing certificate funding request; review J. Halman emails and Secure Lending letter.	2.5
R. Duwyn	23-Oct-24	Emails with appraiser and debtor counsel. Draft update to MCCCUCU and send to counsel.	0.5
D. Flett	23-Oct-24	R. Duwyn, T. Hogan emails re status update; J. Carter of Metrix email	0.2
R. Duwyn	24-Oct-24	Email from counsel, compete and send update to MCCCUCU. Discuss next steps with staff. Receiver certificate	0.7
D. Flett	24-Oct-24	Review R. Duwyn email update to MCCCUCU; call with R. Duwyn re next steps, court report; J. Halman email re financing.	0.2
R. Duwyn	25-Oct-24	Emails with all listing brokers on selection of listing proposal.	0.4
R. Duwyn	28-Oct-24	Discuss report and email with listing agent. Review appraisal from Metrix, discuss listing price with staff.	1.1
D. Flett	28-Oct-24	Review Metrix appraisal and update summary of appraisals and broker opinions of value	0.9

Staff	Date	Comments	Hours
R. Duwyn	29-Oct-24	Discuss report with staff. Email to appraiser on edits to draft. Payments of funds to appraiser and enviro. Obtain final appraisal and pay invoice.	0.6
D. Flett	29-Oct-24	Review Metrix appraisal with R. Duwyn; review application affidavit and start first report of receiver.	1.4
M. Finnegan	29-Oct-24	Post wire payment received. Prepare and pay various supplier invoices.	1.0
D. Flett	30-Oct-24	Continue with first report of receiver; J Halman email re MCCCUC payout.	1.2
R. Duwyn	31-Oct-24	Emails on refinance. Discuss report with staff.	0.5
D. Flett	31-Oct-24	Continue with first report of receiver and finalize draft; email with R. Duwyn re report; review J Halman emails re refinancing	3.7
R. Duwyn	1-Nov-24	Review and edit first report.	1.0
R. Duwyn	3-Nov-24	Update from debtor counsel to confirm funds not received.	0.1
R. Duwyn	4-Nov-24	Update to report, send to counsel.	0.4
D. Flett	4-Nov-24	Review updates and revisions to first report; J. Halman email re refinancing.	0.2
D. Flett	7-Nov-24	Review T. Hogan email, comments and suggested revisions to first report and call with R. Duwyn to discuss sale process; review revised report and comments to R. Duwyn; R. Duwyn emails with Avison Young; brief review of AY listing agreement and forward to T. Hogan with comments; T. Hogan email re listing agreement and review with R. Duwyn;	1.1
R. Duwyn	7-Nov-24	Review report an edit. Send to counsel. Email with hp real estate counsel. Emails and calls on listing agreement.	1.6
R. Duwyn	8-Nov-24	Call with proposed listing agent on Listing agreement. Review draft APS.	0.7
D. Flett	11-Nov-24	Review draft listing agreement, schedule B and review commission structure with R. Duwyn; T. Hogan email	0.3
R. Duwyn	11-Nov-24	Amendments to listing agreement and Sch B. Draft APS. Updates to report. Call with counsel and edits to report and listing agreement.	1.6
R. Duwyn	15-Nov-24	Edits to report and email to counsel.	0.4
R. Duwyn	18-Nov-24	Response from counsel on draft report, edits to same and finalize. Prep appendix. Send all to counsel.	0.6
R. Duwyn	19-Nov-24	Review amended APS and emails with counsel.	0.4
R. Duwyn	21-Nov-24	Review notice of motion, update service list and send to counsel.	0.4
D. Flett	21-Nov-24	Review T. Hogan email, court status, notice of motion and service list with R. Duwyn.	0.2
R. Duwyn	22-Nov-24	Motion record.	0.2
R. Duwyn	25-Nov-24	Update on Court hearing for sale approval.	0.2
R. Duwyn	27-Nov-24	Factum and book of authorities.	0.2

Staff	Date	Comments	Hours
R. Duwyn	28-Nov-24	Contact with CRA on tax filing and email to debtor on same.	0.4
R. Duwyn	29-Nov-24	HST emails. Emails on staff site visit.	0.4
D. Pulsone	29-Nov-24	Site visit prep and attend site to verify if the business is operating or not operating, follow up call with Glenn regarding updates.	1.6
R. Duwyn	3-Dec-24	Confirmation of the Receiver for Motion.	0.1
D. Flett	5-Dec-24	Email with HP re provide confidential appendix A for court report.	0.1
R. Duwyn	10-Dec-24	Prep for and attendance at Court for sale approval. In Court from 10 until 4.	2.8
R. Duwyn	11-Dec-24	Email from Company on HST. Call to CRA on same. Update to MCCCUC.	0.3
M. Finnegan	11-Dec-24	Contact CRA re HST returns filing periods.	0.5
R. Duwyn	16-Dec-24	Follow up on Order and HST returns. Review listing agreement and email with agent. Email to accountant on records, call to same- no answer.	0.5
D. Flett	16-Dec-24	R. Duwyn emails re Order, financing status, Avison Young listing; H Livermore of AY email re listing.	0.2
D. Flett	17-Dec-24	Review AY listing agreement and email with H Livermore re listing price; brief call with R. Duwyn to review; further R. Duwyn and AY emails.	0.3
R. Duwyn	17-Dec-24	Review T2, financial, HST and T4 info received from accountant. Review and sign listing agreement.	0.5
D. Flett	6-Jan-25	Review Metrix appraisal and prepare extract documents for use in AY data room, potential purchasers; review EXP phase I and groundwater reports; H. Livermore emails re information request.	1.1
R. Duwyn	6-Jan-25	Emails with listing agent.	0.3
D. Flett	7-Jan-25	Email with H. Livermore of AY to forward appraisal extracts, environmental reports re AY information request; brief call with R. Duwyn re sale process; email with C Gallagher re property tours; email with H. Livermore re financial statements, HST returns.	0.7
R. Duwyn	7-Jan-25	Discussion with listing agent.	0.2
D. Flett	8-Jan-25	Review company HST returns and forward to C Gallagher of AY with financial statements; further emails with C Gallagher re BDO web site, sale process; review listing approval court order.	0.8
R. Duwyn	8-Jan-25	Emails with agent. Website setup.	0.3
R. Duwyn	9-Jan-25	Setup website.	0.2
R. Duwyn	10-Jan-25	Prepare and send update to MCCCUC., Review marketing material from AY.	0.4
D. Flett	13-Jan-25	Review AY prepared brochure and brief call with R. Duwyn re listing, timing; review disclaimer with R. Duwyn, edits and forward to H. Livermore.	0.4
R. Duwyn	13-Jan-25	Final discussions on listing with staff and AY.	0.4
R. Duwyn	16-Jan-25	Questions with listing agent, review listing. Update to MCCCUC.	0.4

Staff	Date	Comments	Hours
D. Flett	16-Jan-25	C. Gallagher of AY email re financing, review broker sheets.	0.2
R. Duwyn	20-Jan-25	Email with MCCCUCU. Update to and from listing broker. Email with broker on potential offer.	0.4
D. Flett	20-Jan-25	C. Gallagher of AY, R. Duwyn emails re buyer enquiry on financing; further emails re interested party and process	0.2
R. Duwyn	21-Jan-25	Schedule property tour. Call from Mr. Patel re: refinancing of property. Emails with agent on feedback.	0.5
D. Flett	21-Jan-25	C. Gallagher, R. Duwyn emails re tours, buyer enquiries, buyer pre-emptive offer	0.3
R. Duwyn	22-Jan-25	Call on property listing with MCCCUCU.	0.2
R. Duwyn	23-Jan-25	Update on listing, showing and potential payout.	0.5
D. Flett	27-Jan-25	C. Gallagher, H. Livermore emails re tours	0.1
R. Duwyn	27-Jan-25	Books showings, update to MCCCUCU.	0.3
R. Duwyn	28-Jan-25	Property tours. Multiple call with advisor to owner re: refinancing.	2.8
D. Flett	28-Jan-25	Review business license requirements and issue with R. Duwyn; call with R. Duwyn re verbal offer, estimated payout statement; review AY listing agreement, other documents and prepare estimate payout statement; H. Livermore emails re tours.	1.8
R. Duwyn	29-Jan-25	Draft payout. Call with Raj Patel. Attend on site for showing. Email on T2 filing with former owner. Obtain MCCCUCU payout and update on property tours. Further call with R. Patel.	2.7
D. Flett	29-Jan-25	Call with R. Duwyn and R. Kumar re refinancing; review draft payout with R. Duwyn; review MCCCUCU payout, property statement, other documents; revisions and updates to payout statement; R. Duwyn emails re CRA.	1.2
R. Duwyn	30-Jan-25	Call with advisor to company on potential payout.	0.3
R. Duwyn	31-Jan-25	Update with agent. Call with advisor to company on refinancing and timing of payment.	0.4
R. Duwyn	4-Feb-25	Update with Raj Patel on payout. Email update from agent on progress.	0.4
D. Flett	4-Feb-25	C. Gallagher of AY, R. Duwyn emails re showings, call for offers; brief call with R. Duwyn re potential refinancing.	0.3
R. Duwyn	5-Feb-25	Call with agent on tracking report and review. Update calls with company rep on payout. Review bid date notice.	0.6
D. Flett	5-Feb-25	Review C. Gallagher email, listing activity summary; review draft AY call for offers; call with R. Duwyn re refinancing status.	0.3
R. Duwyn	6-Feb-25	Coordinating showing and email to Company. Email to advisor on refinancing.	0.3
D. Flett	6-Feb-25	C. Gallagher, R. Duwyn emails re showings, call for offers; R. Duwyn email re refinancing.	0.2
R. Duwyn	10-Feb-25	Book property tour.	0.2

Staff	Date	Comments	Hours
R. Duwyn	11-Feb-25	Schedule property showing. Email updated on refinancing.	0.3
R. Duwyn	12-Feb-25	Call with consultant on refinance.	0.2
R. Duwyn	13-Feb-25	Schedule tours.	0.2
R. Duwyn	14-Feb-25	Attend on site for 2 showings with potential buyers.	2.1
R. Duwyn	17-Feb-25	Bank rec	0.1
R. Duwyn	18-Feb-25	Call with potential buyer on sales process.	0.6
R. Duwyn	19-Feb-25	Floorplan emails with Broker.	0.2
R. Duwyn	20-Feb-25	Call with agent Re: update. Email to company on showing. Email to advisor on payout.	0.3
R. Duwyn	21-Feb-25	Call with Raj Patel.	0.1
R. Duwyn	25-Feb-25	Call from agent Re: Access, call back and discuss resolution.	0.3
R. Duwyn	26-Feb-25	Update with counsel and MCCCUC.	0.3
D. Flett	26-Feb-25	R. Duwyn, S. Schincariol emails re listing and refinancing status	0.2
R. Duwyn	27-Feb-25	Call from advisor to Company. Update with agent on offers received.	0.6
R. Duwyn	28-Feb-25	Review of all 4 offers. Multiple calls with agent. Prepare and send update to MCCCUC. Call from agent to owner on refinance.	1.5
R. Duwyn	3-Mar-25	Call with Bluevale. Email with agent. Email to MCCCUC. Call with agent. Call from Raj. Email to counsel.	1.0
D. Flett	3-Mar-25	Review summary of offers and brief review of two highest offers received; R. Duwyn, S. Schinariol emails re offers; call with R. Duwyn re revised Bluevale offer and R. Duwyn email to T.Hogan.	0.3
R. Duwyn	4-Mar-25	Emails with counsel. Emails with agent.	0.3
D. Flett	4-Mar-25	R. Duwyn, T. Hogan emails re offers; call with R. Duwyn re revised offer terms, MCCCUC input.	0.3
R. Duwyn	5-Mar-25	Review revised offer and APS from Kashif. Draft update to MCCCUC. Schedule meeting. Review additional offer and revised offer.	0.9
D. Flett	5-Mar-25	Review R. Duwyn Feb 28 offer summary, further C. Hamber of HP and T. Hogan emails, Bluevale and Kashmina offers; C. Livermore email with comments on offerors; prepare summary and comparison of offers email to MCCCUC; call with R. Duwyn to review offers; email with T. Hogan finalize summary memo to MCCCUC and issue; review revised and additional offers, C. Gallagher email comments.	2.1
D. Flett	6-Mar-25	Call with S. Schincariol, T. Serafimovski re review of Bluevale and kashmina offers, court approval and closing process; email with T Hogan re kashmina APS; review C. Hamber of HP comments on APS changes and review with R. Duwyn; R. Duwyn, C Gallagher emails re revisions to Kashmina offer.	1.2
R. Duwyn	6-Mar-25	Call with MCCCUC and counsel on selection of offer. Update draft APS and send to Agent.	0.6
R. Duwyn	7-Mar-25	Update on sign back of offer. Review sign back and send to counsel. Call with agent.	0.5

Staff	Date	Comments	Hours
R. Duwyn	10-Mar-25	Comment form counsel, final review and sign APS. Email to broker.	0.4
D. Flett	10-Mar-25	C Hamber of HP, R. Duwyn emails re Kashmina offer and brief call with R. Duwyn to discuss.	0.2
R. Duwyn	11-Mar-25	Obtain final APS. Setup tour. Update to MCCCUC.	0.4
R. Duwyn	11-Mar-25	Multiple calls with Raj Patel.	0.4
D. Flett	11-Mar-25	R. Duwyn email re Kashmina offer due diligence; brief call with Raj Patel, R. Duwyn re refinancing.	0.1
R. Duwyn	12-Mar-25	Call with buyer to confirm deposit details.	0.2
D. Flett	13-Mar-25	Email with T. Hogan and forward signed APS	0.1
R. Duwyn	13-Mar-25	Calls to and from Raj Patel.	0.3
R. Duwyn	14-Mar-25	Multiple calls from Raj Patel- update on timing. Confirm deposit.	0.4
R. Duwyn	17-Mar-25	Draft second report. Confirm attendance on site.	0.8
R. Duwyn	18-Mar-25	Second report draft. Calls with Raj Patel. Update payout. Call with counsel. Send payout. Update call with MCCCUC. Review analysis of redemption.	1.8
R. Duwyn	18-Mar-25	Attend on site for meeting with buyer for inspection and due diligence.	2.0
R. Duwyn	19-Mar-25	Call with Raj Patel.	0.1
R. Duwyn	20-Mar-25	Update call with agent on potential extension.	0.3
R. Duwyn	21-Mar-25	Emails with purchaser and broker. Email to MCCCUC on extension. Extension of due diligence period.	0.5
R. Duwyn	24-Mar-25	F/u with agent after additional site inspection by purchaser. Draft of report. Execute extension of due diligence period.	0.8
R. Duwyn	26-Mar-25	Email with Debtor counsel.	0.1
D. Flett	26-Mar-25	J. Halman, R. Duwyn emails re financing.	0.1
R. Duwyn	31-Mar-25	Update call with agent on closing. Call with counsel to debtor. Additional calls with broker. Email from buyer and call with MCCCUC.	0.8
D. Flett	31-Mar-25	Call with R. Duwyn to update re sale to Kashmina, court report	0.1
R. Duwyn	1-Apr-25	Update with agent on counter offer. Call with buyer and email with same.	0.4
D. Flett	2-Apr-25	Review agreement of purchase and sale, other documents; prepare Second report of Receiver; call with R. Duwyn re Kashmina sale status	3.3
R. Duwyn	2-Apr-25	Updates with agent.	0.5
R. Duwyn	3-Apr-25	Update on conditions from buyer. Discuss draft report. Emails with exp on reliance letter. Email with purchaser. Multiple calls with agent. Calls with exp. Review amendment to aps.	1.1
D. Flett	3-Apr-25	Continue with Second Report of receiver; calls with R. Duwyn to update on transaction status; review AY prepared offer summary and edits for inclusion in 2nd report supplement	3.5

Staff	Date	Comments	Hours
R. Duwyn	4-Apr-25	Call with EXP on reliance letter. Review COI letter, emails with counsel. Sign amendment.	1.0
M. Finnegan	4-Apr-25	Pay registration fees.	0.1
D. Flett	7-Apr-25	Continue with 2nd report and review HST; start confidential supplement to 2nd report.	1.5
R. Duwyn	7-Apr-25	Emails on report.	0.2
D. Flett	8-Apr-25	Call with R. Duwyn re court report and distribution; R. Duwyn, T. Hogan emails re motion; prepare claims process package and notice; continue Second report of Receiver and Confidential Supplement re 737 King sale.	4.7
D. Duwyn	8-Apr-25	Discuss report. Emails with counsel on excess funds after closing. Update to company on sale process and court.	0.5
D. Duwyn	9-Apr-25	Review of second report, supplement and claims process documents. Send to counsel. Review security opinion. Discuss R&D and appendix	1.6
D. Flett	9-Apr-25	Continue with 2nd report and confidential supplement; review Metrix and Antec appraisals; review price adjustment, legal opinion other issues with RD; finalize drafts and forward to RD; prepare R & D for second report and Antec, Metrix appraisal extracts;	4.3
D. Duwyn	10-Apr-25	Reliance letter. Affidavit for and appendix to report.	0.5
D. Duwyn	10-Apr-25	Interim receiver notice.	0.3
D. Flett	10-Apr-25	Review R & D and notes to draft court report with RD; brief review of Harrison Pensa prepared security opinion.	0.3
D. Duwyn	11-Apr-25	Update to SRD and report. Obtain reliance letter.	0.4
D. Duwyn	14-Apr-25	Update on sale approval date. Email with agent on buyer questions.	0.2
D. Flett	14-Apr-25	Call with R. Duwyn re sale status, R&D presentations; R. Duwyn, T. Masterson email re schedule.	0.2
D. Duwyn	15-Apr-25	Update on status of report and timing.	0.2
D. Duwyn	17-Apr-25	Update with agent on status of closing.	0.2
D. Duwyn	22-Apr-25	Email with agent, setup site visit. Call with agent and further email to director. Call from counsel on report and timing.	0.5
D. Flett	22-Apr-25	Review Harrison Pensa comments and changes to second report and make additional revisions; emails with T. Masterson of Harrison Pensa.	0.8
D. Duwyn	23-Apr-25	Review comments from counsel on report. Review draft notice of motion, ancillary order and Avo.	0.8

APPENDIX F

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent

**AFFIDAVIT OF THOMAS MASTERSON
(Sworn April 23, 2025)**

I, **THOMAS MASTERSON**, of the City of London, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a solicitor qualified to practice law in the Province of Ontario and I am a lawyer with Harrison Pensa ^{LLP}, who acts as counsel for BDO Canada LLP, in its capacity as Court-Appointed Receiver of the Respondent, 2673422 Ontario Inc., in the within proceeding, and as such I have knowledge of the matters to which I hereinafter depose except for those matters based expressly upon information and belief.
2. Attached hereto and marked as **Exhibit "A"** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of August 20, 2024 to December 16, 2024.
3. Attached hereto and marked as **Exhibit "B"** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of August 20, 2024 to December 16, 2024 and an account statement detailing the services provided dated January 7, 2025.

4. Attached hereto and marked as **Exhibit "C"** is a summary of the time incurred by professionals at Harrison Pensa ^{LLP}, the hourly rate and fees associated with such and disbursements in relation with this matter for the period of January 16, 2025 to April 22, 2025.
5. Attached hereto and marked as **Exhibit "D"** are particulars of time spent by professionals at Harrison Pensa ^{LLP} in connection with this matter for the period of January 16, 2025 to April 22, 2025 and an account statement detailing the services provided dated April 23 2025.
6. The hourly billing rates set out in the Exhibits are comparable to the hourly rates charged by Harrison Pensa ^{LLP} for services rendered in relation to similar proceedings.
7. The fees and disbursements of Harrison Pensa ^{LLP} in this matter to April 22, 2025 are as follows:
 - a. Total Billed Fees and Disbursements from August 20, 2024 to December 16, 2024 - \$15,654.34; and
 - b. Total Billed Fees and Disbursements from January 16, 2025 to April 22, 2025 - \$10,368.34**Total: \$26,022.68**
8. The weighted average hourly rate charged by professionals at Harrison Pensa ^{LLP} is \$357.88.
9. I make this Affidavit in support of among other things, approval of fees and disbursements of the counsel for the Receiver.

Sworn before me: in person OR by video conference

by Thomas Masterson at the City of London in the County of Middlesex, before me on April 23, 2025, in accordance with O. Reg. 431/20 Remotely.



Commissioner for Taking Affidavits



THOMAS MASTERSON

Areeb Ali Daimee,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires October 11, 2027.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

Applicant

- and -

2673422 ONTARIO INC.

Respondent

EXHIBITS

TABS "A" TO "D" ARE THE
EXHIBITS TO THE AFFIDAVIT OF
THOMAS MASTERSON
SWORN THIS 23RD DAY OF APRIL, 2025



A Commissioner for taking Affidavits

Areeb Ali Daimee,
a Commissioner, etc., Province of Ontario,
while a Student-at-Law.
Expires October 11, 2027.

EXHIBIT A

(From August 20, 2024 to December 16, 2024)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	5.60	\$550.00	\$3,080.00
	Christian J. Hamber	1995	9.60	\$550.00	\$5,280.00
Associates	Thomas Masterson	2019	2.40	\$275.00	\$660.00
	Jason DiFruscia	2021	8.90	\$220.00	\$1,958.00
Clerks	Sydney Inghelbrecht		10.40	\$165.00	\$1,716.00
	Nicole Clayton		1.90	\$165.00	\$313.50
TOTAL FEES					\$13,007.50
HST ON FEES					\$1,690.98
TOTAL TAXABLE DISBURSEMENTS					\$545.89
TOTAL NON – TAXABLE DISBURSEMENTS					\$339.00
HST DISBURSEMENTS					\$70.97
TOTAL FEES, DISBURSEMENTS AND HST					\$15,654.34

EXHIBIT B

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

BDO Canada Limited
300-51 Breithaupt Street
Kitchener, ON
N2H 5G5

January 7, 2025
Invoice #: 2240763
Account #: 2240763-203446

File #: 203446/Timothy C. Hogan
RE: 2673422 Ontario Inc

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
20-Aug-24	E-mail with client;	.20	\$110.00	TCH
20-Aug-24	E-mails with Client;	.20	\$110.00	TCH
21-Aug-24	Call with client	.40	\$220.00	TCH
25-Sep-24	E-mail from Client;	.20	\$110.00	TCH
4-Oct-24	E-mail from client	.20	\$110.00	TCH
16-Oct-24	E-mail to Client;	.20	\$110.00	TCH
23-Oct-24	Review BDO report, broker summary and e-mails with client	.40	\$220.00	TCH
6-Nov-24	Review/revise report, e-mail to client	1.00	\$550.00	TCH
7-Nov-24	Review listing agreement, e-mail to client	.40	\$220.00	TCH
7-Nov-24	To review correspondence with Receiver re first report of Receiver;	.40	\$220.00	CJH
7-Nov-24	To review first report and information required to prepare draft APS;	.40	\$220.00	CJH
7-Nov-24	To review proposed listing agreement;	.30	\$165.00	CJH
8-Nov-24	To prepare, review revise APS and circulate to Receiver for review;	3.00	\$1,650.00	CJH
11-Nov-24	Review listing agreement, e-mail to BDO	.40	\$220.00	TCH
12-Nov-24	To email from Receiver re initial comments on draft APS and to review changes;	.40	\$220.00	CJH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
12-Nov-24	To review email from Receiver re revised listing agreement;	.30	\$165.00	CJH
12-Nov-24	To further email from Receiver re changes to listing agreement;	.20	\$110.00	CJH
15-Nov-24	To email from Receiver re comments on First Report and status of APS;	.50	\$275.00	CJH
15-Nov-24	To compare First Report provisions to draft APS;	.30	\$165.00	CJH
16-Nov-24	Review report/e-mails with client	.40	\$220.00	TCH
18-Nov-24	To draft documents;	.30	\$49.50	SIN
18-Nov-24	To review email to Receiver re comments on draft APS;	.30	\$165.00	CJH
18-Nov-24	To email from Receiver re instructions for amending APS;	.40	\$220.00	CJH
18-Nov-24	To draft Motion	1.00	\$275.00	THM
19-Nov-24	To prepare, review and revise draft APS;	2.50	\$1,375.00	CJH
19-Nov-24	To emails to and from Receiver re revised APS;	.30	\$165.00	CJH
20-Nov-24	Review notice of motion	.50	\$275.00	TCH
21-Nov-24	To edit documents;	.60	\$99.00	SIN
21-Nov-24	To draft Factum	1.00	\$275.00	THM
22-Nov-24	To courier documents to service list;	.70	\$115.50	NCL
22-Nov-24	To draft, finalize and serve documents;	3.30	\$544.50	SIN
25-Nov-24	E-mail to client	.20	\$110.00	TCH
25-Nov-24	To manage file;	.10	\$16.50	NCL
25-Nov-24	E-mail with property manage/BDO	.20	\$110.00	TCH
26-Nov-24	Review factum, call with client	.50	\$275.00	TCH
26-Nov-24	To review and revise Book of Authorities	.40	\$110.00	THM
26-Nov-24	To draft documents;	.30	\$49.50	SIN
27-Nov-24	To file documents;	.20	\$33.00	SIN
27-Nov-24	To service documents;	.60	\$99.00	SIN
27-Nov-24	To serve documents;	.60	\$99.00	NCL
27-Nov-24	To draft documents;	.30	\$49.50	NCL
27-Nov-24	To manage file;	.20	\$33.00	NCL
28-Nov-24	To refile documents with the court;	.20	\$33.00	SIN
2-Dec-24	To send e-mail correspondence;	.20	\$33.00	SIN
3-Dec-24	Revise confirmation to Court	.20	\$110.00	TCH
3-Dec-24	To send e-mail correspondence;	.70	\$115.50	SIN

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
3-Dec-24	To send e-mail correspondence;	.30	\$49.50	SIN
3-Dec-24	To review motion confirmation	.20	\$44.00	JDI
5-Dec-24	To upload documents onto caseline;	1.20	\$198.00	SIN
5-Dec-24	To speak to trial coordinator via phone;	.40	\$66.00	SIN
5-Dec-24	To draft documents;	.40	\$66.00	SIN
5-Dec-24	To send e-mail correspondence;	.20	\$33.00	SIN
5-Dec-24	To draft order	.80	\$176.00	JDI
6-Dec-24	To upload documents;	.30	\$49.50	SIN
9-Dec-24	To send e-mail correspondence;	.20	\$33.00	SIN
9-Dec-24	To send e-mail correspondence;	.30	\$49.50	SIN
9-Dec-24	To phone call from party re motion	.20	\$44.00	JDI
9-Dec-24	To review file and next steps;	.30	\$165.00	CJH
10-Dec-24	To send e-mail correspondence;	.20	\$33.00	SIN
10-Dec-24	To send e-mail correspondence;	.30	\$49.50	SIN
10-Dec-24	To prepare for and attend motions court	6.30	\$1,386.00	JDI
10-Dec-24	To emails with respondent re court hearing	.20	\$44.00	JDI
10-Dec-24	To correspondence with client re court hearing	.20	\$44.00	JDI
10-Dec-24	To phone call to respondent re motion	.20	\$44.00	JDI
10-Dec-24	To emails with respondent re motion	.20	\$44.00	JDI
10-Dec-24	To phone call with client re motion	.20	\$44.00	JDI
10-Dec-24	To emails with court re order	.20	\$44.00	JDI
11-Dec-24	To manage file;	.20	\$33.00	SIN
16-Dec-24	To emails with client re order	.20	\$44.00	JDI

Total Fees:	\$	13,007.50
Plus GST:		0.00
Plus HST:		1,690.98

Total Fees (INCL TAX)

\$ 14,698.48

FEE SUMMARY:

LAWYER	HOURS	RATE	AMOUNT
Christian J. Hamber	9.60	\$550.00	\$5,280.00
Timothy C. Hogan	5.60	\$550.00	\$3,080.00
Jason DiFruscia	8.90	\$220.00	\$1,958.00
Thomas Masterson	2.40	\$275.00	\$660.00
Nicole Clayton	1.90	\$165.00	\$313.50
Sydney Inghelbrecht	10.40	\$165.00	\$1,716.00

NON-TAXABLE DISBURSEMENTS

File Motion Record	\$339.00
Total Non-Taxable Disbursements:	<u>339.00</u>


TAXABLE DISBURSEMENTS

Civil Trans. Levy Surcharge	100.00	
Courier	445.89	
Total Taxable Disbursements:	\$ 545.89	
Plus GST:	0.00	
Plus HST:	<u>70.97</u>	
Total Disbursements (INCL TAX)		\$ <u>955.86</u>

TOTAL DUE & OWING **\$ 15,654.34**

THIS IS OUR ACCOUNT HEREIN

HARRISON PENZA LLP

Per: 

Timothy C. Hogan

E. & O.E.

PLEASE REMIT PAYMENT TO HARRISON PENZA LLP

Invoices are due upon receipt

Payment can be made through bill payment on your bank's website or mobile app. Harrison Pensa LLP is registered as a payee with most Canadian banks.

Credit card payments can be made through our online payment portal: www.harrisonpensa.com/make-a-payment/

Cheques can be made payable to HARRISON PENZA LLP

GST / HST REGISTRATION NO: R867630543

Interest of 4.8% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

EXHIBIT C

(From January 16, 2025 to April 22, 2025)

	NAME	YEAR OF CALL	ACTUAL HOURS	HOURLY RATE	TOTAL
Partners	Timothy C. Hogan	1995	4.60	\$600.00	\$2,760.00
	Christian J. Hamber	1995	5.60	\$600.00	\$3,360.00
Associates	Thomas Masterson	2019	2.70	\$290.00	\$783.00
	Jason DiFruscia	2021	0.30	\$250.00	\$75.00
	Victoria Adams	2024	6.90	\$225.00	\$1,552.50
Clerks	Olivia Rajsp		0.30	\$215.00	\$64.50
Students	Kinsey Greenfield		2.00	\$150.00	\$300.00
TOTAL FEES					\$8,895.00
HST ON FEES					\$1,156.35
TOTAL TAXABLE DISBURSEMENTS					\$243.35
TOTAL NON – TAXABLE DISBURSEMENTS					\$42.00
HST DISBURSEMENTS					\$31.64
TOTAL FEES, DISBURSEMENTS AND HST					\$10,368.34

EXHIBIT D

Harrison Pensa

LAWYERS

130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, ON N6A 4K3

Telephone: (519) 679 9660
Facsimile: (519) 667 3362

BDO Canada Limited
300-51 Breithaupt Street
Kitchener, ON
N2H 5G5

April 23, 2025
Invoice #: 2245102
Account #: 2245102-203446

File #: 203446/Timothy C. Hogan
RE: 2673422 Ontario Inc

TO ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including:

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
16-Jan-25	To phone call from debtor re sales process	.30	\$75.00	JDI
28-Feb-25	Call with BDO	.20	\$120.00	TCH
28-Feb-25	E-mail from client	.20	\$120.00	TCH
3-Mar-25	E-mails with receiver/credit union	.40	\$240.00	TCH
4-Mar-25	E-mails with client, review Bluevale offer as amended	.80	\$480.00	TCH
4-Mar-25	To review emails to and from Receiver re Bluevale offer and changes to form of APS;	.40	\$240.00	CJH
5-Mar-25	To email from Receiver re additional offer for review;	.40	\$240.00	CJH
5-Mar-25	To review Bluevale and Kashmina offers and provide comments to Receiver;	1.50	\$900.00	CJH
6-Mar-25	To emails from and to receiver re Kashmina offer and proposed changes;	.40	\$240.00	CJH
6-Mar-25	To review and revise Kashmina APS and circulate to receiver;	1.00	\$600.00	CJH
6-Mar-25	E-mails with client	.20	\$120.00	TCH
10-Mar-25	To emails from and to Receiver re Buyer final changes to APS;	.40	\$240.00	CJH
10-Mar-25	To review changes to APS and advise Receiver on signing;	.40	\$240.00	CJH

DATE	DESCRIPTION	HOURS	AMOUNT	LAWYER
13-Mar-25	To review signed APS and timing for due diligence and closing;	.40	\$240.00	CJH
18-Mar-25	Calls, e-mails with client, review redemption issue	.40	\$240.00	TCH
18-Mar-25	To research caselaw on debtor's right to redeem over receiver's sale approval.	2.00	\$300.00	KGR
21-Mar-25	E-mail with client/Credit Union	.20	\$120.00	TCH
25-Mar-25	E-mail with receiver and purchaser	.40	\$240.00	TCH
4-Apr-25	To emails and calls from and to Receiver re EXP reliance letter and potential conflict;	.70	\$420.00	CJH
8-Apr-25	E-mails with client	.40	\$240.00	TCH
8-Apr-25	To review Application record, executed APS	.40	\$90.00	VAD
8-Apr-25	To prepare Opinion to Receiver	2.00	\$450.00	VAD
9-Apr-25	To obtain searches;	.30	\$64.50	ORA
9-Apr-25	To prepare Approval and Vesting Order	.20	\$45.00	VAD
9-Apr-25	Review/revise opinion, e-mail to receiver	1.00	\$600.00	TCH
9-Apr-25	To prepare Notice of Motion	1.30	\$292.50	VAD
14-Apr-25	To send email correspondence to client	.20	\$58.00	THM
14-Apr-25	To revise Notice of Motion	1.30	\$377.00	THM
15-Apr-25	To draft Ancillary Order	.70	\$203.00	THM
15-Apr-25	To revise the AVO	.30	\$87.00	THM
22-Apr-25	To send email correspondence to client	.20	\$58.00	THM
22-Apr-25	Review materials	.40	\$240.00	TCH
22-Apr-25	To prepare Factum	3.00	\$675.00	VAD

Total Fees:	\$	8,895.00
Plus GST:		0.00
Plus HST:		1,156.35

Total Fees (INCL TAX)

\$ 10,051.35

FEE SUMMARY:

LAWYER	HOURS	RATE	AMOUNT
Christian J. Hamber	5.60	\$600.00	\$3,360.00
Timothy C. Hogan	4.60	\$600.00	\$2,760.00
Victoria Adams	6.90	\$225.00	\$1,552.50
Jason DiFruscia	.30	\$250.00	\$75.00
Thomas Masterson	2.70	\$290.00	\$783.00
Kinsey Greenfield	2.00	\$150.00	\$300.00
Olivia Rajsp	.30	\$215.00	\$64.50

NON-TAXABLE DISBURSEMENTS

Government Filing Fees	\$42.00
Total Non-Taxable Disbursements:	<u>42.00</u>


TAXABLE DISBURSEMENTS

Bank Act Searches	30.00	
Certificate of Status	20.00	
PPSA	32.70	
Teranet Search	71.10	
Teranet Writs	16.55	
Insolvency Search	8.00	
Title Services	65.00	
Total Taxable Disbursements:	\$ 243.35	
Plus GST:	0.00	
Plus HST:	<u>31.64</u>	
Total Disbursements (INCL TAX)		<u>\$ 316.99</u>

TOTAL DUE & OWING **\$ 10,368.34**

THIS IS OUR ACCOUNT HEREIN

HARRISON PENSA LLP

Per: 

Timothy C. Hogan

E. & O.E.

PLEASE REMIT PAYMENT TO HARRISON PENSA LLP

Invoices are due upon receipt

Payment can be made through bill payment on your bank's website or mobile app. Harrison Pensa LLP is registered as a payee with most Canadian banks.

Credit card payments can be made through our online payment portal: www.harrisonpensa.com/make-a-payment/

Cheques can be made payable to HARRISON PENSA LLP

GST / HST REGISTRATION NO: R867630543

Interest of 3.3% is charged based on the Courts of Justice Act at time of billing on all invoices over 30 days

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

-and-

2673422 ONTARIO INC.

Applicant

Respondent

Court File No. CV-24-00086270-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON, ONTARIO

AFFIDAVIT OF THOMAS MASTERSON

Harrison Pensa ^{LLP}
Barristers and Solicitors
130 Dufferin Avenue, Suite 1101
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)
Tel: (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
BDO Canada LLP

APPENDIX G

Harrison Pensa

LAWYERS

Timothy C. Hogan

Direct Line: (519)-661-6743
thogan@harrisonpensa.com

Assistant: Aimee Newman
Direct Line: 519-850-5568
anewman@harrisonpensa.com

April 9, 2025

Via E-Mail – rduwyn@bdo.ca

BDO Canada Limited
51 Breithaupt Street, Suite 300
Kitchener, ON N2H 5G5
Canada

Attention: Robyn Duwyn

Dear Robyn:

**Re: 2673422 Ontario Inc. (“267 Ontario” or the “Debtor”)
Our File No. 203446**

This will confirm your instructions for us to review and provide an opinion to BDO Canada Limited, in its capacity as Court appointed Receiver of the Debtor, regarding the security provided by the Debtor to the Motor City Community Credit Union Limited (the “**Lender**”).

In preparing this opinion, we have reviewed the following documentation:

1. Ontario *Personal Property Security Act* (“**PPSA**”) search as against the Debtor current to April 8, 2025;
2. The corporate profile of the Debtor;
3. Affidavit of Steve Schincarol, sworn June 28, 2024, in Ontario Superior Court of Justice (the “**Court**”) File No. CV-24-00086270-000, and all exhibits to same (the “**Application**”);
4. Order of the Court in the Application dated August 13, 2024 (the “**Appointment Order**”);
5. General Security Agreement dated March 29, 2019 (the “**GSA**”);
6. Guarantee dated March 29, 2019 (the “**Guarantee**”);
7. Charge/Mortgage of land from 267 Ontario in the principal sum of \$1,650,000.00 in favour of the Lender, registered as instrument no. WE1346797 (the “**Mortgage**”) on title to the real property municipally known as 737 King Street East, Hamilton, Ontario (the “**Real Property**”), and legally described as:

LTS 1, 2 & 3, PL 46; HAMILTON being all of PIN 17199-0020 (LT)

Harrison Pensa LLP

130 Dufferin Avenue, Suite 1101, P.O. Box 3237, London, Ontario N6A 4K3 Phone: 519.679.9660 Fax: 519.667.3362
harrisonpensa.com

and the Schedule of Additional Provisions attached thereto.¹

8. Notice of Assignment of Rents-General from 267 Ontario in favour of the Lender, registered as instrument no. WE1346798 (the “**Assignment of Rents**”) on title to the Real Property;
9. Parcel register for the Real Property, current to April 9, 2025; and
10. Treasurers Certificate of Outstanding Realty Taxes dated October 6, 2023.

A. Assumptions and Qualifications

The comments and opinions hereafter expressed are subject to the assumptions and qualifications detailed at Schedule “A” to this letter.

B. The Debtor

2673422 Ontario Inc. (“**267 Ontario**”) is an Ontario Corporation with its registered office at 71 Muscat Crescent, Ajax, Ontario. 267 Ontario was incorporated on January 2, 2019.

C. Personal Property Security

The GSA

We have reviewed the GSA. The GSA is enforceable on its face, attachment having occurred pursuant to the provisions of the PPSA on the date of execution by 267 Ontario and the advance of funds by the Bank to 267 Ontario.

The GSA grants a general and continuing security interest in all of 267 Ontario’s present and after acquired personal property and undertakings including, without limitation:

- a) Intangibles (including all contractual rights and insurance claims, trademarks, trade names, goodwill, copyrights and other industrial property);
- b) Proceeds, derived directly or indirectly from any use or dealings with the Collateral (as defined therein, and as located at 737 King Street East, Hamilton, ON), or that indemnifies or compensates for Collateral destroyed or damaged;
- c) Books & Records (including deeds, documents, writings, papers, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- d) Equipment (including all tools, machinery, equipment, furniture, plants, fixtures, and other tangible personal property, vehicles and fixed goods and chattels other than Inventory, and any other property or assets of the kind, nature or description of the property or assets particularly described therein);

and grants, bargains, assigns and transfers to the Lender a first floating charge, as and by way of a continuing security interest, over:

¹ Supported by an executed Acknowledgement and Direction dated March 29, 2019

- e) Inventory (including all goods, merchandise, raw material, work in progress, finished goods and chattels held for sale, lease or resale, or furnished or to be furnished under trade contracts for service or used or consumed in the business of 267 Ontario, and further other goods as applicable and as defined therein);
- f) Real Estate (including all real and immovable property, both freehold and leasehold, now or hereafter owned or acquired, together with all buildings, erections, improvements and fixtures situate thereupon or used in connection therewith, including any lease, verbal or written or any agreement therefor, provided, however, the last day of any term of any such lease, verbal or written, or any agreement therefor or hereafter held by 267 Ontario, is excepted out of the Real Estate charged by the GSA, but should such charge become enforceable 267 Ontario shall thereafter stand possessed of any such reversion upon trust to assign and dispose thereof as the Lender may direct); and
- g) Other Property (including uncalled capital, moneys, rights, franchise, negotiable and non-negotiable instruments, judgments and securities, other than that which is at any and all times validly subject to the first fixed and specific mortgage and charge created or subject to the general assignment of book debts as defined therein).

An uncertified PPSA search in Ontario current to April 8, 2025, as against 267 Ontario shows the following registrations:

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendment/Assignment Discharges/Renewals Transfer/Subordinations
Motor City Community Credit Union Limited	2673422 Ontario Inc.	749438343 – 20190326 1307 1793 1677 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicle		20190329 1023 1793 1860 (Amendment: to add a business debtor, Budget Inn 2000) 20240202 1410 1462 9753 (Renewal: 2 years)
Motor City Community Credit Union Limited	2673422 Ontario Inc.	749438361 – 20190326 1308 1793 1678 (5 years)	Accounts, Other		20240202 1410 1462 9754 (Renewal: 2 years)

The GSA is perfected by the above registrations under the PPSA in favour of the Lender.

D. Real Property Security

Mortgage

The Lender is the holder of the Mortgage over the Real Property. The Mortgage is governed by the GSA and the Schedule of Additional Provisions attached to the Charge/Mortgage of Land (the “**Additional Provisions**”).

The Mortgage is continuing security for all obligations of 267 Ontario to the Lender.

Assignment of Rents

The Lender is also the holder of the Assignment of Rents. The Assignment of Rents is enforceable on its face and assigns all rents in relation to the Real Property.

We have reviewed a parcel register for the Real Property current to April 9, 2025, which shows the following:

DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
1963/12/30	Agreement			The Corporation of the City of Hamilton
2019/04/02	Transfer Remarks: Planning Act Statements	\$3,250,000	JVNS Inc.	2673422 Ontario Inc.
2019/04/02	Charge	\$1,650,000	2673422 Ontario Inc.	Motor City Community Credit Union Limited
2019/04/02	Noice of Assignments of Rents-General Remarks: WE1346797	\$10,050,000	2673422 Ontario Inc.	Motor City Community Credit Union Limited
2024/05/24	Notice		Metrolinx	
2024/05/24	Notice Remarks: Designation of Transit Corridor		Metrolinx	

The Mortgage is registered as against the Real Property.

The Assignment of Rents to the Lender is registered as against the Real Property.

We have completed a writ search against 267 Ontario in the City of Hamilton, which is clear.

On our review of the above summarized sub-search, we conclude that the Mortgage is a first in time registered charge as against title to the Real Property in favour of the Lender, subject to:

- a) charges under the Appointment Order
- b) any unregistered interest, deemed trust, and statutory created priorities and charges (including realty tax arrears²); and,
- c) the priorities as set out at section 78 of the *Construction Act*.

E. Summary

² We note a Treasurers Certificate of Outstanding Realty Taxes from the City of Hamilton dated October 6, 2023. However, there is no such Certificate registered on title.

In summary, and subject to the foregoing, we can provide the following opinion subject to the below noted Assumptions and Qualifications:

1. The GSA is attached, perfected and enforceable as against 267 Ontario, and creates a valid and registered security interest granted by 267 Ontario to the Lender in the collateral described therein;
2. The Mortgage is a first in time registered charge on title to the Real Property, and creates a first in time priority charge as against the Real Property, subject to the various interests or potential interests noted above; and
3. The GSA, the Mortgage, and the Assignment of Rents are each subject to the charges under the Appointment Order and any statutory deemed trust that may stand in priority to same.

Yours truly,

HARRISON PENSA ^{LLP}

A handwritten signature in black ink, appearing to be 'TCH' with a stylized flourish.

Timothy C. Hogan
TCH

SCHEDULE "A"

ASSUMPTIONS

A. Authenticity and Accuracy

We have assumed the genuineness of all signatures, the legal capacity at all relevant times of any natural persons signing any documents and the authenticity and completeness of all documents submitted to us as copies thereof. We have also assumed the accuracy and currency of all indices, filing and registration systems maintained at the public offices where we have searched or inquired or have caused searches or inquiries to be conducted, as set forth herein, the reliability of all search results obtained by electronic transmission and the accuracy of the result of any printed or computer search of any office of public record.

B. Capacity

We have assumed that the Debtors (and where applicable third parties executing guarantees and other agreements) had the requisite capacity to enter into and perform their obligations under each of the documents as set out in the report (the "**Documents**") at the time each of the Documents were executed and delivered.

C. Security Documents

We have assumed that:

- (a) none of the Documents have been assigned, released, discharged or otherwise impaired, either in whole or in part by the Bank and there are no agreements (other than the Documents) between the Debtors and the Bank that are relevant to the matters discussed in this letter; and
- (b) none of the assets charged by the security agreements are property for which conflicts rules provide that charges or security interests in such property are governed by the laws of a jurisdiction other than the Province of Ontario.

D. Existence of Debt and Security Matters

We have assumed that:

- (a) value has been given by the Bank to the Debtors and payment and other obligations remain outstanding by the Debtors to the Bank;
- (b) each of the Documents was duly executed and delivered by the Debtors, We assume that 277 executed an Acknowledgement and Direction in relation to the Mortgage, Assignment of Rents and Standard Charge Terms;

- (c) each of the Documents was issued for valuable consideration and that all of the conditions precedent contained in each of the Documents, if any, were satisfied or waived;
- (d) attachment of the security interests constituted by the Documents have occurred within the meaning of the PPSA;
- (e) the Debtors have an interest in the collateral expressed to be subject to each of the Documents;
- (f) insofar as any obligation under any of the Documents is to be performed in any jurisdiction outside the Province of Ontario, its performance will not be illegal or unenforceable by virtue of the laws of that other jurisdiction;
- (g) the Collateral subject to the security agreements does not include consumer goods (as defined in the PPSA); and
- (h) we have relied, without independent verification, upon matters of fact certified by public officials;
- (i) any security assigned was done so with proper and legal notice to the Debtor.

E. Factual Matters

We have assumed that no fact exists, or has existed, which would entitle the Debtors to assert or obtain a remedy at law or in equity (such as, without limitation, rectification, rescission or release from a contract through frustration) affecting the validity, legality, binding effect or enforceability of any of the Documents.

F. Entire Agreement

We have assumed that there is no written or oral agreement or other understanding and there is no trade usage or course of conduct or prior dealing, which would vary the interpretation or application of any term or condition of any of the Documents, and there have been no amendments, restatements, deletions or other modifications to any of the Documents.

G. Choice of Laws

We have assumed that the governing law of each of the Documents is the law of the Province of Ontario. Where the Province of Quebec is the governing law no opinion is provided.

QUALIFICATIONS

A. Title

We express no opinion concerning title to any property that proposes to be subject to any security constituted by the Documents and such title has been assumed to the full extent necessary to express the opinion contained herein.

B. Enforceability

All opinions which expressly or by necessity relate to the enforceability of the Documents (which, as used in this Schedule and as the context may require, includes validity, legality and binding effect) are subject to:

- (a) applicable bankruptcy, insolvency, winding up, arrangement, liquidation, fraudulent preference and conveyance, reorganization, moratorium and realization laws and other similar laws (including, without limitation and notwithstanding any specific references herein, provisions of the PPSA) at the time affecting the rights and remedies of creditors generally;
- (b) equitable limitations on, and defences against, the availability of remedies and equitable principles of application to particular proceedings at law or in equity and no opinion is expressed regarding the availability of any equitable remedy (including those of specific performance and injunction), which remedies are only available in the discretion of a court of competent jurisdiction;
- (c) the power of a court to grant relief from forfeiture;
- (d) applicable laws regarding the limitation of actions;
- (e) the court's powers to stay proceedings and execution of judgments;
- (f) the court's discretion to decline to hear any action or give effect to an obligation if to do so would be contrary to public policy or if it is not the proper forum to hear such action;
- (g) limitations which may be imposed by law or equity on the effectiveness of terms exculpating a party from a liability or limiting the liability of a party;
- (h) limitations upon the right of a creditor to receive immediate payment of amounts stated to be or which may become payable on demand;
- (i) limitations upon the right of a party to enforce a provision based upon a minor or non-substantive default;
- (j) implied obligations requiring good faith, fair-dealing and reasonableness in performance and enforcement of a contract; and

- (k) any requirement that "interest", as defined in section 347 of the *Criminal Code* (Canada), be paid at an effective annual rate in excess of 60% is not enforceable; and
- (l) the fact that a court may require that a debtor be given a reasonable time to repay following a demand for payment and prior to taking any action to enforce any right of repayment or before exercising any of the rights and remedies expressed to be exercisable in any of the Documents.

We express no opinion as to the enforceability of any provision of the Documents:

- (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of the grantor thereof;
- (b) to the extent it purports to exculpate the holder thereof, its agents or any receiver, manager or receiver-manager appointed by it from liability in respect of acts or omissions which may be illegal or fraudulent or which may involve wilful misconduct;
- (c) which states that amendments or waivers of or with respect to the Documents that are not in writing will not be effective;
- (d) which requires any person to pay, or to indemnify another person of, the costs and expenses of such other person in connection with judicial proceedings, since those provisions may derogate from a court's discretion to determine by whom and to what extent those costs should be paid; and
- (e) provisions contained in the Documents which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of that Document may be enforced only in the discretion of a court.

The obligations of the parties to the Documents and the enforceability thereof are subject to qualifications which, by law, equity or usage, are incidental thereto by their nature, including, without limitation:

- (a) the parties must have exercised and must continue to exercise good faith in the negotiation, implementation and enforcement of the Documents; and
- (b) the *Currency Act* (Canada) pursuant to which a court in Canada will render judgment only in lawful money of Canada.

B. Limitations

We have made no investigation in respect of the requirements prescribed in Part IV of the *Financial Administration Act* (Canada) relating to the assignment of federal Crown debts. An assignment of federal Crown debts which does not comply with that Act is

ineffective as between the assignor and the assignee and as against the Crown. Consequently, the Documents cannot validly charge federal Crown debts unless that Act is complied with.

C. Special Property, Security Interests and Registrations

1. Special Property

We express no opinion as to whether a security interest may be created in:

- (a) property consisting of a receivable, licence, approval, privilege, franchise, permit, lease or agreement (collectively, "**Special Property**") to the extent that the terms of the Special Property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given; or
- (b) permits, quotas or licences which are held by or issued to the Debtor.

We express no opinion as to any security interest or hypothec created by the Documents with respect to any property of the grantor thereof that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of such grantor that is not identifiable or traceable.

2. Security Interests and Registrations

No searches have been made:

- (a) under the *Patent Act (Canada)*, the *Trade-marks Act (Canada)*, the *Industrial Designs Act (Canada)*, or the *Copyright Act (Canada)*,
- (b) under the *Canada Shipping Act, 2001* in respect of any vessel which is registered or recorded under that Act,
- (c) under the *Canada Transportation Act* or the *Railways Act (Ontario)* in respect of any rolling stock to which the provisions of either of those Acts may apply.

Where a motor vehicle (as defined in the Regulation under the PPSA), situate in the Province of Ontario, is sold other than in the ordinary course of business by the Debtor, and the motor vehicle is classified as "equipment" of the Debtor, a purchaser may take the motor vehicle free from any security interests created by the Documents in any such motor vehicles unless the Vehicle Identification Numbers of the motor vehicles are set out in the PPSA registrations in favour of the Bank unless the purchaser knew that the sales constituted a breach of the Documents.

None of the Documents have been registered so as to protect and preserve any security interest, hypothec, mortgage or charge thereof against nor have we searched for any encumbrances created by the Debtors on any ship, or as against any coal, mineral, placer, mining or petroleum and natural gas lease, license or claim, owned or which may be acquired by the Debtors. Accordingly, any hypothecs, security interests and mortgages on such property will be subject to the rights of third parties who at any time acquire and perfect or render opposable to third parties an interest in those assets.

D. Collateral

No opinion is given as to as to the priority of any security interest created by the Documents, as to whether the grantor of any Document has title to or any right in any collateral or property purported to be subject to the Documents, or as to the completeness or accuracy of any description of such collateral. Accordingly, no opinion is given as to the effectiveness of the security as security, where effectiveness depends on title or description of the property purported to be charged or assigned, as the case may be.

E. Searches

We have only searched against the Debtors. We have not conducted any land titles office or other searches with respect to encumbrances against real property or any interests therein or any statutory lien, court registry or other searches.

F. Choice of Law

We have made no investigation of the laws of any jurisdiction other than, and our advice is confined to, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

G. Maintaining Perfection

We express no opinion with respect to maintaining perfection of any security interest created by any of the Security Documents.

H. Priority

No opinion is expressed as to the rank or priority, or as to the effect of perfection or opposability to third parties on the rank or priority, of any security interest, mortgage or charge created by any of the Documents.

APPENDIX H

PROPERTY DESCRIPTION: LTS 1, 2 & 3, PL 46 ; HAMILTON

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

1996/09/23

OWNERS' NAMES

2673422 ONTARIO INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1996/09/23 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1996/09/23**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1996/09/20 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</p> <p>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</p> <p>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</p> <p>** CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1996/09/23 **</p>						
HL258869	1963/12/30	AGREEMENT			THE CORPORATION OF THE CITY OF HAMILTON	C
CD344953	1986/03/03	TRANSFER		*** COMPLETELY DELETED ***	BEDIC, ZVONKO BEDIC, ZORICA	
VM28451	1989/12/08	CHARGE		*** COMPLETELY DELETED ***	HOUSEHOLD TRUST COMPANY	
VM28452	1989/12/08	ASSIGNMENT GENERAL		*** COMPLETELY DELETED ***		
		REMARKS: VM28451				
VM194462	1994/09/22	LIEN		*** COMPLETELY DELETED ***		
LT431544	1996/12/16	TRANSFER		*** COMPLETELY DELETED *** BEDIC, ZVONKO	1205939 ONTARIO LTD.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
 REGISTRY
 OFFICE #62

17199-0020 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
LT432675	1996/12/23	TRANSFER OF CHARGE		BEDIC, ZORICA *** COMPLETELY DELETED *** HOUSEHOLD TRUST COMPANY	891190 ONTARIO LTD.	
		REMARKS: CHARGE VM28451				
LT432676	1996/12/23	NOTICE		*** COMPLETELY DELETED *** HOUSEHOLD TRUST COMPANY	891190 ONTARIO LTD.	
		REMARKS: VM194462				
LT432677	1996/12/23	NOTICE		*** COMPLETELY DELETED *** HOUSEHOLD TRUST COMPANY	891190 ONTARIO LTD.	
		REMARKS: VM28452				
LT432678	1996/12/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** 891190 ONTARIO LTD.		
		REMARKS: RE: VM28451				
LT432679	1996/12/23	APL (GENERAL)		*** COMPLETELY DELETED *** 891190 ONTARIO LTD.		
		REMARKS: DELETING VM194462 AND LT432676				
LT432680	1996/12/23	CHARGE		*** COMPLETELY DELETED *** 1205939 ONTARIO LTD.	LAURENTIAN TRUST OF CANADA INC.	
LT432681	1996/12/23	NOTICE		*** COMPLETELY DELETED *** 1205939 ONTARIO LTD.	LAURENTIAN TRUST OF CANADA INC.	
		REMARKS: LT432680				
LT499345	1998/04/28	NOTICE AGREEMENT		*** COMPLETELY DELETED *** 1205939 ONTARIO LTD.	LAURENTIAN TRUST OF CANADA INC.	
		REMARKS: LT432680				
LT542332	1999/02/25	TRANSFER		*** COMPLETELY DELETED *** 1205939 ONTARIO LTD.	1322368 ONTARIO LTD.	
		REMARKS: PLANNING ACT STATEMENT				
LT589656	2000/02/04	NOTICE AGREEMENT		*** COMPLETELY DELETED *** 1322368 ONTARIO LTD.	LAURENTIAN TRUST OF CANADA INC.	
		REMARKS: LT432680, LT432681, LT499345				
WE19007	2000/12/22	CHARGE		*** COMPLETELY DELETED *** 1322368 ONTARIO LTD.	COMMUNITY TRUST COMPANY LTD	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WE19008	2000/12/22	NO ASSGN RENT GEN <i>REMARKS: RENTS. WE19007</i>		*** COMPLETELY DELETED *** 1322368 ONTARIO LTD	COMMUNITY TRUST COMPANY LTD	
WE22615	2001/01/29	DISCH OF CHARGE <i>REMARKS: RE: LT432680</i>		*** COMPLETELY DELETED *** LAURENTIAN TRUST OF CANADA INC.		
WE120030	2002/09/19	TRANSFER		*** COMPLETELY DELETED *** 1322368 ONTARIO LTD.	BUTTAR & SONS INC.	
WE120041	2002/09/19	NOTICE		*** COMPLETELY DELETED *** COMMUNITY TRUST COMPANY LTD.	BUTTAR & SONS INC.	
WE120044	2002/09/19	CHARGE		*** COMPLETELY DELETED *** BUTTAR & SONS INC.	1322368 ONTARIO LTD.	
WE194804	2003/10/28	CHARGE		*** COMPLETELY DELETED *** BUTTAR & SONS INC.	COMMUNITY TRUST COMPANY LTD.	
WE194805	2003/10/28	NO ASSGN RENT GEN <i>REMARKS: WE194804</i>		*** COMPLETELY DELETED *** BUTTAR & SONS INC.	COMMUNITY TRUST COMPANY LTD.	
WE194828	2003/10/28	DISCH OF CHARGE <i>REMARKS: RE: WE120044</i>		*** COMPLETELY DELETED *** 1322368 ONTARIO LTD.		
WE195976	2003/10/31	APL (GENERAL) <i>REMARKS: DELETE S/T INTEREST IN NS45457 DELETE 2010/02/16 C.JOHNSON ADLR</i>		*** COMPLETELY DELETED *** COMMUNITY TRUST COMPANY LTD.		
WE203560	2003/12/05	DISCH OF CHARGE <i>REMARKS: RE: WE19007</i>		*** COMPLETELY DELETED *** COMMUNITY TRUST COMPANY LTD		
WE227460	2004/04/19	CHARGE		*** COMPLETELY DELETED *** BUTTAR & SONS INC.	COMMUNITY TRUST COMPANY LTD.	
WE227461	2004/04/19	NO ASSGN RENT GEN <i>REMARKS: RE: WE227460</i>		*** COMPLETELY DELETED *** BUTTAR & SONS INC.	COMMUNITY TRUST COMPANY LTD.	
WE251013	2004/07/30	CHARGE		*** COMPLETELY DELETED *** BUTTAR & SONS INC.	COMMUNITY TRUST COMPANY LTD.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WE251014	2004/07/30	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1614108 ONTARIO INC.	COMMUNITY TRUST COMPANY LTD.	
	REMARKS: WE251013					
WE494972	2007/09/05	TRANSFER		*** COMPLETELY DELETED *** BUTTAR & SONS INC.	JVNS INC.	
WE494981	2007/09/05	CHARGE		*** COMPLETELY DELETED *** JVNS INC.	COMMUNITY TRUST COMPANY	
WE494982	2007/09/05	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** JVNS INC.	COMMUNITY TRUST COMPANY	
	REMARKS: WE494981					
WE494997	2007/09/05	CHARGE		*** COMPLETELY DELETED *** JVNS INC.	BUTTAR & SONS INC.	
WE497130	2007/09/14	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMMUNITY TRUST COMPANY LTD.		
	REMARKS: RE: WE227460					
WE497131	2007/09/14	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMMUNITY TRUST COMPANY LTD.		
	REMARKS: RE: WE251013					
WE673565	2010/02/22	CHARGE		*** COMPLETELY DELETED *** JVNS INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
WE673566	2010/02/22	POSTPONEMENT		*** COMPLETELY DELETED *** BUTTAR & SONS INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
	REMARKS: WE494997 TO WE673565					
WE681938	2010/04/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMMUNITY TRUST COMPANY LTD.		
	REMARKS: WE194804.					
WE681939	2010/04/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMMUNITY TRUST COMPANY		
	REMARKS: WE494981.					
WE785524	2011/09/16	CHARGE		*** COMPLETELY DELETED *** JVNS INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
WE785617	2011/09/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUTTAR & SONS INC.		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
 REGISTRY
 OFFICE #62

17199-0020 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
		<i>REMARKS: WE494997.</i>				
WE809346	2012/01/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		<i>REMARKS: WE673565.</i>				
WE1067712	2015/09/24	CHARGE		*** COMPLETELY DELETED *** JVNS INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
WE1278688	2018/04/16	CHARGE		*** COMPLETELY DELETED *** JVNS INC.	MOTOR CITY COMMUNITY CREDIT UNION LIMITED	
WE1278689	2018/04/16	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** JVNS INC.	MOTOR CITY COMMUNITY CREDIT UNION LIMITED	
		<i>REMARKS: WE1278688.</i>				
WE1279245	2018/04/18	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		<i>REMARKS: WE785524.</i>				
WE1327956	2018/12/14	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		<i>REMARKS: WE1067712.</i>				
WE1346796	2019/04/02	TRANSFER	\$3,250,000	JVNS INC.	2673422 ONTARIO INC.	C
		<i>REMARKS: PLANNING ACT STATEMENTS.</i>				
WE1346797	2019/04/02	CHARGE	\$1,650,000	2673422 ONTARIO INC.	MOTOR CITY COMMUNITY CREDIT UNION LIMITED	C
WE1346798	2019/04/02	NO ASSGN RENT GEN		2673422 ONTARIO INC.	MOTOR CITY COMMUNITY CREDIT UNION LIMITED	C
		<i>REMARKS: WE1346797</i>				
WE1346799	2019/04/02	CHARGE		*** COMPLETELY DELETED *** 2673422 ONTARIO INC.	JVNS INC.	
WE1390874	2019/10/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** MOTOR CITY COMMUNITY CREDIT UNION LIMITED		
		<i>REMARKS: WE1278688.</i>				
WE1596766	2022/04/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** JVNS INC.		
		<i>REMARKS: WE1346799.</i>				
WE1738998	2024/05/24	NOTICE		METROLINX		C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #62

17199-0020 (LT)

PAGE 6 OF 6
PREPARED FOR dipierdomenico
ON 2025/04/09 AT 08:50:19

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WE1739021	2024/05/24	NOTICE		METROLINX		C
	REMARKS: DESIGNATION OF TRANSIT CORRIDOR					

APPENDIX I

Enquiry Result

File Currency: 08APR 2025



Show All Pages

All Pages



Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	2673422 ONTARIO INC.								
File Currency	08APR 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	749438343	1	2	1	5	26MAR 2026			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
749438343		001	1		20190326 1307 1793 1677	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	2673422 ONTARIO INC.								
	Address			City	Province	Postal Code			
	737-739 KING STREET EAST			HAMILTON	ON	L8M1A4			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	2673422 ONTARIO INC.								
	Address			City	Province	Postal Code			
	71 MUSCAT CRESCENT			AJAX	ON	L1Z0B8			
Secured Party	Secured Party / Lien Claimant								
	MOTOR CITY COMMUNITY CREDIT UNION LIMITED								
	Address			City	Province	Postal Code			
	6701-05 TECUMSEH ROAD EAST			WINDSOR	ON	N8T1E8			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	BARTLET & RICHARDES LLP (JLMC)			
	Address	City	Province	Postal Code
	1000-374 OUELLETTE AVE	WINDSOR	ON	N9A1A9

CONTINUED

Type of Search	Business Debtor				
Search Conducted On	2673422 ONTARIO INC.				
File Currency	08APR 2025				
	File Number	Family	of Families	Page	of Pages
	749438343	1	2	2	5

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	1		20190329 1023 1793 1860	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	749438343			A AMNDMNT		

Reference Debtor/ Transferor	First Given Name	Initial	Surname

Business Debtor Name	2673422 ONTARIO INC.
-----------------------------	----------------------

Other Change	Other Change

Reason / Description	Reason / Description
	TO ADD A BUSINESS DEBTOR

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname

Business Debtor Name	Ontario Corporation Number
BUDGET INN 2000	

Address	City	Province	Postal Code
737-739 KING STREET EAST	HAMILTON	ON	L8M1A4

Assignor Name	Assignor Name

Secured Party	Secured party, lien claimant, assignee

Address	City	Province	Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	BARTLET & RICHARDES LLP			
	Address	City	Province	Postal Code
	1000-374 OUELLETTE AVE	WINDSOR	ON	N9A1A9

CONTINUED

Type of Search	Business Debtor				
Search Conducted On	2673422 ONTARIO INC.				
File Currency	08APR 2025				
	File Number	Family	of Families	Page	of Pages
	749438343	1	2	3	5

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		01	001		20240202 1410 1462 9753	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	749438343			B RENEWAL	2	

Reference Debtor/ Transferor	First Given Name	Initial	Surname
	Business Debtor Name		
	2673422 ONTARIO INC.		

Other Change	Other Change

Reason / Description	Reason / Description

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
	Business Debtor Name			Ontario Corporation Number
	Address	City	Province	Postal Code

Assignor Name	Assignor Name

Secured Party	Secured party, lien claimant, assignee			
	Address	City	Province	Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle	Year	Make	Model	V.I.N.

Description				
General Collateral Description	General Collateral Description			
Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	MOTOR CITY COMMUNITY CREDIT UNION LIMITED			
	Address	City	Province	Postal Code
	420 KILDARE ROAD, UNIT 301	WINDSOR	ON	N8Y3G4

END OF FAMILY

Type of Search	Business Debtor						
Search Conducted On	2673422 ONTARIO INC.						
File Currency	08APR 2025						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	749438361	2	2	4	5	26MAR 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
749438361		001	1		20190326 1308 1793 1678	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number		
	2673422 ONTARIO INC.			
	Address	City	Province	Postal Code
	737-739 KING STREET EAST	HAMILTON	ON	L8M1A4

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number		
	2673422 ONTARIO INC.			
	Address	City	Province	Postal Code
	71 MUSCAT CRESCENT	AJAX	ON	L1Z0B8

Secured Party	Secured Party / Lien Claimant			
	MOTOR CITY COMMUNITY CREDIT UNION LIMITED			
	Address	City	Province	Postal Code
	6701-05 TECUMSEH ROAD EAST	WINDSOR	ON	N8T1E8

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description			

Registering Agent	Registering Agent
	BARTLET & RICHARDES LLP (JLMC)

	Address		City	Province	Postal Code
	1000-374 OUELLETTE AVE		WINDSOR	ON	N9A1A9

CONTINUED

Type of Search	Business Debtor				
Search Conducted On	2673422 ONTARIO INC.				
File Currency	08APR 2025				
	File Number	Family	of Families	Page	of Pages
	749438361	2	2	5	5

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		01	001		20240202 1410 1462 9754	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	749438361			B RENEWAL	2	

Reference Debtor/ Transferor	First Given Name	Initial	Surname
	Business Debtor Name		
	2673422 ONTARIO INC.		

Other Change	Other Change

Reason / Description	Reason / Description

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
	Business Debtor Name			Ontario Corporation Number
	Address		City	Province Postal Code

Assignor Name	Assignor Name

Secured Party	Secured party, lien claimant, assignee		
	Address	City	Province Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	MOTOR CITY COMMUNITY CREDIT UNION LIMITED			
	Address	City	Province	Postal Code
	420 KILDARE ROAD, UNIT 301	WINDSOR	ON	N8Y3G4

LAST PAGE


Note: All pages have been returned.

[BACK TO TOP](#) 



Show All Pages

This service is tested daily with McAfee SECURE™ to ensure the security of the transaction and information.

At ServiceOntario, we respect your right to privacy and value the trust you place in us. [Read more about ServiceOntario's Privacy Statement.](#) 

[ServiceOntario Contact Centre](#) 

Web Page ID: **WEnqResult**

System Date: **09APR2025**

Last Modified: December 08, 2024

[Privacy](#) 

[Accessibility](#) 

[Contact us](#) 

[FAQ](#) 

[Terms of Use](#) 

© Queen's Printer for Ontario 2015 

APPENDIX J

**IN THE MATTER OF THE RECEIVERSHIP OF
2673422 ONTARIO INC. O/A BUDGET INN**

Notice to Creditors

NOTICE IS HEREBY GIVEN that, BDO Canada Limited in its capacity as court-appointed receiver of 2673422 Ontario Inc. ("**2673 Ontario**"), which operated as the Budget Inn at 737 King Street East ("**2673 Ontario**") is conducting a claims process (the "**Claims Process**") for the determination of claims against the estate of 2673 Ontario the "**Claims**").

If you seek to assert a Claim(s) against 2673 Ontario you must forthwith contact the Receiver to advise of your Claim(s) and obtain a Notice to Claimant. You may contact the Receiver at the following address:

BDO Canada Limited
Receiver and Manager of 2673422 Ontario Inc.
100-633 Colborne Street
London, ON N6B 2V3

Attention: Maxine Finnegan
Tel: 519 953 0753
Email: mfinnegan@bdo.ca

NOTE: ALL CLAIMS IN THE PRESCRIBED FORM, AND SUBMITTED IN ACCORDANCE WITH THE CLAIMS PROCESS, MUST BE FILED WITH THE RECEIVER BY NO LATER THAN 5:00 PM (EST) ON _____, 2025 ("CLAIMS BAR DATE"). NO CLAIM(S) WILL BE CONSIDERED OR ALLOWED BY THE RECEIVER UNLESS SUBMITTED IN THE PRESCRIBED FORM ON OR BEFORE THE CLAIMS BAR DATE AND ALL SUCH CLAIM(S) RECEIVED SUBSEQUENT TO THE CLAIMS BAR DATE SHALL BE FOREVER EXTINGUISHED AND BARRED.

IN THE MATTER OF THE RECEIVERSHIP of
2673422 Ontario Inc.

Proof of Claim

(Name of Claimant – Please Print)

All notices or correspondence regarding this claim must be forwarded to the following address:

(Address of Claimant to which Notices should be sent – Please Print)

I, _____ (name of Claimant or representative of Claimant), of
_____ (City and Province), do hereby certify:

In the matter of the receivership of **2673422 Ontario Inc.** of Hamilton, Ontario and the claim of
_____, Claimant.

1. That I am a Claimant of **2673422 Ontario Inc.** (the “Debtor”)
(or that I am (state position or title) of _____
(name of Claimant or of the representative of the Claimant).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor(s) was, at the date of receivership, namely the 13th day of August, 2025, and still is,
indebted to the Claimant in the sum of \$....., as specified in the statement of account
(or affidavit) attached and marked Schedule “A”, after deducting any counterclaims to which the
debtor is entitled. (The attached statement of account or affidavit must specify the voucher or other
evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. ORDINARY UNSECURED CLAIM OF \$.....

That in respect of this debt, I do not hold any assets of the debtor(s) as security and
(Check as appropriate description.)

Regarding the amount of \$....., I do not claim the right to a priority.

Regarding the amount of \$....., I claim a right to a priority under section 136 of the Act.
(Set out on an attached sheet details to support priority claim.)

□ B. ORDINARY SECURED CLAIM OF \$.....

That in respect of this debt, I hold assets of the debtor(s) valued at \$..... as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

5. That, to the best of my knowledge, I am (*or the above-named Claimant is*) (*or am not or is not*) related to the debtor(s) within the meaning of section 4 of the Act.
6. That the following are the payments that I have received from, and the credits that I have allowed to, the debtor(s) within three months (*or, if the Claimant and the debtor(s) are related within the meaning of section 4 of the Act, within the 12 months*) immediately before the date of the receivership: (*Provide details of payments and credits.*)

Dated at, this day of 2021

..... Witness

..... Claimant

Phone Number:

E-mail Address:.....

This Proof of Claim must be provided to and received by the Receiver on or before _____ 2025, the Claims Bar Date, at the following address:

BDO Canada Limited
Receiver and Manager of 2673422 Ontario Inc.
100-633 Colborne Street
London, ON N6B 2V3
Attention: Maxine Finnegan
mfinnegan@bdo.ca

INSTRUCTIONS TO CREDITORS

April __ , 2025

To: Creditors of 2673422 Ontario Inc. o/a Budget Inn (the "Debtor")

Re: **Creditor Claims**

Please find enclosed a blank Proof of Claim form. This instruction letter is provided to assist you in preparing the accompanying Proof of Claim form in a complete and accurate manner.

PROVING CLAIMS

Please review all of the enclosed documents carefully. If you are a creditor of the Debtor who wishes to submit a claim you must complete and provide a properly completed Proof of Claim Form to the Receiver. Please note the following:

- Ensure you include your complete name, address, telephone number and account number.
- The Proof of Claim form must be dated and signed personally by the individual completing it and must also be witnessed.
- If the individual completing the Proof of Claim is not the creditor himself/herself, but is completing it on behalf of a corporation, he/she must state his/her position or title.
- Fill in the amount you believe you are owed under Section A "ORDINARY UNSECURED CLAIM OF \$ _____"
- Provide satisfactory evidence establishing the amount claimed. Such evidence must include any calculations performed in order to determine the amount claimed.
- Provide the properly completed Proof of Claim to the Receiver by no later than _____, 2025
- Retain copies of all documents.

DELIVERY OF INFORMATION

The Proof of Claim should be delivered to the Receiver by ordinary or electronic mail at the following address:

BDO Canada Limited
Receiver and Manager of 2674322 Ontario Inc.
100-633 Colborne Street
London, ON N6B 2V3
Attention: Maxine Finnegan
mfinnegan@bdo.ca

Note: If there are any questions in completing the Proof of Claim, please call the Receiver's representative, Maxine Finnegan at (519) 953 0753 or mfinnegan@bdo.ca

To: Creditors of 2673422 Ontario Inc. o/a Budget Inn (737 King Street East, Hamilton)

On August 13, 2024, BDO Canada Limited was court appointed as Receiver and Manager (the "Receiver") of 2673422 Ontario Inc (the "Debtor" or the "Company") which operated the Budget Inn at 737 King Street East, Hamilton. The Receiver is conducting a claims procedure for claims against the Debtor.

According to the Debtor's books and records or further to your reply to the Receiver's recent notice in the Hamilton Spectator, the Receiver identifies you as a person with a potential claim against the Debtor (a "Claimant"). Accordingly, enclosed please find a Proof of Claim form together with an instruction letter for completing the Proof of Claim.

You must deliver a Proof of Claim form to BDO Canada Limited by ordinary or electronic mail, **including supporting documentation**, on or before _____, 2025 (the "Claims Bar Date"), to the Receiver's address below.

BDO Canada Limited
Receiver and Manager of 2673422 Ontario Inc.
100-633 Colborne Street
London, ON N6B 2V3
Attention: Maxine Finnegan
mfinnegan@bdo.ca

Please note the following:

1. The Receiver reserves the right to admit any claim as filed, or disallow in whole or in part any claim. Such disallowance is final and conclusive unless within a 30 day period after service of the Notice of Disallowance the Claimant appeals the Receiver's decision to the Court.
2. The Receiver expects to distribute funds to proven claims later in 2025, but the exact timing and amount to be distributed has not yet been determined.
3. ***If the Receiver does not receive from you on or before the Claims Bar Date a Proof of Claim, any potential claim shall conclusively and irrevocably be deemed to be extinguished and forever barred and such claims may not thereafter be advanced against the Receiver and/or the property of 2673422 Ontario Inc.***

Should you have any questions, please contact the Receiver's representative, Maxine Finnegan at mfinnegan@bdo.ca or 519 953 0753.

Yours truly

BDO Canada Limited
Court Appointed Receiver and Manager of
2673422 Ontario Inc.

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

and

2673422 ONTARIO INC.

Applicant

Respondent

Court File No. CV-24-00086270-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON, ONTARIO

SECOND REPORT OF THE RECEIVER

HARRISON PENZA LLP

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

Timothy C. Hogan (LSO #36553S)

Tel: (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
BDO Canada Limited.

MOTOR CITY COMMUNITY CREDIT UNION LIMITED

and

2673422 ONTARIO INC.

Applicant

Respondent

Court File No. CV-24-00086270-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON, ONTARIO

MOTION RECORD

HARRISON PENZA LLP

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

Timothy C. Hogan (LSO #36553S)

Tel: (519) 679-9660
Fax: (519) 667-3362
Email: thogan@harrisonpensa.com

Solicitors for the Receiver,
BDO Canada Limited.