

Court File No.: CL-26-00000362-0000

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

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, RSC. 1985, c. C-36, AS
AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 2055226 ONTARIO
INC., ALLIANCE (SUTTON) INC., BERKSTAR DEVELOPMENT INC., ROSE SUTTON LIMITED
PARTNERSHIP AND ROSE OPERATING I GP INC.**

MARSHALLZEHR GROUP INC.

Applicant

- and -

**2055226 ONTARIO INC., ALLIANCE (SUTTON) INC., BERKSTAR DEVELOPMENT INC., ROSE
SUTTON LIMITED PARTNERSHIP and ROSE OPERATING I GP INC.**

Respondents

**THIRD REPORT OF BDO CANADA LIMITED
IN ITS CAPACITY AS MONITOR**

SEPTEMBER 22, 2026

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INTRODUCTION

1. 2055226 Ontario Inc. ("**205 Ontario**" or the "**Debtor**") is the registered owner and developer of a real estate development project located in Georgina, Ontario (the "**Project**"). Under a Co-Owners Agreement, 205 Ontario is the nominee and bare trustee and, Alliance (Sutton) Inc. ("**Alliance Sutton**"), Berkstar Development Inc. ("**Berkstar**"), and Rose Sutton Limited Partnership ("**Rose Sutton LP**") by its general partner Rose Operating I GP Inc. ("**Rose GP**") are the beneficial owners of the Project (collectively, the "**Respondents**").
2. On August 24, 2026, upon application by MarshallZehr Group Inc. ("**MarshallZehr**" or the "**Applicant**") in its capacity as senior secured lender and mortgage administrator in respect of the Property, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued an order (the "**Initial Order**") granting protections for the Respondents from their creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**"). The protections granted under the Initial Order were also extended to Rose Sutton LP (Rose Sutton LP together with the Respondents, the "**CCAA Parties**"). Pursuant to the Initial Order, BDO Canada Limited ("**BDO**") was appointed as monitor in these proceedings (in such capacity, the "**Monitor**").
3. Among other things, pursuant to the Initial Order the Court granted:
 - a) an initial stay of proceedings ("**Stay of Proceedings**") in favour of CCAA Parties, along with Alliance Homes Ltd. ("**Alliance Homes**"), in its capacity as construction manager until and including September 3, 2026;
 - b) the appointment of the Monitor and expanded powers of the Monitor during the CCAA Proceedings;
 - c) an Administrative Charge over the CCAA Parties' Property to stand as security for payment by the CCAA Parties of the professional fees and disbursements of the Applicant's legal counsel, the Monitor and its independent legal counsel, in an aggregate amount not to exceed \$500,000;
 - d) a DIP Charge over the Property to stand as security for loan advances to be made by MarshallZehr, the DIP Lender, under the DIP Facility in an initial amount not to exceed of the principal amount of \$800,000 (plus interest, fees and costs);
 - e) a Directors' Charge over the Property to stand as security for the CCAA Parties' obligations to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of \$325,000; and

- f) certain Monitor's Enhanced Powers necessary to preserve, protect and exercise control over the CCAA Parties' Property and business.
4. At the Comeback Hearing, which was heard on August 28, 2026, the Court granted:
- a) the amended and restated initial order (the "**ARIO**") which:
 - i. extended the Stay of Proceedings until and including to November 13, 2026;
 - ii. increased the Administration Charge up to the maximum amount of \$650,000;
 - iii. increased the DIP Charge to a maximum principal amount of \$2,000,000 (plus interest, fees and expenses); and
 - iv. expanded the Monitor's powers as detailed in the ARIO.

A copy of the ARIO is attached as **Appendix "A"**.
 - b) the Unit Sales Order which:
 - i. authorized the Monitor to sell, convey, transfer, lease or assign the Phase 1 Units without approval of the court in respect of any transaction not exceeding \$1,100,000 excluding HST and extras (the "**Permitted Transactions**");
 - ii. approved a form of Vesting Order to be completed by the Monitor for the Permitted Transactions and submitted to the Court for signature, which will convey the Phase 1 Unit Sales to the purchasers free and clear of any mortgages, charges, liens or other encumbrances; and
 - iii. approved the sealing of the Confidential Appendices attached to the First Report, pending completion of all of the Phase 1 Unit Sales, or further order of this Court, as such appendices contain sensitive pricing information that could adversely affect any further sales process.
5. On September 18, 2026, the Court granted the Priority Claims Procedure Order which established a claims procedure for the calling of certain priority claims in these proceedings.

PURPOSE OF REPORT

6. The purpose of this third report of the Monitor (the "**Third Report**") is to provide information to the Court with respect to:
- a) the activities of the Monitor since the Second Report;
 - b) details of the proposed sales process (the "**Sales Process**") for the sale of the Property;

- c) the terms of a share subscription and asset purchase agreement dated September 21, 2026 (the “**Stalking Horse Agreement**”) by and among the CCAA Parties, by the Monitor, and Ducimus Capital Inc. (the “**Stalking Horse Bidder**”), that subject to Court approval, will be used as a stalking horse in the Sales Process;
- d) the Monitor’s recommendation that the Court issues the following orders:
 - i. an Order (the “**Sale Process Order**”):
 - 1. approving the Sale Process;
 - 2. approving and authorizing the Monitor, nunc pro tunc, to enter into the Stalking Horse Agreement; and
 - 3. approving the Expense Reimbursement (defined below) contemplated in the Stalking Horse Agreement.
 - ii. an Order (the “**Ancillary Order**”):
 - 1. approving the Pre-Filing Report, First Report, Second Report and Third Report of the Monitor (collectively the “**Monitor’s Reports**”) and its activities set out therein; and
 - 2. extending the Stay of Proceedings to December 4, 2026.

DISCLAIMER AND TERMS OF REFERENCE

- 7. In preparing this Third Report, BDO has relied solely on information and documents provided to it by the CCAA Parties, Alliance Homes and MarshallZehr, and their respective advisors, including unaudited, draft and/or internal financial information, financial projections prepared by 205 Ontario, discussions with representatives or advisors of the CCAA Parties, Alliance Homes and MarshallZehr, counsel to MarshallZehr, the Atkinson Affidavits and listing proposals submitted by four (4) real estate listing agents (the “**Information**”).
- 8. Except as otherwise described in this Third Report:
 - a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in any manner that would wholly or partially comply with the Canadian Auditing Standards (“**CAS**”) pursuant to the *Chartered Professional Accountant of Canada Handbook*, as such, BDO expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and

- b) the Monitor has not conducted an examination or review of any financial forecasts in a manner that would comply with the procedures described in the *Chartered Professional Accountant of Canada Handbook*.
- 9. Future oriented financial information referred to in this Third Report was prepared based on the estimates and assumptions provided by Troop and Atkinson. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.
- 10. Unless otherwise indicated, the Monitor's understanding of the factual matters expressed in this Third Report concerning the CCAA Parties is based on the Information, and not independent factual determinations made by the Monitor.
- 11. The Initial Order and all other material documents pertaining to the CCAA Proceedings are available on Monitor's website at www.bdo.ca/2055226_Ontario (the "**Monitor's Website**"). In addition, BDO has arranged for an email address HedgeRoad@bdo.ca (the "**Dedicated Email Address**") through which creditors of the CCAA Parties or other interested parties can make inquiries related to the CCAA Proceedings.
- 12. Terms not defined herein shall have the definitions ascribed in the Monitor's Reports, Initial Order, ARIO, the Atkinson Affidavits or the Sales Process document.
- 13. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

BACKGROUND

- 14. This Third Report should be read in conjunction with the Atkinson Affidavits and the Monitor's Reports, which can be found on the Monitor's Website and contain background information with respect to the CCAA Parties' business and operations as well as matters leading up to the commencement of these CCAA Proceedings.
- 15. Since the commencement of these CCAA Proceedings, the Monitor has worked with Troop and Alliance Homes to bring the trades back to the Project to work to complete certain of the partially constructed Phase 1 Units that are subject to APSs. This process has taken some time but trades are returning to the site.

ACTIVITIES OF THE MONITOR

- 16. Since the Second Report, the Monitor has:
 - a) continued to assist the CCAA Parties with stakeholder communications;

- b) addressed inquiries from various trade suppliers;
- c) attended on site at the Project;
- d) engaged in discussions with four (4) real estate listing agents ("**Listing Agents**") interested in submitting listing proposals in respect of the potential sale of the Project;
- e) obtained and reviewed listing proposals submitted by the Listing Agents;
- f) selected a Listing Agent (discussed below) and entered into the Listing Agreement (defined and discussed below);
- g) engaged in various discussions in respect of and negotiated the Stalking Horse Agreement and the Sales Procedure (as defined herein);
- h) engaged in various discussions with the Applicant's counsel and the Monitor's counsel with regards to the CCAA Proceedings;
- i) arranged for the Notice in respect of the Priority Claims Procedure to be published in the Globe & Mail (National Edition);
- j) prepared the mailing for the Claims Packages to creditors as required by the Priority Claims Procedure Order; and
- k) prepared this Third Report.

APPROVAL OF THE SALE PROCESS

Listing Proposals

17. In preparation for the Sale Process, the Monitor (in consultation with and assistance of MarshallZehr), approached four (4) well-known and reputable listing agents to solicit listing proposals for the sale of the Property. Each of the listing agents submitted proposals to the Monitor who reviewed the proposals in detail, conducted further discussions and interviews with several of the Listing Agents and required further changes to proposals to be made.
18. A copy of the listing proposal summary including indications of value is attached as **Confidential Appendix "1"** (the "**Proposal Summary**"). The Monitor is seeking an Order sealing Confidential Appendix 1 pending the closing of the Transaction or further order of the Court as the summary contains indications of value which, if disclosed, could impair or jeopardize the Sale Process.
19. After reviewing the proposals and interviewing the Listing Agents, the Monitor, in consultation with MarshallZehr, selected Colliers Macaulay Nicolls Inc. ("**Colliers**"), as the proposed Listing Agent (the "**Listing Agent**") and is finalizing the listing agreement with Colliers (the "**Listing Agreement**"). A copy of the Listing Agreement can be made available to the Court upon request.

20. The Monitor and the Listing Agent are qualified to administer the Sale Process for the following reasons:

- a) the Monitor has considerable experience conducting similar sales processes;
- b) the Listing Agent has extensive industry and institutional contacts, ensuring that the Project will be broadly publicized;
- c) the Monitor and the Listing Agent are independent of the CCAA Parties; and
- d) the Monitor will ensure that the Sale Process is conducted in a thorough, transparent, and efficient manner for the benefit of all stakeholders.

Sale Process Summary & Proposed Timelines

19. A copy of the proposed Sale Process is attached as **Appendix “B”**.¹
20. The Sale Process is a stalking horse sale process intended to ensure there is a floor price for the Property. Any terms not expressly defined in this section are otherwise defined in the Sale Process.
21. The Monitor is seeking approval of the Sale Process set out herein. The Sale Process, if approved, shall commence immediately upon the issuance of the Sale Process Order. The table below sets out the key deadlines in the Sale Process (terms within the table are defined in subsequent paragraphs):

Milestone	Deadline
Commencement of Sale Process	September 28, 2026
Distribution of Teaser Letter and Marketing Materials	September 29, 2026
Publish Notice in Globe & Mail or other trade publications	September 29, 2026
Make Template Asset Purchase Agreement (“ Template APA ”) and Stalking Horse Agreement available in data room	No later than October 5, 2026
Bid Deadline for Non-binding Letters of Intent (“ LOI Deadline ”)	November 2, 2026
Qualified Bid Deadline	November 11, 2026
Notify Qualified Bidders of Auction	November 16, 2026
Auction Date (if necessary)	No later than November 20, 2026

¹ The summary of the Sale Process set out herein is for informational purposes only. Readers are encouraged to read the Sale Process and the Sale Process Order in their entirety. Capitalized terms used in this section and not otherwise defined have the meaning given to them in the Sale Process.

Hearing of the Sale Approval Motion	No later than November 27, 2026
Outside Date for closing of the Successful Bid(s)	The date that is five (5) business days after the date on which the Vesting Order becomes a final order

22. The dates set out in the Sale Process may be revised or extended by the Monitor provided that the Monitor will not extend the Qualified Bid Deadline for more than 7 days without the consent of MarshallZehr, acting reasonably.
23. The Listing Agent will develop a list of potential bidders ("**Potential Bidders**"). This list will be comprised of potential strategic and financial parties who the Listing Agent believes may be interested in the opportunity.
24. The Listing Agent will prepare marketing materials and a process summary document describing the opportunity (the "**Teaser Letter**") and a non-disclosure agreement in form and substance satisfactory to the Monitor (the "**NDA**").
25. By no later than September 29, 2026:
 - a) the Listing Agent will send the Teaser Letter and the NDA to Potential Bidders, and thereafter to any other party who requests a copy of the Teaser Letter and the NDA or who is identified to the Monitor or the Listing Agent as a Potential Bidder as soon as reasonably practicable after such request or identification, as applicable; and
 - b) the Listing Agent will publish a notice in *The Globe and Mail* (National Edition) and any other newspaper or journal as the Listing Agent, in consultation with the Monitor, considers appropriate (the "**Notice**"), if any.
26. By October 5, 2026, the Monitor shall prepare and include in the data room a form of asset purchase agreement on which asset purchase offers for the Property must be submitted (the "**Template APA**"). In addition, by no later than the same date, the Monitor shall include a copy of the Stalking Horse Agreement in the data room.
27. Any Potential Bidder who wishes to participate in the Sale Process must provide the Listing Agent an executed NDA upon which:
 - a) the Monitor and the Listing Agent will provide such parties with access to a data room containing diligence information; and
 - b) request that such parties (other than the Stalking Horse Bidder) submit (i) a letter of intent to bid, that identifies the potential bidder and a general description of the Property that would be the subject of the bid, the proposed consideration, allocates the proposed consideration among the Phase 1 Property and the Phase 2 and 3 Property, if applicable, confirms that any Qualified Bid it submits will not be subject to diligence or otherwise include non-compliant

terms and that reflects a reasonable prospect of culminating in a Qualified Bid(s) (as defined below), as determined by the Monitor (a “**LOI**”), by the LOI Deadline and, if applicable, (ii) a binding offer meeting at least the requirements set forth below, as determined by the Monitor (a “**Qualified Bid**”), by the Qualified Bid Deadline (as defined below).

Phase 1 LOIs

28. An LOI will be considered a qualified LOI (a “**Qualified LOI**”) only if: (a) it is received on or before the LOI Deadline; (b) it contains an indication of the Property on which the bidder is bidding; (c) it identifies the purchase price range which is at least as much as the Consideration Value (defined below) and provides a proposed allocation of value among the Phase 1 Property, and the Phase 2 and 3 Property, as applicable, including any expected assumptions that could reduce the expected net consideration; (d) it confirms any bid submitted will comply with the Qualified Bid criteria; (e) it provides an indication of the financial capacity of the bidder; and (f) it includes any conditions or approvals required for a final and binding offer.
29. If, by the LOI Deadline, (a) no single Qualified LOI has been received, or (b) no group of Qualified LOIs have been received in respect of different Property with aggregate consideration at least as much as the Consideration Value, then the Sale Process shall be deemed to be terminated and the Stalking Horse Bid shall be the Successful Bid and, subject to Court approval as the Successful Bid, shall be consummated in accordance with and subject to the terms of the Stalking Horse Agreement.

Phase 2 Qualified Bids

30. In the event that one or more Qualified LOI is received, bidders shall submit Bids on or before the Qualified Bid Deadline. In order to constitute a Qualified Bid, a bid must comply with the following:
 - a) it clearly outlines the Property on which the bidder is bidding;
 - b) it provides a cash purchase price in an amount equal to or greater than the Stalking Horse Bid of \$12.3 million in respect of the Phase 1 Property and \$10 million in respect of Phase 2 and 3 Property (exclusive of any sales taxes and land transfer taxes applicable to the transaction) plus the Expense Reimbursement (as defined herein) and the Listing Commission (collectively, “**Consideration Value**”), and provides a detailed schedule that identifies, the composition and sources of the Consideration Value, the allocation of the Consideration Value among the Phase 1 Property and the Phase 2 and 3 Property, and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or being excluded;
 - c) it provides for the closing of the transaction contemplated thereunder by no later than the Outside Date;

- d) it contains:
- i. the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of its controlling equity holder(s) and/or sponsors;
 - ii. a purchase agreement executed and binding on the bidder;
 - iii. a redline of the purchase agreement to the Stalking Horse Agreement or to the Template APA;
 - iv. evidence of authorization and approval from the bidder's board of directors (or comparable governing body) and, if necessary to complete the transaction, the bidder's equity holder(s) in form and substance reasonably satisfactory to the Monitor;
 - v. disclosure of any connections or agreements with the Respondents or any of their affiliates, any known, potential, prospective bidder, or any officer, manager, director, member or known equity security holder of the Respondents or any of their affiliates; and
 - vi. such other information as may be reasonably requested by the Monitor;
- e) it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until closing of the Successful Bid(s); provided, that if such bid is not selected as a Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid(s) (such bid, the "**Back-Up Bid**") it shall only remain irrevocable until selection of the Successful Bid(s) (the "**Irrevocability Period**");
- f) it provides that the bid will serve as the Back-Up Bid if it is not selected as a Successful Bid and if selected as the Back-Up Bid it will remain irrevocable until the earlier of: (i) closing of the Successful Bid(s), or (ii) closing of the Back-Up Bid;
- g) it provides written evidence of a bidder's ability to fully fund and consummate the transaction (including financing required, if any, prior to the closing of the transaction to finance the CCAA proceedings) and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid(s);
- h) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- i) it is not conditional upon:
- i. approval from the bidder's board of directors (or comparable governing body) or, if applicable, equity holder(s);

- ii. the outcome of any due diligence by the bidder; or
 - iii. the bidder obtaining financing;
 - j) it includes an acknowledgment and representation that the bidder:
 - i. has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid;
 - ii. is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Monitor and its employees, officers, directors, agents, advisors and other representatives, regarding the proposed transaction, this Sale Process, or any information (or the completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents;
 - iii. is making its bid on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Monitor or any of its employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transaction documents;
 - iv. is bound by this Sale Process and the Sale Process Order; and
 - v. is subject to the exclusive jurisdiction of the Court with respect to any disputes or other controversies arising under or in connection with this Sale Process or its bid;
 - k) it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the proposed transaction (including the anticipated timing necessary to obtain such approvals);
 - l) it is accompanied by a cash deposit (the “**Deposit**”) by wire transfer of immediately available funds equal to 10% of the Consideration Value, which Deposit shall be retained by the Monitor in a non-interest bearing trust account;
 - m) it includes a statement that the bidder will bear its own costs and expenses and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
 - n) it is received by the Monitor by the Qualified Bid Deadline at the Dedicated Email Address.
31. The Monitor may, in consultation with MarshallZehr, waive compliance with any one or more of the requirements specified above and deem a non-compliant bid to be a Qualified Bid, provided that the Monitor shall not waive compliance with the requirements specified in Subsections (b), (h), (j), (m) or (n) without the prior written consent of MarshallZehr, acting reasonably.

Auction

32. If one or more Qualified Bids is received, the Monitor or the Listing Agent, in consultation with MarshallZehr, shall be entitled to (a) proceed with an auction process to determine the successful bid(s) (the “**Auction**”), which Auction, if conducted, shall be administered in accordance with Schedule “D” to the Sale Process; or (b) establish other procedures for determining a successful bid(s) in the Sale Process. The successful bid(s) selected within the Auction shall constitute the “**Successful Bid(s)**”.
33. If no Qualified Bid(s) are received by the Bid Deadline, other than the Stalking Horse Agreement, the Stalking Horse Bidder will be declared to be the Successful Bidder. The determination of any Successful Bid by the Monitor shall be subject to approval by the Court.
34. Following the selection of a Successful Bid(s), the Monitor will bring a motion (the “**Sale Approval Motion**”) to the Court seeking an order approving the Successful Bid(s) and granting any necessary relief to consummate the transaction contemplated thereunder. All Qualified Bids other than the Back-Up Bid, if any, shall be deemed to be rejected on and as of the date of approval of the Successful Bid by the Court.

Recommendation

35. The Monitor is supportive of the Sale Process for the following reasons:
 - a) the Project will be widely exposed to the market through the Sale Process by the Listing Agent to canvass the availability of Qualified Bids;
 - b) the Monitor has consulted the Listing Agents regarding the proposed timelines and the Listing Agent believes the proposed timelines provide it with sufficient time to market the Property;
 - c) the timelines are sufficient to allow interested parties to perform due diligence in order to submit a Bid, taking into account the CCAA Parties’ liquidity constraints;
 - d) the factors to be considered in reviewing Qualified Bids, as well as the Auction procedures, are reasonable and appropriate in the circumstances;
 - e) the identification of Known Potential Bidders and initial contact with prospective participants will be accompanied by an advertising campaign with broad market reach to increase exposure of the Project and an introduction to the Sale Process; and
 - f) the Monitor is of the view that the Sale Process will canvas interest in the Project in an efficient, fair, and transparent manner.

THE STALKING HORSE AGREEMENT

36. A copy of the Stalking Horse Agreement is attached hereto as **Appendix “C”**.²
37. The Stalking Horse Agreement is a share subscription and asset purchase and will act as the minimum bid against which all other bids will be evaluated.
38. Below is a summary of certain material terms of the Stalking Horse Agreement:
- a) Purchaser: Ducimus Capital Inc.
 - b) Vendors: Each of the CCAA Parties, by the Monitor.
 - c) Purchase Price: \$23.3 million.
 - d) Purchase Price Allocation: The Purchase Price has been calculated based on the following values of the Real Property:
 - Phase 1 - \$12.3 million; and
 - Phases 2 & 3 \$10.0 million.
 - e) Subscription for New Common Shares: the Purchaser will subscribe for new common shares (the “**New Common Shares**”) of each of 205 Ontario, Berkstar and Alliance Sutton (the “**Corporate Vendors**”). Post-closing, and after giving effect to the Consolidation and Cancellation, the Purchaser shall be the sole shareholder of each of the Corporate Vendors.
 - f) Purchased Assets: the Purchaser will purchase and assume from Rose LP, Rose LP’s entire right, title and interest in and to the Real Property Interest, being a 33 1/3% undivided interest in the Real Property (the “**Purchased Assets**”).
 - g) Excluded Assets: as it relates to the Corporate Vendors, cash and cash equivalents, tax and other books and records related to Excluded Liabilities; Excluded Contracts; communications related to the Transaction, any Excluded Asset or Excluded Liability; input tax credits or rebates arising in respect of the period prior to the Closing Date; any rights that accrue to ResidualCo, under the Stalking Horse Agreement or the Vesting Order; any other assets or contracts that the Purchaser elects to exclude (on the terms set out in the Stalking Horse Agreement).
 - h) Assumed Liabilities: all liabilities of the Corporate Vendors arising from and after Closing and assumed liabilities specifically identified by the Purchaser in the Stalking Horse Agreement.
 - i) Excluded Liabilities: except as specifically retained, all Claims of the Corporate Vendors including, without limitation, those listed in Schedule 2.06 of the Stalking Horse Agreement, any

² The summary of the Stalking Horse Agreement set out herein is for informational purposes only. Readers are encouraged to read the Stalking Horse Agreement in its entirety. Capitalized terms used in this section and not otherwise defined have the meaning ascribed to them in the Stalking Horse Agreement.

contract or liability arising from a change of control provision; all liabilities under the Loan Agreements; all liabilities relating to or under the Excluded Assets; all Pre-Filing Tax Obligations; all Post-Filing Tax Obligations; liabilities related to the Wastewater (Sewage) Credit Purchase Agreement made as of March 18, 2015 between 205 Ontario and 840180 Ontario Limited; the Restructuring Period Claims and the Restructuring Period D&O Claims.

- j) Pre-Closing and Closing Reorganization: The specific mechanism for implementing the Closing and the structure of the transactions contemplated by this Agreement shall be structured in a tax efficient manner mutually agreed upon by the Parties, each acting reasonably. Implementation steps will be agreed on at least 7 days prior to the hearing for the Vesting Order.
 - k) Alternative Transaction Structure: Prior to the application for the Vesting Order, if the Purchaser determines in its reasonable discretion, that it is necessary or desirable to proceed with another form of transaction (an “**Alternative Transaction**”), including an asset purchase transaction, which, in the Monitor’s opinion, provides the creditors with a financial result substantially equivalent to or better than the Transactions, then, the Vendors will support the completion of such Alternative Transaction and take all actions necessary or desirable which are within their power to effect the completion of such Alternative Transaction, provided that the Monitor’s approval shall not be unreasonably withheld, conditioned or delayed.
 - l) As is Where Is: The issuance of the New Common Shares and sale of the Purchased Assets is on an “as is where is” basis.
 - m) Releases: The Stalking Horse Agreement provides that on Closing, the Purchaser shall release the Monitor and its affiliates and each of the CCAA Parties shall release the Purchaser, the Monitor and their respective affiliates.
 - n) Conditions to Closing (both parties): Conditions to Closing for the benefit of both parties include, among others: (i) the Vesting Order shall have been granted; and (ii) all transaction regulatory approvals shall have been received.
 - o) Conditions to Closing (Purchaser): Conditions to Closing for the benefit of the Purchaser include, among others, (i) that the Stalking Horse Agreement shall have been selected as the Successful Bid; (ii) no change shall have occurred that would be expected to result in a material adverse effect; (iii) the Vendors shall have disclaimed the Pre-Sale APAs (defined below).
 - p) Expense Reimbursement: In the event that the Stalking Horse Agreement is not the Successful Bid, the Stalking Horse Bidder is entitled to an expense reimbursement of up to a maximum of \$200,000 to be paid out of the proceeds of sale of the Successful Bid.
39. As set out in the Atkinson Affidavit sworn August 17, 2026, there are thirteen (13) purchase agreements for unit buyers (the “**Pre-Sale APAs**”) for units on which construction has not yet been commenced. Those units are as follows:

PIN #	LOT #
30064-0004	4
30064-0020	20
30064-0026	26
30064-0038	38
30064-0051	51
30064-0066	66
30064-0072	72
30064-0083	83
30064-0092	92
30064-0097	97
30064-0101	101
30064-0102	102
30064-0107	107

40. The Purchaser has advised that it is not prepared to assume the obligation to complete transactions in respect of the Pre-Sale APAs as, in their view, they are not economically viable. In the event that the Stalking Horse Agreement is the Successful Bid (or any other Successful Bid requires the exclusion of the Pre-Sale APAs as a condition of the transaction), the Monitor expects that concurrently with the motion for the Vesting Order, it will also seek direction authorizing the disclaimer of the Pre-Sale APAs. As set out in the Stalking Horse Agreement, the Purchaser is entitled to add additional contracts to the Excluded Contracts schedule up to the earlier of (a) one business day prior to the Auction Date or (b) the date on which the motion for the Vesting Order is heard. In particular, the Monitor understands that the Purchaser is continuing to assess whether it will require that the APAs in respect of Lots 15, 17, 47, 122 and 135 be included in or excluded from the transaction. The Monitor expects that to the extent that any such APAs are added, it will be done with sufficient time for notice of any disclaimer motion to be provided to the applicable home purchaser.
41. The Monitor is of the view that the Stalking Horse Agreement is appropriate for the following reasons:

- a. The Stalking Horse Agreement is the product of extensive discussions and negotiations between the Monitor, by and on behalf of the Applicants, the Applicant and the Stalking Horse Bidder;
 - b. the Stalking Horse Agreement sets a fair base level consideration and terms for the Sale Process and establishes lender expectations as Ducimus holds a material 1st ranking position within the Secured Loan (as detailed in the Atkinson Affidavits) – in particular it establishes bidder expectation as to timeline in which due diligence must be conducted as the Stalking Horse Agreement is not subject to ongoing diligence. The Monitor's experience in real estate sale processes is that this must be clearly outlined absent which, in the context of real estate, bidders often require due diligence and exclusivity even where sale process terms indicated otherwise;
 - c. the consideration being offered by the Stalking Horse Bidder is in line with the indications of value as set out in the Proposal Summary;
 - d. in the circumstances, the Expense Reimbursement is modest and largely meant to reimburse the Stalking Horse Bidder for out-of-pocket costs associated with the preparation and negotiation of the Stalking Horse Agreement and no separate break fee has been requested;
 - e. the alternative in this instance would be a sale process with no stalking horse – however, as the cost of the stalking horse is relatively minor (i.e. the expense reimbursement) there is no material prejudice in accepting the stalking horse.
42. The Monitor notes that this Court will need to be satisfied as to the appropriateness of the partial reverse vesting order ("**RVO**") structure at the motion to approve the Successful Bid (to the extent that the Stalking Horse Bidder does not do an Alternative Transaction). Nonetheless, the Monitor has considered the rationale for the Stalking Horse Bidder structuring the Stalking Horse Bid as a partial RVO. The Monitor will comment more fully on the propriety of a partial RVO structure in the event that the Successful Bidder arising from the Sale Process is seeking to implement with this structure.
43. The Monitor is satisfied that the Stalking Horse Agreement is an appropriate minimum starting bid for the Project and recommends that it be approved by Court.

APPROVAL OF REPORTS AND MONITOR'S ACTIVITIES

44. The Monitor is seeking approval of the Reports and the actions, conduct, and activities of the Monitor described therein.

45. The Monitor submits that the activities undertaken in the CCAA Proceedings as described in the Reports have been carried out in good faith and in accordance with the CCAA and, consequently, should be approved.

CASH FLOW FORECAST

46. The Monitor is in the process of preparing an updated cash flow forecast to December 6, 2026 and a comparison of the CCAA Parties' actual cash receipts and disbursements as compared to the Amended Cash Flow, which it will include in a supplement to this Third Report.

EXTENSION OF THE STAY OF PROCEEDINGS

47. The Monitor is seeking an extension of the Stay of Proceedings to December 4, 2026 on behalf of the CCAA Parties. Since the granting of the Initial Order, and with the supervision of the Monitor pursuant to the Initial Order, the CCAA Parties have been and continue to act in good faith and with due diligence.
48. The extension of the Stay of Proceedings will facilitate the stated purpose of these CCAA Proceedings, which will include, among other things, completion of the Phase 1 Units subject to the Unit Sales Order, the Priority Claims Process being undertaken and, subject to the granting of the relief sought, the Sale Process to be undertaken for the remainder of the Property.
49. The DIP Lender supports the extension of the Stay of Proceedings.
50. The Monitor does not believe that the extension of the Stay of Proceedings will unduly prejudice any stakeholder of the CCAA Parties.

CONCLUSION

51. For the reasons set out in the Third Report, the Monitor is of the view that the relief sought is both reasonable and appropriate. As such, the Monitor supports the relief and respectfully recommends that the Court grant the relief sought herein.

This report is respectfully submitted this 22nd, day of September, 2026

**In its capacity as Court-Appointed Monitor of 2055226 Ontario Inc.,
Alliance (Sutton) Inc., Berkstar Development Inc.,
Rose Sutton Limited Partnership and Rose Operating I GP Inc.
and not in its personal or corporate capacity**

A handwritten signature in blue ink, appearing to read "J. Parisi".

Josie Parisi, CPA, CA, CBV, CIRP, LIT
Senior Vice President

APPENDIX A



Court File No.: CL-26-00000362-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE	)	FRIDAY, THE 28 TH
	)	
JUSTICE DUNPHY	)	DAY OF AUGUST, 2026

**IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 2055226 ONTARIO INC., ALLIANCE
(SUTTON) INC., BERKSTAR DEVELOPMENT INC. AND
ROSE OPERATING I GP INC.**

MARSHALLZEHR GROUP INC.

Applicant

AND

**2055226 ONTARIO INC., ALLIANCE (SUTTON) INC., BERKSTAR DEVELOPMENT
INC., ROSE SUTTON LIMITED PARTNERSHIP AND ROSE OPERATING I GP INC.**

Respondents

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by MarshallZehr Group Inc. (the “**Applicant**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) was heard this day at 330 University Avenue, Toronto, Ontario M5G 1R7 by judicial videoconference via Zoom.

ON READING the Affidavit of Sean Atkinson sworn August 17, 2026 and the Exhibits thereto (the “**First Atkinson Affidavit**”), the Affidavit of Alex Troop sworn August 17, 2026, the Affidavit of Sam Reisman sworn August 22, 2026, the Supplementary Affidavit of Alex Troop sworn August 23, 2026, the Affidavit of Rosemarie Parruzza sworn August 23, 2026, the Affidavit of Manav Acharya sworn August 23, 2026, the Affidavit of Sean Atkinson sworn August 26, 2026 (the “**Second Atkinson Affidavit**”), the pre-filing report of BDO Canada Limited (“**BDO**”), in its capacity as the proposed monitor of 2055226 Ontario Inc., Alliance (Sutton) Inc., Berkstar Development Inc., Rose Sutton Limited Partnership and Rose Operating I GP Inc. (the “**Respondents**”) dated August 17, 2026 (the “**Pre-Filing Report**”), the first report of BDO, in its capacity as the monitor of the Respondents (in such capacity, the “**Monitor**”) dated August 27, 2026 (the “**First Report**”), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for Alliance Sutton Inc. and Alliance Homes Ltd. (“**Alliance Homes**”), counsel for Ducimus Capital Inc, counsel for Sam Reisman and such other counsel as were present as appears on the Participant List, with no one else appearing for any other person although duly served as it appears from the affidavit of service of Kim Sellers sworn August 17, 2026, and the affidavit of service of Kim Sellers sworn August 27, 2026, filed, and on reading the consent of BDO to act as the Monitor of the Respondents,

SERVICE AND DEFINITIONS

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.
2. **THIS COURT ORDERS** that unless otherwise defined herein, capitalized terms have the meanings given to them in the First Atkinson Affidavit and Second Atkinson Affidavit, as applicable.
3. **THIS COURT ORDERS** that, for the avoidance of doubt, reference in this Order to the “date of this Order”, the “date hereof”, or similar phrases mean August 24, 2026 (the “**Filing Date**”) being the date the Initial Order was granted by this Court.

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that each of the Respondentss shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

APPLICATION

5. **THIS COURT ORDERS AND DECLARES** that 2055226 Ontario Inc., Alliance (Sutton) Inc., Berkstar Development Inc., and Rose Operating I GP Inc. are companies to which the CCAA applies.

6. **THIS COURT ORDERS** that, although not a Company (as the term is defined in the CCAA), Rose Sutton Limited Partnership shall be bound by the terms of this Order and enjoy the benefits, protections and authorizations provided in this Order.

POSSESSION OF PROPERTY AND OPERATIONS

7. **THIS COURT ORDERS** that the Respondents shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, and subject to (i) funding being available to the Respondents under the DIP Term Sheet and the availability within the cash flow forecast to do so; and (ii) the constraints imposed on the Respondents arising from the Monitor’s Enhanced Powers (defined below) that may impede the ability of the Respondents from doing so, the Respondents shall continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property. The Respondents are authorized and empowered to continue to retain and employ the employees, consultants, independent contractors, agents, experts, accountants, counsel and such other persons (collectively, “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

8. **THIS COURT ORDERS** that, subject to the oversight of the Monitor specifically set out in paragraph 29 of this Order, the Respondents shall be entitled to continue to utilize their

central cash management system currently in place as described in the First Atkinson Affidavit or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Respondents of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Respondents, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan under the CCAA with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

9. **THIS COURT ORDERS** that subject to the terms of the Definitive Documents (as hereinafter defined), the Respondents shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant and subject to the prior consent of the Monitor, the Respondents in respect of these proceedings, at their standard rates and charges.

10. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, and subject to the terms of the Definitive Documents, and the cash flow forecast appended to the First Report, as applicable, the Respondents shall be entitled but not required to pay all reasonable expenses incurred by the Respondents in carrying on the Business in the ordinary course after the Filing Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance, maintenance and security services; and
- (b) payment for goods or services actually supplied to the Respondents following the Filing Date; and
- (c) payment for goods or services actually supplied to the Respondents by third party suppliers prior to the Filing Date if it is determined by the Respondents, with the consent of the Monitor and the DIP Lender (defined below), that the supplier is critical to the Business, ongoing operations of the Respondents, or preservation of the Property, the payment is required to ensure ongoing supply and/or services, and such payments are approved in advance by the Monitor or by further Order of the Court.

11. **THIS COURT ORDERS** that the Monitor shall direct that the Respondents shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes and all other amounts related to such deductions or employee wages payable for periods following the Filing Date pursuant to the *Income Tax Act*, the *Canada Pension Plan Act*, the *Employment Insurance Act*, or similar provincial statutes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Respondents in connection with the sale of goods and services by the Respondents, but only where such Sales Taxes are accrued or collected after the Filing Date, or where such Sales Taxes were accrued or collected prior to the Filing Date but not required to be remitted until on or after the Filing Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of

municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Respondents.

12. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Respondents shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Respondents and the landlord from time to time (“**Rent**”), for the period commencing from and including the Filing Date twice monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the Filing Date shall also be paid.

13. **THIS COURT ORDERS** that, except as specifically permitted herein or required pursuant to the terms of the Definitive Documents, the Respondents are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Respondents to any of their creditors as of the Filing Date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

14. **THIS COURT ORDERS** that the Respondents (or the Monitor on behalf of the Respondents) in consultation with the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their business or operations;

- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate;
- (c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Respondents to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

15. **THIS COURT ORDERS** that the Respondents shall provide each of the relevant landlords with notice of the Respondents’ 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 Respondents’ 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 Respondents, or by further Order of this Court upon application by the Respondents on at least two (2) days notice to such landlord and any such secured creditors. If the Respondents disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Respondents’ claim to the fixtures in dispute.

16. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Respondents and the Monitor 24 hours’ prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Respondents in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE RESPONDENTS OR THE PROPERTY

17. **THIS COURT ORDERS** that until and including November 13, 2026 or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Respondents, Construction Manager (as defined below) or the Monitor or their respective employees, directors, or counsel, or affecting the Business or the Property, except with the written consent of the Respondents and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Respondents or any of their employees, directors, or counsel, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

18. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Respondents, Alliance Homes in its capacity as the existing consulting/construction manager for the Project (in such capacity, the “**Construction Manager**”), or the Monitor, or their respective employees, directors, or counsel, for matters affecting the Business or the Property, including, without limitation, licences and permits required for the Project regardless of who is the legal holder of any such licences and permits, are hereby stayed and suspended except with the written consent of the Respondents and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Respondents to carry on any business which the Respondents are not lawfully entitled to carry on; (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (c) prevent the filing of any registration to preserve or perfect a security interest; or (d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

19. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to

perform any right, renewal right, contract, agreement, licence, authorization or permit in favour of or held by the Respondents, except with the written consent of the Respondents and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

20. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Respondents 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 Business or the Respondents, 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 Respondents, and that the Respondents shall be entitled to the continued use of their current premises, 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 Filing Date are paid by the Respondents in accordance with normal payment practices of the Respondents or such other practices as may be agreed upon by the supplier or service provider and each of the Respondents and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

21. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Filing Date, nor shall any Person be under any obligation on or after the Filing Date to advance or re-advance any monies or otherwise extend any credit to the Respondents. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

NO PRE-FILING VS POST-FILING SET OFF

22. **THIS COURT ORDERS** that during the Stay Period, no Person shall be entitled to set off any amounts that: (a) are or may become due to the Respondents in respect of obligations arising prior to the Filing Date with any amounts that are or may become due from the

Respondents in respect of obligations arising prior to the date of this Order; (b) are or may become due to the Respondents in respect of obligations arising prior to the Filing Date with any amounts that are or may become due from the Respondents in respect of obligations arising on or after the Filing Date; or (c) are or may become due from the Respondents in respect of obligations arising prior to the Filing Date with any amounts that are or may become due to the Respondents in respect of obligations arising on or after the Filing Date, in each case without the consent of the Respondents and the Monitor, or with leave of this Court.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

23. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Respondents with respect to any claim against the directors or officers that arose before the Filing Date and that relates to any obligations of the Respondents whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Respondents, if one is filed, is sanctioned by this Court or upon further Order of this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

24. **THIS COURT ORDERS** that the Respondents shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers after the commencement of these proceedings, except to the extent the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

25. **THIS COURT ORDERS** that the directors and officers of the Respondents shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$450,000 as security for the indemnity provided in paragraph 24 of this Order. The Directors' Charge shall have the priority set out in paragraphs 45 and 47 hereof.

26. **THIS COURT ORDERS** that notwithstanding any language in any applicable insurance policy to the contrary:

- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
- (b) the directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under a directors' and officers' insurance policy, or to the extent such coverage is insufficient to pay amounts indemnified under paragraph 24 of this Order.

APPOINTMENT OF MONITOR

27. **THIS COURT ORDERS** that BDO is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Respondents with the powers and obligations set out in the CCAA or set forth herein and that the Respondents and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Respondents pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

28. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) provide any consents or authorizations as contemplated by this Order;
- (b) monitor the Respondents' receipts and disbursements including the management and use of any funds advanced by the Applicant as DIP lender (in such capacity, the "**DIP Lender**") under the DIP Term Sheet (as hereinafter defined);
- (c) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (d) assist the Respondents, to the extent required by the Respondents, in their dissemination to the DIP Lender and its counsel on a regular basis of financial and other information as agreed to between the Respondents and the DIP Lender, which

- financial and other information may be used in these proceedings, including reporting on a basis to be agreed with the DIP Lender or as required pursuant to the Definitive Documents;
- (e) advise the Respondents in its preparation of the Respondents' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis as agreed to by the DIP Lender or as required pursuant to the Definitive Documents;
 - (f) advise the Respondents in their development of the Plan and any amendments to the Plan;
 - (g) assist the Respondents, to the extent required by the Respondents, with the holding and administering of creditors' and shareholders' meetings for voting on the Plan;
 - (h) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Respondents, to the extent that is necessary to adequately assess the Respondents' business and financial affairs or to perform its duties arising under this Order;
 - (i) be at liberty to engage independent legal counsel and such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
 - (j) perform such other duties as are required by this Order or by this Court from time to time.

29. **THIS COURT ORDERS** that, without in any way limiting the powers and duties of the Monitor otherwise set out herein, the Monitor is hereby empowered and authorized, but not obligated, to do any of the following in the name of and on behalf of the Respondents, where the Monitor considers it necessary or desirable:

- (a) take any and all actions and steps to manage, operate and carry on the Business, or to preserve, protect and exercise control over the Property, or any parts thereof, including, without in any way limiting the generality of the foregoing:

- (i) any actions or steps the Monitor considers necessary or desirable to proceed with an orderly restructuring or realization of the Business;
- (ii) any and all steps of the Respondents authorized by this Order and any other Order made in these proceedings, including making distributions or payments;
- (iii) receive, preserve and protect the Property, including changing locks and security codes, engaging security personnel, and placing insurance coverage;
- (iv) exercise control over the Cash Management System and every bank account in the name of the Respondents, open or more new accounts, direct deposit and distribution of funds and issue binding directions to any financial institution maintaining an account of the Respondents;
- (v) receive, collect and exercise control over all monies and accounts held by or owing to the Respondents, including any proceeds of the sale of any of the Property;
- (vi) enter into any agreements on behalf of and in the name of the Respondents for any purpose pursuant to this Order;
- (vii) disclaim property, leases or agreements of the Respondents;
- (viii) initiate, prosecute and continue any proceedings, defend proceedings pending or instituted with respect to the Respondents, the Business or the Property and settle or compromise any such proceedings;
- (ix) settle, extend or compromise any indebtedness owing to or by the Respondents;
- (x) purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the Business, or any part or parts thereof;
- (xi) exercise any rights of the Respondents;
- (xii) 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 in the name of the Respondents;
- (xiii) exercise any consent, approval or decision-making rights of the Respondents with respect to the Business and the Property;
- (xiv) apply for any vesting order or other order, including confidentiality or sealing orders, necessary to convey the Property or any part thereof to a purchaser free and clear of liens and encumbrances;

- (xv) take any and all corporate governance actions for the Respondents including without limitation the authority to make any Major Decisions (as defined in the Co-owners Agreement);
 - (xvi) exercise any shareholder, partnership, joint venture or other rights that the Respondents may have;
 - (xvii) register a copy of this Order and any other Order in respect of the Property against title to any Property; and
 - (xviii) execute, assign, issue and endorse documents of whatever nature, including, without limitation, the Respondents' cash flow forecasts and reports provided thereon, by and on behalf of the Respondents in respect of any of the Property for any purpose pursuant to this Order;
- (b) to report to, meet with and discuss with such affected persons as the Monitor deems appropriate on all matters relating to the Business and the Property, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;
- (c) oversee and direct the preparation and dissemination of financial and other information of the Respondents in these proceedings, including cash flow statements; and
- (d) perform such other duties or take any steps reasonably incidental to the exercise of these powers,

(collectively, the “**Monitor’s Enhanced Powers**”) and in each case where the Monitor takes any such actions or steps pursuant to the Monitor’s Enhanced Powers, it shall be exclusively authorized and empowered to do so, to the exclusion of all other persons, including the Respondents and without interference from any other person, and no director or officer of the Respondents shall incur any liability for decisions or actions of the Monitor acting under that authority.

30. **THIS COURT ORDERS** that the Monitor shall not take possession of the Business or Property and shall take no part in the management or supervision of the management of the Business other than when exercising the Monitor’s Enhanced Powers for and on behalf of the Respondents. By fulfilling its obligations under this Order, or through inadvertence in the due

exercise of its powers or performance of its duties, the Monitor shall not be deemed to have taken or maintained possession or control of the Business or Property or to be an officer, director, employer, successor employer or liquidator of the Respondents for any purposes whatsoever.

31. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) (or be deemed to take Possession of) 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 Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor’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.

32. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Respondents and the DIP Lender with information provided by the Respondents in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Respondents is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Respondents may agree.

33. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save

and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

34. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to the Filing Date as part of the costs of these proceedings (the “**Administration Fees**”). The Respondents are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant, on a weekly basis, and, in addition, the Respondents are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant retainers in such amounts as may be agreed from time to time, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

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

36. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and the Applicant’s counsel shall allocate their Administration Fees and the Monitor shall allocate the amounts advanced under the DIP Term Sheet (as defined below), in each case as between those relating to Phase 1, Phase 2 and 3 and those not related to a particular Phase of the Real Property, subject to further Order of the Court.

37. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Applicant’s counsel shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$650,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the Filing Date in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 45 and 47 hereof.

DIP FINANCING

38. **THIS COURT ORDERS** that the Respondents are hereby authorized and empowered to obtain and borrow under a credit facility (the “**DIP Facility**”) from the DIP Lender in order to finance the Respondents’ working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed an initial advance in a principal amount up to \$2,000,000 plus interest, fees and expenses, unless permitted by further Order of this Court.

39. **THIS COURT ORDERS** that the DIP Facility shall be on the terms and subject to the conditions set forth in the debtor-in-possession term sheet between the Respondents (to be executed by the Monitor for and on behalf of the Respondents), as the borrower, and the DIP Lender, as lender, to be entered into after approval by this Order, a copy of which is appended to the First Atkinson Affidavit (the “**DIP Term Sheet**”).

40. **THIS COURT ORDERS** that the Respondents and the Monitor are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively with the DIP Term Sheet, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Respondents are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Definitive Documents and this Order (collectively, the “**DIP Obligations**”) as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

41. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property as security for any and all DIP Obligations. The DIP Lender’s Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraphs 45 and 47 hereof.

42. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon seven (7) days' notice to the Respondents and the Monitor, may exercise any and all of its rights and remedies against the Respondents or the Property under or pursuant to the Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Respondents and set off and/or consolidate any amounts owing by the Respondents to the DIP Lender under the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Respondents and for the appointment of a trustee in bankruptcy of the Respondents; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Respondents or the Property.

43. **THIS COURT ORDERS** that the DIP Lender shall be treated as unaffected in any Plan filed by the Respondents under the CCAA, or any proposal filed by the Respondents under the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "**BIA**"), with respect to any advances made under the Definitive Documents.

44. **THIS COURT ORDERS** that: (a) pending expiry of the time for filing a notice of appeal or application for leave to appeal, or an appeal in respect of this Order and the disposition of any claims, actions, proceedings, applications, or motions to review, rescind or vary this Order, or applications for leave to appeal or appeals from this Order (collectively, "**Challenges**"), the Respondents are authorized to borrow funds under the DIP facility in accordance with the DIP Term Sheet; and (b) irrespective of the disposition of any Challenges, the DIP Lender shall have the benefit of the DIP Charge and all other provisions of this Order in

respect of all amounts so advanced; and (c) this Order is subject to provisional execution to the extent necessary to give effect to the foregoing.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

45. **THIS COURT ORDERS** that the priorities of the Administration Charge, the DIP Lender's Charge and the Directors' Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$650,000);

Second – DIP Lender's Charge; and

Third - Directors' Charge (to the maximum amount of \$450,000).

46. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

47. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

48. **THIS COURT ORDERS** that, for greater certainty, the Charges do not attach to deposit trust funds subject to true trust and held by the escrow agent under the Deposit Trust Agreement.

49. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Respondents shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Respondents also obtain the prior written consent of the Monitor, the DIP Lender and the beneficiaries of the applicable Charges (collectively, the "**Chargees**"), or further Order of this Court.

50. **THIS COURT ORDERS** that the Charges and the Definitive Documents, shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) or receivership order(s) issued pursuant to the BIA, or otherwise any bankruptcy order or receivership order(s) made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Respondents, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Definitive Documents shall create or be deemed to constitute a breach by the Respondents of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Respondents entering into the Definitive Documents, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Respondents pursuant to this Order, the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

51. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Respondents’ interest in such real property leases.

SERVICE AND NOTICE

52. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in *The Globe and Mail* a notice containing the information prescribed under the CCAA; (b) within five days after the Filing Date, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner or by electronic message to the e-mail addresses as last shown in the Respondents' records, a notice to every known creditor who has a claim against the Respondents of more than \$1,000, and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not be required to make the claims, names and addresses of any individual persons who are creditors publicly available unless otherwise ordered by this Court.

53. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List E-Service (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194 (the "**Rules**"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(1)(d) of the Rules and paragraph 13 of the Protocol, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a case website shall be established in accordance with the Guide with the following URL: www.bdo.ca/2055226_Ontario (the "**Monitor's Website**").

54. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant, the Respondents and the Monitor are 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 Respondents' creditors or other interested parties at their respective addresses as last shown on the records of the Respondents 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.

55. **THIS COURT ORDERS** that the Monitor shall create, maintain, and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the “**Service List**”). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor’s Website, provided that the Monitor shall have no liability in respect of the accuracy or the timeliness of making any changes to the Service List.

56. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear on a motion before this Court and any such interested person shall give not less than five(5) business days’ notice to the Service List and any other party or parties likely to be affected by the Order sought; provided, however, that the Chargees shall be entitled to rely on this Order as granted and on the Charges and priorities set forth in paragraphs 45 and 47 hereof with respect to any fees, expenses and disbursements incurred, as applicable, until the date this Order may be amended, varied or stayed.

GENERAL

57. **THIS COURT ORDERS** that the Applicant, the Respondents or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties hereunder or in the interpretation of this Order.

58. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Respondents, the Business or the Property.

59. **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 Respondents, the Monitor and their respective 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

Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Respondents and the Monitor and their respective agents in carrying out the terms of this Order.

60. **THIS COURT ORDERS** that each of the Applicant and the Monitor 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 Monitor 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.



Digitally signed by
Sean Dunphy
Date: 2026.08.28
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IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.

AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF 2055226 ONTARIO INC. et al.

ON
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced by

AMENDED AND RE-AMENDED
(Dated August 1, 2017)

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40 King Street West, Suite 400
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Lawyers for the Applicant

APPENDIX B

Schedule “C”

Sales Process

1. On August 24, 2024, on application brought by MarshallZehr Group Inc. (“**MarshallZehr**”) the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an order (as amended and restated and as the same may be further amended from time to time, the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), among other things, appointing BDO Canada Limited as the monitor (in such capacity, the “**Monitor**”) in the CCAA proceedings involving 2055226 Ontario Inc., Alliance (Sutton) Inc., Berkstar Development Inc., Rose Sutton Limited Partnership and Rose Operating I GP Inc. (the “**Respondents**”).
2. On September 18, 2026, the Court granted an order (the “**Sale Process Order**”) that, among other things: (a) authorized the Monitor to implement a sale process for the property of the Respondents including the real property legally described in **Schedule “A” (“Phase 1 Property”)** and **Schedule “B” (“Phase 2 and 3 Property”)** attached hereto (collectively, the “**Lands**”) and all present and future assets, undertakings and personal property, with the exception of certain deposit monies held in trust, located at, related to, or used in connection with or arising from or out of the Lands or which is necessary to the use and operation of the Lands, including all net proceeds thereto remaining at the conclusion of these CCAA Proceedings (collectively, the “**Property**”) in accordance with the terms hereof (“**Sale Process**”); and (b) authorized and empowered the Monitor (on behalf of the Respondents) to enter into the stalking horse share and asset purchase agreement between the Monitor for and on behalf of the Respondents, as vendors, and **Ducimus Capital Inc., as purchaser** (in such capacity, “**Stalking Horse Bidder**”) dated as of September 21, 2026 (the “**Stalking Horse Agreement**”). Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the Sale Process Order or the Stalking Horse Agreement, as the case may be. A copy of the Sale Process Order can be found at www.bdo.ca/2055226_Ontario.
3. This Sale Process sets out the manner in which: (a) binding bids for executable transaction alternatives that are superior to the transaction contemplated by the Stalking Horse Agreement involving the Property of the Respondents will be solicited from interested parties; (b) any such bids received will be addressed; (c) any Successful Bid(s) (as defined below) will be selected; and (d) Court approval of any Successful Bid(s) will be sought.
4. The Sale Process will be administered by the Monitor, who has engaged Colliers Macaulay Nicolls Inc. as its listing agent (“**Listing Agent**”). The roles and responsibilities of the Monitor and its Listing Agent are described in further detail throughout this Sale Process.
5. Parties who wish to have their bids considered must participate in this Sale Process as conducted by the Monitor.
6. This Sale Process will be conducted such that the Monitor and Listing Agent will:
 - (a) disseminate marketing materials and a process letter to potentially interested parties identified by the Monitor and Listing Agent;

- (b) solicit interest from parties with a view to such interested parties entering into non-disclosure agreements in form and substance satisfactory to the Monitor in its sole discretion (each a “**NDA**”) (parties shall only obtain access to the data room and be permitted to participate in this Sale Process if they execute an NDA and agree to any additional measures that are required by the Monitor to protect competitively sensitive information);
 - (c) provide applicable parties with access to a data room containing diligence information; and
 - (d) request that such parties (other than the Stalking Horse Bidder) submit (i) a letter of intent to bid that identifies the potential bidder and a general description of the Property that would be the subject of the bid, the proposed consideration, allocates the proposed consideration among the Phase 1 Property and the Phase 2 and 3 Property, if applicable, confirms that any Qualified Bid it submits will not be subject to diligence or otherwise include non-compliant terms and that reflects a reasonable prospect of culminating in a Qualified Bid(s) (as defined below), as determined by the Monitor (a “**LOI**”), by the LOI Deadline (as defined below) and, if applicable, (ii) a binding offer meeting at least the requirements set forth in Section 8 below, as determined by the Monitor (a “**Qualified Bid**”), by the Qualified Bid Deadline (as defined below).
7. This Sale Process shall be conducted subject to the terms hereof and the following key milestones:
- (a) the Monitor and the Listing Agent to commence the solicitation process – as soon as practicable following the granting of the Sale Process Order;
 - (b) the Listing Agent shall publish a notice of the Sale Process in *The Globe and Mail* and such other trade publications or other publications as the Monitor and Listing Agent may deem appropriate by no later than September 29, 2026;
 - (c) the Monitor shall prepare and include in the data room a form of asset purchase agreement on which asset purchase offers for the Property must be submitted (the “**Template APA**”) and a copy of the Stalking Horse Agreement by no later than October 5, 2026;
 - (d) the deadline to submit a LOI is 5:00 p.m. Eastern Time on November 2, 2026 (the “**LOI Deadline**”);
 - (e) the deadline to submit a Qualified Bid is 5:00 p.m. Eastern Time on November 11, 2026 (the “**Qualified Bid Deadline**”);
 - (f) Monitor to determine whether a bid is a Qualified Bid and, if applicable, to notify those parties who submitted a Qualified Bid of the Auction (as defined below) – 5:00 p.m. Eastern Time on November 16, 2026;
 - (g) Monitor to hold an Auction (if applicable) – as soon as practicable of the Monitor determining that the Auction will take place;

- (h) Motion for approval of the Successful Bid(s) either through an Approval and Reverse Vesting Order or Approval and Vesting Order (both as defined below) – by no later than November 27, 2026, subject to the availability of the Court (the “**Approval Motion**”); and
 - (i) the closing of the Successful Bid(s) – as soon as reasonably practicable after the Court grants the relief sought at the Approval Motion and, in any event, after the later of 30 days after selection of the Successful Bid(s) or the first Business Day that is three Business Days following the date the Order granted at the Approval Motion is no longer subject to appeal or any appeal for which has been resolved, or such later date as agreed to among the Monitor, and MarshallZehr (the “**Outside Date**”), except that the Outside Date for the Stalking Horse Bid shall be, if the Stalking Horse Bid is selected as the Successful Bid, as set out in the Stalking Horse Agreement.
8. An LOI will be considered a qualified LOI (a “**Qualified LOI**”) only if: (a) it is received on or before the LOI Deadline; (b) it contains an indication of the Property on which the bidder is bidding; (c) it identifies the purchase price range which is at least as much as the Consideration Value (defined below) and provides a proposed allocation of value among the Phase 1 Property and the Phase 2 and 3 Property, as applicable including any expected assumptions that could reduce the expected net consideration; (d) it confirms any bid submitted will comply with the Qualified Bid criteria; (e) it provides an indication of the financial capacity of the bidder; and (f) it includes any conditions or approvals required for a final and binding offer.
 9. If, by the LOI Deadline, (a) no single Qualified LOI has been received, or (b) no group of Qualified LOIs have been received in respect of different Property with aggregate consideration at least as much as the Consideration Value, then the Sale Process shall be deemed to be terminated and the Stalking Horse Bid shall be the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Agreement.
 10. In the event that the Sale Process is not terminated in accordance with paragraph 9 above, bidders shall submit bids on or before the Qualified Bid Deadline. In order to constitute a Qualified Bid, a bid must comply with the following:
 - (a) it clearly outlines the Property on which the bidder is bidding;
 - (b) it provides a cash purchase price in an amount equal to or greater than that contained in the Stalking Horse Bid, as applicable, in respect of the Property included in the bid being a purchase price of \$12,300,000 in respect of the Phase 1 Property and \$10,000,000 in respect of Phase 2 and 3 Property (exclusive of any sales taxes and land transfer taxes applicable to the transaction) plus the Expense Reimbursement (as defined in the Stalking Horse Agreement) and the Listing Commission¹ (collectively, “**Consideration Value**”), and provides a detailed schedule that identifies, with specificity, the composition and sources of the Consideration Value,

¹ For purposes of the Sale Process, the “Listing Commission” shall mean the commission payable to the Listing Agent pursuant to the listing agreement entered into between the Monitor, by and on behalf of the Respondents, and the Listing Agent dated September 21, 2026.

the allocation of the Consideration Value among the Phase 1 Property and the Phase 2 and 3 Property, as applicable, and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or being excluded;

- (c) it provides for the closing of the transaction contemplated thereunder by no later than the Outside Date;
- (d) it contains:
 - (i) the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of its controlling equity holder(s) and/or sponsors;
 - (ii) a purchase agreement duly executed and binding on the bidder;
 - (iii) a redline of the purchase agreement to the Stalking Horse Agreement or to the Template APA (as defined below);
 - (iv) evidence of authorization and approval from the bidder's board of directors (or comparable governing body) and, if necessary to complete the transaction, the bidder's equity holder(s) in form and substance reasonably satisfactory to the Monitor;
 - (v) disclosure of any connections or agreements with the Respondents or any of their affiliates, any known, potential, prospective bidder, or any officer, manager, director, member or known equity security holder of the Respondents or any of their affiliates; and
 - (vi) such other information as may be reasonably requested by the Monitor;
- (e) it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until closing of the Successful Bid(s); provided, that if such bid is not selected as a Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid(s) (such bid, the **"Back-Up Bid"**) it shall only remain irrevocable until selection of the Successful Bid(s) (the **"Irrevocability Period"**);
- (f) it provides that the bid will serve as the Back-Up Bid if it is not selected as a Successful Bid and if selected as the Back-Up Bid it will remain irrevocable until the earlier of: (i) closing of the Successful Bid(s), or (ii) closing of the Back-Up Bid;
- (g) it provides written evidence of a bidder's ability to fully fund and consummate the transaction (including financing required, if any, prior to the closing of the transaction to finance the CCAA proceedings) and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid(s);

- (h) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- (i) it is not conditional upon:
 - (i) approval from the bidder's board of directors (or comparable governing body) or, if applicable, equity holder(s);
 - (ii) the outcome of any due diligence by the bidder; or
 - (iii) the bidder obtaining financing;
- (j) it includes an acknowledgment and representation that the bidder:
 - (i) has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid;
 - (ii) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Monitor and its employees, officers, directors, agents, advisors and other representatives, regarding the proposed transaction, this Sale Process, or any information (or the completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents;
 - (iii) is making its bid on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor or any of its employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transaction documents;
 - (iv) is bound by this Sale Process and the Sale Process Order; and
 - (v) is subject to the exclusive jurisdiction of the Court with respect to any disputes or other controversies arising under or in connection with this Sale Process or its bid;
- (k) it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the proposed transaction (including the anticipated timing necessary to obtain such approvals);
- (l) it is accompanied by a cash deposit (the "**Deposit**") by wire transfer of immediately available funds equal to 10% of the Consideration Value, which Deposit shall be retained by the Monitor in a non-interest bearing trust account in accordance with the terms hereof;
- (m) it includes a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and

by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and

- (n) it is received by the Monitor by the Qualified Bid Deadline at the email addresses specified on **Schedule “C”** hereto.
11. The Qualified Bid Deadline may be extended by the Monitor, provided that the Monitor shall only extend the Qualified Bid Deadline for no longer than 7 days with the prior written consent of MarshallZehr and the Stalking Horse Bidder both acting reasonably, or by further order of the Court.
 12. The Monitor may, in consultation with MarshallZehr, waive compliance with any one or more of the requirements specified in Section 10 above and deem a non-compliant bid to be a Qualified Bid, provided that the Monitor shall not waive compliance with the requirements specified in Subsections 10 (b), (h), (j), (m) or (n) without the prior written consent of MarshallZehr, acting reasonably.
 13. Notwithstanding the requirements specified in section 10 above, the transaction contemplated by the Stalking Horse Agreement (the “**Stalking Horse Bid**”), is deemed to be a Qualified Bid.
 14. If one or more Qualified Bids (other than the Stalking Horse Bid) have been received by the Monitor on or before the Qualified Bid Deadline, the Monitor or the Listing Agent, in consultation with MarshallZehr, shall be entitled to (a) proceed with an auction process to determine the successful bid(s) (the “**Auction**”), which Auction, if conducted, shall be administered in accordance with Schedule “D” hereto; or (b) establish other procedures for determining a successful bid(s) in the Sale Process. The successful bid(s) selected within the Auction shall constitute the “**Successful Bid(s)**”. Forthwith upon determining the procedure for determining a Successful Bid, the Monitor shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Bidder) in accordance with the terms herein.
 15. If, by the Qualified Bid Deadline, no Qualified Bid(s) (other than the Stalking Horse Bid) has been received by the Monitor, then the Stalking Horse Bid shall be deemed the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Agreement.
 16. Following selection of the Successful Bid(s), the Monitor, with the assistance of its advisors, shall seek to finalize any remaining necessary definitive agreement(s) with respect to the Successful Bid(s) in accordance with the milestones set out in Section 7. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the Monitor, the Monitor shall apply to the Court for an order or orders approving such Successful Bid and/or the mechanics to authorize the Monitor to complete the transactions contemplated thereby, as applicable, and authorizing the Monitor to: (a) enter into any and all necessary agreements and related documentation with respect to the Successful Bid; (b) undertake such other actions as may be necessary to give effect to such Successful Bid; and (c) implement the transaction(s) contemplated by such Successful Bid (each, an “**Approval and Reverse Vesting Order**” in the case of share transaction and an “**Approval and Vesting Order**” in the case of an asset transaction). If the Successful

Bid(s) is not consummated in accordance with its terms, the Monitor shall be authorized, but not required, to elect that the Back-Up Bid (if any) is the Successful Bid.

17. If a Successful Bid is selected and an Approval and Vesting Order or Approval and Reverse Vesting Order authorizing the consummation of the transaction contemplated thereunder is granted by the Court, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a bid, other than the Stalking Horse Bid, that is not selected as a Successful Bid will be returned, without interest thereon, to the applicable bidder as soon as reasonably practicable (but not later than ten (10) Business Days) after the expiration of the Irrevocability Period or such earlier date as may be determined by the Monitor; provided, however, that the Deposit in respect of the Back-Up Bid shall not be returned to the applicable bidder until the closing of the Successful Bid.
18. The Monitor shall be permitted, in its discretion, to provide general updates and information in respect of this Sale Process to any creditor or other interested stakeholder (each a “**Information Party**”) on a confidential basis, upon: (a) the irrevocable confirmation in writing from such Information Party that it will not submit any bid in this Sale Process; and (b) such Information Party executing a confidentiality agreement with the Monitor, in form and substance satisfactory to the Monitor.
19. The Monitor shall have sole discretion to make amendments to the Sale Process including the extension of deadlines set out herein, provided that the Monitor shall not extend the Qualified Bid Deadline for more than 7 days, subject to the requirements in Section 11, or amend the requirements specified in Section 10 (b), (h), (j), (m) or (n) without the prior written consent of MarshallZehr, acting reasonably.

Schedule “A”**Legal Description of Phase 1 Property in the Land Titles Office
for the Registry Division of York Region No. 65**

- (i) PIN 30064-0004 (LT): UNIT 4, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (ii) PIN 30064-0005 (LT): UNIT 5, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (iii) PIN 30064-0012 (LT): UNIT 12, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (iv) PIN 30064-0015 (LT): UNIT 15, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (v) PIN 30064-0017 (LT): UNIT 17, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (vi) PIN 30064-0019 (LT): UNIT 19, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (vii) PIN 30064-0020 (LT): UNIT 20, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (viii) PIN 30064-0025 (LT): UNIT 25, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (ix) PIN 30064-0026 (LT): UNIT 26, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST;

SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (x) PIN 30064-0034 (LT): UNIT 34, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xi) PIN 30064-0038 (LT): UNIT 38, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xii) PIN 30064-0041 (LT): UNIT 41, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xiii) PIN 30064-0042 (LT): UNIT 42 LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xiv) PIN 30064-0043 (LT): UNIT 43, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xv) PIN 30064-0046 (LT): UNIT 46, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xvi) PIN 30064-0047 (LT): UNIT 47, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xvii) PIN 30064-0050 (LT): UNIT 50, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xviii) PIN 30064-0051 (LT): UNIT 51, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (xix) PIN 30064-0059 (LT): UNIT 59, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xx) PIN 30064-0060 (LT): UNIT 60, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxi) PIN 30064-0065 (LT): UNIT 65, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxii) PIN 30064-0066 (LT): UNIT 66, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxiii) PIN 30064-0072 (LT): UNIT 72, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxiv) PIN 30064-0073 (LT): UNIT 73, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxv) PIN 30064-0083(LT): UNIT 83, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxvi) PIN 30064-0092 (LT): UNIT 92, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxvii) PIN 30064-0095 (LT): UNIT 95, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxviii) PIN 30064-0096 (LT): UNIT 96, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (xxix) PIN 30064-0097 (LT): UNIT 97, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxx) PIN 30064-0098 (LT): UNIT 98, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxi) PIN 30064-0101 (LT): UNIT 101, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxii) PIN 30064-0102 (LT): UNIT 102, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxiii) PIN 30064-0106 (LT): UNIT 106, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxiv) PIN 30064-0107 (LT): UNIT 107, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxv) PIN 30064-0108 (LT): UNIT 108, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxvi) PIN 30064-0109 (LT): UNIT 109, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxvii) PIN 30064-0110 (LT): UNIT 110, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxviii) PIN 30064-0111 (LT): UNIT 111, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (xxxix) PIN 30064-0114 (LT): UNIT 114, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xl) PIN 30064-0115 (LT): UNIT 115, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xli) PIN 30064-0116 (LT): UNIT 116, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xlii) PIN 30064-0122 (LT): UNIT 122, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xliii) PIN 30064-0123 (LT): UNIT 123, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xliv) PIN 30064-0124 (LT): UNIT 124, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xlv) PIN 30064-0125 (LT): UNIT 125, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xlvi) PIN 30064-0128 (LT): UNIT 128, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA
- (xlvii) PIN 30064-0130 (LT): UNIT 130, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xlviii) PIN 30064-0131 (LT): UNIT 131, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (xlix) PIN 30064-0132 (LT): UNIT 132, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (l) PIN 30064-0133 (LT): UNIT 133, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (li) PIN 30064-0134 (LT): UNIT 134, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lii) PIN 30064-0135 (LT): UNIT 135, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (liii) PIN 30064-0136 (LT): UNIT 136, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (liv) PIN 30064-0138(LT): UNIT 138, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lv) PIN 30064-0139 (LT): UNIT 139, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lvi) PIN 30064-0141 (LT): UNIT 141, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lvii) PIN 30064-0142 (LT): UNIT 142, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lviii) PIN 30064-0143 (LT): UNIT 143, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (lix) PIN 30064-0145 (LT): UNIT 145, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lx) PIN 30064-0146 (LT): UNIT 146, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lxi) PIN 30064-0147 (LT): UNIT 147, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lxii) PIN 30064-0148 (LT): UNIT 148, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lxiii) PIN 30064-0149 (LT): UNIT 149, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lxiv) PIN 30064-0150 (LT): UNIT 150, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA; and
- (lxv) PIN 30064-0151 (LT): UNIT 151, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA.

Schedule “B”**Legal Description of Phase 2 and 3 Property in the Land Titles Office
for the Registry Division of York Region No. 65**

1. 03527 - 0934 (LT): PART LOT 5 CON 8 GEORGINA PART 6, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA;
2. 03527 - 0935 (LT): PART LOT 5 CON 8 GEORGINA PARTS 7 AND 13, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA;
3. 03527 - 0936 (LT): PART LOT 5 CON 8 GEORGINA PART 12, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA; and
4. 03527 - 0938 (LT): PART LOT 5 CON 8 GEORGINA PARTS 8 PLAN 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA.

SCHEDULE “C”
E-mail Addresses for Delivery of Bids

To the Monitor:

jparisi@bdo.ca

gcerrato@bdo.ca

With a copy to the Monitor’s counsel:

jennifer.stam@nortonrosefulbright.com

josh.sprague@nortonrosefulbright.com

SCHEDULE “D”
Auction Procedures

1. **Auction**. If the Monitor receives at least one Qualified Bid (other than the Stalking Horse Bid) and determines, in consultation with MarshallZehr that the successful bid(s) will be selected through an Auction, it shall proceed to conduct and administer an Auction in accordance with the terms of the Sale Process in respect of the Phase 1 Property, the Phase 2 and 3 Property or both. If necessary, separate Auctions will be held for each of the Phase 1 Property and the Phase 2 and 3 Property. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.
2. **Participation**. Only parties that provided a Qualified Bid(s) by the Qualified Bid Deadline, including the Stalking Horse Bidder (collectively, the “**Qualified Parties**” and each a “**Qualified Party**”), shall be eligible to participate in the Auction. No later than 3:00 pm Eastern Time on the day prior to the Auction, each Qualified Party (other than the Stalking Horse Bidder) must inform the Monitor whether it intends to participate in the Auction. The Monitor will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party provides such expression of intent, the Stalking Horse Bid shall be the Successful Bid(s).
3. **Auction Procedures**. The Auction shall be governed by the following procedures:
 - a. **Attendance**. Only the Monitor, MarshallZehr, the Qualified Parties, and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction;
 - b. **Minimum Overbid**. The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid(s) as determined by the Monitor (the “**Initial Bid**”), and any bid made at the Auction by a Qualified Party subsequent to the Monitor’s announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of [**\$100,000**];
 - c. **Bidding Disclosure**. The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each subsequent bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Monitor, in its discretion, may establish separate video conference rooms to permit interim discussions between the Monitor and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;
 - d. **Bidding Conclusion**. The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit

one or more additional bids with full knowledge and written confirmation of the then-existing highest bid(s); and

- e. **No Post-Auction Bids.** No bids will be considered for any purpose after the Auction has concluded.
 - f. **Auction Cancellation/Postponement.** The Monitor reserves the right to cancel or postpone the Auction.
 - g. **Additional Procedures.** The Monitor may adopt rules for the Auctions at or prior to the Auctions that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, provided they are not inconsistent with any of the provisions of the Sale Process and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.
 - h. **Back-Up Bid.** If only one Overbid is submitted after any round of offers then that bid shall be the Successful Bid. The next highest bid, as determined by the Monitor (the “**Back-up Bid**”), shall be required to keep its offer open and available for acceptance until the closing of the transaction contemplated by the Successful Bid.
 - i. **Closing the Auction.** The Auction shall be closed after the Monitor has: (i) reviewed the final Overbid of each Qualified Bidder, and (ii) identified the Successful Bid and the Back-Up Bid and the Monitor has advised the Qualified Bidders participating in the Auctions of such determination.
4. **Selection.** Before the conclusion of the Auction, the Monitor, will: (a) review each Qualified Bid, considering the factors set out in Section 8 of the Sale Process and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in prong (i) above; (iii) the likelihood of the Qualified Party’s ability to close a transaction by the Outside Date and the timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court’s approval of the Qualified Bid, and (v) any other factors the Monitor may, consistent with its fiduciary duties, reasonably deem relevant; and (b) identify the highest or otherwise best bid received at the Auction (the “**Successful Bid**” and the Qualified Party making such bid, the “**Successful Party**”).
 5. **Acknowledgement.** The Successful Party(ies) shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid(s) was made within one business day of the Successful Bid(s) being selected as such, unless extended by the Monitor, subject to the milestones set forth in Section 8 of the Sale Process.

APPENDIX C

SHARE SUBSCRIPTION AND ASSET PURCHASE AGREEMENT

**2055226 ONTARIO INC.
ALLIANCE (SUTTON) INC.
BERKSTAR DEVELOPMENT INC.
ROSE SUTTON LIMITED PARTNERSHIP,
by its general partner, ROSE OPERATING I GP INC.
by BDO Canada Limited, CCAA Monitor**

as Vendors

-and-

DUCIMUS CAPITAL INC.

as Purchaser

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SHARE SUBSCRIPTION AND ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of September 21, 2026

BETWEEN:

2055226 Ontario Inc. (“**205 Ontario**”), a corporation formed pursuant to the laws of the Province of Ontario

Alliance (Sutton) Inc. (“**Alliance**”), a corporation formed pursuant to the laws of the Province of Ontario

Berkstar Development Inc. (“**Berkstar**”), a corporation formed pursuant to the laws of Canada

Rose Sutton Limited Partnership (“**Rose LP**”), a limited partnership formed pursuant to the laws of the Province of Ontario, by its general partner, Rose Operating I GP Inc. (“**Rose GP**” and, collectively with 205 Ontario, Alliance, and Berkstar, the “**Vendors**”, each by BDO Canada Limited, CCAA Monitor)

-and-

Ducimus Capital Inc. (the “**Purchaser**”)

RECITALS:

- A. Alliance, Berkstar and Rose LP are the beneficial owners of the Real Property, which is the subject of a residential real estate development project in Georgina, Ontario (collectively, the “**Project**”). The Project includes three phases: Phase 1, which is currently under construction, and Phases 2 and 3, which are vacant development lands.
- B. 205 Ontario is the registered owner of the Real Property and holds legal title as nominee and bare trustee for Alliance, Berkstar, and Rose LP. 205 Ontario is registered with the Home Construction Regulatory Authority (Ontario) as vendor and builder of the Project and is also registered as a member with Tarion Warranty Corporation. Alliance is the construction manager of the Project.
- C. Pursuant to the Loan Agreements, MarshallZehr Group Inc. (“**MarshallZehr**”), as administrator for the applicable mortgage participants, advanced funds to 205 Ontario. The obligations of 205 Ontario under the Loan Agreements were guaranteed by Alliance, Berkstar, Rose LP, Rose Investments I Limited Partnership and Alexander Troop.
- D. On August 24, 2026, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted the Initial Order, which provided, among other things, a stay of

proceedings and appointed BDO Canada Limited as monitor (in such capacity, the “**Monitor**”) of the CCAA Parties under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA Proceedings**”).

- E. On August 24, 2026, MarshallZehr entered into a debtor-in-possession term sheet (the “**DIP Term Sheet**”) as lender, with the Monitor, on behalf of the CCAA Parties, as borrower.
- F. On August 28, 2026, the Court granted an Amended and Restated Initial Order which, among other things, extended the stay of proceedings and authorized the CCAA Parties to borrow from MarshallZehr under the DIP Term Sheet in an amount not to exceed \$2,000,000.
- G. Pursuant to the Amended and Restated Initial Order, the Monitor was authorized to take any and all steps and to enter into any and all agreements on behalf of the Vendors in furtherance of the CCAA Proceedings.
- H. Pursuant to a participation and administration agreement dated as of August 27, 2026 between MarshallZehr and the Purchaser (the “**DIP Participation Agreement**”), MarshallZehr sold and assigned to the Purchaser a 100% participation in MarshallZehr’s beneficial and economic interest in each DIP Advance funded by the Purchaser under the DIP Term Sheet, including the related proportionate interests in the DIP Term Sheet, the DIP Lender’s Charge, any related security and all related proceeds, with MarshallZehr remaining the DIP lender and secured party of record. For greater certainty, the Purchaser has not assumed obligations under the DIP Term Sheet except to the extent expressly set out in the DIP Participation Agreement.
- I. This Agreement shall serve as a Stalking Horse Bid in the SISP to be commenced by the Monitor in the CCAA Proceedings, subject to approval of the Court. The Transactions will be implemented pursuant to this Agreement and an Approval and Reverse Vesting Order granted by the Court in the CCAA Proceedings.
- J. The Monitor will seek the SISP Order authorizing the Vendors to enter into this Agreement and approving the SISP and the Expense Reimbursement.
- K. The Purchaser has been selected as the stalking horse bidder and has agreed, if selected as the Successful Bidder, to acquire the legal and beneficial ownership of the Real Property by: (i) subscribing for the New Common Shares of the Corporate Vendors through the Consolidation and Cancellation; and (ii) acquiring Rose LP’s beneficial interest in the Real Property, in each case, strictly in accordance with the terms and conditions set forth herein (collectively, the “**Transactions**”).
- L. The Purchaser is prepared to complete the applicable Transactions for Phase 1, Phases 2 and 3, or Phases 1, 2, and 3, if selected as the Successful Bidder for such Phase or Phases, subject to the terms and conditions set forth herein, which will

indirectly result in the Purchaser acquiring the Phases of the Real Property for which it is selected as the Successful Bidder.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties agree as follows:

ARTICLE I INTERPRETATION

1.01 Definitions

In this Agreement:

- (a) **“205 Ontario”** has the meaning given to such term in the preamble.
- (b) **“Affiliate”** means, with respect to any specified Person, any other Person that, directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person. For the purposes of this definition, “control”, as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.
- (c) **“Agreement”** means this share subscription and asset purchase agreement and all of its Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this share subscription and asset purchase agreement and all of its Schedules, and unless otherwise indicated, references to Articles, Sections, and Schedules are to Articles, Sections, and Schedules in this share subscription and asset purchase agreement.
- (d) **“Alliance”** has the meaning given to such term in the preamble.
- (e) **“Applicable Law”** means any transnational, domestic or foreign, federal, provincial, territorial, state, local or municipal (or any subdivision of any of them) law (including common law and civil law), statute, ordinance, rule, regulation, restriction, limit, by-law (zoning or otherwise), judgment, order, direction or any consent, exemption, Transaction Regulatory Approval, or any other legal requirements of, or agreements with, any Governmental Authority, that applies in whole or in part to the Transactions contemplated by this Agreement, the members of the CCAA Parties, Purchaser, the Project, or any of the New Common Shares or the Assumed Liabilities.
- (f) **“Assumed Liabilities”** has the meaning given to such term in Section 2.05.

- (g) **“Auction Date”** means the first day of any auction held in connection with the SISP.
- (h) **“Back-up Bid”** has the meaning given to such term in the SISP.
- (i) **“Berkstar”** has the meaning given to such term in the preamble.
- (j) **“Business Day”** means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto, Ontario are open for commercial banking business during normal banking hours.
- (k) **“Cash-Flow Forecast”** means the 13-week cash flow projections which have been prepared by the Monitor for and on behalf of the CCAA Parties as the same may be updated and amended from time to time.
- (l) **“CCAA”** means the *Companies’ Creditors Arrangement Act* (Canada).
- (m) **“CCAA Parties”** means the Vendors.
- (n) **“CCAA Proceedings”** has the meaning given to such term in Recital D.
- (o) **“Claims”** means any and all demands, claims, liabilities, actions, causes of action, counterclaims, expenses, costs, damages, losses, suits, debts, sums of money, refunds, accounts, indebtedness, rights of recovery, rights of set-off, rights of recoupment and liens of whatever nature (whether direct or indirect, absolute or contingent, asserted or unasserted, secured or unsecured, matured or not yet matured due or to become due, accrued or unaccrued or liquidated or unliquidated) and including all costs, fees and expenses relating thereto.
- (p) **“Closing”** means the completion of the Transactions in accordance with the provisions of this Agreement.
- (q) **“Closing Date”** means a date no later than five (5) Business Days after the conditions set forth in Article XI have been satisfied or waived; provided that, if there is to be a Closing hereunder, then the Closing Date shall be no later than the Outside Date, unless otherwise agreed to by the Parties in writing.
- (r) **“Closing Documents”** means all contracts, agreements, certificates, and instruments required by this Agreement to be delivered at or before the Closing Time.
- (s) **“Closing Time”** means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place.
- (t) **“Consolidation and Cancellation”** means, in respect of the Corporate Vendors, the consolidation of all New Common Shares and Existing Shares in accordance

with the Consolidation Ratio, and the cancellation of all fractional New Common Shares and Existing Shares in accordance with Article II.

- (u) **“Consolidation Ratio”** means, in respect of the Corporate Vendors, the ratio by which all New Common Shares and Existing Shares shall be consolidated, as determined by the Purchaser, acting reasonably and in consultation with the Corporate Vendors and the Monitor, given the intended effect of the Transactions.
- (v) **“Corporate Vendors”** means 205 Ontario, Alliance and Berkstar.
- (w) **“Court”** has the meaning given to such term in Recital D.
- (x) **“Credit Facility MZGI 427”** means the credit facility established pursuant to the commitment letter dated as of December 1, 2021 among 205 Ontario, as borrower, Alliance, Berkstar, Rose LP, through its general partner Rose GP, Rose Investments I Limited Partnership, through its general partner Rose Investments I GP Inc. and Alexander Troop, as guarantors, and MarshallZehr, as lender, as extended and amended pursuant to an extension agreement dated as of October 13, 2023, a first amendment thereto dated as of June 28, 2024, a second amendment thereto dated April 16, 2025, and a third amendment thereto dated as of July 28, 2026.
- (y) **“Credit Facility MZGI 569”** means the credit facility established pursuant to the commitment letter dated as of June 19, 2024 among 205 Ontario, as borrower, Alliance, Berkstar, Rose LP, through its general partner Rose GP, Rose Investments I Limited Partnership, through its general partner Rose Investments I GP Inc. and Alexander Troop, as guarantors, and the MarshallZehr, as lender.
- (z) **“Cure Costs”** means, in respect of an Assumed Contract, only those monetary defaults that, but for the implementation of the Transactions pursuant to the Vesting Order, would be required to be paid pursuant to section 11.3 of the CCAA in order to assign such Assumed Contract.
- (aa) **“DIP Facility”** means the financing pursuant to the DIP Term Sheet.
- (bb) **“DIP Lender”** means MarshallZehr.
- (cc) **“DIP Participation Agreement”** has the meaning given to such term in Recital H.
- (dd) **“DIP Term Sheet”** has the meaning given to such term in Recital E.
- (ee) **“Encumbrance”** means any security interest (whether contractual, statutory or otherwise), lien, prior Claim, charge, hypothec, reservation of ownership, pledge, encumbrance, mortgage, trust (including any statutory, deemed or constructive trust), option or adverse Claim or encumbrance of any nature or kind.

- (ff) **“Equity Interests”** means any capital share, capital stock, warrant, option, partnership, membership, joint venture or other ownership or equity interest, participation or securities (whether voting or nonvoting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of a Person.
- (gg) **“ETA”** means the *Excise Tax Act* (Canada).
- (hh) **“Excluded Assets”** has the meaning given to such term in Section 2.04.
- (ii) **“Excluded Contracts”** means contracts of the members of the CCAA Parties as described in Schedule 2.04(b).
- (jj) **“Excluded Liabilities”** has the meaning given to such term in Section 2.06.
- (kk) **“Existing Shares”** means, in respect of the Corporate Vendors, all of the common shares of the Corporate Vendors that are issued and outstanding immediately prior to the Closing Time, which, for greater certainty, does not include its New Common Shares or Post-Consolidation Shares.
- (ll) **“Expense Reimbursement”** has the meaning given to such term in Section 13.03.
- (mm) **“Filing Date”** means August 24, 2026.
- (nn) **“Governmental Authority”** means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (i) having or purporting to have jurisdiction on behalf of any nation, province, municipality, territory or state or any other geographic or political subdivision of any of them, or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, taxing regulatory authority or power.
- (oo) **“GST/HST”** means all goods and services tax and harmonized sales tax imposed under Part IX of the ETA.
- (pp) **“Implementation Steps”** has the meaning given to such term in Section 5.01(b).
- (qq) **“Independent Accountants”** has the given to such term in Section 9.06(e).
- (rr) **“Initial Order”** means the order of the Court dated August 24, 2026, pursuant to the CCAA commencing the CCAA Proceedings, as amended, restated, supplemented and/or modified from time to time.
- (ss) **“Intercompany Claim”** means any Claim that may be asserted against any of the members of the CCAA Parties by or on behalf of any other member of the CCAA Parties.

- (tt) **“Interim Period”** means the period from the date that this Agreement is entered into by the Parties to the Closing Time.
- (uu) **“Loan Agreements”** means the commitment letters establishing Credit Facility MZGI 427 and Credit Facility MZGI 569.
- (vv) **“Material Adverse Effect”** means any change, effect, event, occurrence, state of facts or development that results in the physical destruction of or material physical damage to all or a substantial portion of the Project, to a degree that prevents or renders impracticable the completion or use of the Project for its intended purpose.
- (ww) **“Monitor’s Certificate”** means the certificate delivered to the Purchaser and the Vendors and filed with the Court by the Monitor in accordance with the Vesting Order certifying that the Monitor has received written confirmation in form and substance satisfactory to the Monitor from the Vendors and Purchaser that all conditions to Closing have been satisfied or waived by the applicable Parties and the Transactions contemplated by this Agreement have been completed.
- (xx) **“Monitor”** means BDO Canada Limited, as Court-appointed monitor of the members of the CCAA Parties in the CCAA Proceedings, and not in its personal or corporate capacity.
- (yy) **“Morrison”** means Morrison Financial Mortgage Corporation.
- (zz) **“New Common Shares”** means, in respect of the Corporate Vendors, common shares of the Corporate Vendors to be issued to the Purchaser as part of Closing in exchange for a portion of the Purchase Price.
- (aaa) **“Order”** means any order of the Court made in the CCAA Proceedings, or any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.
- (bbb) **“Outside Date”** means the date that is five (5) Business Days after the date on which the Vesting Order becomes a final order or such earlier or later date as the Parties may mutual agree.
- (ccc) **“Parties”** means the Vendors and Purchaser collectively, and **“Party”** means either the Vendors or Purchaser, as the context requires.
- (ddd) **“Permitted Encumbrances”** means the Encumbrances listed in Schedule 1.01(ddd).
- (eee) **“Person”** includes an individual, partnership, firm, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, entity, corporation, unincorporated association, or organization, syndicate, committee, court-appointed representative, Governmental Authority, the

government of a country or any political subdivision thereof, or any agency, board, tribunal, commission, bureau, instrumentality, or department of such government or political subdivision, or any other entity, howsoever designated or constituted, including the trustees, executors, administrators, or other legal representatives of an individual.

- (fff) **“Post-Consolidation Shares”** means, in respect of the Corporate Vendors, the 1,000 common shares of the Corporate Vendors that will remain after the Consolidation and Cancellation, which shall: (i) represent 100% of the issued and outstanding common shares of the Corporate Vendors after the Consolidation and Cancellation; and (ii) be solely owned and controlled by the Purchaser.
- (ggg) **“Post-Filing Claim”** or **“Post-Filing Claims”** means, save and except for a Restructuring Period Claim and a Restructuring Period D&O Claim, any or all indebtedness, liability, or obligation of the Vendors of any kind that arises during and in respect of the period beginning on the Filing Date and ending on the day immediately preceding the Closing Date in respect of services rendered or supplies provided to the Vendors during such period.
- (hhh) **“Post-Filing Tax Obligations”** has the meaning given to such term in Section 9.06(a).
- (iii) **“Pre-Closing Reorganization”** means the transactions, act or events described in Section 5.01 that are to occur immediately prior to the Closing Time.
- (jjj) **“Pre-Filing Tax Obligations”** has the meaning given to such term in Section 9.06(b).
- (kkk) **“Project”** has the meaning given to such term in Recital “A”.
- (lll) **“Purchase Price”** has the meaning given to such term in Section 3.01.
- (mmm) **“Purchaser”** has the meaning given to such term in the preamble.
- (nnn) **“Real Property”** means the lands and premises listed in Schedule 1.01(nnn) and includes all buildings and other structures, fixtures and improvements situate on or in the property together with all easements, rights-of-way, density rights and other rights and benefits appurtenant thereto.
- (ooo) **“Real Property Interest”** means Rose LP’s undivided 33 1/3% beneficial interest in the Real Property.
- (ppp) **“Released Claims”** means all claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed,

contractual, legal or equitable, including loss of value, professional fees, including “claims” (as defined in the CCAA) and including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.

- (qqq) “**Remaining Balance**” means the remaining balance of the indebtedness owing under the Loan Agreements after the distributions contemplated in the Vesting Order are made.
- (rrr) “**ResidualCo**” means a corporation to be incorporated to which the Excluded Assets and Excluded Liabilities will be transferred as part of the Pre-Closing Reorganization.
- (sss) “**Restructuring Period Claim**” means any Claim owed by, against or relating to any member of the CCAA Parties arising from or in connection with the restructuring, disclaimer, resiliation, termination or breach by any member of the CCAA Parties, on or after the Filing Date, of any contract, lease or other agreement, whether written or oral, in connection with the CCAA Proceedings, the Transactions, the Vesting Order, the SISP, the Pre-Closing Reorganization or the Implementation Steps.
- (ttt) “**Restructuring Period D&O Claim**” means any Claim against one or more of the current or former directors or officers of the CCAA Parties arising on or after the Filing Date from or in connection with the CCAA Proceedings, the Transactions, the Vesting Order, the SISP, the Pre-Closing Reorganization, the Implementation Steps, the disclaimer, resiliation, termination or breach of any contract, lease or other agreement, or any matter relating to the restructuring of the CCAA Parties, whether or not such Claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, including any Claim for contribution, indemnity or reimbursement.
- (uuu) “**Rose Finance Loan**” has the meaning given to such term in Schedule 2.04(b).
- (vvv) “**Rose GP**” has the meaning given to such term in the preamble.
- (www) “**Rose LP**” has the meaning given to such term in the preamble.
- (xxx) “**SISP**” means the sale and investment solicitation process approved by the SISP Order, as may be amended by the Court from time to time, substantially in the form of the sale and investment solicitation process attached hereto as Schedule 1.01(xxx).
- (yyy) “**SISP Order**” means the Order authorizing and approving the commencement of the SISP.
- (zzz) “**Stalking Horse Bid**” has the meaning given to such term in the SISP.

- (aaaa) “**Successful Bid(s)**” has the meaning given to such term in the SISP.
- (bbbb) “**Successful Bidder(s)**” has the meaning given to such term in the SISP.
- (cccc) “**Tax**” and “**Taxes**” means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever (including withholding on amounts paid to or by any Person) imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, GST/HST, use, value-added, excise, stamp, withholding, business, franchising, escheat, property, development, occupancy, employer health, payroll, employment, health, disability, severance, unemployment, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all license, franchise and registration fees and all employment insurance, health insurance and Canada, Ontario, and other government pension plan premiums or contributions.
- (dddd) “**Transactions**” has the meaning given to it in Recital K.
- (eeee) “**Transaction Regulatory Approvals**” means any material licenses, permits or approvals required from any Governmental Authority or under any Applicable Laws relating to the Project and operations of the CCAA Parties that would be required to be obtained in order to permit the CCAA Parties and Purchaser to complete the Transactions contemplated by this Agreement, including any approvals required due to the change of control of the CCAA Parties, as set forth in Schedule 11.01(c).
- (ffff) “**Vendors**” has the meaning given to such term in the preamble.
- (gggg) “**Vesting Order**” means an Approval, Vesting and Reverse Vesting Order of the Court in a form to be mutually agreed upon by the Parties as set forth in Schedule 1.01(gggg), and as may be amended from time to time on the reasonable request of Purchaser, subject to the consent of the Monitor.

1.02 Statutes

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended, re-enacted or replaced.

1.03 Headings, Table of Contents, etc.

The provision of a table of contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not

affect the interpretation of this Agreement. The recitals to this Agreement are an integral part of this Agreement.

1.04 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders.

1.05 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars. References to “\$” are to Canadian dollars.

1.06 Certain Phrases

In this Agreement: (a) the words “including”, “includes” and “include” and any derivatives of such words mean “including without limitation”, and (b) the words “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate, without duplication, of”. The expression “Article”, “Section” and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Agreement.

1.07 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof so long as the economic or legal substance of the Transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon: (a) such a determination of invalidity or unenforceability, or (b) any change in Applicable Law or other action by any Governmental Authority that materially detracts from the legal or economic rights or benefits, or materially increases the obligations, of any Party or any of its Affiliates under this Agreement, the Parties shall negotiate in good faith to amend this Agreement so as to give effect to the original intent of the Parties as closely as possible in an acceptable manner so that the Transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible.

1.08 Schedules

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

Schedules

Schedule 1.01(ddd)	Permitted Encumbrances
Schedule 1.01(nnn)	Real Property
Schedule 1.01(xxx)	Sale and Investment Solicitation Process

Schedule (1.01(gggg))	Form of Vesting Order
Schedule 2.04	Excluded Assets
Schedule 2.04(b)	Excluded Contracts
Schedule 2.05	Assumed Liabilities
Schedule 2.06	Non-Exhaustive List of Certain Enumerated Excluded Liabilities
Schedule 5.01(c)	Implementation Steps
Schedule 6.02	CCAA Parties
Schedule 11.01(c)	Transaction Regulatory Approvals to be Obtained Prior to the Closing Time

The Parties acknowledge that as of today's date, the Schedules are not complete. The Parties shall cooperate with each other and shall use commercially reasonable efforts to complete the Schedules prior to the earlier of (a) one (1) Business Day prior to the Auction Date, or (b) the date on which the motion for the Vesting Order is finalized.

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Exhibits and Schedules and the interpretation provisions set out in this Agreement will apply to the Exhibits and Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Exhibits and Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

1.09 Non-Business Days

Whenever payments are to be made or an action is to be taken on a day that is not a Business Day, such payment will be made or such action will be taken on or not later than the next succeeding Business Day.

1.10 Computation of Time Periods

If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Agreement, then the first day of the period is not counted, but the day of its expiry is counted.

ARTICLE II PURCHASE OF SHARES AND ASSUMPTION OF LIABILITIES

2.01 Issuance of New Common Shares and Treatment of Existing Shares of Corporate Vendors

- (a) Share Issuance. Each of the Corporate Vendors shall issue New Common Shares to the Purchaser in each case in a number to be determined by the Purchaser, acting reasonably and in consultation with the Corporate Vendors and the Monitor, having regard to the intended effect of the Transactions, free and clear of all Encumbrances (other than Permitted Encumbrances).
- (b) Share Consolidation. The Articles of Incorporation of the Corporate Vendors shall be amended to, among other things: (i) consolidate its New Common Shares and Existing Shares on the basis of the Consolidation Ratio, and (ii) provide for such additional changes to the rights and conditions attached to its New Common Shares and Existing Shares as may be requested by the Purchaser.
- (c) Share Cancellation. Any fractional New Common Shares and Existing Shares held by any holder of such shares immediately following the consolidation of such shares shall be cancelled without any liability, payment or other compensation in respect thereof, and the Articles of Incorporation of the Corporate Vendors shall be altered as necessary to achieve such cancellation.
- (d) Equity Interests Extinguished. Any and all Equity Interests of the Corporate Vendors (other than the Post-Consolidation Shares) that remain issued and outstanding immediately following the Consolidation and Cancellation shall be cancelled and extinguished without any liability, payment or other compensation in respect thereof, and all Claims in respect of any Equity Interests of the Corporate Vendors (other than the Post-Consolidation Shares) shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred without any liability, payment or other compensation in respect thereof.

2.02 Post-Consolidation Shares of Corporate Vendors

Subject to the terms and conditions of this Agreement, effective immediately after the Closing Time and following each Consolidation and Cancellation, the Purchaser shall be the sole owner of the Post-Consolidation Shares of the Corporate Vendors, which shall represent 100% of their respective issued and outstanding equity. For the avoidance of doubt, after the Closing Time and after the completion of the Implementation Steps, the Corporate Vendors and each and every direct and indirect subsidiary of the Corporate Vendors shall be wholly owned, directly or indirectly, by the Purchaser.

2.03 Purchase of Real Property Interest

At Closing, the Purchaser agrees to purchase, acquire and assume from Rose LP and Rose LP agrees to sell, transfer, assign, set over and convey to the Purchaser, free and clear of all

Encumbrances other than Permitted Encumbrances, upon and subject to the terms and conditions set forth in this Agreement, Rose LP's entire right, title and interest in and to the Real Property Interest, being a 33 1/3% undivided interest in the Real Property.

2.04 Excluded Assets

Notwithstanding any provision of this Agreement to the contrary, as of the Closing, the assets of the Corporate Vendors shall not include any of the following assets, together with any other assets as set forth on Schedule 2.04 (collectively, the "**Excluded Assets**"):

- (a) the Tax records and returns, and books and records pertaining thereto and other documents, in each case, that primarily or solely relate to any of the Excluded Liabilities, provided that the Purchaser may take copies of all Tax records and books and records pertaining to such records (as redacted, if applicable) to the extent necessary or useful for the carrying on of the Project after Closing, including the filing of any tax return, provided, however that ResidualCo shall retain the original copies of any of the records required to be provided to the Purchaser hereunder (and provide the Purchaser with a copy thereof) to the extent ResidualCo is required to do so under Applicable Law;
- (b) all cash and cash equivalents of the Corporate Vendors as at the Closing Time, including all amounts on deposit in bank accounts, securities accounts and similar accounts, petty cash, undeposited funds, cheques, drafts and wire transfers received but not cleared, whether held directly or indirectly;
- (c) the Excluded Contracts;
- (d) all communications, information or records, written or oral, that are in any way related to (i) the transactions contemplated by this Agreement, (ii) the sale of the New Common Shares, (iii) any Excluded Asset or (iv) any Excluded Liability;
- (e) any input tax credits, refunds or rebates in respect of Taxes arising in respect of the period prior to the Closing Date, provided that income Tax losses and income Tax attributes in respect of assets other than Excluded Assets of the Corporate Vendors shall not be Excluded Assets; and
- (f) any rights that accrue to ResidualCo under this Agreement or the Vesting Order, including, without limitation the portion of the Purchase Price paid for the subscription of the New Common Shares.

The Purchaser may, with the consent of the applicable Corporate Vendor, which consent shall not be unreasonably withheld, and in consultation with the Monitor, amend the foregoing list and Schedule 2.04 and Schedule 2.04(b) to add specifically enumerated Excluded Assets by the earlier of (a) one (1) Business Day prior to the Auction Date, or (b) the date on which the motion for the Vesting Order is finalized, provided that no such amendment shall result in any change to the Purchase Price.

2.05 Assumed Liabilities

Pursuant to this Agreement and the Vesting Order, as of the Closing Time, the only obligations and liabilities of the Corporate Vendors shall consist of the items specifically set forth below, as applicable (collectively, the “**Assumed Liabilities**”); provided that the Assumed Liabilities of a Corporate Vendor pursuant to this Section 2.05 shall continue to be liabilities of the Corporate Vendors, as of Closing:

- (a) all liabilities of the Corporate Vendors arising from and after Closing;
- (b) those specific Assumed Liabilities set forth in Schedule 2.05. Purchaser may, with the consent of the applicable Corporate Vendor, which consent shall not be unreasonably withheld, and in consultation with the Monitor, amend the foregoing list and Schedule 2.05 as specifically enumerated Assumed Liabilities by the earlier of (a) one (1) Business Day prior to the Auction Date, or (b) the date on which the motion for the Vesting Order is finalized, provided that no such amendment shall result in any change to the Purchase Price.

For certainty, Assumed Liabilities are limited to post-Closing liabilities arising from post-Closing ownership or operation and not attributable to pre-Closing acts, omissions, defaults or circumstances. For greater certainty, to the extent that any retained contracts require the payment of Cure Costs as a condition to their assumption or continuation following the Closing, such Cure Costs shall be the sole responsibility of the Purchaser and shall constitute Assumed Liabilities.

2.06 Excluded Liabilities

- (a) Except as expressly retained pursuant to or specifically contemplated by Section 2.05, all Claims and all debts, obligations, and liabilities of the Corporate Vendors or any predecessors of the Corporate Vendors, of any kind or nature, shall be assigned and become the sole obligation of ResidualCo pursuant to the terms of the Vesting Order and this Agreement, and, as of the Closing, the Corporate Vendors shall not have any obligation, duty, or liability of any kind whatsoever, except as expressly assumed pursuant to Section 2.05, whether accrued, contingent, known or unknown, express or implied, primary or secondary, direct or indirect, liquidated, unliquidated, absolute, accrued, contingent or otherwise, and whether due or to become due, and such liabilities or obligations shall be the sole responsibility of ResidualCo, including *inter alia*:
 - (i) the non-exhaustive list of those certain liabilities set forth in Schedule 2.06;
 - (ii) any and all liability relating to any change of control provision of any contract or agreement that may arise in connection with the change of control contemplated by the transactions hereunder and to which the CCAA Parties may be bound as at Closing;

- (iii) all liabilities arising under the Loan Agreements;
- (iv) all liabilities relating to or under the Excluded Assets;
- (v) all Pre-Filing Tax Obligations;
- (vi) all Post-Filing Tax Obligations;
- (vii) Wastewater (Sewage) Credit Purchase Agreement made as of March 18, 2015 between 205 Ontario and 840180 Ontario Limited, as such agreement may have been amended from time to time;
- (viii) the Restructuring Period Claims; and
- (ix) the Restructuring Period D&O Claims

(collectively, the “**Excluded Liabilities**”).

For greater certainty, all liabilities arising from any pre-Closing default, breach, arrears, deficiency, non-performance or non-compliance under any Assumed Contract, other than expressly assumed Cure Costs, shall constitute Excluded Liabilities. The Purchaser may, with the consent of the applicable Corporate Vendor, which consent shall not be unreasonably withheld, amend the foregoing list and the clarifying items listed in Schedule 2.06 as specifically enumerated Excluded Liabilities the earlier of (a) one (1) Business Day prior to the Auction Date, or (b) the date on which the motion for the Vesting Order is finalized, provided that no such amendment shall result in any change to the Purchase Price.

- (b) Pursuant to the Vesting Order, the Excluded Liabilities shall be channeled to and assumed in full by ResidualCo in accordance with and as further described in Article IV and the Corporate Vendors and their assets, undertakings, business and properties shall be discharged of such Excluded Liabilities. All Claims attaching to the Excluded Liabilities, if any, shall continue to exist against ResidualCo and the Purchase Price and the Excluded Assets shall be available to satisfy such Claims.

2.07 Alternative Transaction

Notwithstanding anything to the contrary in this Agreement, but subject to the Monitor’s approval, prior to the application for the Vesting Order, if the Purchaser determines in its reasonable discretion that it is necessary or desirable to proceed with another form of transaction (an “**Alternative Transaction**”) which, in the Monitor’s opinion, provides the creditors of the CCAA Parties with a financial result substantially equivalent to or better than the Transactions, then, the CCAA Parties will support the completion of such Alternative Transaction and take all actions necessary or desirable which are within their power to effect the completion of such Alternative Transaction, provided that the Monitor’s approval shall not be unreasonably withheld, conditioned or delayed.

ARTICLE III PURCHASE PRICE AND RELATED MATTERS

3.01 Purchase Price

The purchase price payable by the Purchaser for the New Common Shares and the Real Property Interest (the “**Purchase Price**”) shall be \$23,300,000, (plus applicable GST/HST, if any), payable to the Monitor or as the Monitor may direct by wire transfer, certified cheque, bank draft or other means of immediately available funds, at the Closing Time. For greater certainty, the Purchase Price shall be paid to the Monitor, for the benefit of ResidualCo, and any Claim against the CCAA Parties shall continue to exist as against ResidualCo after Closing.

3.02 Purchase Price Determination and Allocation

- (a) The Purchase Price shall be determined based on the following allocation of value to the Phases of the Project:
 - (i) Phase 1: \$12,300,000; and
 - (ii) Phases 2 and 3: \$10,000,000.
- (b) The Parties shall mutually agree in writing, acting reasonably, on the allocation of the Purchase Price among the New Common Shares of Alliance, the New Common Shares of Berkstar, the New Common Shares of 205 Ontario, and the Real Property Interest for Tax purposes prior to the Closing Date.

3.03 Adjustments

The Purchase Price allocated to the Real Property Interest shall be adjusted as of the Closing Date (with the Closing Date being allocated to the Purchaser) for all items that are adjusted in accordance with usual commercial practice for adjustment between a vendor and purchaser with respect to the purchase and sale of comparable property in Ontario, including, without limitation, rent (including basic rent and additional rent), prepaid rents/security deposits, realty taxes, local improvement rates and utilities, Rose LP being responsible for all expenses and entitled to all income related to the Real Property Interest in respect of the period prior to the Closing Date and the Purchaser being responsible for all expenses and entitled to all income related to the Real Property Interest in respect of the period from and including the Closing Date, in each case except as otherwise provided herein. Rose LP shall prepare a statement of adjustments and deliver it to the Purchaser not less than two (2) Business Days prior to the Closing Date.

ARTICLE IV TRANSFER OF EXCLUDED ASSETS AND EXCLUDED LIABILITIES

4.01 Transfer of Excluded Assets to ResidualCo

On the Closing Date, pursuant to the terms of the Vesting Order and, where applicable, in consideration for ResidualCo assuming the Excluded Liabilities pursuant to Section 2.06 from

the Corporate Vendors, the Corporate Vendors shall assign and transfer the Excluded Assets to ResidualCo, and the Excluded Assets shall be vested in ResidualCo pursuant to the Vesting Order.

4.02 Transfer of Excluded Liabilities to ResidualCo

At the Closing Time, the Excluded Liabilities shall have been channeled to and assumed by ResidualCo, in accordance with the Pre-Closing Reorganization and pursuant to the Vesting Order. Notwithstanding any other provision in this Agreement, neither the Purchaser nor the Corporate Vendors shall assume or have any liability for any of the Excluded Liabilities and all Excluded Liabilities shall be discharged from the Corporate Vendors and their assets, undertakings, Project and properties from and after the Closing Time.

ARTICLE V PRE-CLOSING REORGANIZATION

5.01 Pre-Closing Reorganization

- (a) The specific mechanism for implementing the Closing and the structure of the transactions contemplated by this Agreement shall be structured in a tax efficient manner mutually agreed upon by the Parties, each acting reasonably.
- (b) On or prior to the Closing Date, the members of the CCAA Parties shall effect the transaction steps and Pre-Closing Reorganization (collectively, the **“Implementation Steps”**) of the members of the CCAA Parties as set forth on a schedule to be agreed upon by the Vendors and the Purchaser, each acting reasonably, at least seven (7) calendar days prior to the hearing of the CCAA Parties’ motion seeking the Vesting Order; provided that in no event will the Implementation Steps described in Schedule 5.01(c) be materially prejudicial to the interests of the Purchaser or the Vendors under the other sections of this Agreement. The Implementation Steps may include, without limitation, the formation of new entities required to implement the transactions contemplated by this Agreement in a tax efficient manner, consistent with Section 5.01(a).
- (c) The Implementation Steps shall occur, and be deemed to have occurred in the order and manner to be set out in Schedule 5.01(c).
- (d) The steps to be taken and the compromises and releases to be effective on the Closing Date are deemed to occur and be effected in the steps and sequential order set forth in Schedule 5.01(c), beginning on or before the Closing Date at such time as is specified therein.
- (e) If the Purchaser is the Successful Bidder, the timing and/or sequence of the Implementation Steps and the Closing on the Closing Date may be altered at the request of the Purchaser, acting reasonably, and with the consent of the Monitor.

ARTICLE VI REPRESENTATIONS AND WARRANTIES OF THE CCAA PARTIES

Each of the CCAA Parties represents and warrants, on behalf of itself and all other members of the CCAA Parties, to the Purchaser as follows, and acknowledges that the Purchaser is relying upon the following representations and warranties in connection with its purchase of the New Common Shares and the Real Property Interest:

6.01 Due Authorization and Enforceability of Obligations

Subject to the granting of the Vesting Order, this Agreement has been duly authorized, executed and delivered by it, and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

6.02 HST Registrant

Each of the CCAA Parties that is required to be registered under Subdivision (d) of Division V of Part IX of the ETA is, or will be on the Closing Date, so registered. Competition Act

Neither the aggregate book value of the assets in Canada of the CCAA Parties, nor the consolidated gross revenues from sales in, from or into Canada generated from assets in Canada of the CCAA Parties, both calculated in the manner prescribed under the *Competition Act* (Canada) and the regulations thereunder, exceeds \$93 million.

6.03 Residency

None of 205 Ontario or Alliance, or their respective direct shareholders, is a non-resident of Canada for purposes of Section 116 of the *Income Tax Act* (Canada). Rose LP is a Canadian partnership within the meaning of Section 102 of the *Income Tax Act* (Canada).

ARTICLE VII REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the CCAA Parties as follows, and acknowledges that the CCAA Parties are relying upon the following representations and warranties in connection with the sale of the New Common Shares and the Real Property Interest:

7.01 Due Authorization and Enforceability of Obligations

This Agreement has been duly authorized, executed and delivered by the Purchaser, and, assuming the due authorization, execution and delivery by it, this Agreement constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

7.02 Existence and Good Standing

The Purchaser is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder and consummate the transactions contemplated by this Agreement.

7.03 Absence of Conflicts

The execution and delivery of this Agreement by the Purchaser and the completion by the Purchaser of its obligations hereunder and the consummation of the transactions contemplated herein do not and will not violate or conflict with any Applicable Law (subject to the receipt of any Transaction Regulatory Approvals) and will not result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under its certificate of incorporation, articles, by-laws or other constituent documents.

7.04 Approvals and Consents

The execution and delivery of this Agreement by the Purchaser, the completion by the Purchaser of its obligations hereunder and the consummation by the Purchaser of the transactions contemplated herein, do not and will not require any consent or approval or other action, with or by, any Governmental Authority, other than as contemplated by the Transaction Regulatory Approvals and the granting of the Vesting Order by the Court.

7.05 No Actions

There is not, as of the date hereof, pending or, to the Purchaser's knowledge, threatened against it or any of its properties, nor has the Purchaser received notice in respect of, any Claim, potential Claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body that, would prevent it from executing and delivering this Agreement, performing its obligations hereunder and consummating the transactions and agreements contemplated by this Agreement.

7.06 HST Registrant

The Purchaser is, or will be on the Closing Date, registered under Subdivision d of Division V of Part IX of the ETA.

ARTICLE VIII AS IS, WHERE IS TRANSACTION

The Purchaser acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Project, the New Common Shares, the Real Property Interest, the Assumed Liabilities and all related operations of the members of the CCAA Parties, and, based solely thereon and the advice of its financial, legal and other advisors, has determined to proceed with the transactions contemplated by this Agreement. The Purchaser has relied solely

on the results of its own independent investigation and verification and, except for the representations and warranties of the Vendors expressly set forth in Article VI, the Purchaser understands, acknowledges and agrees that all other representations, warranties, conditions and statements of any kind or nature, expressed or implied (including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the CCAA Parties or the Project, or the quality, quantity or condition of the New Common Shares and the Real Property Interest) are specifically disclaimed by the Vendors, the other members of the CCAA Parties, their respective financial and legal advisors and the Monitor and its legal counsel. THE PURCHASER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF THE VENDORS EXPRESSLY AND SPECIFICALLY SET FORTH IN Article VI: (A) THE PURCHASER IS ACQUIRING THE NEW COMMON SHARES AND THE REAL PROPERTY INTEREST ON AN “AS IS, WHERE IS” BASIS; AND (B) NONE OF THE VENDORS, THE OTHER MEMBERS OF THE CCAA PARTIES, THE MONITOR OR ANY OTHER PERSON (INCLUDING ANY REPRESENTATIVE OF THE VENDORS, THE OTHER MEMBERS OF THE CCAA PARTIES OR THE MONITOR WHETHER IN ANY INDIVIDUAL, CORPORATE OR ANY OTHER CAPACITY) IS MAKING, AND THE PURCHASER IS NOT RELYING ON, ANY REPRESENTATIONS, WARRANTIES, CONDITIONS OR OTHER STATEMENTS OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING THE CCAA PARTIES, THE PROJECT, THE NEW COMMON SHARES, THE ASSUMED LIABILITIES, THE EXCLUDED ASSETS, THE EXCLUDED LIABILITIES, THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THE AGREEMENT, OR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) THE PURCHASER OR ANY OF ITS RESPECTIVE REPRESENTATIVES, INCLUDING WITH RESPECT TO MERCHANTABILITY, PHYSICAL OR FINANCIAL CONDITION, DESCRIPTION, FITNESS FOR A PARTICULAR PURPOSE, OR IN RESPECT OF ANY OTHER MATTER OR THING WHATSOEVER, INCLUDING ANY AND ALL CONDITIONS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, PURSUANT TO ANY APPLICABLE LAWS IN ANY JURISDICTION, WHICH THE PURCHASER CONFIRMS DO NOT APPLY TO THIS AGREEMENT, AND ARE HEREBY WAIVED IN THEIR ENTIRETY BY THE PURCHASER.

ARTICLE IX COVENANTS

9.01 Closing Date

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on or before the Outside Date.

9.02 Interim Period

During the Interim Period, except as contemplated or permitted by this Agreement (including the Vesting Order and the Pre-Closing Reorganization) or as contemplated in the Cash-Flow Forecast: (i) the CCAA Parties shall continue to maintain the Project and its operations in

substantially the same manner as conducted on the date of this Agreement, (ii) the CCAA Parties shall not, without the prior written approval of the Purchaser, sell or transfer any assets outside of the ordinary course for amounts greater than \$25,000, and (iii) the CCAA Parties shall not enter into any transaction involving the Project outside of the ordinary course for an amount greater than \$25,000 without the prior written approval of the Purchaser. Provided, for greater certainty, nothing in this Section 9.02 shall restrict or impair the ability of the CCAA Parties to continue construction on Phase 1 of the Project in the ordinary course, or to sell units in Phase 1 pursuant to any order of the Court authorizing such sales, in each case in accordance with the Cash-Flow Forecast and the CCAA Proceedings.

9.03 Access During the Interim Period

Until the Closing Time, the CCAA Parties shall give to the Purchaser's personnel engaged in the transactions contemplated by this Agreement and their accountants, legal advisers, consultants, financial advisers and representatives during normal business hours reasonable access to its premises and to all of the books and records relating to the Project, the members of the CCAA Parties, and the Assumed Liabilities, and shall furnish them with all such information relating to the Project, the members of the CCAA Parties, and the Assumed Liabilities as Purchaser may reasonably request in connection with the transactions contemplated by this Agreement; provided that such access shall be conducted at the Purchaser's expense, in accordance with Applicable Law and under supervision of the CCAA Parties' Monitor and in such a manner as to maintain confidentiality, and the CCAA Parties will not be required to provide access to or copies of any such books and records if: (a) the provision thereof would cause the CCAA Parties to be in contravention of any Applicable Law; or (b) making such information available would: (i) result in the loss of any lawyer-client or other legal privilege; or (ii) cause the CCAA Parties to be found in contravention of any Applicable Law, or contravene any fiduciary duty or agreement (including any confidentiality agreement to which the CCAA Parties or any of their Affiliates are a party). Notwithstanding anything in Section 9.02 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Project or the possible sale thereof to any other Person.

9.04 Transaction Regulatory Approvals

- (a) The Parties shall use commercially reasonable efforts to apply for and obtain any Transaction Regulatory Approvals as soon as reasonably practicable and no later than the time limits imposed by Applicable Laws, in accordance with this Section 9.04, in each case at the sole cost and expense of the Purchaser.
- (b) The Parties shall co-operate with one another in connection with obtaining any Transaction Regulatory Approvals. Without limiting the generality of the foregoing, the Parties shall: (i) give each other reasonable advance notice of all meetings or other oral communications with any Governmental Authority relating to the Transaction Regulatory Approvals, as applicable, and provide as soon as practicable but in any case, if any, within the required time, any additional submissions, information and/or documents requested by any Governmental Authority necessary, proper or advisable to obtain the Transaction Regulatory

Approvals; (ii) not participate independently in any such meeting or other oral communication without first giving the other Party (or their outside counsel) an opportunity to attend and participate in such meeting or other oral communication, unless otherwise required or requested by such Governmental Authority; (iii) if any Governmental Authority initiates an oral communication regarding the Transaction Regulatory Approvals, promptly notify the other Party of the substance of such communication; (iv) subject to Applicable Laws relating to the exchange of information, provide each other with a reasonable advance opportunity to review and comment upon and consider in good faith the views of the other in connection with all written communications (including any filings, notifications, submissions, analyses, presentations, memoranda, briefs, arguments, opinions and proposals) made or submitted by or on behalf of a Party with a Governmental Authority regarding the Transaction Regulatory Approvals as applicable; and (v) promptly provide each other with copies of all written communications to or from any Governmental Authority relating to the Transaction Regulatory Approvals as applicable.

- (c) Each of the Parties may, as advisable and necessary, reasonably designate any competitively or commercially sensitive material provided to the other under this Section as “Outside Counsel Only Material”, provided that the disclosing Party also provides a redacted version to the receiving Party. Such materials and the information contained therein shall be given only to the outside legal counsel of the recipient and, subject to any additional agreements between the Parties, will not be disclosed by such outside legal counsel to employees, officers or directors of the recipient unless express written permission is obtained in advance from the source of the materials or its legal counsel.
- (d) The obligations of either Party to use its commercially reasonable efforts to obtain the Transaction Regulatory Approvals does not require either Party (or any Affiliate thereof) to undertake any divestiture of any Project or Project segment of such Party, to agree to any material operating restrictions related thereto or to incur any material expenditure(s) related therewith, unless agreed to by the Parties. In connection with obtaining the Transaction Regulatory Approvals, no member of the CCAA Parties shall agree to any of the foregoing items without the prior written consent of the Purchaser.

9.05 Other Covenants Relating to this Agreement

- (a) From the date this Agreement is declared the Successful Bid under the SISP until the Closing Date, the CCAA Parties and the Purchaser agree, and agree to cause their respective representatives and Affiliates, to keep each other informed on a reasonably current basis and no less frequently than on a weekly basis through teleconference or other meeting, or as reasonably requested by the Monitor, as to their progress in satisfying the conditions precedent in this Agreement.

- (b) From the date hereof until the Closing Date, the CCAA Parties agree, and agree to cause their representatives, to promptly notify the Purchaser of: (i) any event, condition, or development that has resulted in the inaccuracy in a material respect or material breach of any representation or warranty, covenant or agreement contained in this Agreement, or (ii) any Material Adverse Effect occurring from and after the date hereof prior to the Closing Date.
- (c) Subject to this Agreement being declared the Successful Bid under the SISP, the CCAA Parties and the Purchaser agree to use commercially reasonable efforts to timely prepare and file all documentation and pursue all steps reasonably necessary to obtain any material third-party consents and approvals as may be required in connection with the transaction contemplated by this Agreement.

9.06 Tax Matters

- (a) The Corporate Vendors shall be responsible for all Taxes owed or owing or accrued by each of them in respect of the period commencing on the Filing Date and ending on the Closing Date (the “**Post-Filing Tax Obligations**”), if any.
- (b) All Taxes owed or owing or accrued by the Corporate Vendors prior to the Filing Date (the “**Pre-Filing Tax Obligations**”) shall be transferred to, assumed by, and vested in ResidualCo as Excluded Liabilities. For greater certainty, any audits or reassessments by the Canada Revenue Agency or any other Governmental Authority with respect to Taxes that relate to a time period occurring, or facts arising, prior to the Filing Date shall be a Pre-Filing Tax Obligation, regardless upon when such audit was commenced or completed, and any and all such obligations with respect to such audits and reassessments shall be transferred to and assumed by ResidualCo as Excluded Liabilities.
- (c) Prior to Closing, the Vendors shall provide evidence in form and substance satisfactory to the Purchaser that all Post-Filing Tax Obligations have been paid in full to the relevant Governmental Authority or that sufficient cash reserves will be held by the CCAA Parties at Closing to pay all such Post-Filing Tax Obligations in full post-Closing.
- (d) After Closing, the Purchaser shall cause to be prepared and filed on a timely basis all tax returns for the CCAA Parties for (i) any period which ends on or before the Closing Date and for which tax returns have not been filed as of such date, and (ii) for any period that begins prior to the Closing Date and ends after the Closing Date for which tax returns are required to be prepared and filed. Except to the extent otherwise required by applicable Law, any Tax Returns prepared in accordance with Section 9.06 shall be prepared in a manner consistent with the applicable past practices in preparing such returns and otherwise in a manner consistent with existing procedures for preparing such Tax Returns and prior practice with respect to the treatment of specific items on the Tax Returns.

- (e) In connection with the preparation of the Tax Returns referenced in Section 9.06(d), the Purchaser shall provide, or cause to be provided, a draft of such Tax Return to the Corporate Vendors sufficiently in advance of filing in order to give the Corporate Vendors the reasonable opportunity to review and comment on such Tax Returns, and the Purchaser shall consider any such comments received in good faith, including discussing with the Corporate Vendors where reasonably requested.
- (f) The Purchase Price does not include an amount for GST/HST. the Purchaser shall be responsible for any GST/HST due relating to the purchase and sale of the purchased assets, including the Real Property Interest and, subject to applicable provisions of the ETA allowing otherwise, shall pay the GST/HST to the Corporate Vendors on Closing, subject only to the Purchaser's requirement to self-assess in respect of the portion of the purchased assets that is considered "real property" for purposes of the ETA. Where the Purchaser provides evidence to the Corporate Vendors that it is a registrant pursuant to the ETA together with a GST/HST undertaking to self-assess (which will include an obligation on the part of the Purchaser to indemnify the Corporate Vendors in connection with any GST/HST and associated penalties, costs and/or interest payable in connection therewith), the Corporate Vendors shall not be obliged to collect the GST/HST in respect of any portion of the purchased assets that is considered "real property" for purposes of the ETA, and the Purchaser shall report the transaction and self-assess the amount of any GST/HST owing in connection with such purchased assets, in accordance with the provisions of the ETA. Such self-assessment by the Purchaser shall not relieve the Purchaser of its obligation to pay GST/HST to the Corporate Vendors on closing in connection with any purchased assets that are not considered real property for purposes of the ETA.

9.07 ResidualCo

On the Closing Date, the Corporate Vendors shall convey all Equity Interests in ResidualCo to a Person agreeable to the Monitor to hold as agent and bare trustee on behalf of the common shareholders of the Corporate Vendors immediately prior to the Consolidation and Cancellation as their interests may be agreed or as they may be determined by the Court in the CCAA Proceedings. For greater certainty, the Person agreed to by the Monitor shall not have any obligation or duties to take any actions, steps or otherwise in respect of the Equity Interests of ResidualCo, subject to direction from the Monitor, or Order of the Court in the CCAA Proceeding.

9.08 Release by the Purchaser

Except in connection with any obligations of the Monitor contained in this Agreement or any Closing Document, effective as of the Closing Time, the Purchaser and its Affiliates hereby release and forever discharge the Monitor and its Affiliates, and each of their respective successors and assigns, and all present and former officers, directors, partners, members, shareholders, limited partners, employees, agents, and financial and legal advisors of each of

them, from any and all actual or potential Released Claims that any such Person had, has or may have in the future, to the extent relating to the Project, the New Common Shares, the Real Property Interest or the Assumed Liabilities, except for Released Claims arising from fraud, bad faith, gross negligence, wilful misconduct or illegal acts (unless such Person believed in good faith that its conduct was legal). For greater certainty, nothing in this Section 9.08 releases, compromises, discharges, extinguishes or otherwise affects:

- a) any obligation under this Agreement or any Closing Document;
- b) the Remaining Balance or any indebtedness, obligation, guarantee, indemnity or security assigned or to be assigned to the Purchaser;
- c) any Claim against Alexander Troop, Rose Investments I Limited Partnership or any other non-debtor guarantor, indemnifier, security provider or obligor;
- d) any right or interest of the Purchaser under the Loan Agreements, the DIP Participation Agreement or any mortgage administration, participation or intercreditor agreement; or
- e) any Claim arising from a breach of this Agreement or any Closing Document.

9.09 Release by Vendors

Except in connection with any obligations of the Purchaser and the Monitor contained in this Agreement and any Closing Documents, effective as of the Closing Time, the CCAA Parties and their Affiliates hereby release and forever discharge the Purchaser, the Monitor and their respective Affiliates, and each of their respective successors and assigns, and all former and present officers, directors, partners, members, shareholders, limited partners, employees, agents, financial and legal advisors of each of them, from any and all actual or potential Released Claims which such Person had, has or may have in the future to the extent relating to: (a) the New Common Shares and the Real Property Interest; (b) the Excluded Assets; or (c) the Excluded Liabilities, save and except for Released Claims arising out of fraud, bad faith or illegal acts (unless such Person believed in good faith that its conduct was legal).

ARTICLE X CLOSING

10.01 Location and Time of the Closing

Closing shall take place electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

10.02 Pre-Closing Reorganization

- (a) Subject to the other terms of this Agreement, the Vendors shall effect the Pre-Closing Reorganization.

- (b) The Purchaser and the CCAA Parties, as applicable, shall work cooperatively and use commercially reasonable efforts to prepare, before the Closing Date, all documentation necessary and do such other acts and things as are necessary to give effect to the Pre-Closing Reorganization.

10.03 Vendors' Deliveries at Closing

At or before the Closing Time, the Vendors shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Vesting Order and the SISP Order, as issued and entered by the Court, each of which shall be a final order which shall not have been appealed, set aside, varied or stayed within the applicable appeal period, or if either the Vesting Order or the SISP Order have been appealed within the applicable appeal period or if any motion has been commenced to set aside, vary or stay the Vesting Order or the SISP Order, all such appeals and motions shall have been finally dismissed;
- (b) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the CCAA Parties contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Vendors have performed in all material respects the covenants to be performed by them prior to the Closing Time;
- (c) written confirmation of the due incorporation and organization of ResidualCo on the terms set forth herein;
- (d) evidence that the Consolidation and Cancellation has been completed including a copy of the filed articles of amendment thereof and a certified copy of share registers of each of the Vendors reflecting the issuance of the New Common Shares and the Consolidation and Cancellation;
- (e) an agreement or Order, in form in substance satisfactory to the Purchaser and the Monitor, evidencing that Alliance, Berkstar and Rose LP are collectively the 100% beneficial owners of the Real Property immediately prior to Closing;
- (f) a statement of adjustments; and
- (g) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

10.04 Purchaser's Deliveries at Closing

At or before the Closing Time, the Purchaser shall deliver or cause to be delivered to the Vendors (or to the Monitor, as applicable), the following:

- (a) the Purchase Price;

- (b) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by it prior to the Closing Time;
- (c) an undertaking from the Purchaser pursuant to Section 9.06(f) to self-assess with respect to GST/HST (which will include an obligation on the part of the Purchaser to indemnify the Corporate Vendors in connection with any GST/HST and associated penalties, costs and/or interest payable in connection therewith);
- (d) a statement of adjustments; and
- (e) such other agreements, documents and instruments as may be reasonably required by the CCAA Parties to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

10.05 Simultaneous Transactions

All actions taken and transactions consummated at the Closing shall be deemed to have occurred in the manner and sequence set forth in the Implementation Steps and the Vesting Order (subject to the terms of any escrow agreement or arrangement among the Parties relating to the Closing), and no such transaction shall be considered consummated unless all are consummated.

ARTICLE XI CLOSING CONDITIONS

11.01 Conditions for the Benefit of the Purchaser and the Vendor

The respective obligations of the Purchaser and the Vendors to consummate the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions:

- (a) No Law: No provision of any Applicable Law and no judgment, injunction or Order preventing or otherwise frustrating the consummation of the purchase of the New Common Shares or any of the other transactions pursuant to this Agreement shall be in effect.
- (b) Vesting Order: The Court shall have granted the Vesting Order in form and substance satisfactory to each of the Purchaser and the Vendors, in their sole discretion, substantially in the form attached hereto as Schedule 1.01(gggg), *provided*, however, that it shall not be a condition to closing that the Court grant the releases in the form of Vesting Order.
- (c) Transaction Regulatory Approvals: The members of the CCAA Parties shall have received all required Transaction Regulatory Approvals, and all required Transaction Regulatory Approvals shall be in full force and effect, except for

Transaction Regulatory Approvals that need not be in full force and effect prior to Closing.

The Parties acknowledge that the foregoing conditions are for the mutual benefit of the Vendors and the Purchaser. Any condition in this Section 11.01 may be waived by the Vendors and the Purchaser, in whole or in part, without prejudice to any of their respective rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver will be binding on the Vendors or the Purchaser, as applicable, only if made in writing.

11.02 Conditions for the Benefit of Purchaser

The obligation of the Purchaser to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver by the Purchaser of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Purchaser):

- (a) Performance of Covenants: The covenants contained in this Agreement to be performed or complied with by the Vendors at or prior to the Closing Time shall have been performed or complied with in all material respects as at the Closing Time.
- (b) No Breach of Representations and Warranties: Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Article VI shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date, or (ii) if made as of a date specified therein, as of such date.
- (c) Successful Bidder: The Purchaser shall have been declared the Successful Bidder and the SISP Order shall not have been stayed, appealed, set aside or varied. Notwithstanding the foregoing, the condition set forth in this Section 11.02(c) shall be considered to have been satisfied if the Purchaser is declared the Successful Bidder in respect of Phase 1, Phases 2 and 3, or Phases 1, 2, and 3 of the Project.
- (d) No Material Adverse Effect: Since the date hereof, no change, effect, event, occurrence, state of facts or development shall have occurred that resulted in, or would reasonably be expected to result in, a Material Adverse Effect.
- (e) The Vendors' Deliverables: The Vendors shall have delivered to the Purchaser all of the deliverables contained in Section 10.03 in form and substance reasonably satisfactory to Purchaser.
- (f) Implementation Steps: The Vendors shall have completed the Implementation Steps that are required to be completed prior to Closing, in form and substance reasonably acceptable to Purchaser, acting reasonably.

- (g) ResidualCo.: Pursuant to the Vesting Order: (i) all Excluded Assets and Excluded Liabilities shall have been transferred to ResidualCo or discharged, (ii) the Excluded Liabilities shall have attached to the Excluded Assets and the proceeds from the Purchase Price, and (iii) the Vendors, its business and property shall have been released and forever discharged of all Claims and Encumbrances (other than Assumed Liabilities, if any) such that, from and after Closing the Project and property of the Corporate Vendors shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.
- (h) CCAA Proceeding: Upon Closing, the CCAA Proceedings shall have been terminated in respect of the Corporate Vendors, their business and property, as set out in the Vesting Order but, for greater certainty, shall continue in respect of Rose LP, Rose GP and Residual Co.
- (i) Disclaim Excluded Contracts: The Vendors or their Affiliates shall have sent notices of disclaimer for the agreements of purchase and sale listed in paragraph 1(a) of Schedule 2.04(b) relating to pre-commencement units for which construction has not yet started, and the applicable disclaimer periods shall have expired or the disclaimers shall otherwise have taken effect, and such agreements of purchase and sale shall form part of the Excluded Contracts.

For greater certainty, it shall not be a condition to Closing in favour of the Purchaser that the Purchaser be the Successful Bidder for, or otherwise have any rights to acquire any shares, assets, or other interests of any Person in respect of Phase 1, Phases 2 and 3, or Phases 1, 2, and 3 of the Project.

11.03 Conditions for the Benefit of the Vendor

The obligation of the Vendors to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver where applicable by the Vendors of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Vendors):

- (a) Performance of Covenants: The covenants contained in this Agreement to be performed by the Purchaser at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (b) No Breach of Representations and Warranties: Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Article VII shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date, or (ii) if made as of a date specified therein, as of such date.

- (c) Purchaser Deliverables: The Purchaser shall have delivered to the Vendors all of the deliverables contained in Section 10.04 in form and substance satisfactory to the Vendors.

11.04 Monitor's Certificate

As soon as practicable following the Closing Time, the Monitor shall file a copy of the Monitor's Certificate with the Court and shall provide a copy of the Monitor's Certificate to the Purchaser and the Vendors. The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the Court, without independent investigation, upon receiving written confirmation from the Vendors and the Purchaser in form and substance satisfactory to the Monitor that all conditions to Closing have been met or waived, and the Monitor will have no liability to the Purchaser, the Vendors or any other Person as a result of filing the Monitor's Certificate in accordance with this Section 11.04.

ARTICLE XII INSOLVENCY PROVISIONS

12.01 Court Orders and Related Matters

- (a) From and after the date of this Agreement and until the Closing Date, the Vendors shall deliver to the Purchaser drafts of any and all pleadings, motions, notices, statements, applications, schedules, and other papers to be filed or submitted by any member of the CCAA Parties in connection with or related to this Agreement, including with respect to the Vesting Order, for the Purchaser's prior review at least three (3) days in advance of service and filing of such materials (or where circumstances make it impracticable to allow for three (3) days' review, with as much opportunity for review and comment as is practically possible in the circumstances). The Vendors acknowledge and agree (i) that any such pleadings, motions, notices, statements, applications, schedules, or other papers shall be in form and substance satisfactory to the Purchaser, acting reasonably, and (ii) to consult and cooperate with the Purchaser regarding any discovery, examinations and hearing in respect of any of the foregoing, including the submission of any evidence, including witnesses testimony, in connection with such hearing.
- (b) Notice of the motion seeking the issuance of the Vesting Order shall be served or be caused to be served by the Vendors on all persons required to receive notice under Applicable Law and the requirements of the CCAA, the Court, and any other Person determined necessary by Vendors or Purchaser, acting reasonably.
- (c) As soon as practicable if the Purchaser is selected or deemed to be the Successful Bidder in accordance with the SISF, the CCAA Parties shall file a motion seeking the issuance of the Vesting Order.
- (d) If the Vesting Order relating to this Agreement is appealed or a motion for leave to appeal, rehearing, re-argument or reconsideration is filed with respect thereto,

the Vendors agree (subject to the available liquidity of the Vendors) to take all action as may be commercially reasonable and appropriate to defend against such appeal, petition or motion.

- (e) The Vendors acknowledge and agree, that the Vesting Order shall provide that, on the Closing Date and concurrently with the Closing, the New Common Shares and the Real Property Interest shall be transferred to Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances.

ARTICLE XIII TERMINATION

13.01 Termination

This Agreement may be terminated on or prior to the Closing Date as follows:

- (a) by the mutual written agreement of the Vendors and the Purchaser;
- (b) by either the Purchaser or the Vendors upon written notice to the other:
 - (i) if this Agreement is not the Successful Bid or the Back-Up Bid (as determined pursuant to the SISP); or this Agreement is the Back-Up Bid and the transaction contemplated by the Successful Bid is closed;
 - (ii) if Closing has not occurred on or before the Outside Date, provided that the terminating Party is not in breach of any representation, warranty, or covenant in this Agreement that would prevent the satisfaction of the conditions in Article XI on or before the Outside Date;
 - (iii) if at any time after the date hereof any of the conditions in Article XI is not capable of being satisfied by the applicable dates required in Article XI of this Agreement or if not otherwise required, by the Outside Date;
 - (iv) upon the termination, dismissal or conversion of the CCAA Proceedings;
 - (v) upon dismissal of the motion for the Vesting Order (or if any such order is stayed, vacated or varied without the consent of Purchaser); or
 - (vi) if a court of competent jurisdiction, including the Court or a Governmental Authority has issued an Order or taken any other action to restrain, enjoin or otherwise prohibit the consummation of closing of the Transactions and such Order or action has become a final Order;
- (c) by the Purchaser upon written notice to the Vendors:
 - (i) upon the appointment of a receiver, trustee in bankruptcy or similar official in respect of any member of the CCAA Parties or any of the

property of any member of the CCAA Parties, other than with the prior written consent of the Purchaser;

- (ii) if an Event of Default (as defined in the DIP Term Sheet) has occurred and such Event of Default has not been waived by Purchaser or cured within ten (10) Business Days after receipt of written notice from Purchaser;
- (iii) if there has been a material violation or breach by any of the Vendors of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 11.01 or Section 11.02, as applicable, by the Outside Date and such violation or breach has not been waived by Purchaser or cured within ten (10) Business Days after receipt of written notice thereof from Purchaser, unless Purchaser is in material breach of its obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 11.01 or Section 11.03, as applicable, by the Outside Date; or
- (d) by the Vendors upon written notice to the Purchaser, if there has been a material violation or breach by Purchaser of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 11.01 or Section 11.03, as applicable, by the Outside Date, and such violation or breach has not been waived by the Vendors or cured within ten (10) Business Days after written notice thereof from the Vendors, unless the Vendors are in material breach of their obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 11.01 or Section 11.02, as applicable, by the Outside Date.

13.02 Effect of Termination.

If this Agreement is terminated pursuant to Section 13.01, all further obligations of the Parties under this Agreement will terminate, and no Party will have any liability or further obligations hereunder. Notwithstanding anything to the contrary in this Agreement: (a) this Section 13.02, Section 13.03, Section 14.10 Section 14.11, and Section 14.13 shall survive termination of this Agreement, and (b) termination of this Agreement shall not relieve any Party of any liability for any wilful breach by it of this Agreement.

13.03 Expense Reimbursement

In the event the Purchaser is not the Successful Bidder or if this Agreement is terminated by the Vendors, the Vendors shall pay to Purchaser an expense reimbursement (the “**Expense Reimbursement**”) in an amount equal to the documented and reasonable out-of-pocket costs and expenses incurred by Purchaser in connection with the negotiation, evaluation, preparation, execution and implementation of the transactions contemplated by this Agreement, up to a maximum amount of \$200,000, plus applicable GST/HST. The parties acknowledge and agree that the Expense Reimbursement represents reimbursement of actual expenses incurred by Purchaser in connection with serving as the stalking horse bidder and establishing the baseline

transaction for the SISP and is not a penalty. The Expense Reimbursement shall be paid in cash and in full from the proceeds of the Successful Bid contemporaneously with the closing thereof, and payment thereof shall be a condition precedent to the completion of such closing.

ARTICLE XIV GENERAL MATTERS

14.01 Access to Books and Records

For a period of five years from the Closing Date or for such longer period as may be reasonably required for ResidualCo (or any trustee in bankruptcy of the estate of ResidualCo) to comply with Applicable Law, the Purchaser shall cause the Corporate Vendors, and their respective Affiliates to retain all original books and records. So long as any such books and records are retained by the Purchaser pursuant to this Agreement, ResidualCo (and any representative, agent, former director or officer of the CCAA Parties or trustee in bankruptcy of the estate of ResidualCo, including the Monitor) has the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the Project operations of the Purchaser.

14.02 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Vendors and the Purchaser.

14.03 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the Parties, and set out all the covenants, promises, warranties, representations, conditions and agreements among the Parties in connection with the subject matter of this Agreement, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral among the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

14.04 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with the Transactions or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

14.05 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the Parties. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

14.06 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any Claim or controversy directly or indirectly based upon or arising out of this Agreement or the transactions contemplated by this Agreement (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the jurisdiction and venue of the Court for the resolution of any such disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 14.13 shall be deemed effective service of process on such Party.

14.07 Further Assurances

As reasonably required by a Party in order to effectuate the transactions contemplated by this Agreement, the Purchaser and the Vendors shall execute and deliver at (and after) the Closing such other documents, and shall take such other actions, as are necessary or appropriate, to implement and make effective the transactions contemplated by this Agreement.

14.08 Public Notices

No press release or other announcement concerning the transactions contemplated by this Agreement shall be made by the Vendors or the Purchaser without the prior written consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that subject to the last sentence of this Section 14.08, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings) or by any stock exchange on which any of the securities of such Party or any of its Affiliates are listed, or by any insolvency or other court or securities commission, or other similar Governmental Authority having jurisdiction over such Party or any of its Affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior written notice to the other Party to the extent legally permissible and reasonably practicable, and if such prior notice is not legally permissible or reasonably practicable, to give such notice reasonably promptly following the making of such disclosure. Notwithstanding the foregoing: (a) this Agreement may be filed by the Vendors with the Court; and (b) the transactions contemplated in this Agreement may be disclosed by the Vendors to the Court. The Parties further agree that:

- (a) the Monitor may prepare and file reports and other documents with the Court containing references to the transactions contemplated by this Agreement and the terms of such transactions; and
- (b) the Vendors, the Purchaser and their respective professional advisors may prepare and file such motions, affidavits, materials, reports and other documents with the Court containing references to the transactions contemplated by this Agreement and the terms of such transactions as may reasonably be necessary to complete the transactions contemplated by this Agreement or to comply with their obligations in connection therewith.

14.09 Survival

None of the representations, warranties and covenants of any of the Parties set forth in this Agreement or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the transactions contemplated hereby shall survive the Closing. Notwithstanding the foregoing, the following covenants shall survive Closing and remain in full force and effect: Article II, Article III, Article XII, and Article XIV.

14.10 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, security holder, Affiliate, agent, lawyer or representative of the respective Parties, in such capacity, shall have any liability for any obligations or liabilities of the Purchaser or the Vendors, as applicable, under this Agreement, or for any Claims based on, in respect of or by reason of the transactions contemplated hereby.

14.11 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of each of the other Parties, except that the Purchaser may assign this Agreement or any or all of its rights and obligations hereunder to one or more of its Affiliates, provided that no such assignment or direction shall relieve the Purchaser of its obligations hereunder. The Purchaser will provide notice to the Monitor and Vendors of any such assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns.

14.12 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties, their Affiliates and their respective successors and permitted assigns, including for greater certainty, ResidualCo. Nothing in this Agreement shall create or be deemed to create any third-party beneficiary rights in any other Person not a Party to this Agreement.

14.13 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (a) the date of personal delivery; (b) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (c) two (2) days after deposit with a nationally-recognized courier or overnight service; or (d) five (5) days after mailing via certified mail, return receipt requested. All notices not delivered personally or by email will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

If to the Purchaser at:

Ducimus Capital Inc.

2651 Joseph Howe Drive
Halifax, Nova Scotia B3L 4T1

Attention: Trevor Gossen, Rick Benwell and Cristina Firmini

Email: trevor.gossen@impgroup.com
rick.benwell@impgroup.com
cristina.firmini@impgroup.com

With a copy to:

Fasken Martineau DuMoulin LLP

Bay Adelaide Centre
Suite 2400, 333 Bay Street
Toronto, ON M5H 2T6

Attention: Dylan Chochla
Mitch Stephenson
Julia Chung

Email: dchochla@fasken.com
mstephenson@fasken.com
jchung@fasken.com

If to the Vendors at:

Norton Rose Fulbright LLP

222 Bay St. Suite 3000
Toronto, ON M5K 1E7

Attention: Jennifer Stam

Email: jennifer.stam@nortonrosefulbright.com

With a copy to the Monitor:

BDO Canada Limited
20 Wellington St E, Suite 500
Toronto, ON M5E 1C5

Attention: Josie Parisi
Gary Cerrato

Email: JParisi@bdo.ca
gcerrato@bdo.ca

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

14.14 Monitor's Certificate

The Parties acknowledge and agree that the Monitor shall be entitled to deliver to the Purchaser, and file with the Court, an executed Monitor's Certificate without independent investigation, upon receiving written confirmation from both Parties (or the applicable Party's counsel) that all conditions of Closing in favour of such Party have been satisfied or waived, and the Monitor shall have no Liability to the Parties in connection therewith. The Parties further acknowledge and agree that upon written confirmation from the Parties that all conditions of Closing in favour of such Party have been satisfied or waived, the Monitor may deliver the executed Monitor's Certificate to the Purchaser's counsel in escrow, with the sole condition of its release from escrow being the Monitor's written confirmation that all such funds have been received. Upon such confirmation being given, the Monitor's Certificate will be released from escrow to the Purchaser, and the Closing shall be deemed to have occurred.

14.15 Monitor's Capacity

In addition to all of the protections granted to the Monitor under the CCAA or any Order of the Court in the CCAA Proceeding, the Vendors and the Purchaser acknowledge and agree that the Monitor, acting in its capacity as Monitor of the CCAA Parties and not in its personal capacity, will have no Liability, in its personal capacity or otherwise, in connection with this Agreement or the Transaction contemplated herein whatsoever as Monitor.

14.16 Counterparts; Electronic Signatures

This Agreement may be signed in counterparts and each counterpart shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument.

Execution of this Agreement may be made by electronic signature which, for all purposes, shall be deemed to be an original signature.

[Signature pages to follow]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

2055226 ONTARIO INC.

**BY BDO CANADA LIMITED SOLELY IN
ITS CAPACITY AS COURT-APPOINTED
MONITOR OF 2055226 ONTARIO INC.
AND NOT IN ITS PERSONAL OR
CORPORATE CAPACITY**



Name: Josie Parisi, CIRP, LIT
Title: Senior Vice President

ALLIANCE (SUTTON) INC.

**BY BDO CANADA LIMITED SOLELY IN
ITS CAPACITY AS COURT-APPOINTED
MONITOR OF 2055226 ONTARIO INC.
AND NOT IN ITS PERSONAL OR
CORPORATE CAPACITY**



By: _____
Name: Josie Parisi, CIRP, LIT
Title: Senior Vice President

BERKSTAR DEVELOPMENT INC.

BY BDO CANADA LIMITED SOLELY IN
ITS CAPACITY AS COURT-APPOINTED
MONITOR OF 2055226 ONTARIO INC.
AND NOT IN ITS PERSONAL OR
CORPORATE CAPACITY



By: _____

Name: Josie Parisi, CIRP, LIT

Title: Senior Vice President

**ROSE SUTTON LIMITED
PARTNERSHIP, by its general partner,
ROSE OPERATING I GP INC.**

**BY BDO CANADA LIMITED SOLELY IN
ITS CAPACITY AS COURT-APPOINTED
MONITOR OF ROSE SUTTON LIMITED
PARTNERSHIP AND NOT IN ITS
PERSONAL OR CORPORATE
CAPACITY**

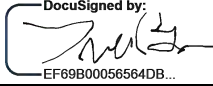


By: _____

Name: Josie Parisi, CIRP, LIT

Title: Senior Vice President

DUCIMUS CAPITAL INC.

By:  _____
Name: Trevor Gossen
Title: Executive Vice-President

Schedule 1.01(ddd)
Permitted Encumbrances

General:

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in the original grant(s) of the Properties from the Crown.
2. All applicable municipal by-laws and regulations.
3. All unregistered or inchoate statutory liens, charges and encumbrances affecting title to the Properties for taxes, assessments, governmental charges and levies not yet due and all other unregistered statutory liens.
4. All easements and rights-of-way registered and unregistered for the supply and installation of utility services, drainage, telephone services, electricity, gas, storm and/or sanitary sewers, water, cable television and/or any other service(s) to or for the benefit of the Real Property, which do not individually or in the aggregate, materially adversely impair the value, use, operation or marketability of the Real Property.
5. All registered municipal agreements and all registered agreements with publicly regulated utilities including, without limitation, all development, site plan, subdivision, engineering, heritage easement agreements and other municipal agreements (or similar agreements entered into with any governmental authorities), provided they are complied with and do not materially adversely impair the value, use, operation or marketability of the Real Property.
6. The exceptions and qualifications contained in Section 44(1) of the *Land Titles Act* (Ontario), except paragraph 11.
7. Any rights of expropriation, access or use or any other similar rights conferred or reserved by or in any statutes of Canada or the Province of Ontario.

Schedule 1.01(nnn)
Real Property

Phase 1

- (i) PIN 30064-0004 (LT): UNIT 4, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (ii) PIN 30064-0005 (LT): UNIT 5, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (iii) PIN 30064-0012 (LT): UNIT 12, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (iv) PIN 30064-0015 (LT): UNIT 15, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (v) PIN 30064-0017 (LT): UNIT 17, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (vi) PIN 30064-0019 (LT): UNIT 19, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (vii) PIN 30064-0020 (LT): UNIT 20, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (viii) PIN 30064-0025 (LT): UNIT 25, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (is) PIN 30064-0026 (LT): UNIT 26, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO

AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(x) PIN 30064-0034 (LT): UNIT 34, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xi) PIN 30064-0038 (LT): UNIT 38, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xii) PIN 30064-0041 (LT): UNIT 41, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xiii) PIN 30064-0042 (LT): UNIT 42 LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xiv) PIN 30064-0043 (LT): UNIT 43, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xv) PIN 30064-0046 (LT): UNIT 46, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xvi) PIN 30064-0047 (LT): UNIT 47, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xvii) PIN 30064-0050 (LT): UNIT 50, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xviii) PIN 30064-0051 (LT): UNIT 51, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xix) PIN 30064-0059 (LT): UNIT 59, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xx) PIN 30064-0060 (LT): UNIT 60, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xxi) PIN 30064-0065 (LT): UNIT 65, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xxii) PIN 30064-0066 (LT): UNIT 66, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xxiii) PIN 30064-0072 (LT): UNIT 72, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xxiv) PIN 30064-0073 (LT): UNIT 73, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xxv) PIN 30064-0083(LT): UNIT 83, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xxvi) PIN 30064-0092 (LT): UNIT 92, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xxvii) PIN 30064-0095 (LT): UNIT 95, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xxviii) PIN 30064-0096 (LT): UNIT 96, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO

AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxix) PIN 30064-0097 (LT): UNIT 97, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxx) PIN 30064-0098 (LT): UNIT 98, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxxi) PIN 30064-0101 (LT): UNIT 101, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxxii) PIN 30064-0102 (LT): UNIT 102, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxxiv) PIN 30064-0106 (LT): UNIT 106, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxxv) PIN 30064-0107 (LT): UNIT 107, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxxvi) PIN 30064-0108 (LT): UNIT 108, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxxvii) PIN 30064-0109 (LT): UNIT 109, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxxviii) PIN 30064-0110 (LT): UNIT 110, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xxxix) PIN 30064-0111 (LT): UNIT 111, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xl) PIN 30064-0114 (LT): UNIT 114, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xli) PIN 30064-0115 (LT): UNIT 115, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xlii) PIN 30064-0116 (LT): UNIT 116, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xlili) PIN 30064-0122 (LT): UNIT 122, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xliv) PIN 30064-0123 (LT): UNIT 123, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xlv) PIN 30064-0124 (LT): UNIT 124, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xlvi) PIN 30064-0125 (LT): UNIT 125, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(xlvii) PIN 30064-0128 (LT): UNIT 128, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA

(xlviii) PIN 30064-0130 (LT): UNIT 130, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO

AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(xlix) PIN 30064-0131 (LT): UNIT 131, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(l) PIN 30064-0132 (LT): UNIT 132, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(li) PIN 30064-0133 (LT): UNIT 133, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(lii) PIN 30064-0134 (LT): UNIT 134, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(liii) PIN 30064-0135 (LT): UNIT 135, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(liv) PIN 30064-0136 (LT): UNIT 136, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(lv) PIN 30064-0138(LT): UNIT 138, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(lvi) PIN 30064-0139 (LT): UNIT 139, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(lvii) PIN 30064-0141 (LT): UNIT 141, LEVEL 1, YORK REGION VACANT LAND
CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO
AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315;
TOWN OF GEORGINA;

(lviii) PIN 30064-0142 (LT): UNIT 142, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(lix) PIN 30064-0143 (LT): UNIT 143, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(lx) PIN 30064-0145 (LT): UNIT 145, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(lxi) PIN 30064-0146 (LT): UNIT 146, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(lxii) PIN 30064-0147 (LT): UNIT 147, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(lxiii) PIN 30064-0148 (LT): UNIT 148, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(lxiv) PIN 30064-0149 (LT): UNIT 149, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

(lxv) PIN 30064-0150 (LT): UNIT 150, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA; and

(lxvi) PIN 30064-0151 (LT): UNIT 151, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA.

Phase 2/3

1. 03527 - 0934 (LT): PART LOT 5 CON 8 GEORGINA PART 6, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA;
2. 03527 - 0935 (LT): PART LOT 5 CON 8 GEORGINA PARTS 7 AND 13, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA;
3. 03527 - 0936 (LT): PART LOT 5 CON 8 GEORGINA PART 12, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA; and
4. 03527 - 0938 (LT): PART LOT 5 CON 8 GEORGINA PARTS 8 PLAN 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA.

Schedule 1.01(xxx)
Sale and Investment Solicitation Process

(Attached)

Schedule “C”

Sales Process

1. On August 24, 2024, on application brought by MarshallZehr Group Inc. (“**MarshallZehr**”) the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an order (as amended and restated and as the same may be further amended from time to time, the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), among other things, appointing BDO Canada Limited as the monitor (in such capacity, the “**Monitor**”) in the CCAA proceedings involving 2055226 Ontario Inc., Alliance (Sutton) Inc., Berkstar Development Inc., Rose Sutton Limited Partnership and Rose Operating I GP Inc. (the “**Respondents**”).
2. On September 18, 2026, the Court granted an order (the “**Sale Process Order**”) that, among other things: (a) authorized the Monitor to implement a sale process for the property of the Respondents including the real property legally described in **Schedule “A” (“Phase 1 Property”)** and **Schedule “B” (“Phase 2 and 3 Property”)** attached hereto (collectively, the “**Lands**”) and all present and future assets, undertakings and personal property, with the exception of certain deposit monies held in trust, located at, related to, or used in connection with or arising from or out of the Lands or which is necessary to the use and operation of the Lands, including all net proceeds thereto remaining at the conclusion of these CCAA Proceedings (collectively, the “**Property**”) in accordance with the terms hereof (“**Sale Process**”); and (b) authorized and empowered the Monitor (on behalf of the Respondents) to enter into the stalking horse share and asset purchase agreement between the Monitor for and on behalf of the Respondents, as vendors, and **Ducimus Capital Inc., as purchaser** (in such capacity, “**Stalking Horse Bidder**”) dated as of September 21, 2026 (the “**Stalking Horse Agreement**”). Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the Sale Process Order or the Stalking Horse Agreement, as the case may be. A copy of the Sale Process Order can be found at www.bdo.ca/2055226_Ontario.
3. This Sale Process sets out the manner in which: (a) binding bids for executable transaction alternatives that are superior to the transaction contemplated by the Stalking Horse Agreement involving the Property of the Respondents will be solicited from interested parties; (b) any such bids received will be addressed; (c) any Successful Bid(s) (as defined below) will be selected; and (d) Court approval of any Successful Bid(s) will be sought.
4. The Sale Process will be administered by the Monitor, who has engaged Colliers Macaulay Nicolls Inc. as its listing agent (“**Listing Agent**”). The roles and responsibilities of the Monitor and its Listing Agent are described in further detail throughout this Sale Process.
5. Parties who wish to have their bids considered must participate in this Sale Process as conducted by the Monitor.
6. This Sale Process will be conducted such that the Monitor and Listing Agent will:
 - (a) disseminate marketing materials and a process letter to potentially interested parties identified by the Monitor and Listing Agent;

- (b) solicit interest from parties with a view to such interested parties entering into non-disclosure agreements in form and substance satisfactory to the Monitor in its sole discretion (each a “**NDA**”) (parties shall only obtain access to the data room and be permitted to participate in this Sale Process if they execute an NDA and agree to any additional measures that are required by the Monitor to protect competitively sensitive information);
 - (c) provide applicable parties with access to a data room containing diligence information; and
 - (d) request that such parties (other than the Stalking Horse Bidder) submit (i) a letter of intent to bid that identifies the potential bidder and a general description of the Property that would be the subject of the bid, the proposed consideration, allocates the proposed consideration among the Phase 1 Property and the Phase 2 and 3 Property, if applicable, confirms that any Qualified Bid it submits will not be subject to diligence or otherwise include non-compliant terms and that reflects a reasonable prospect of culminating in a Qualified Bid(s) (as defined below), as determined by the Monitor (a “**LOI**”), by the LOI Deadline (as defined below) and, if applicable, (ii) a binding offer meeting at least the requirements set forth in Section 8 below, as determined by the Monitor (a “**Qualified Bid**”), by the Qualified Bid Deadline (as defined below).
7. This Sale Process shall be conducted subject to the terms hereof and the following key milestones:
- (a) the Monitor and the Listing Agent to commence the solicitation process – as soon as practicable following the granting of the Sale Process Order;
 - (b) the Listing Agent shall publish a notice of the Sale Process in *The Globe and Mail* and such other trade publications or other publications as the Monitor and Listing Agent may deem appropriate by no later than September 29, 2026;
 - (c) the Monitor shall prepare and include in the data room a form of asset purchase agreement on which asset purchase offers for the Property must be submitted (the “**Template APA**”) and a copy of the Stalking Horse Agreement by no later than October 5, 2026;
 - (d) the deadline to submit a LOI is 5:00 p.m. Eastern Time on November 2, 2026 (the “**LOI Deadline**”);
 - (e) the deadline to submit a Qualified Bid is 5:00 p.m. Eastern Time on November 11, 2026 (the “**Qualified Bid Deadline**”);
 - (f) Monitor to determine whether a bid is a Qualified Bid and, if applicable, to notify those parties who submitted a Qualified Bid of the Auction (as defined below) – 5:00 p.m. Eastern Time on November 16, 2026;
 - (g) Monitor to hold an Auction (if applicable) – as soon as practicable of the Monitor determining that the Auction will take place;

- (h) Motion for approval of the Successful Bid(s) either through an Approval and Reverse Vesting Order or Approval and Vesting Order (both as defined below) – by no later than November 27, 2026, subject to the availability of the Court (the “**Approval Motion**”); and
 - (i) the closing of the Successful Bid(s) – as soon as reasonably practicable after the Court grants the relief sought at the Approval Motion and, in any event, after the later of 30 days after selection of the Successful Bid(s) or the first Business Day that is three Business Days following the date the Order granted at the Approval Motion is no longer subject to appeal or any appeal for which has been resolved, or such later date as agreed to among the Monitor, and MarshallZehr (the “**Outside Date**”), except that the Outside Date for the Stalking Horse Bid shall be, if the Stalking Horse Bid is selected as the Successful Bid, as set out in the Stalking Horse Agreement.
8. An LOI will be considered a qualified LOI (a “**Qualified LOI**”) only if: (a) it is received on or before the LOI Deadline; (b) it contains an indication of the Property on which the bidder is bidding; (c) it identifies the purchase price range which is at least as much as the Consideration Value (defined below) and provides a proposed allocation of value among the Phase 1 Property and the Phase 2 and 3 Property, as applicable including any expected assumptions that could reduce the expected net consideration; (d) it confirms any bid submitted will comply with the Qualified Bid criteria; (e) it provides an indication of the financial capacity of the bidder; and (f) it includes any conditions or approvals required for a final and binding offer.
 9. If, by the LOI Deadline, (a) no single Qualified LOI has been received, or (b) no group of Qualified LOIs have been received in respect of different Property with aggregate consideration at least as much as the Consideration Value, then the Sale Process shall be deemed to be terminated and the Stalking Horse Bid shall be the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Agreement.
 10. In the event that the Sale Process is not terminated in accordance with paragraph 9 above, bidders shall submit bids on or before the Qualified Bid Deadline. In order to constitute a Qualified Bid, a bid must comply with the following:
 - (a) it clearly outlines the Property on which the bidder is bidding;
 - (b) it provides a cash purchase price in an amount equal to or greater than that contained in the Stalking Horse Bid, as applicable, in respect of the Property included in the bid being a purchase price of \$12,300,000 in respect of the Phase 1 Property and \$10,000,000 in respect of Phase 2 and 3 Property (exclusive of any sales taxes and land transfer taxes applicable to the transaction) plus the Expense Reimbursement (as defined in the Stalking Horse Agreement) and the Listing Commission¹ (collectively, “**Consideration Value**”), and provides a detailed schedule that identifies, with specificity, the composition and sources of the Consideration Value,

¹ For purposes of the Sale Process, the “Listing Commission” shall mean the commission payable to the Listing Agent pursuant to the listing agreement entered into between the Monitor, by and on behalf of the Respondents, and the Listing Agent dated September 21, 2026.

the allocation of the Consideration Value among the Phase 1 Property and the Phase 2 and 3 Property, as applicable, and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or being excluded;

- (c) it provides for the closing of the transaction contemplated thereunder by no later than the Outside Date;
- (d) it contains:
 - (i) the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of its controlling equity holder(s) and/or sponsors;
 - (ii) a purchase agreement duly executed and binding on the bidder;
 - (iii) a redline of the purchase agreement to the Stalking Horse Agreement or to the Template APA (as defined below);
 - (iv) evidence of authorization and approval from the bidder's board of directors (or comparable governing body) and, if necessary to complete the transaction, the bidder's equity holder(s) in form and substance reasonably satisfactory to the Monitor;
 - (v) disclosure of any connections or agreements with the Respondents or any of their affiliates, any known, potential, prospective bidder, or any officer, manager, director, member or known equity security holder of the Respondents or any of their affiliates; and
 - (vi) such other information as may be reasonably requested by the Monitor;
- (e) it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until closing of the Successful Bid(s); provided, that if such bid is not selected as a Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid(s) (such bid, the **"Back-Up Bid"**) it shall only remain irrevocable until selection of the Successful Bid(s) (the **"Irrevocability Period"**);
- (f) it provides that the bid will serve as the Back-Up Bid if it is not selected as a Successful Bid and if selected as the Back-Up Bid it will remain irrevocable until the earlier of: (i) closing of the Successful Bid(s), or (ii) closing of the Back-Up Bid;
- (g) it provides written evidence of a bidder's ability to fully fund and consummate the transaction (including financing required, if any, prior to the closing of the transaction to finance the CCAA proceedings) and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid(s);

- (h) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- (i) it is not conditional upon:
 - (i) approval from the bidder's board of directors (or comparable governing body) or, if applicable, equity holder(s);
 - (ii) the outcome of any due diligence by the bidder; or
 - (iii) the bidder obtaining financing;
- (j) it includes an acknowledgment and representation that the bidder:
 - (i) has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid;
 - (ii) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Monitor and its employees, officers, directors, agents, advisors and other representatives, regarding the proposed transaction, this Sale Process, or any information (or the completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents;
 - (iii) is making its bid on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor or any of its employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transaction documents;
 - (iv) is bound by this Sale Process and the Sale Process Order; and
 - (v) is subject to the exclusive jurisdiction of the Court with respect to any disputes or other controversies arising under or in connection with this Sale Process or its bid;
- (k) it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the proposed transaction (including the anticipated timing necessary to obtain such approvals);
- (l) it is accompanied by a cash deposit (the "**Deposit**") by wire transfer of immediately available funds equal to 10% of the Consideration Value, which Deposit shall be retained by the Monitor in a non-interest bearing trust account in accordance with the terms hereof;
- (m) it includes a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and

by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and

- (n) it is received by the Monitor by the Qualified Bid Deadline at the email addresses specified on **Schedule “C”** hereto.
11. The Qualified Bid Deadline may be extended by the Monitor, provided that the Monitor shall only extend the Qualified Bid Deadline for no longer than 7 days with the prior written consent of MarshallZehr and the Stalking Horse Bidder both acting reasonably, or by further order of the Court.
 12. The Monitor may, in consultation with MarshallZehr, waive compliance with any one or more of the requirements specified in Section 10 above and deem a non-compliant bid to be a Qualified Bid, provided that the Monitor shall not waive compliance with the requirements specified in Subsections 10 (b), (h), (j), (m) or (n) without the prior written consent of MarshallZehr, acting reasonably.
 13. Notwithstanding the requirements specified in section 10 above, the transaction contemplated by the Stalking Horse Agreement (the “**Stalking Horse Bid**”), is deemed to be a Qualified Bid.
 14. If one or more Qualified Bids (other than the Stalking Horse Bid) have been received by the Monitor on or before the Qualified Bid Deadline, the Monitor or the Listing Agent, in consultation with MarshallZehr, shall be entitled to (a) proceed with an auction process to determine the successful bid(s) (the “**Auction**”), which Auction, if conducted, shall be administered in accordance with Schedule “D” hereto; or (b) establish other procedures for determining a successful bid(s) in the Sale Process. The successful bid(s) selected within the Auction shall constitute the “**Successful Bid(s)**”. Forthwith upon determining the procedure for determining a Successful Bid, the Monitor shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Bidder) in accordance with the terms herein.
 15. If, by the Qualified Bid Deadline, no Qualified Bid(s) (other than the Stalking Horse Bid) has been received by the Monitor, then the Stalking Horse Bid shall be deemed the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Agreement.
 16. Following selection of the Successful Bid(s), the Monitor, with the assistance of its advisors, shall seek to finalize any remaining necessary definitive agreement(s) with respect to the Successful Bid(s) in accordance with the milestones set out in Section 7. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the Monitor, the Monitor shall apply to the Court for an order or orders approving such Successful Bid and/or the mechanics to authorize the Monitor to complete the transactions contemplated thereby, as applicable, and authorizing the Monitor to: (a) enter into any and all necessary agreements and related documentation with respect to the Successful Bid; (b) undertake such other actions as may be necessary to give effect to such Successful Bid; and (c) implement the transaction(s) contemplated by such Successful Bid (each, an “**Approval and Reverse Vesting Order**” in the case of share transaction and an “**Approval and Vesting Order**” in the case of an asset transaction). If the Successful

Bid(s) is not consummated in accordance with its terms, the Monitor shall be authorized, but not required, to elect that the Back-Up Bid (if any) is the Successful Bid.

17. If a Successful Bid is selected and an Approval and Vesting Order or Approval and Reverse Vesting Order authorizing the consummation of the transaction contemplated thereunder is granted by the Court, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a bid, other than the Stalking Horse Bid, that is not selected as a Successful Bid will be returned, without interest thereon, to the applicable bidder as soon as reasonably practicable (but not later than ten (10) Business Days) after the expiration of the Irrevocability Period or such earlier date as may be determined by the Monitor; provided, however, that the Deposit in respect of the Back-Up Bid shall not be returned to the applicable bidder until the closing of the Successful Bid.
18. The Monitor shall be permitted, in its discretion, to provide general updates and information in respect of this Sale Process to any creditor or other interested stakeholder (each a “**Information Party**”) on a confidential basis, upon: (a) the irrevocable confirmation in writing from such Information Party that it will not submit any bid in this Sale Process; and (b) such Information Party executing a confidentiality agreement with the Monitor, in form and substance satisfactory to the Monitor.
19. The Monitor shall have sole discretion to make amendments to the Sale Process including the extension of deadlines set out herein, provided that the Monitor shall not extend the Qualified Bid Deadline for more than 7 days, subject to the requirements in Section 11, or amend the requirements specified in Section 10 (b), (h), (j), (m) or (n) without the prior written consent of MarshallZehr, acting reasonably.

Schedule “A”**Legal Description of Phase 1 Property in the Land Titles Office
for the Registry Division of York Region No. 65**

- (i) PIN 30064-0004 (LT): UNIT 4, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (ii) PIN 30064-0005 (LT): UNIT 5, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (iii) PIN 30064-0012 (LT): UNIT 12, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (iv) PIN 30064-0015 (LT): UNIT 15, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (v) PIN 30064-0017 (LT): UNIT 17, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (vi) PIN 30064-0019 (LT): UNIT 19, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (vii) PIN 30064-0020 (LT): UNIT 20, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (viii) PIN 30064-0025 (LT): UNIT 25, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (ix) PIN 30064-0026 (LT): UNIT 26, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST;

SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (x) PIN 30064-0034 (LT): UNIT 34, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xi) PIN 30064-0038 (LT): UNIT 38, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xii) PIN 30064-0041 (LT): UNIT 41, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xiii) PIN 30064-0042 (LT): UNIT 42 LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xiv) PIN 30064-0043 (LT): UNIT 43, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xv) PIN 30064-0046 (LT): UNIT 46, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xvi) PIN 30064-0047 (LT): UNIT 47, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xvii) PIN 30064-0050 (LT): UNIT 50, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xviii) PIN 30064-0051 (LT): UNIT 51, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (xix) PIN 30064-0059 (LT): UNIT 59, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xx) PIN 30064-0060 (LT): UNIT 60, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxi) PIN 30064-0065 (LT): UNIT 65, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxii) PIN 30064-0066 (LT): UNIT 66, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxiii) PIN 30064-0072 (LT): UNIT 72, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxiv) PIN 30064-0073 (LT): UNIT 73, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxv) PIN 30064-0083(LT): UNIT 83, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxvi) PIN 30064-0092 (LT): UNIT 92, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxvii) PIN 30064-0095 (LT): UNIT 95, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxviii) PIN 30064-0096 (LT): UNIT 96, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (xxix) PIN 30064-0097 (LT): UNIT 97, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxx) PIN 30064-0098 (LT): UNIT 98, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxi) PIN 30064-0101 (LT): UNIT 101, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxii) PIN 30064-0102 (LT): UNIT 102, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxiii) PIN 30064-0106 (LT): UNIT 106, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxiv) PIN 30064-0107 (LT): UNIT 107, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxv) PIN 30064-0108 (LT): UNIT 108, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxvi) PIN 30064-0109 (LT): UNIT 109, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxvii) PIN 30064-0110 (LT): UNIT 110, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xxxviii) PIN 30064-0111 (LT): UNIT 111, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (xxxix) PIN 30064-0114 (LT): UNIT 114, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xl) PIN 30064-0115 (LT): UNIT 115, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xli) PIN 30064-0116 (LT): UNIT 116, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xlii) PIN 30064-0122 (LT): UNIT 122, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xliii) PIN 30064-0123 (LT): UNIT 123, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xliv) PIN 30064-0124 (LT): UNIT 124, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xlv) PIN 30064-0125 (LT): UNIT 125, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xlvi) PIN 30064-0128 (LT): UNIT 128, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA
- (xlvii) PIN 30064-0130 (LT): UNIT 130, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (xlviii) PIN 30064-0131 (LT): UNIT 131, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (xlix) PIN 30064-0132 (LT): UNIT 132, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (l) PIN 30064-0133 (LT): UNIT 133, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (li) PIN 30064-0134 (LT): UNIT 134, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lii) PIN 30064-0135 (LT): UNIT 135, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (liii) PIN 30064-0136 (LT): UNIT 136, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (liv) PIN 30064-0138(LT): UNIT 138, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lv) PIN 30064-0139 (LT): UNIT 139, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lvi) PIN 30064-0141 (LT): UNIT 141, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lvii) PIN 30064-0142 (LT): UNIT 142, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lviii) PIN 30064-0143 (LT): UNIT 143, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;

- (lix) PIN 30064-0145 (LT): UNIT 145, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lx) PIN 30064-0146 (LT): UNIT 146, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lxi) PIN 30064-0147 (LT): UNIT 147, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lxii) PIN 30064-0148 (LT): UNIT 148, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lxiii) PIN 30064-0149 (LT): UNIT 149, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA;
- (lxiv) PIN 30064-0150 (LT): UNIT 150, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA; and
- (lxv) PIN 30064-0151 (LT): UNIT 151, LEVEL 1, YORK REGION VACANT LAND CONDOMINIUM PLAN NO. 1532 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN YR3653315; TOWN OF GEORGINA.

Schedule “B”**Legal Description of Phase 2 and 3 Property in the Land Titles Office
for the Registry Division of York Region No. 65**

1. 03527 - 0934 (LT): PART LOT 5 CON 8 GEORGINA PART 6, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA;
2. 03527 - 0935 (LT): PART LOT 5 CON 8 GEORGINA PARTS 7 AND 13, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA;
3. 03527 - 0936 (LT): PART LOT 5 CON 8 GEORGINA PART 12, 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA; and
4. 03527 - 0938 (LT): PART LOT 5 CON 8 GEORGINA PARTS 8 PLAN 65R39090; TOGETHER WITH AN EASEMENT OVER (1STLY) PT BLK D PL 427 PT 1 65R31590, (2NDLY) PT GEORGE ROAD PL 427 PT 2 65R31590 AND (3RDLY) PT LTS 280, 281 & 282 PL 427 PT 3 65R31590 AS IN YR1581269; SUBJECT TO AN EASEMENT AS IN YR2852007; SUBJECT TO AN EASEMENT AS IN YR3468915; SUBJECT TO AN EASEMENT IN GROSS AS IN YR3468918; TOWN OF GEORGINA.

SCHEDULE “C”
E-mail Addresses for Delivery of Bids

To the Monitor:

jparisi@bdo.ca

gcerrato@bdo.ca

With a copy to the Monitor’s counsel:

jennifer.stam@nortonrosefulbright.com

josh.sprague@nortonrosefulbright.com

**SCHEDULE “D”
Auction Procedures**

1. **Auction**. If the Monitor receives at least one Qualified Bid (other than the Stalking Horse Bid) and determines, in consultation with MarshallZehr that the successful bid(s) will be selected through an Auction, it shall proceed to conduct and administer an Auction in accordance with the terms of the Sale Process in respect of the Phase 1 Property, the Phase 2 and 3 Property or both. If necessary, separate Auctions will be held for each of the Phase 1 Property and the Phase 2 and 3 Property. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.
2. **Participation**. Only parties that provided a Qualified Bid(s) by the Qualified Bid Deadline, including the Stalking Horse Bidder (collectively, the “**Qualified Parties**” and each a “**Qualified Party**”), shall be eligible to participate in the Auction. No later than 3:00 pm Eastern Time on the day prior to the Auction, each Qualified Party (other than the Stalking Horse Bidder) must inform the Monitor whether it intends to participate in the Auction. The Monitor will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party provides such expression of intent, the Stalking Horse Bid shall be the Successful Bid(s).
3. **Auction Procedures**. The Auction shall be governed by the following procedures:
 - a. **Attendance**. Only the Monitor, MarshallZehr, the Qualified Parties, and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction;
 - b. **Minimum Overbid**. The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid(s) as determined by the Monitor (the “**Initial Bid**”), and any bid made at the Auction by a Qualified Party subsequent to the Monitor’s announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of [**\$100,000**];
 - c. **Bidding Disclosure**. The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each subsequent bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Monitor, in its discretion, may establish separate video conference rooms to permit interim discussions between the Monitor and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;
 - d. **Bidding Conclusion**. The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit

one or more additional bids with full knowledge and written confirmation of the then-existing highest bid(s); and

- e. **No Post-Auction Bids.** No bids will be considered for any purpose after the Auction has concluded.
 - f. **Auction Cancellation/Postponement.** The Monitor reserves the right to cancel or postpone the Auction.
 - g. **Additional Procedures.** The Monitor may adopt rules for the Auctions at or prior to the Auctions that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, provided they are not inconsistent with any of the provisions of the Sale Process and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.
 - h. **Back-Up Bid.** If only one Overbid is submitted after any round of offers then that bid shall be the Successful Bid. The next highest bid, as determined by the Monitor (the “**Back-up Bid**”), shall be required to keep its offer open and available for acceptance until the closing of the transaction contemplated by the Successful Bid.
 - i. **Closing the Auction.** The Auction shall be closed after the Monitor has: (i) reviewed the final Overbid of each Qualified Bidder, and (ii) identified the Successful Bid and the Back-Up Bid and the Monitor has advised the Qualified Bidders participating in the Auctions of such determination.
4. **Selection.** Before the conclusion of the Auction, the Monitor, will: (a) review each Qualified Bid, considering the factors set out in Section 8 of the Sale Process and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in prong (i) above; (iii) the likelihood of the Qualified Party’s ability to close a transaction by the Outside Date and the timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court’s approval of the Qualified Bid, and (v) any other factors the Monitor may, consistent with its fiduciary duties, reasonably deem relevant; and (b) identify the highest or otherwise best bid received at the Auction (the “**Successful Bid**” and the Qualified Party making such bid, the “**Successful Party**”).
 5. **Acknowledgement.** The Successful Party(ies) shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid(s) was made within one business day of the Successful Bid(s) being selected as such, unless extended by the Monitor, subject to the milestones set forth in Section 8 of the Sale Process.

Schedule 1.01(gggg)
Form of Vesting Order

(Attached)

Schedule 2.04
Excluded Assets

Nil

Schedule 2.04(b)
Excluded Contracts

- 1) Except as otherwise agreed to be assumed by the Purchaser in writing, all contracts of the CCAA Parties, including but not limited to:
 - a) the following Agreements of Purchase and Sale:
 - i) Agreement of Purchase and Sale accepted May 18, 2016 between 2055226 Ontario Inc. and Liliana Khaliapin with respect to Unit 101, Level 1.
 - ii) Agreement of Purchase and Sale accepted July 5, 2016 between 2055226 Ontario Inc., Catherine Rabinson-Buyukozer and Kudret Buyukozer with respect to Unit 102, Level 1.
 - iii) Agreement of Purchase and Sale accepted May 27, 2016 between 2055226 Ontario Inc. and Martha Dickie with respect to Unit 107, Level 1.
 - iv) Agreement of Purchase and Sale accepted April 27, 2016 between 2055226 Ontario Inc., Martina Daenzer and Willi Daenzer with respect to Unit 20, Level 1.
 - v) Agreement of Purchase and Sale accepted February 26, 2016 between 2055226 Ontario Inc. and Glen Billinger with respect to Unit 26, Level 1.
 - vi) Agreement of Purchase and Sale accepted May 5, 2016 between 2055226 Ontario Inc. and Phong Nguyen with respect to Unit 38, Level 1.
 - vii) Agreement of Purchase and Sale accepted August 7, 2015 between 2055226 Ontario Inc. and Ji Ting with respect to Unit 4, Level 1, as amended by an amendment agreement dated June 15, 2017.
 - viii) Agreement of Purchase and Sale accepted May 31, 2015 between 2055226 Ontario Inc. and Colleen Page with respect to Unit 51, Level 1, as amended by an amendment agreement dated July 4, 2015.
 - ix) Agreement of Purchase and Sale accepted August 7, 2015 between 2055226 Ontario Inc. and Liqing Zheng with respect to Unit 66, Level 1.
 - x) Agreement of Purchase and Sale accepted September 14, 2015 between 2055226 Ontario Inc. and Hong Song with respect to Unit 72, Level 1, as amended by an amendment to agreement signed December 17, 2018 and a customer request for extras signed November 28, 2024.
 - xi) Agreement of Purchase and Sale accepted September 24, 2015 between 2055226 Ontario Inc., Gordina Schellenberg and Robert Greenberg with respect to Unit 83, Level 1, as amended by an amendment to agreement signed January 30, 2020.
 - xii) Agreement of Purchase and Sale accepted May 19, 2016 between 2055226 Ontario Inc. and Renato Bettencourt with respect to Unit 92, Level 1.
 - xiii) Agreement of Purchase and Sale accepted July 28, 2015 between 2055226 Ontario Inc. and Volodimir Zadorojnii with respect to Unit 97, Level 1, as amended by an amendment agreement dated June 12, 2016.

- b) the Loan Agreements and all ancillary documents thereto, including but not limited to:
- i) the commitment letter among 205 Ontario, as borrower, Alliance, Berkstar, Rose LP, through its general partner Rose GP, Rose Investments I Limited Partnership, through its general partner Rose Investments I GP Inc. and Alexander Troop, as guarantors, and MarshallZehr, as lender, as extended and amended pursuant to an extension agreement dated as of October 13, 2023, a first amendment thereto dated as of June 28, 2024, a second amendment thereto dated as of April 16, 2025, and a third amendment thereto dated July 28, 2026;
 - ii) the charge/mortgage between 205 Ontario, as chargor, and MarshallZehr, as chargee, registered on March 1, 2022 as Instrument No. YR3388287;
 - iii) the general assignment of rents dated as of March 1, 2022 between 205 Ontario, as assignor, and MarshallZehr, as assignee, registered as a notice of assignment of rents as Instrument No. YR3388288;
 - iv) the general security agreement by 205 Ontario in favour of MarshallZehr dated as of December 20, 2021;
 - v) the general security agreement by Berkstar in favour of MarshallZehr dated as of December 20, 2021;
 - vi) the general security agreement by Rose LP through its general partner Rose GP in favour of MarshallZehr dated as of December 20, 2021;
 - vii) the general security agreement by Alliance in favour of MarshallZehr dated as of December 20, 2021;
 - viii) the commitment letter dated as of June 19, 2024 among 205 Ontario, as borrower, Alliance, Berkstar, Rose LP, through its general partner Rose GP, Rose Investments I Limited Partnership, through its general partner Rose Investments I GP Inc. and Alexander Troop, as guarantors, and the MarshallZehr, as lender;
 - ix) the charge/mortgage between 205 Ontario, as chargor, and MarshallZehr and Morrison, as chargees, registered on July 19, 2024 as Instrument No. YR3700961, as subsequently transferred to the Purchaser through a transfer of charge dated as of September 9, 2024 as Instrument No. YR3715562 and to Samuel Reisman through a transfer of charge dated as of April 30, 2026 as Instrument No. YR3948479;
 - x) the general assignment of rents dated as of July 19, 2024 between 205 Ontario, as assignor, and MarshallZehr, as assignee, registered as a notice of assignment of rents as Instrument No. YR3700962;
 - xi) the charge/mortgage between 205 Ontario, as chargor, and MarshallZehr and Morrison, as chargees, registered on July 19, 2024 as Instrument No. YR3700963, as subsequently transferred to the Purchaser through a transfer of charge dated as of

- September 9, 2024 as Instrument No. YR3715561 and to Samuel Reisman through a transfer of charge dated as of April 30, 2026 as Instrument No. YR3948477;
- xii) the general assignment of rents dated as of July 19, 2024 between 205 Ontario, as assignor, and MarshallZehr, as assignee, registered as a notice of assignment of rents as Instrument No. YR3700964;
 - xiii) the general security agreement by 205 Ontario in favour of MarshallZehr dated as of July 19, 2024;
 - xiv) the general security agreement by Berkstar in favour of MarshallZehr dated as of July 19, 2024;
 - xv) the general security agreement by Rose LP through its general partner Rose GP in favour of MarshallZehr dated as of July 19, 2024;
 - xvi) the general security agreement by Alliance in favour of MarshallZehr dated as of July 19, 2024;
 - xvii) the assignment of insurance by 205 Ontario in favour of MarshallZehr
- c) the loan agreement between Rose Finance Corp. and 205 Ontario in the amount of \$5 million, which is secured by a charge against the Real Property registered as Instrument No. YR613496 (the “**Rose Finance Loan**”).

Schedule 2.05
Assumed Liabilities

1. The Cure Costs expressly approved in writing by the Purchaser prior to Closing.
2. “No Presales” Agreement dated August 22, 2006 between The Corporation of the Town of Georgina and 2055226 Ontario Inc. (Alliance Homes Inc.)
3. Condominium Development Agreement dated June 6, 2022 between 2055226 Ontario Inc. and the Corporation of the Town of Georgina

Schedule 2.06
Non-Exhaustive List of Certain Enumerated Excluded Liabilities

- 1) Any and all liabilities relating to any change of control provisions that may arise in connection with the change of control of any of the CCAA Parties pursuant to the Transactions.
- 2) Any and all liabilities in respect of any legal proceedings brought or initiated, or which could be brought or initiated against the CCAA Parties.
- 3) Any and all liabilities relating to or under the Excluded Assets and Excluded Contracts.
- 4) Any and all liabilities owing to third-parties including, without limitation, credit card debt, loyalty program liabilities and trade payables, to the extent that such liabilities are not Assumed Liabilities.
- 5) All pre-filing Claims and any liabilities arising from the termination of leases or other contracts.
- 6) Liabilities under the Loan Agreements and related security.
- 7) Liabilities under the Rose Finance Loan and related security.
- 8) Liabilities under any loan agreement and related security that existed prior to the Filing Date.
- 9) Liabilities related to any construction liens, holdback obligations, trust claims and trade payables relating to work conducted prior to the Closing Time;
- 10) Liabilities for cost overruns, defective work and incomplete work attributable to pre-Closing acts, omissions, defaults or circumstances.
- 11) All purchaser claims arising from pre-Closing delays, defaults, misrepresentations, deposit deficiencies, cancellations or breaches.
- 12) All municipal deficiencies, work orders, penalties and costs arising from pre-Closing non-compliance.
- 13) All employee, termination, severance, payroll, benefit, pension, WSIB and occupational health and safety liabilities attributable to the pre-Closing period.
- 14) All litigation, threatened claims and regulatory proceedings based on pre-Closing conduct.
- 15) All intercompany, shareholder, partner and related-party claims.
- 16) Any shortfall in purchaser deposits, municipal deposits, posted security, insurance coverage or project trust funds attributable to pre-Closing acts, omissions, defaults or circumstances.
- 17) Wastewater (Sewage) Credit Purchase Agreement made as of March 18, 2015 between 2055226 Ontario Inc. and 840180 Ontario Limited and all amendments thereto.

Schedule 5.01(c)
Implementation Steps

1. At least three (3) Business Days prior to the Closing Date, ResidualCo shall be formed in accordance with the terms contained herein, in form satisfactory to Purchaser, acting reasonably, and the directors thereof shall not include the directors or related parties of the Purchaser, and no such entity shall be a flow through entity for Canadian or U.S. tax purposes unless approved by Purchaser.
2. At the Closing Time, the Closing shall take place in the following sequence:
 - (a) Payment of Purchase Price: The Purchaser shall satisfy the Purchase Price in accordance with Section 3.01.
 - (b) Reverse Vesting: The Corporate Vendors shall be deemed to transfer to ResidualCo the Excluded Assets and the Excluded Liabilities, in accordance with the Vesting Order and Sections 4.01 and 4.02 of this Agreement.
 - (c) Issuance of New Common Shares and Treatment of Existing Shares. The issuance of New Common Shares, the Consolidation and Cancellation, and the extinguishing of any and all existing Equity Interests of the Corporate Vendors (other than the Post-Consolidation Shares) shall each take place in the order and manner set forth in Section 2.01 and in accordance with the Vesting Order.
 - (d) Transfer of Real Property Interest. The Real Property Interest shall be transferred from Rose LP to the Purchaser in accordance with Section 2.03 and in accordance with the Vesting Order.

Schedule 6.02
CCAA Parties

	Name	Jurisdiction of Incorporation/ Organization
1.	2055226 Ontario Inc.	Ontario
2.	Alliance (Sutton) Inc.	Ontario
3.	Berkstar Development Inc.	Canada
4.	Rose Sutton Limited Partnership, by its general partner, Rose Operating I GP Inc.	Ontario

Schedule 11.01(c)**Transaction Regulatory Approvals to be Obtained Prior to the Closing Time**

- 1) Any approvals, consents, notices, acknowledgements, confirmations, clearances, authorizations or other regulatory requirements required to be obtained, made or satisfied prior to the Closing of the Transactions from the Ontario Home Construction Regulatory Authority and Tarion Warranty Corporation.