

Court File No.: 32-2783327 and 32-2783328
Estate File Nos.: 32-2783327 and 32-2783328

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE BANKRUPTCY OF
IAN ROSS MCSEVNEY, an individual residing in the
Town of Ancaster in the Province of Ontario

AND IN THE MATTER OF THE BANKRUPTCY OF
ALTMORE MORTGAGE INVESTMENT CORPORATION, a corporation established
under the laws of the Province of Ontario and carrying on business
in the City of Toronto in the Province of Ontario

MOTION RECORD
(Returnable August 18, 2022)

August 12, 2021

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TAB 1

Court File No.: 32-2783327 and 32-2783328
Estate File Nos.: 32-2783327 and 32-2783328

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE BANKRUPTCY OF
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AND IN THE MATTER OF THE BANKRUPTCY OF
ALTMORE MORTGAGE INVESTMENT CORPORATION, a corporation established
under the laws of the Province of Ontario and carrying on business
in the City of Toronto in the Province of Ontario

NOTICE OF MOTION
(Returnable August 18, 2022)

The Moving Party, BDO Canada Limited (“**BDO**”) in its capacity as Trustee in Bankruptcy (in such capacity, the “**Trustee**”) of Altmort Mortgage Investment Corporation (“**Altmort**”) and Ian Ross McSevney (“**McSevney**”), will make a motion to a Judge presiding over the Commercial List on Thursday August 18, 2022 at 10:00 a.m. or as soon after that time as the Motion can be heard at the Court house located at 330 University Avenue, 8th Floor, Toronto, Ontario M5G 1R7.

PROPOSED METHOD OF HEARING: The motion is to be heard

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

[Zoom details to be uploaded on Caselines]

THE MOTION IS FOR:

1. An Order substantially in the form of the draft Order attached as Schedule “A” hereto, among other things:
 - (a) Abridging the time for and validating service of this motion and Motion Record, and declaring that the motion is properly returnable on August 18, 2022 and dispensing with service of this Motion Record on any other party other than those served;
 - (b) Approving the activities and conduct of the Trustee as disclosed in the First Report of the Trustee dated August 12, 2022 (the “**First Report**”);
 - (c) Authorizing the Trustee to make a distribution to Christie Ward-McSevney in respect of the proceeds of the sale of the Unit 17 Property; and
 - (d) Substantively consolidating the estates of McSevney and Altmore; and
2. Such further and other relief as counsel may advise and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated November 8, 2021 (the “**Receivership Order**”), BDO was appointed as Receiver of Ian McSevney, Altmore, Altmore Capital Inc. (“**ACI**”), Independent Mortgage Advisors Inc. (“**IMAI**”) pursuant to section 248(1) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “**OBCA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”);

2. McSevney is the sole guiding mind behind Altmore and its affiliates;
3. Altmore claimed to operate as a mortgage investment corporation, and solicited several millions of dollars in investment capital from investors ostensibly for the purpose of investing in a portfolio of mortgages;
4. Due to an almost complete absence of business records it has been extremely challenging to accurately quantify the total amount of such investments as well as the use of funds, but it appears that gross investments in Altmore totaled several millions of dollars;
5. Pursuant to the Receivership Order, the Receiver was authorized to make bankruptcy assignments in respect of any of Altmore, ACI, IMAI and McSevney (collectively, the **“Receivership Debtors”**);
6. On November 18, 2021 (the **“Bankruptcy Date”**), the Receiver commenced the bankruptcy proceedings (the **“Bankruptcy Proceedings”**) by filing assignments in bankruptcy in respect of Altmore and Ian McSevney (together, the **“Bankrupts”**), and BDO was appointed as Trustee;
7. The Trustee is not aware of any significant asset of Ian McSevney other than his interest in a residence located at Unit 17, 81 Valridge Drive, Ancaster, Ontario (the **“Unit 17 Property”**), registered in the names of Ian McSevney and his spouse, Christie Ward-McSevney;
8. In mid-December 2021, the Trustee’s representative learned that McSevney and his spouse did not reside in the Unit 17 Property and that the Unit 17 Property had a third-party tenant residing in it;

9. Since the Bankruptcy Date, the Unit 17 Property tenant had continued paying rent to McSevney;
10. The Unit 17 Property was vacated by the tenant as of February 2, 2022;
11. McSevney's interest in the Unit 17 Property vested in the Trustee. McSevney's interest in the Unit 17 Property appears to have been the sole significant asset in the bankruptcy estate;
12. The Trustee received the consent of Ms. Ward-McSevney to the marketing, listing and sale of the Unit 17 Property;
13. The Trustee selected Royal LePage Burloak Real Estate Services Brokerage as the listing agent in respect of the Unit 17 Property;
14. Pursuant to an Agreement of Purchase and Sale dated March 8, 2022 (the "**Sale Agreement**"), the Unit 17 Property was sold to an unrelated third party for a purchase price in the amount of \$765,000. The proposed transaction was approved by the inspector;
15. Ms. Ward-McSevney was unable to engage counsel for the purpose of the sale of the Unit 17 Property. In order to facilitate the sale, Miller Thomson LLP agreed to act as counsel to Ms. Ward-McSevney for the sole purpose of closing the transaction;
16. The transaction contemplated in the Sale Agreement closed on April 7, 2022. The Trustee holds the net sale proceeds of the Unit 17 Property in trust pending a determination as to Ms. Ward-McSevney's entitlement;
17. The Trustee has identified a payment made in March 2018 in the amount of \$50,000 from Almore's bank account to a tax free savings account (the "**TFSA**") at Canaccord Genuity in the

name of Christie Ward-McSevney. The Trustee is not aware of any legitimate purpose for such transfer. Unfortunately, by January 31, 2019 all funds had been withdrawn from Ms. Ward-McSevney's TFSA;

18. As co-owner, Ms. Ward-McSevney would normally be entitled to half of the net proceeds of sale. However, the Trustee considers it appropriate to deduct the amount of the improper TFSA contribution from the net proceeds otherwise payable to Ms. Ward-McSevney;

19. Accordingly, the Trustee proposes to distribute the amount of \$49,087.60 to Ms. Ward-McSevney in full satisfaction of her claims in respect of the proceeds of the sale of the Unit 17 Property;

20. The affairs of the Bankrupts as well as the Trustee's administration of their estates are inextricably intertwined;

21. The overwhelming majority of Altmore's funds (including, in particular, investor contributions) were misappropriated by McSevney for personal use, and there significant overlap between the known creditor pools of the two Bankrupts;

22. The affairs of the Bankrupts were conducted (and assets were intermingled) without regard for corporate identity or their separate juridical personalities;

23. The allocation of value and claims between the Bankrupts would be unreasonably burdensome (if at all possible);

24. It would be very difficult (if at all possible) to accurately or fairly separate the Trustee's administration of the two estates and its investigation into the business and affairs of the Bankrupts;

25. Substantive consolidation of the estates of the Bankrupts is fair, reasonable and appropriate as, among other things: (i) the creditors of both estates would benefit from the resulting efficiency gains, and (ii) none of such creditors would be unfairly harmed by it;

26. Such further and other grounds as are set out in the First Report of the Trustee dated August 12, 2022;

27. The *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended;

28. Rules 1.04, 11, 26, 37 and 60.11 of the *Ontario Rules of Civil Procedure*, R.R.O. 1990, Reg.194, as amended; and

29. Such further and other grounds as the lawyers may advise and this Honourable Court may permit.

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

1. The First Report of the Trustee dated August 12, 2022; and
2. Such further evidence as the lawyers may advise and this Honourable Court may permit.

AUGUST 12, 2022

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TO: The Service List Attached hereto as Schedule "B"

SCHEDULE "A" – DRAFT ORDER

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

THE HONOURABLE

JUSTICE OSBORNE

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)
)

THURSDAY THE 18TH
DAY OF AUGUST 2022

IN THE MATTER OF THE BANKRUPTCY OF
IAN ROSS MCSEVNEY, an individual residing in the
Town of Ancaster in the Province of Ontario

AND IN THE MATTER OF THE BANKRUPTCY OF
ALTMORE MORTGAGE INVESTMENT CORPORATION, a corporation established
under the laws of the Province of Ontario and carrying on business
in the City of Toronto in the Province of Ontario

ORDER

THIS MOTION, made by BDO Canada Limited in its capacity as trustee in bankruptcy (in such capacity, the “**Trustee**”) of Altmore Mortgage Investment Corporation (“**Altmore**”) and Ian Ross McSevney (“**McSevney**”, and together with Altmore, the “**Bankrupts**”) for an Order • was heard this day by Zoom video conference.

ON READING first report of the Trustee dated August 12, 2022 (the “**First Report**”) and on hearing the submissions of the lawyer(s) for the Trustee, counsel to McSevney and Christie Ward-McSevney (“**Ward-McSevney**”), no one in attendance for any other person on the service

list, although properly served as appears from the affidavit of service of Shallon Garrafa sworn August 12, 2022.

SERVICE

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

APPROVAL OF CONDUCT

2. THIS COURT ORDERS that the activities and conduct of the Trustee and its counsel, Miller Thomson LLP, as disclosed in the First Report be and they are hereby approved.

DISTRIBUTION TO WARD-MCSEVNEY

3. THIS COURT ORDERS that the Trustee be and it is hereby authorized and directed to pay to Christie Ward-McSevney (“**Ward-McSevney**”) the amount of \$49,087.60 in respect of her share of the proceeds of sale of the property known municipally as Unit 17, 81 Valridge Drive, Ancaster, Ontario (the “**Unit 17 Property**”), and such payment shall be in full satisfaction of any and all claims and entitlements of Ward-McSevney with respect to such proceeds of sale or otherwise in respect of the Unit 17 Property.

CONSOLIDATION OF ESTATES

4. THIS COURT ORDERS AND DIRECTS that the bankruptcy estates of Ian Ross McSevney and Altmore Mortgage Investment Corporation in Estate File Nos. 32-2783327 and 32-2783328, respectively (together, the “**Bankruptcies**”), be and they are hereby procedurally and

substantively consolidated, and the Trustee is directed to administer the Bankruptcies on a consolidated basis for all purposes in carrying out its administrative duties and other responsibilities under the BIA.

5. THIS COURT ORDERS AND DIRECTS that the single court file number 32-2783327 (the “**Consolidated Court File**”) shall be assigned to the Bankruptcies and the following title of proceeding shall be assigned to the Bankruptcies:

“IN THE MATTER OF THE BANKRUPTCIES OF IAN ROSS MCSEVNEY AND
ALTMORE MORTGAGE INVESTMENT CORPORATION”

6. THIS COURT ORDERS that a copy of this Order shall be filed in the court file for each of the Bankruptcies, but that any other document required to be filed in either of the Bankruptcies shall only be required to be filed in the Consolidated Court File.

IN THE MATTER OF THE BANKRUPTCY OF IAN ROSS MCSEVNEY, AN INDIVIDUAL
RESIDING IN THE TOWN OF ANCASTER IN THE PROVINCE OF ONTARIO

Court File No.: 32-2783327 and 32-2783328
Estate File Nos.: 32-2783327 and 32-2783328

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceeding commenced at [Toronto](#)

ORDER

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IN THE MATTER OF THE BANKRUPTCY OF IAN ROSS MCSEVNEY, AN INDIVIDUAL
RESIDING IN THE TOWN OF ANCASTER IN THE PROVINCE OF ONTARIO

Court File No.: 32-2783327 and 32-2783328
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ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceeding commenced at Toronto

NOTICE OF MOTION
(Returnable August 18, 2022)

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TAB 2

Court File No.: 32-2783327 and 32-2783328
Estate File Nos.: 32-2783327 and 32-2783328

ONTARIO
SUPERIOR COURT OF JUSTICE
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AND IN THE MATTER OF THE BANKRUPTCY OF
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FIRST REPORT OF BDO CANADA LIMITED,
IN ITS CAPACITY AS TRUSTEE

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ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

IN THE MATTER OF THE BANKRUPTCY OF
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AND IN THE MATTER OF THE BANKRUPTCY OF
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FIRST REPORT OF BDO CANADA LIMITED,
IN ITS CAPACITY AS TRUSTEE

I. INTRODUCTION

1. Pursuant to the Order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated November 8, 2021 (the “**Receivership Order**”), BDO Canada Limited (“**BDO**”) was appointed as receiver (in such capacity, the “**Receiver**”) over Altmore Mortgage Investment Corporation (“**Altmore**”), Altmore Capital Inc. (“**ACT**”), Independent Mortgage Advisors Inc. (“**IMAI**”) and Ian Ross McSevney (“**McSevney**”) (collectively, the “**Receivership Debtors**”) pursuant to section 248(1) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “**OBCA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”). Copies of the Receivership Order and Endorsement of Justice Conway dated November 8, 2021 commencing the receivership proceeding (the “**Receivership Proceeding**”) are attached hereto as **Appendix “A”**.

2. Pursuant to the Receivership Order, the Receiver was authorized to make bankruptcy assignments in respect of any of the Receivership Debtors.

3. On November 18, 2021 (the “**Bankruptcy Date**”), the Receiver commenced the bankruptcy proceedings (the “**Bankruptcy Proceedings**”) by filing assignments in bankruptcy in respect of Altmore and McSevney (together, the “**Bankrupts**”). Attached hereto as **Appendices “B”** and “**C**”, respectively, are copies of the Certificates of Appointment issued by the Official Receiver (the “**OR**”) of the Office of the Superintendent of Bankruptcy Canada (the “**OSB**”) in respect of Altmore and McSevney.

4. On December 7, 2021, the first meeting of creditors (“**FMOC(s)**”) for Altmore and McSevney were held consecutively, and both were chaired by the OR. BDO was reaffirmed as trustee of the Bankrupts (the “**Trustee**”), the Trustee’s preliminary report was outlined to the creditors in attendance (substantially the same report in both proceedings), and Mark Amello was appointed as an inspector (the “**Inspector**”) in both estates. Mr. McSevney, the bankrupt and representative of Altmore, did not attend either of these meetings.

5. The Receiver remains in place notwithstanding its appointment as Trustee of Altmore and McSevney. There is considerable overlap between the activities of the Receiver in the Receivership Proceedings and the Trustee in the Bankruptcy Proceedings. As such, for the purpose of describing the conduct, activities, findings and other information in this First Report the term “Trustee” may also include the Receiver unless the context requires otherwise.

II. PURPOSE OF REPORT

6. This first report of the Trustee (the “**First Report**”) has been filed to:

- (a) Provide an update to the Court of the Trustee’s activities; and
- (b) Provide support for a Motion for an Order(s):
 - (i) Approving the activities and conduct of the Trustee as disclosed in this First Report;
 - (ii) Authorizing the Trustee to make a distribution to Christie Ward-McSevney (“**Ms. Ward-McSevney**”) in respect of the proceeds of the sale of the jointly owned investment property located at Unit 17, 81 Valridge Drive, Ancaster, Ontario (the “**Unit 17 Property**”) net of certain amounts described herein;
 - (iii) Substantively consolidating the estates of McSevney and Altmore; and
 - (iv) Granting such further relief as this Court deems appropriate.

III. TERMS OF REFERENCE

7. In preparing this First Report and making the comments herein the Trustee has, where applicable, relied upon information prepared or provided by third-party sources (collectively, the “**Information**”). Certain of the information contained in this First Report may refer to, or is based on, the Information. As the Information has been provided by third parties or has been obtained from documents filed with the Court in this matter, the Trustee has relied on the Information and, to the extent possible, has reviewed the Information for reasonableness. However, the Trustee has neither audited nor otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and accordingly, the Trustee expresses no opinion or other form of assurance in respect of the Information.

8. For the purposes of this First Report, all references to the singular herein shall include the plural, and the plural shall include the singular. Unless otherwise stated, all references to dollars shall be in Canadian dollars.

IV. BACKGROUND TO THESE PROCEEDINGS

A. Altmore

9. Altmore is a corporation incorporated pursuant to the OBCA on July 30, 2012. McSevney is the sole guiding mind behind Altmore and its affiliates.

10. Altmore claimed to operate as a mortgage investment corporation. Altmore solicited several millions of dollars in investment capital from investors ostensibly for the purpose of investing in a portfolio of mortgages. However, as set out below, the Receiver is not aware of any significant mortgage investments actually made by Altmore.

B. Prior Appointment of Receiver

11. By Application made by Monica Matta and Mark Amello (together, the “**Receivership Applicants**”) returnable May 25, 2021, BDO was initially appointed as Receiver in respect of Altmore for an initial period of 30 days pursuant to the Order of the Honourable Mr. Justice Dunphy dated May 25, 2021 (the “**Interim Receivership Order**”). A copy of the Interim Receivership Order is attached hereto as **Appendix “D”**.

C. Expansion of Receivership

12. As set out in the first report of the Receiver dated June 7, 2021 (the “**Receiver’s First Report**”), following its appointment, the Receiver reviewed statements in respect of Altmore’s bank account (the “**Altmore Account**”). The Altmore Account statements indicate a number of related party transactions including transfers to, and payments made for the benefit of, McSevney,

Christie Ward-McSevney, Elaine McSevney, ACI and IMAI. A copy of the Receiver's First Report is attached hereto (without appendices) as **Appendix "E"**.

13. Pursuant to the Order of the Honourable Mr. Justice Dunphy dated June 9, 2021 (the "**June 9th Order**") the Receiver's mandate was expanded to include McSevney, ACI and IMAI. A copy of the June 9th Order is attached hereto as **Appendix "F"**.

D. Discharge of Receiver

14. As set out in the second report of the Receiver dated June 23, 2021 (the "**Receiver's Second Report**"), McSevney failed to comply with his obligations under the Interim Receivership Order and the June 9th Order. In particular, he failed to provide any documentation related to the business of Altmore or any mortgage investments. A copy of the Receiver's Second Report is attached hereto (without appendices) as **Appendix "G"**.

15. Due to the lack of funding available to continue the receivership proceeding or any further investigations, pursuant to the Order of the Honourable Madam Justice Conway dated June 25, 2021 (the "**June 25th Order**"), the Receiver was discharged and was authorized to register a charge against the Unit 17 Property in order to secure the Receiver's and its legal counsel's unpaid fees and disbursements in the amount of approximately \$55,340 (the "**Receiver's Charge**"). The June 25th Order and the inherent Receiver's Charge was registered on title to the Unit 17 Property on June 28, 2021. A copy of the June 25th Order is attached hereto as **Appendix "H"**.

E. Re-Appointment of Receiver

16. Following the issuance of the June 25th Order, the Receivership Applicants secured funding to continue the investigation into the business and affairs of the Receivership Debtors and obtained

the Receivership Order re-appointing BDO as Receiver and authorizing it to make assignments in respect of any of the Receivership Debtors.

17. Pursuant to the Receivership Order, the Court specifically directed that McSevney: “...assist and cooperate with the trustee in bankruptcy... including in the preparation of the statement of affairs and other statutory documents.”

18. Due to the continued lack of participation or cooperation by the Receivership Debtors, on November 18, 2021 Altmore and McSevney were assigned into bankruptcy by the Receiver.

F. Contempt Motion

19. On January 26, 2022, the Receiver filed its third report (the “**Receiver’s Third Report**”) in the receivership proceedings advising the Court of McSevney’s continued lack of cooperation with the Receiver and seeking an order, *inter alia*, declaring McSevney to be in contempt of the Receivership Order. A copy of the Receiver’s Third Report (without appendices) is attached hereto as **Appendix “I”**.

20. Pursuant to the Order of the Honourable Mr. Justice Cavanagh dated April 11, 2022 (the “**Contempt Order**”) McSevney was declared to be in breach of the Receivership Order and in contempt of this Court. A copy of the Contempt Order is attached hereto as **Appendix “J”**.

V. ACTIVITIES OF THE TRUSTEE

21. Since the commencement of the Bankruptcy Proceedings, the Trustee has engaged in the following activities:

- (a) Continued its investigation into the business, affairs and assets of the Bankrupts;

- (b) Communicated with creditors of the Bankrupts including responding to a significant number of email and telephone inquiries;
- (c) Confirmed, with Inspector approval, the engagement of Miller Thomson LLP (“**Miller Thomson**”) as counsel to the Trustee;
- (d) Completed preparation and mailing of the Creditors Packages in respect of the Bankrupts;
- (e) Attended the FMOC in respect of the Bankrupts and presented its preliminary findings;
- (f) Communicated with the OSB including in connection with the Debtor Compliance Referral Program and examination preparation of McSevney in accordance with section 161 of the BIA;
- (g) Conducted four (4) meetings of the Inspectors in the Estates of the Bankrupts;
- (h) Had multiple meetings with investors/creditors of the Bankrupts and responded to numerous questions in respect of the same;
- (i) Made arrangements to have rental payments in respect of the Unit 17 Property delivered to the Trustee;
- (j) Reviewed potential transfers at undervalue and preference payments including, but not limited to, transactions involving the Unit 9 Property (as defined below) and its ownership;

- (k) Issued request for information letters to certain third parties that transacted with Altmore, and engaged in numerous follow up discussions with these third parties and in some circumstances issued collection letters for those third parties determined to owe amounts to the Altmore estate;
- (l) Obtained and reviewed up-to-date bank statements of known bank accounts of the Bankrupts;
- (m) Communicated with Tangerine Bank, first mortgagee of the Unit 17 Property;
- (n) Issued a formal request to Equitable Bank to freeze any bank account(s) of the Bankrupts and remit funds to the Trustee;
- (o) Examined McSevney, his sister, Elaine McSevney, and his counsel, Alex Kyle, under oath;
- (p) Obtained insurance with regards to the Unit 17 Property;
- (q) Obtained listing proposals, selected a listing agent and completed the sale of the Unit 17 Property;
- (r) Reviewed all information eventually provided by the Bankrupts and had discussions with the Bankrupts and their counsel re: the same; and
- (s) Reported to the OSB and filed an objection to the automatic discharge of McSevney that would otherwise have been granted on August 19, 2022.

VI. RESULTS OF TRUSTEE'S INVESTIGATION

A. Efforts to Locate Property & Obtain Information

22. As set out in the Receiver's Second Report, at the time of its discharge pursuant to the June 25th Order, the Receiver was not aware of any significant asset under administration other than the Unit 17 Property, registered in the names of Ian McSevney and his spouse, Christie Ward-McSevney. A copy of the Parcel Register dated January 21, 2022 in respect of the Unit 17 Property is attached as **Appendix "K"**.

B. Rental of Unit 17 Property

23. On December 12, 2021, a representative of the Trustee attended the Unit 17 Property in an effort to locate McSevney. The Trustee's representative learned that McSevney and his spouse did not reside in the Unit 17 Property. In fact, the Unit 17 Property had a third-party tenant, Ms. Gilda Savelli, residing in it.

24. Ms. Savelli had been paying rent to McSevney. The Trustee made arrangements with her to have all future rents paid to the Trustee. Accordingly, Ms. Savelli promptly mailed three post-dated cheques to the Trustee.

25. Ms. Savelli also advised the Trustee that McSevney and Ms. Ward-McSevney had recently been living together in Unit 9, 81 Valridge Drive (the "**Unit 9 Property**"). However, McSevney and Ms. Ward-McSevney had recently moved out of the Unit 9 Property and the unit had recently been sold.

26. On January 18, 2022, Ms. Savelli advised the Trustee that she had secured new lodgings effective February 2, 2022 and would be vacating the Unit 17 Property on that date.

VII. SALE OF THE UNIT 17 PROPERTY

A. Sale of Unit 17 Property

27. McSevney's interest in the Unit 17 Property vested with the Trustee on the Bankruptcy Date.

28. The Trustee obtained the consent of Ms. Ward-McSevney to the marketing, listing and sale of the Unit 17 Property. Attached as **Appendix "L"** is a copy of a written consent from Ms. Ward-McSevney dated February 23, 2022.

29. In this regard, after obtaining two listing proposals the Trustee selected Royal Lepage Burloak Real Estate Services Brokerage as the listing agent in respect of the Unit 17 Property. A copy of the Listing Agreement dated February 28, 2022 in respect of the Unit 17 Property is attached as **Appendix "M"**.

30. Pursuant to an Agreement of Purchase and Sale dated March 8, 2022 (the "**Sale Agreement**"), the Unit 17 Property was sold to an unrelated third party for a purchase price in the amount of \$765,000. The proposed transaction was approved by the Inspector. A copy of the Sale Agreement in respect of the Unit 17 Property is attached as **Appendix "N"**.

31. Ms. Ward-McSevney was unable to engage counsel for the purpose of the sale of the Unit 17 Property. In order to facilitate the sale, Miller Thomson LLP agreed to act as counsel to Ms. Ward-McSevney for the sole purpose of closing the transaction.

32. The transaction contemplated in the Sale Agreement closed on April 7, 2022.

B. Distribution to Ms. Ward-McSevney

33. The Trustee holds the net sale proceeds of the Unit 17 Property in trust pending a determination as to, among other things, Ms. Ward-McSevney's entitlement.

34. The Trustee proposes to distribute the amount of \$49,087.60 to Ms. Ward-McSevney in full satisfaction of her claims in respect to the proceeds of the sale of the Unit 17 Property, in accordance with the following:

Estate of Ian Ross McSevney, a bankrupt			
17-81 Valridge Drive, Ancaster			
Statement of Funds			
Date of Closing: 07-Apr-22			
<i>(All amounts include H.S.T. where applicable)</i>			
Sale Price		\$ 765,000.00	Note 1
Less realtor commission:	4% \$ 30,600.00	- 34,578.00	Note 2
City of Hamilton - property taxes		- 1,227.50	Note 3
WCC No 323 - condominium fee arrears		- 1,595.70	Note 4
1st Mortgagee - Tangerine Bank		- 401,792.30	Note 5
2nd Charge - BDO Canada Limited		- 55,340.35	Note 6
Subtotal before professional fees		270,466.15	
	Trustee's fees	- 21,625.38	Note 7
	Trustee's legal fees	- 18,418.45	Note 8
Net Realization		<u>\$ 230,422.33</u>	A
Allocation:			
Christie Ward-McSevney	\$ 115,211.17		50% of A
	Affinity Global	- 16,123.57	Note 9
	Canaccord TFSA	- 50,000.00	Note 10
		<u>\$ 49,087.60</u>	

C. Ward-McSevney portion \$ 49,087.60

Notes to Schedule

Note 1:	Sale price as per Sale Agreement
Note 2:	4% sale commission plus H.S.T.
Note 3:	As per Property Tax Certificate, includes property tax arrears
Note 4:	Amount confirmed with Property Manager
Note 5:	As per first mortgagee payout statement
Note 6:	Court approved Receiver's charge per June 25th Order
Note 7:	Specific fees of the Trustee attributable to taking possession of the Unit 17 Property, selecting a listing agent and closing the sale
Note 8:	Specific fees of the Trustee's legal counsel attributable to the sale of the Unit 17 Property
Note 9:	Small claims court judgement re: Canadian Tire Bank vs. C Ward-McSevney
Note 10:	Contribution to C.Ward-McSevney TFSA at Canaccord Genuity Mar 27, 2018 by Altmore

35. Ms. Ward-McSevney is not a bankrupt or a respondent in the Receivership Proceeding. However, it appears that the Trustee has potential claims against Ms. Ward-McSevney. In particular, as set out in the Second Report, the Receiver identified a payment made in March 2018 in the amount of \$50,000 from Altmore's bank account to a tax-free savings account (the "TFSA") at Canaccord Genuity in the name of Christie Ward-McSevney. The Trustee is not aware of any legitimate purpose for such transfer. Unfortunately, by January 31, 2019 all funds had been withdrawn from Ms. Ward-McSevney's TFSA. A copy of the TFSA statement is attached as **Appendix "O"**.

VIII. OTHER MATTERS

A. Substantive Consolidation of Estates

36. The Trustee seeks an Order that the bankruptcy estates of McSevney and Altmore be substantively consolidated.

37. The affairs of the Bankrupts as well as the Trustee's administration of their estates are inextricably intertwined. The overwhelming majority of Altmore's funds (including, in particular, investor contributions) were misappropriated by McSevney for personal use, and there is significant overlap between the creditor pools of the two Bankrupts. The affairs of the Bankrupts were conducted (and assets were intermingled) without regard for corporate identity or their separate juridical personalities, and due to the foregoing as well as the almost complete lack of corporate records, the allocation of value and claims between the Bankrupts would be unreasonably burdensome if at all possible.

38. In light of the above, it would be very difficult (if even possible) to accurately or fairly separate the Trustee's administration of the two estates and its investigation into the business and affairs of the Bankrupts.

39. Accordingly, the Trustee is of the view that substantive consolidation is fair, reasonable and appropriate in this case as, among other things: (i) the creditors of both estates would benefit from the resulting efficiency gains, and (ii) none of such creditors would be unfairly harmed by it.

IX. CONCLUSION

40. The Trustee has prepared this First Report in support of the relief sought in its Notice of Motion returnable August 18, 2022, including an Order substantially in the form attached as Schedule “A” thereto, among other things:

- (a) Approving the activities and conduct of the Trustee as disclosed in this First Report;
- (b) Authorizing and directing the Trustee to pay to Ms. Ward-McSevney an amount of \$49,087.60 in full satisfaction of her entitlement, if any, to proceeds of sale of the Unit 17 Property;
- (c) Substantively consolidating the estates of McSevney and Altmore; and
- (d) Providing such further direction as the Court considers appropriate.

All of which is respectfully submitted at Toronto, Ontario this 12th day of August, 2022.

BDO Canada Limited
in its capacity as Trustee of the estates of
Altmore Mortgage Investment Corporation and
Ian Ross McSevney, Bankrupts,
and not in its personal or corporate capacity



Clark Lonergan, CPA, CA, CIRP, LIT
Senior Vice -President

IN THE MATTER OF THE BANKRUPTCY OF IAN ROSS MCSEVNEY
IN THE MATTER OF THE BANKRUPTCY OF ALTMORE MORTGAGE INVESTMENT
CORPORATION

Court File No.: 32-2783327 and 32-2783328
Estate File Nos.: 32-2783327 and 32-2783328

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)**

Proceeding commenced at Toronto

**FIRST REPORT OF THE TRUSTEE
(AUGUST 12, 2022)**

MILLER THOMSON LLP

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Lawyers for the Trustee

APPENDIX A

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

THE HONOURABLE) MONDAY, THE 8TH
)
JUSTICE CONWAY) DAY OF NOVEMBER, 2021

MONICA MATTA and MARK AMELLO

Applicants

-and-

ALTMORE MORTGAGE INVESTMENT CORPORATION

Respondent

*APPLICATION UNDER SECTION 248(3) OF THE BUSINESS CORPORATIONS ACT
(ONTARIO) AND SECTION 101 OF THE COURTS OF JUSTICE ACT (ONTARIO)*

**ORDER
(Re-appointing Receiver)**

THIS MOTION made by the Applicants for an Order pursuant to section 248(1) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “**OBCA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing BDO Canada Limited (“**BDO**”) as receiver (in such capacity, the “**Receiver**”) without security, over Altmore Mortgage Investment Corporation (“**Altmore**”), Altmore Capital Inc. (“**ACT**”), Independent Mortgage Advisors Inc. (“**IMAI**”) and Ian Ross McSevney (“**McSevney**”), was heard this day at 330 University Avenue, Toronto, Ontario., was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Monica Matta dated November 2, 2021 and the Exhibits thereto including the First Report of the Receiver dated June 7, 2021 (the “**First Report**”) and the Second Report of the Receiver dated June 9, 2021 (the “**Second Report**”) and on hearing the submissions of counsel for the Moving Parties and counsel to BDO, no one appearing for Altmore, ACI, IMAI and McSevney, although duly served as appears from the affidavit of service of Shallon Garrafa sworn November 2, 2021, and on reading the consent of BDO Canada Limited to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 248(3) of the OBCA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of Altmore, ACI, IMAI and McSevney (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof, including property held by the Debtors in trust for any third party (collectively, the “**Property**”), for the purpose of investigating the Debtors’ business and affairs in accordance with the terms of this Order, and for greater certainty, shall not manage the business of the Debtors.

3. THIS COURT ORDERS that the Receiver shall not take possession of or exercise control over, and shall not be deemed to have taken possession of or to have exercised control over the

business or assets of the Debtors, including without limitation, the Property, without further Order of the Court.

RECEIVER'S POWERS

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

- (a) to enter into the Debtors' business premises during regular business hours and examine and make copies of any document or record, in paper and electronic format;
- (b) to have access to all electronic storage and record databases, including but not limited to, icloud, email inboxes, dropbox, and to examine and make copies of any document or record contained therein;
- (c) to review and investigate the books, records, and financial affairs in electronic form or otherwise, including without limitation, banking and investment records, of the Debtors;
- (d) to review and investigate all monies flowing in and out of the Debtors, including but not limited to, all receipts and disbursements, all accounts payable and receivable of the Debtors;

- (e) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (f) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (g) to deliver notices of examination to and examine any person (including, without limitation, Ian McSevney and any other officer or director of the Debtors) under oath regarding the business and affairs of the Debtors; and
- (h) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person, provided that nothing contained herein shall prevent the Debtors from retaining copies of the Records (as defined below) or proposing a resolution to the Debtors' stakeholders.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

6. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

DIRECTION REGARDING DISCLOSURE

8. THIS COURT ORDERS that McSevney is hereby directed to provide the following to the Receiver forthwith, and in any event within three (3) days of the date of this Order:

- (a) An accounting of receipts and disbursements made by Altmore including, in particular, information related to transfers to Christie Briyer Ward-McSevney, Elaine McSevney and any other non-arm's length party;
- (b) A list of all mortgages or other investments in which any of the Debtors holds or previously held an interest, and any related documents in McSevney's possession or control;

- (c) A list of all investors in Altmore as well as contact information, amounts invested and copies of all related agreements and other documents; and
- (d) Any books and records of Altmore or any other Debtor in McSevney's possession or control.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors 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 Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the

Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

13. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation,

enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

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

RECEIVER'S ACCOUNTS

15. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver's Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect

of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

SERVICE AND NOTICE

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

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

BANKRUPTCY ASSIGNMENTS

20. THIS COURT ORDERS that the Receiver be and it is hereby authorized (but for greater certainty not obligated), to make bankruptcy assignments in respect of any of Altmore, McSevney and any of the other Debtors.

21. THIS COURT ORDERS that McSevney be and he is hereby directed to assist and cooperate with the trustee in bankruptcy appointed in respect of McSevney, Altmore and any of the other Debtors, including in the preparation of the statement of affairs and other statutory documents.

GENERAL

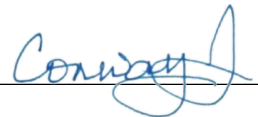
22. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

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

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

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

A handwritten signature in blue ink, appearing to read "Conway J.", is written over a horizontal line.

**MONICA MATTA and MARK
AMELLO**

and

**ALTMORE MORTGAGE
INVESTMENT CORP**

Applicants

Respondent

Court File No: CV-21-00662471-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER
(Re-appointing Receiver)

CARLSON & KOCIPER
10 King Street East, 14th Floor
Toronto, Ontario
M5C 1C3

Michael Carlson LSO#: 47325U
Email: Michael@carlsonkociper.com
Tel: 647.244.5118

Lawyers for the Moving Parties

Crawley, Peter

Subject: FW: [EXT] RE: Monica Matta et al v. Altmore Mortgage Investment Corp. (Court File No. CV-21-00662471-00CL)

Importance: High

From: Conway, Madam Justice Barbara (SCJ)

Sent: November 8, 2021 11:03 AM

To: Faheim, Monica <mfaheim@millerthomson.com>; JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>

Cc: Azeff, Gregory <gazeff@millerthomson.com>; Michael@carlsonkociper.com; Crawley, Peter <pcrawley@bdo.ca>; luzejimenez@gmail.com; Lonergan, Clark <clonergan@bdo.ca>

Subject: [EXT] RE: Monica Matta et al v. Altmore Mortgage Investment Corp. (Court File No. CV-21-00662471-00CL)

Importance: High

This motion proceeded before me today by Zoom. Counsel slip is attached.

The Applicants seek the re-appointment of BDO Canada Limited as investigative receiver of Altmore, ACI, IMAI and Ian McSevney. BDO consents to the reappointment. It had been the investigative receiver before but was discharged as there were insufficient funds to continue its mandate – there are now sufficient funds to do so.

All parties have been served. The respondents have not filed any material or attended today. The motion is unopposed. I have no difficulty granting the requested order.

Order to go as signed by me and attached to this email endorsement. This order is effective from today's date and is enforceable without the need for entry and filing.



Superior Court of Justice (Toronto)

APPENDIX B



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: Ontario
Division No.: 07 - Hamilton
Court No.: 32-2783328
Estate No.: 32-2783328

In the Matter of the Bankruptcy of:

Altmore Mortgage Investment Corporation

Debtor

BDO CANADA LIMITED / BDO CANADA LIMITÉE

Licensed Insolvency Trustee

Ordinary Administration

Date and time of bankruptcy:	November 18, 2021, 08:51	Security:	\$0.00
Date of trustee appointment:	November 18, 2021		
Meeting of creditors:	December 07, 2021, 10:00 Call: 437-703-5279 or (833) 215-3238 Conference ID: 481 375 605# -, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: November 18, 2021, 08:59

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada. L8R3P7. (877)376-9902

Canada

APPENDIX C



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: Ontario
Division No.: 07 - Hamilton
Court No.: 32-2783327
Estate No.: 32-2783327

In the Matter of the Bankruptcy of:

Ian Ross McSevney

Debtor

BDO CANADA LIMITED / BDO CANADA LIMITÉE

Licensed Insolvency Trustee

Ordinary Administration

Date and time of bankruptcy:	November 18, 2021, 08:51	Security:	\$0.00
Date of trustee appointment:	November 18, 2021		
Meeting of creditors:	December 07, 2021, 10:30 Call: (437) 703-5279 or (833) 215-3238 Conference ID: 189 257 098# - Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: November 18, 2021, 08:57

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada. L8R3P7. (877)376-9902

Canada

APPENDIX D

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

THE HONOURABLE) TUESDAY, THE 25TH
JUSTICE DUNPHY) DAY OF MAY, 2021

MONICA MATTA and MARK AMELLO

Applicants

-and-

ALTMORE MORTGAGE INVESTMENT CORPORATION

Respondent

*APPLICATION UNDER SECTION 248(3) OF THE BUSINESS CORPORATIONS ACT
(ONTARIO) AND SECTION 101 OF THE COURTS OF JUSTICE ACT (ONTARIO)*

**INTERIM ORDER
(appointing Receiver)**

THIS MOTION made by the Applicants for an Order pursuant to section 248(1) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “OBCA”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “CJA”) appointing BDO Canada Limited as receiver (in such capacity, the “Receiver”) without security, of all of the assets, undertakings and properties of Altmort Mortgage Investment Corporation (the “Debtor”) acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Monica Matta sworn May 14, 2021 and the Exhibits thereto and on hearing the submissions of counsel for the Applicants, and Mr. Ian McSevney for the Respondent, and on reading the consent of BDO Canada Limited to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 248(3) of the OBCA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof, including property held by the Debtor in trust for any third party (collectively, the “Property”), for a period of 30 days from the date hereof (the “Initial Appointment Period”) unless further extended by the Court, for the purpose of investigating the Debtor’s business and affairs in accordance with the terms of this Order, and for greater certainty, shall not manage the business of the Debtor. The Receiver shall within the Initial Appointment Period file with the Court a written report on such investigation and findings as well as its recommendations.

3. THIS COURT ORDERS that the Receiver shall not take possession of or exercise control over, and shall not be deemed to have taken possession of or to have exercised control over the

business or assets of the Debtor, including without limitation, the Property, without further Order of the Court.

RECEIVER'S POWERS

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

- (a) to enter into the Debtor's business premises during regular business hours and examine and make copies of any document or record, in paper and electronic format;
- (b) to have access to all electronic storage and record databases, including but not limited to, icloud, email inboxes, dropbox, and to examine and make copies of any document or record contained therein;
- (c) to review and investigate the books, records, and financial affairs in electronic form or otherwise, including without limitation, banking and investment records, of the Debtor;
- (d) to review and investigate all monies flowing in and out of the Debtor, including but not limited to, all receipts and disbursements, all accounts payable and receivable of the Debtor;

- (e) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (f) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (g) to deliver notices of examination to and examine any person (including, without limitation, Ian McSevney and any other officer or director of the Debtor) under oath regarding the business and affairs of the Debtor; and
- (h) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person, provided that nothing contained herein shall prevent the Respondent from retaining copies of the Records (as defined below) or proposing a resolution to the Respondent's stakeholders.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

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

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

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

SERVICE AND NOTICE

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

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

GENERAL

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

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

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

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

23. THIS COURT ORDERS that the Applicants shall have their costs of this motion, up to and including entry and service of this Order, on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate *pro rata* with amounts secured by the Receiver's Charge.

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

25. THIS COURT ORDERS that the parties shall attend before the Court ^{via Zoom} on Friday June 25, 2021 at 10 am EST for the purpose of, among other things, determining any next steps in this proceeding.

A handwritten signature in black ink, appearing to be "A. D. [unclear]", written over a horizontal line. The signature is stylized and includes a long, sweeping underline that extends to the right.

**MONICA MATTA and MARK
AMELLO**

and

**ALTMORE MORTGAGE
INVESTMENT CORP**

Applicants

Respondent

Court File No: CV-21-00662471-00CL

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

Proceedings commenced at Toronto

INTERIM ORDER

MILLER THOMSON LLP

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40 King Street West
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Lawyers for the Applicants

APPENDIX E

Court File No. CV-21-00662471-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF SECTION 248 (3) OF THE BUSINESS CORPORATIONS ACT (ONTARIO), R.S.O., 1990
c.B-16, AS AMENDED;

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

B E T W E E N:

MONICA MATTA AND MARK AMELLO

Applicant

- and -

ALTMORE MORTGAGE INVESTMENT CORPORATION

Respondent

FIRST REPORT OF BDO CANADA LIMITED
IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
ALTMORE MORTGAGE INVESTMENT CORPORATION

JUNE 7, 2021

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APPENDICES

APPENDIX "A" – Receivership Order dated May 25, 2021

APPENDIX "B" – Endorsement of J. Dunphy dated May 25, 2021

APPENDIX "C" – Affidavit of M Matta sworn May 14, 2021

APPENDIX "D" – Altmore MIC Advertisement on Equity Net

APPENDIX "E" – Receiver's E-Mail dated May 25, 2021 including initial information request

APPENDIX "F" – Ian McSevney's E-mail dated May 26, 2021

APPENDIX "G" – Receiver's Counsel Letter to Mr. McSevney dated May 28, 2021

APPENDIX "H" – Receiver's Counsel Letter to Mr. Kyle dated June 2, 2021

APPENDIX "I" – Parcel Register for Blair Property

APPENDIX "J" – Corporate Profile Report of 9584285 Canada Inc.

APPENDIX "K" – Parcel Register for Valridge Property

APPENDIX "L" – Preliminary Summary of Transactions in Altmore Account

APPENDIX "M" – TFSA Purchases

APPENDIX "N" – Vehicle Purchase Payments

APPENDIX "O" – RBC Loan Payment

APPENDIX "P" – Payments to Margaret McSevney

APPENDIX "Q" – Payments to Linda McSevney

I. INTRODUCTION

1. Pursuant to an order (the "Receivership Order") of the Honourable Mr. Sean F. Dunphy J. of the Ontario Superior Court of Justice Commercial List (the "Court") dated May 25, 2021 (the "Date of Appointment"), BDO Canada Limited ("BDO") was appointed as Receiver on an interim basis (the "Receiver") of all of the assets, properties and undertakings (collectively, the "Property") of Altmore Mortgage Investment Corporation ("Altmore" or the "Company") for a period of 30 days (the "Initial Appointment Period") pursuant to section 248 (3) of the Business Corporations Act (Ontario), R.S.C. 1990, c. B-16, as amended (the "OBCA") and section 101 of the Courts of Justice Act R.S.O 1990, c. C.43 as amended (the "CJA"). A copy of the Receivership Order is attached hereto as Appendix "A". A copy of the Endorsement of Justice Dunphy dated May 25, 2021 is attached hereto as Appendix "B".

II. PURPOSE OF REPORT

2. This first report of the Receiver (the "First Report") is filed in support of the Receiver's first motion to the Court returnable June 9, 2021. The purpose of this First Report is to:
 - a) Provide this Court with certain information pertaining to the receivership, including:
 - (i) Altmore's background, current operations and certain facts leading up to the appointment of the Receiver;
 - (ii) Receiver's activities to date;
 - a. Correspondence with Mr. Ian McSevney ("Mr. McSevney");
 - b. Correspondence with Bank of Montreal;
 - c. Correspondence with Kyle & Associates;
 - d. Other activities; and
 - (iii) Summary of findings.
 - b) Recommend that this Court make an Order:
 - (i) Approving this First Report including the actions and activities of the Receiver set out herein;
 - (ii) Directing Mr. McSevney to provide the Receiver a full detailed accounting of receipts and disbursements made in relation to the Property, a comprehensive listing of Altmore's mortgage investments, a comprehensive list of Altmore's investees, as well as any of Altmore's books and records in his possession; and
 - (iii) Directing Bank of Montreal to freeze and provide bank statements for the past seven (7) years for the following bank accounts known to have received funds from Altmore:
 1. 3319 1004-776 (Independent Mortgage Advisors Inc.)

2. 3319 8985-220 (Independent Mortgage Advisors Inc.)
3. 3319 1996-816 (Altmore Capital Inc.)
4. 3319 3992-667 (Ian McSevney)
5. 3319 3989-839 (Ian McSevney)
6. 3319 399-922 (Christie Briyer Ward-McSevney); and
7. 2922 3994-881 (Elaine McSevney).

- (iv) Directing Canaccord Genuity to freeze and provide statements for the TFSA accounts of Ian McSevney (TCN-41P-993V1) and Christie Ward-McSevney (TCN-41R-021V1);
- (v) Expanding the scope of the receivership proceeding to include Ian Ross McSevney, Altmore Capital Inc. and Independent Mortgage Advisors Inc. as additional “Debtors” under the Receivership Order;
- (vi) Authorizing the Receiver to register the Receivership Order (and any other Orders made in this proceeding) against title to the condominium unit owned by Ian McSevney and Christie Ward-McSevney at the property municipally known as 81 Valridge Drive, Ancaster, Ontario (the “Valridge Property”); and
- (vii) Authorizing, but not obligating, the Receiver to assign any of Altmore, Altmore Capital Inc. and Independent Mortgage Advisors Inc. into bankruptcy.

III. QUALIFICATIONS

3. In preparing this First Report, the Receiver has relied upon financial information provided to it by the Bank of Montreal (“BMO”) and certain other parties (the “Information”). The Receiver has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided, and in consideration of the nature of the evidence provided to this Court, in relation to the relief sought therein. The Receiver has not, however, audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Auditing Standards (“GAAS”) pursuant to the Canadian Institute of Chartered Accountants Handbook and, as such, the Receiver expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
4. Unless otherwise noted, all monetary amounts contained in this First Report are expressed in Canadian dollars (“CAD”).

IV. BACKGROUND AND EVENTS LEADING TO THE APPOINTMENT OF THE RECEIVER

5. The application for the appointment of a receiver was brought by Ms. Monica Matta and Mr. Mark Amello, who are investors in Altmore. Ms. Matta swore an affidavit dated May 14, 2021 (the “Matta Affidavit”) in support of that

application which sets out events that led to the need for the Receiver. A copy of the Matta Affidavit (without exhibits) is attached hereto as Appendix "C".

6. For a more detailed explanation of the Company's background and events leading to the appointment of the Receiver, readers are directed to the full motion record, including the entire Matta Affidavit with exhibits, which can be found at [http://www. https://www.bdo.ca/en-ca/extranets/altmore-mortgage-investment-corporation](http://www.https://www.bdo.ca/en-ca/extranets/altmore-mortgage-investment-corporation) (the "Receiver's Website").
7. This First Report and all other court materials and orders issued and filed in these receivership proceedings are available on the Receiver's Website and will remain available for a period of six (6) months following the Receiver's discharge.

Company Overview & Corporate Structure

8. It is the Receiver's understanding that Altmore is a privately-owned Ontario corporation which had its offices in a shared office environment operated by I.Q. Offices at 200-250 University Avenue, Toronto, Ontario.
9. It is the Receiver's understanding that Altmore sought investment capital from investors that would in-turn be invested in a portfolio of mortgages. Investors expected to earn rate of return in excess of 10% either through monthly dividend payments from Altmore or through a dividend re-investment program. Attached as Appendix "D" is an advertisement found at <https://www.equitynet.com/c/altmore-mortgage-investment-corporation> which sets out Altmore's mandate, targeted towards U.S. investors in this case.
10. The Receiver is aware that Altmore Capital Inc. and Independent Mortgage Advisors Inc. are corporate entities that have or had an affiliation with Altmore, as more particularly described in the Matta Affidavit.

Events Leading to Appointment of a Receiver

11. The Receiver understands that Ms. Matta and other family members had invested substantial sums of money in Altmore between 2015 and 2018 and had been receiving their monthly dividend payments until May of 2019. Thereafter, Ms. Matta's numerous requests to Mr. McSevney for explanations regarding the discontinuance of dividends and reports on the status of her investments largely went unanswered.
12. An additional investor in Altmore, Ms. Luz Elena Jiminez of Mississauga, Ontario, filed a supplementary motion record containing her sworn affidavit dated May 20, 2021 wherein she outlines a similar experience to that of Ms. Matta concerning her communications with Altmore and Mr. McSevney in respect of her investment in Altmore.
13. As a result of the above, Ms. Matta and Mr. Amello applied to the Court for an Order appointing a receiver over Altmore on an interim basis.

V. ACTIVITIES OF THE RECEIVER

Communications with Mr. McSevney

14. Immediately upon the conclusion of the Court hearing wherein the Receiver was appointed, it was agreed between the Receiver and Mr. McSevney that a conference call would be held at 8:30 AM on Wednesday, May 26, 2021 (the "Initial Call") to review the Receiver's mandate and initial information request with Mr. McSevney.
15. The Receiver followed up that discussion with an email to Mr. McSevney to confirm the call for May 26th and attached thereto a list of initial information requirements (subsequently updated, the "Initial Request") for Mr. McSevney to assemble. A copy of the Initial Request is attached hereto as Appendix "E".
16. At 8:22 AM on May 26, 2021, Mr. McSevney sent the Receiver an email, attached hereto as Appendix "F", wherein he indicated that the Initial Call would have to be deferred until likely Friday as he needed more time to assemble the requested information in the Initial Request and that he was going to enlist the assistance of an accountant and counsel. He did however confirm the banking information for Altmore's bank account at BMO. This is the last communication the Receiver has had from Mr. McSevney, despite the Receiver sending two follow-up emails and attempting to reach Mr. McSevney by telephone.
17. The Receiver notified Mr. McSevney by email that the Initial Call could be rescheduled to 9:00 AM on Friday, May 28, 2021 and sent Mr. McSevney a revised calendar appointment. Mr. McSevney did not accept the calendar appointment or attend the rescheduled call.
18. Thus, on May 28, 2021, the Receiver's counsel sent Mr. McSevney a letter (the "Legal Letter") by email to compel cooperation and a response to the Initial Request. A copy of the Legal Letter is attached hereto as Appendix "G". As at the date of this First Report, Mr. McSevney has not responded to the Legal Letter.

Correspondence with Bank of Montreal

19. On May 25, 2021, the Receiver emailed a letter to the BMO branch in Ancaster, Ontario at which Altmore held its bank account, namely 3319-1998643 (the "Altmore Account") to notify BMO of the receivership and request, inter alia, all historical bank statements and that the account be frozen.
20. BMO has complied with the Receiver's request and provided seven years (May 2014 – May 2021) of bank statements for the Altmore Account.
21. BMO confirmed that the Altmore Account is the sole account held by Altmore at BMO.
22. The Receiver has conducted an initial review of the transactions in the Altmore Account and a summary of its findings is outlined below.

Correspondence with Kyle & Associates

23. In the course of its review of the Altmore Account statements, the Receiver identified transfers to 5 different law firms totaling \$528,000. Such transfers include 10 transfers in an aggregate amount of \$343,801.56 made between August 23, 2016 and August 31, 2018 to Kyle & Associates, which the Receiver understands acted as legal counsel to Altmore and Mr. McSevney.
24. On June 2, 2021, the Receiver sent a letter to Mr. Alex Kyle of Kyle & Associates advising of the receivership and requesting certain information and documents. A copy of the letter dated June 2, 2021 to Mr. Kyle is attached hereto as Appendix "H".
25. On June 3, 2021, Mr. Kyle contacted the Receiver's counsel by telephone. In the course of the call, Mr. Kyle advised that, of the amounts referenced in the letter dated June 2, 2021:
- a) An amount of \$125,000 was paid to Mr. McSevney;
 - b) One or two of the transfers may have been used for mortgage investments; and
 - c) The balance of the transferred amounts were used to either settle pending litigation or satisfy outstanding judgments against Altmore and/or Mr. McSevney.
26. Mr. Kyle advised that the records relevant to the payments described above have been placed into offsite long-term storage. The Receiver has requested that Mr. Kyle retrieve and forward such records to the Receiver. Mr. Kyle has advised that such retrieval will take approximately one week.

Blair Property

27. As more particularly described in the Matta Affidavit, the Corporate Profile Reports for Altmore and its affiliates refer to Mr. McSevney's home address as 148 Blair Lane in Ancaster, Ontario (the "Blair Property"). A copy of the Parcel Register dated May 19, 2021 in respect of the Blair Property is attached hereto as Appendix "I".
28. The Blair Parcel Register indicates an unusual transaction history in respect of the Blair Property:
- a) The Blair Property was acquired by Mr. McSevney and Christie Ward-McSevney on April 24, 2003;
 - b) On June 2, 2006, Mr. McSevney and Christie Ward-McSevney transferred the Blair Property to Elaine Karen McSevney;
 - c) On January 7, 2011, Elaine Karen McSevney transferred the Blair Property to John Urquhart;
 - d) On August 31, 2016, John Urquhart transferred the Blair Property to Mr. McSevney;

- e) On August 31, 2016, Mr. McSevney transferred the Blair Property to 9584285 Canada Inc. ("958"), a corporation that was controlled by Mr. McSevney; and¹
- f) On December 16, 2019, 958 transferred the Blair Property to Sandro Cioci, with whom the Receiver is not familiar.

29. In light of the numerous related-party transactions described above as well as the timing thereof, the Receiver intends to seek additional information in respect of same.

Valridge Property

30. The Receiver understands that Mr. McSevney currently resides at the Valridge Property. A copy of the Parcel Register dated May 19, 2021 in respect of the Valridge Property is attached hereto as Appendix "K". The Parcel Register indicates that Mr. McSevney and Christie Ward-McSevney purchased the Valridge Property on March 29, 2018.

31. In light of the numerous payments made by Altmore to (or for the personal benefit of) Mr. McSevney and/or Christie Ward-McSevney, the Receiver requests and recommends that it be authorized to register the Receivership Order (or any other Orders made in this proceeding) against the Valridge Property, in order to temporarily preserve any value for the benefit of Altmore's investors and other creditors.

Communications from Investors

32. On June 5, 2021, the Applicant in this proceeding, Ms. Monica Matta, received a communication from another investor in Altmore, and provided a copy of same to the Receiver's counsel. In such communication, the investor advised that he, as well as 6 to 7 others, have funds invested in Altmore and have also not received any payments on their investments in 2 years.

33. The Receiver intends to contact to this particular investor, as well as obtain the contact details for the 6-7 other investors referenced in his communication, in order to keep the investors apprised of the developments in this receivership proceeding.

Other Activities

34. Other activities performed by the Receiver upon its appointment include:

- a) Contacting I.Q. offices to enquire on Altmore's current status with the office sharing service. The Receiver was awaiting a response from I.Q. at the time of writing this First Report;
- b) Contacting Chaitons LLP regarding fund transfers made from Altmore;

¹ A copy of a corporate profile report dated June 6, 2021 in respect of 958 is attached hereto as Appendix "J". The report indicates that 958 was dissolved for non-compliance on November 17, 2018.

- c) On-going communication with Receiver's counsel in connection with various aspects of the Receivership proceedings;
- d) Performing searches of publicly available information in respect of Mr. McSevney, Altmore and other parties related to them;
- e) Engaged Miller Thomson LLP as its counsel;² and
- f) Preparing this First Report.

VI. SUMMARY OF FINDINGS

35. The Receiver received the transaction details from BMO for the Altmore Account in both pdf statement and Excel form for the period May 1, 2014 to May 31, 2021 (the "Period"). Analyzing the Excel format, the Receiver has prepared a preliminary summary of transactions, attached hereto as Appendix "L".

36. Key findings of the Receiver are:

- a) A total of approximately \$7.2 million has been transacted through the Altmore Account over the Period;
- b) Gross investments from investors appears to be \$4.53 million. However, this amount could be as high as \$6.26 million, depending on the actual source of unidentified deposits;
- c) Payments of \$3.3 million have been made to investors. The true amount may be higher, depending on the nature of the unknown payments that total \$587,000. The Receiver is not able to discern between interest payments and return of capital at this time;
- d) Mr. McSevney has thus far failed to cooperate with the Receiver. In particular, Mr. McSevney has failed to provide any documentation or other verifiable information with respect to any mortgage investments made by Altmore;
- e) Net funds totaling \$240,000 were transferred to Independent Mortgage Advisors Inc. and Altmore Capital Inc., related entities;
- f) The Receiver has not been able to identify specific payments made to acquire mortgage investments. However, as noted above, payments to five (5) different law firms totaling \$528,000 were identified and the Receiver is investigating these payments;
- g) Mr. McSevney transferred a net sum of \$1.4 million to bank accounts held in his personal name;

² Miller Thomson LLP had previously acted as counsel to the Applicants in seeking the appointment of a receiver. In order to minimize costs, upon the appointment of the Receiver, Miller Thomson LLP resigned as counsel to the Applicants and has since acted solely for the Receiver.

- h) Expenses of a personal nature in the aggregate amount of \$164,000 were funded through the Altmore Account, including:
- (i) Two payments of \$50,000 each to TFSA accounts of Ian and Christie McSevney. Copies of the relevant bank drafts are attached hereto as Appendix "M";
 - (ii) Payments to auto dealers in the aggregate amount of \$40,133. Copies of the relevant bank drafts are attached hereto as Appendix "N";
 - (iii) Payment in the amount of \$2,856.42 to Royal Bank of Canada in respect of a loan in the name of Ian McSevney. A copy of the bank draft for this loan payment is attached hereto as Appendix "O"; and
 - (iv) Miscellaneous purchases of a personal nature such as fast-food restaurants, movies, personal grooming and shopping totaling \$21,093.
- i) Payments were made from the Altmore Account to Margaret McSevney totaling \$4,621.14. These payments were made in three money orders, for \$1,621.14, \$2,500 and \$500, and each money order referenced "I.McSevney" as the purchaser. Copies of these money orders are attached hereto as Appendix "P".
- j) A payment of \$631 was made to Linda McSevney by money order on September 23, 2015. A copy of the money order is attached hereto as Appendix "Q". The Receiver does not yet know the relationship between Mr. McSevney and each of Linda and Margaret McSevney.

XIV. RECOMMENDATIONS

37. Based on the foregoing, the Receiver respectfully recommends and requests that the Court issue an order(s) providing the following relief:
- a) Approving this First Report including the actions and activities of the Receiver set out herein;
 - b) Directing Mr. McSevney to immediately provide the Receiver a full detailed accounting of receipts and disbursements made in relation to the Property, a comprehensive listing of Altmore's mortgage investments, a comprehensive list of Altmore's investees, as well as any of Altmore's books and records in his possession;
 - c) Directing Bank of Montreal to freeze and provide bank statements for the previous seven (7) years for the following bank accounts known to have received funds from Altmore:
 - 1. 3319 1004-776 (Independent Mortgage Advisors Inc.)
 - 2. 3319 8985-220 (Independent Mortgage Advisors Inc.)
 - 3. 3319 1996-816 (Altmore Capital Inc.)

4. 3319 3992-667 (Ian McSevney)
 5. 3319 3989-839 (Ian McSevney)
 6. 3319 399-922 (Christie Briyer Ward-McSevney); and
 7. 2922 3994-881 (Elaine McSevney).
- d) Directing Canaccord Genuity to freeze the TFSA accounts of Ian McSevney (TCN-41P-993V1) and Christie Ward-McSevney (TCN-41R-021V1);
 - e) Expanding the scope of the receivership proceeding to include Ian Ross McSevney, Altmore Capital Inc. and Independent Mortgage Advisors Inc. as additional "Debtors" under the Receivership Order;
 - f) Authorizing, but not obligating, the Receiver to register the Receivership Order (and/or any other Order made in this proceeding) against title to the Valridge Property; and
 - g) Authorizing, but not obligating, the Receiver to assign any of Altmore, Altmore Capital Inc. and Independent Mortgage Advisors Inc. into bankruptcy.

All of which is respectfully submitted on the 7th day of June, 2021.

BDO Canada Limited
in its capacity as Court-Appointed Receiver of
Altmore Mortgage Investment Corporation
and not in its personal or corporate capacity



Clark Lonergan, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX F

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

THE HONOURABLE) WEDNESDAY, THE 9TH
)
JUSTICE DUNPHY) DAY OF JUNE, 2021

MONICA MATTA and MARK AMELLO

Applicants

-and-

ALTMORE MORTGAGE INVESTMENT CORPORATION

Respondent

*APPLICATION UNDER SECTION 248(3) OF THE BUSINESS CORPORATIONS ACT
(ONTARIO) AND SECTION 101 OF THE COURTS OF JUSTICE ACT (ONTARIO)*

ORDER

THIS MOTION made by BDO Canada Limited, in its capacity as Court-appointed Receiver on an interim basis (in such capacity, the “**Receiver**”) of all of the assets, properties and undertakings (collectively, the “**Property**”) of Altmore Mortgage Investment Corporation (“**Altmore**”), appointed pursuant to the Order of the Honourable Mr. Dunphy of the Ontario Superior Court of Justice (Commercial List) dated May 25, 2021 (the “**Receivership Order**”) for an Order pursuant to section 248(1) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “**OBCA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated June 7, 2021 and the Appendices thereto (the “**First Report**”) and on hearing the submissions of counsel for the Receiver, no one appearing for Altmore or any other person on the Service List, although duly served as appears from the affidavit of service of Shallon Garaffa sworn June 7, 2021, filed,

SERVICE

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

EXPANSION OF APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 248(3) of the OBCA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of Ian Ross McSevney, Altmore Capital Inc. and Independent Mortgage Advisors Inc. (collectively, the “**Related Parties**”), and the Receivership Order is hereby amended such that each of the Related Parties is deemed to be a “Debtor” thereunder (in addition to Altmore).

DIRECTION REGARDING DISCLOSURE

3. THIS COURT ORDERS that Ian Ross McSevney (“**McSevney**”) is hereby directed to provide the following to the Receiver forthwith, and in any event within three (3) days of the date of this Order:

- (a) An accounting of receipts and disbursements made by Altmore including, in particular, information related to transfers to Christie Briyer Ward-McSevney, Elaine McSevney and any other non-arm's length party;
- (b) A list of all mortgages or other investments in which any of the Debtors (as defined in the Receivership Order) holds or previously held an interest, and any related documents in McSevney's possession or control;
- (c) A list of all investors in Altmore as well as contact information and amounts invested; and
- (d) Any books and records of Altmore or any other Debtor in McSevney's possession or control.

BANKING INFORMATION & FREEZING OF ACCOUNTS

4. THIS COURT ORDERS AND DIRECTS that the following accounts (collectively, the "**Related Party Accounts**") at Bank of Montreal ("**BMO**") shall immediately be frozen:

- (a) Account Nos. 3319 1004-776 and 3319 8985-220 in the name of Independent Mortgage Advisors Inc.;
- (b) Account No. 3319 1996-816 in the name of Altmore Capital Inc.;
- (c) Account Nos. 3319 3992-667 and 3319 3989-839 in the name of Ian McSevney,

and BMO is hereby authorized and directed to provide to the Receiver copies of account statements and other records in respect of the Related Party Accounts.

5. THIS COURT ORDERS AND DIRECTS that the following accounts (together, the "**TFSA Accounts**") at Cannacord Genuity shall immediately be frozen:

- (a) Account No. TCN-41P-993V1 in the name of Ian McSevney; and
- (b) Account No. TCN-41R-021V1 in the name of Christie Ward-McSevny,

and Cannacord Genuity is hereby authorized and directed to provide to the Receiver copies of account statements and other records in respect of the TFSA Accounts.

REGISTRATION OF ORDERS ON VALRIDGE PRPERTY

6. THIS COURT ORDERS that the Receiver be and it is hereby authorized, but not obliged, to register the Receivership Order, this Order and any other Order made in this proceeding against title to the property known municipally as Unit 7, Level 1, 81 Valridge Drive, Ancaster, Ontario and described as:

UNIT 7, LEVEL 1, WENTWORTH CONDOMINIUM PLAN NO. 323 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT BLK 87 PL 62M881; ANCASTER, PARTS 32, 33, 34, 35, 36, 37, 40, 41, 42, 43, 44, 45, 46, 52, 53, 54, 55, 56, 57, 58, 59, 63 AND 64 ON 62R15871; S/T AN EASEMENT OVER PART 1 ON 62R13618 AS IN LT420910; S/T AN EASEMENT OVER PART 1 ON 62R13618 AS IN LT420921; S/T AND T/W THE VARIOUS EASEMENTS AS IN WE44885; HAMILTON.

BANKRUPTCY ASSIGNMENTS

7. THIS COURT ORDERS that the Receiver be and it is hereby authorized, but not obliged to make bankruptcy assignments in respect to Altmore or any of the other Debtors.

GENERAL

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

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

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

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

A handwritten signature in black ink, appearing to read "S.F. Dunphy", written over a horizontal line.

S.F.Dunphy

**MONICA MATTA and MARK
AMELLO**

and

**ALTMORE MORTGAGE
INVESTMENT CORP**

Applicants

Respondent

Court File No: CV-21-00662471-00CL

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

Proceedings commenced at Toronto

ORDER

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Lawyers for the Receiver, BDO Canada Limited

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

RE: MONICA MATTA and MARK AMELLO, Applicants,

AND:

ALTMORE MORTGAGE INVESTMENT CORPORATION, Respondent

APPLICATION UNDER SECTION 248(3) OF THE *Business Corporations Act* (ONTARIO) AND SECTION 101 OF THE *COURTS OF JUSTICE ACT* (ONTARIO)

BEFORE: S.F. Dunphy J.

COUNSEL: *Greg Azeff*, for the Applicants

Ian McSevney, on behalf of Respondent

HEARD at Toronto: May 25, 2021

ENDORSEMENT

[1] Mr. McSevney indicated that he was looking to retain counsel to respond to this motion and possibly apply for Legal Aid. Among the issues he felt needed responding to was a disagreement as to the amount of debt owing to the applicants. He sought an adjournment of 60-90 days. Mr. McSevney confirmed that the respondent's business is not active. It has a portfolio of mortgages from which revenue is received and he has been trying for almost two years to find a way to wind up the company and pay investors out. Mr. McSevney has no concrete plans to retain counsel beyond applying for Legal Aid. I have no reason to believe that a short adjournment would accomplish anything and I am satisfied on the evidence before me that further delay in securing the books and records and what revenue there is would be detrimental to the interest of the applicants and other investors.

[2] The record indicates that Mr. McSevney has been fending off investor inquiries for almost two years and it has been almost that long since any payments were made on the outstanding investments. There is considerable uncertainty on the record as to the nature of the investments made: are they shares or debt? If shares, what class and when issued?

[3] What is clear to me is that (i) the business, such as it is, is a passive one at this stage consisting primarily of collecting funds on whatever mortgage portfolio exists; (ii) the operations of the respondent company are effectively wound down in that it has abandoned its shared-space office downtown and its records are either in storage or in Mr. McSevney's personal possession in Ancaster; (iii) there is considerable uncertainty as to the status of the investors including the applicants and whether any shares were ever properly issued remains unknown; and (iv) funds are coming in regularly but none have gone out to investors in some time.

[4] In the circumstances, I am satisfied that the prerequisites for my making an Interim receivership order are in place. The operations of this largely inactive company have been tightly controlled by Mr. McSevney and no reporting of material financial or corporate information has been made for two plus years. The registered head office of the corporation has not been kept up. No shares have been issued to the applicants. The situation cries out for the books and records to be secured and examined and for what funds and assets there are to be brought under court control until further order.

[5] I am making an interim receivership order largely in the form sought by the applicants. The form of order will be amended to include particulars of service but I am satisfied from my discussion with Mr. McSevney that service was made notwithstanding the abandonment of the registered head office. The order will be on an interim basis – until June 25, 2021 – when the matter shall come back for consideration as to whether it ought to be confirmed. In the interim, Mr. McSevney will co-operate with the receiver in securing the books and records and the bank accounts. He shall be entitled to receive copies of what records he needs whether it be to retain and instruct counsel in relation to this motion or to further his goal of making a comprehensive proposal to investors to pay them out.



S.F. Dunphy J.

Date: May 25, 2021

APPENDIX G

Court File No. CV-21-00662471-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF SECTION 248 (3) OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO), R.S.O., 1990
c.B-16, AS AMENDED;

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

B E T W E E N:

MONICA MATTA AND MARK AMELLO

Applicant

- and -

ALTMORE MORTGAGE INVESTMENT CORPORATION

Respondent

SECOND REPORT OF BDO CANADA LIMITED
IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
ALTMORE MORTGAGE INVESTMENT CORPORATION, ALTMORE CAPITAL INC., INDEPENDENT
MORTGAGE ADVISORS INC. AND IAN ROSS MCSEVNEY

JUNE 23, 2021

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APPENDICES

APPENDIX "A" – Receivership Order dated May 25, 2021

APPENDIX "B" – Endorsement of J. Dunphy dated May 25, 2021

APPENDIX "C" – First Report of Interim Receiver June 7, 2021

APPENDIX "D" – Receivership Order dated June 9, 2021

APPENDIX "E" – Endorsement of J. Dunphy dated June 9, 2021

APPENDIX "F" – Fee Affidavit of Clark Lonergan dated June 23, 2021

APPENDIX "G" - Fee Affidavit of Gregory Azeff dated June 23, 2021

I. INTRODUCTION

1. Pursuant to an order (the "Receivership Order") of the Honourable Mr. Justice Dunphy of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated May 25, 2021 (the "Date of Appointment"), BDO Canada Limited ("BDO") was appointed as Receiver on an interim basis (the "Receiver") of all of the assets, properties and undertakings (collectively, the "Property") of Altmore Mortgage Investment Corporation ("Altmore" or the "Company") for a period of 30 days (the "Initial Appointment Period") pursuant to section 248 (3) of the *Business Corporations Act*, RSO 1990, c. B-16, as amended (the "OBCA") and section 101 of the *Courts of Justice Act*, RSO 1990, c. C.43 as amended (the "CJA"). A copy of the Receivership Order is attached hereto as Appendix "A". A copy of the Endorsement of Justice Dunphy dated May 25, 2021 is attached hereto as Appendix "B".
2. The Receiver submitted its first report to the Court on June 7, 2021 (the "First Report") to provide the Court with an update on the Receiver's investigation thus far including a summary of banking transactions involving Altmore's sole bank account and the conduct of Altmore's guiding mind, Ian Ross McSevney ("McSevney").
3. On June 9, 2021, Justice Dunphy issued his endorsement and a further Order (the "June 9th Order") expanding the role of the Receiver to include the assets, properties and undertakings of Altmore Capital Inc. ("ACI"), Independent Mortgage Advisors Inc. ("IMAI") and McSevney. Copies of the June 9th Order and accompanying endorsement are attached hereto as Appendices "D" and "E", respectively.

II. PURPOSE OF REPORT

4. This second report of the Receiver (the "Second Report") is filed in support of the Receiver's motion to the Court returnable June 25, 2021. The purpose of this Second Report is to:
 - a) Provide this Court with certain information pertaining to the receivership, including:
 - (i) The Receiver's activities since the issuance of the First Report;
 - (ii) Summary of findings.
 - b) Recommend that this Court make an Order:
 - (i) Approving this Second Report including the actions and activities of the Receiver and its legal counsel, Miller Thomson LLP ("Miller"), as set out herein;
 - (ii) Approving the professional fees and disbursements of the Receiver and its legal counsel;
 - (iii) Authorizing the Receiver to register a charge against the Valridge Property (as defined below) in the amount of its unpaid fees and disbursements;
 - (iv) Discharging the Receiver; and

- (v) Such further relief as the Court deems appropriate.

III. QUALIFICATIONS

5. In preparing this Second Report, the Receiver has relied upon financial information provided to it by the Bank of Montreal ("BMO") and certain other parties (the "Information"). The Receiver has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided, and in consideration of the nature of the evidence provided to this Court, in relation to the relief sought therein. The Receiver has not, however, audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Auditing Standards ("GAAS") pursuant to the Canadian Institute of Chartered Accountants Handbook and, as such, the Receiver expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
6. Unless otherwise noted, all monetary amounts contained in this Second Report are expressed in Canadian dollars ("CAD").

IV. ACTIVITIES OF THE RECEIVER

Correspondence with Bank of Montreal

7. On June 9, 2021, immediately upon the issuance of the June 9th Order, the Receiver emailed a letter to the BMO branch in Ancaster, Ontario to notify BMO of the expanded receivership and request, *inter alia*, all historical bank statements for each of ACI (1 account), IMAI (2 accounts) and McSevney (2 accounts) and that the corresponding accounts be frozen.
8. BMO has promptly complied with the Receiver's request and provided seven years (May 2014 – May 2021) of banking transactions in Excel for each of the accounts.
9. The Receiver identified substantial amounts being transferred from McSevney's personal bank account to another BMO account which BMO advised was McSevney's BMO InvestorLine account (the "InvestorLine Account"). The Receiver requested and was provided with account statements for the InvestorLine Account as well.
10. The Receiver has conducted an initial review of the transactions in each of the ACI, IMAI and McSevney accounts and a summary of its findings is outlined below.
11. BMO has also provided further details to the Receiver in respect of Altmore transactions that did not have sufficient details in the Excel file or pdf bank statements which the Receiver has reviewed.

Correspondence with CanAccord Genuity

12. As reported in the First Report, the Receiver identified two payments that were made in March of 2018 for \$50,000 each from Altmore's bank account to the TFSA accounts of McSevney and his wife at CanAccord Genuity. In

accordance with the June 9th Order the Receiver wrote to CanAccord Genuity to freeze the TFSA accounts and provide statement accounts to the Receiver.

13. CanAccord Genuity promptly complied with the Receiver's requests. A review of the account statements indicates that each account now has a \$Nil balance and the all available funds had been withdrawn to personal bank accounts by January 31, 2019. The peak market value of these TFSA accounts were \$135,668.99 at December 31, 2018 for McSevney and \$108,876.95 at January 21, 2019 for his spouse, Christie Ward-McSevney.

Correspondence with Capital Growth Financial Corporation ("CGFC")

14. The Receiver had identified two payments totaling \$57,089.90 that were made from Altmore's bank account to CGFC in 2015. The Receiver wrote to CGFC on June 4, 2021 to request details of these transactions. CGFC advised in an email that it provided commission advances to mortgage brokers of IMAI and believed that it was at all times only dealing with IMAI.
15. Subsequent to the issuance of the June 9th Order, the Receiver identified four (4) additional payments to CGFC totaling \$49,291.35 which were made from IMAI's bank account at BMO. The Receiver has since written to CGFC to request the details of all transactions with IMAI including amounts and names of beneficiaries of the payments from CGFC that Altmore and IMAI were repaying.
16. CGFC has verbally advised the Receiver that payments to CGFC were repayments for advances on commissions. While CGFC has confirmed that it will forward the requested documentation, the Receiver has not received same as of the date hereof.

Correspondence with Community Trust ("CT")

17. The Receiver had identified two payments totaling \$73,420.00 that were made from Altmore's bank account to CT in 2018. The Receiver wrote to CT on June 4, 2021 and again on June 16, 2021 to request details of these transactions. CT has not responded to this request at the time of writing this Second Report.

Communications with Kyle & Associates

18. As noted in the First Report, in the course of its review of the Altmore Account statements, the Receiver identified 10 transfers in an aggregate amount of \$343,801.56 made between August 23, 2016 and August 31, 2018 to Kyle & Associates, which the Receiver understands acted as legal counsel to Altmore and Mr. McSevney.
19. On June 3, 2021, Mr. Alex Kyle of Kyle & Associates advised that the records relevant to the payments described above have been placed into offsite long-term storage. The Receiver requested that Mr. Kyle retrieve and forward such records to the Receiver. Mr. Kyle agreed and advised that such retrieval would take approximately one week.
20. On June 16, 2021, the Receiver's counsel sent an email to Mr. Kyle reiterating the request. On June 21, 2021, the Receiver's counsel sent a second follow up email to Mr. Kyle.

21. As of the date hereof, Mr. Kyle has not responded to either of the emails and has not provided the requested documentation.

Communications with Mr. McSevney

22. In accordance with the June 9th Order, McSevney was ordered by the Court to cooperate with the Receiver and to provide information. McSevney was served a copy of the June 9th Order by the Court on June 9, 2021. McSevney has not provided any of the requisite information to the Receiver. The Receiver has not had any communications with Mr. McSevney since May 26, 2021, as reported in the First Report.

Communications from Investors

23. On June 13, 2021, the Receiver received an email from another party claiming to be an investor in Altmore who had made an investment in Altmore in 2018, had received two payments of income in June and August of 2018 and then experienced a series of frustrated communications with McSevney wherein McSevney gave excuses as to why income payments had ceased and their principal could not be returned. This individual is a member of the six (6) person investment group that were referred to in the First Report.

V. SUMMARY OF FINDINGS

24. The Receiver received the transaction details from BMO for the accounts of ACI, IMAI and McSevney for the period May 1, 2014 to May 31, 2021 (the "Period"), along with the additional information obtained from BMO in respect of Altmore transactions.

25. Key findings of the Receiver are:

a) ACI Bank Accounts:

- (i) Paid the amount of \$55,500 to McMillans on Nov 9, 2017. The Receiver has written to McMillans to obtain details and is seeking further details of these payments from BMO to allow McMillans to more easily identify the transactions;
- (ii) Paid the amount of \$19,170.55 to James Deep Professional Corp (lawyer) on Mar 28, 2018;
- (iii) Paid McSevney the amount of \$35,411; and
- (iv) Paid Oanda the amount of \$52,000. Oanda is an online foreign currency exchange. The Receiver has written to Oanda requesting details and awaits their reply at the time of writing this Second Report.

b) IMAI Bank Accounts:

- (i) Paid CGFC the amount of \$49,291.35. As mentioned above, CGFC had also received the amount of \$57,089.90 from Altmore. The Receiver awaits further details from CGFC; and
 - (ii) Paid McSevney the amount of \$150,362.61.
- c) McSevney Bank Accounts:
- (i) As previously reported, McSevney received the amount of approx. \$1.4 million from Altmore.
 - (ii) McSevney sent wires totaling the amount of \$390,500 to the following:
 - 1. two payments in the amount of \$12,500 were wired to an investor;
 - 2. the amount of \$49,500 to McMillans LLP in Vancouver from account 3992-667 on Sep 28, 2017;
 - 3. the amount of \$316,000 to Oanda in 8 wires over 2017/2018; generally, funds would be transferred into his account from Altmore prior to sending these wires to Oanda; and
 - (iii) McSevney received the net amount of \$72,900 from Oanda
- d) InvestorLine Account: Per the InvestorLine Account summary, McSevney invested a gross amount of \$1,434,511 in this account; withdrew \$801,731; and appears to have lost the difference of \$632,779 in market value. The withdrawals went primarily to McSevney's personal bank accounts and a Mastercard account. It appears from a cursory review of these statements that McSevney was day trading using a margin account to increase the size of his trades.

26. Additional information obtained from BMO in respect of Altmore transactions indicate that the majority of the previously unknown receipts and disbursements were between Altmore and its investors.

VI. PROFESSIONAL FEES OF THE RECEIVER AND ITS LEGAL COUNSEL

27. As set out in the affidavit of Clark Lonergan of BDO sworn June 23, 2021 and attached hereto as Appendix "F", professional fees of the Receiver incurred from May 25, 2021 to June 22, 2021 amount to 76.40 total hours, fees of \$27,277.00 (at an average hourly rate of \$357.03) and disbursements of \$3,120.00 (before H.S.T.)
28. As set out in the affidavit of Gregory Azeff of Miller sworn June 23, 2021 and attached hereto as Appendix "G", professional fees of the Receiver's counsel incurred from May 25, 2021 to June 22, 2021 amount to 29.2 total hours, fees of \$18,446.50 (at an average hourly rate of \$631.73) and disbursements of \$137.47 (before H.S.T.).

VII. VALRIDGE PROPERTY

29. It does not appear that there is any liquidity in the estate to fund further investigation or administration of the receivership proceeding. The sole significant asset under administration is McSevney's personal residence, located at 81 Valridge Drive, Ancaster, Ontario (the "Valridge Property"), as more particularly described in the First Report.

30. Pursuant to the June 9th Order, the Receiver was granted a charge against the Valridge Property as security for its fees and disbursements and those of its counsel. The Receiver was also authorized to register the Interim Receivership Order (and/or any other Orders made in this proceeding) against the Valridge Property.
31. The Receiver seeks authority to register a charge against the Valridge Property in order to secure its fees and disbursements and those of its legal counsel.

VIII. CONCLUSION AND RECOMMENDATIONS

32. Based on the analysis performed by the Receiver to-date on the bank accounts of Altmore, AIC, IMAI and McSevney, it does not appear that investor funds were being invested in mortgages. The Receiver has not seen any direct investments being made, nor has it seen any proof of an income stream coming from a portfolio of mortgages.
33. The integration of investor monies into McSevney's personal day-to-day banking is of concern.
34. McSevney's lack of cooperation is also of concern.
35. Based on the foregoing, the Receiver respectfully recommends and requests that the Court issue an order(s) providing the following relief:
 - a) Approving this Second Report including the actions and activities of the Receiver and Miller as set out herein;
 - b) Approving the professional fees of the Receiver and its legal counsel as detailed in the affidavits of Clark Lonergan and Gregory Azeff;
 - c) Authorizing the Receiver to register a charge against the Valridge Property in the amount of its unpaid fees and disbursements;
 - d) Discharging the Receiver; and
 - e) Such further relief as the Court deems appropriate.

All of which is respectfully submitted on the 23rd day of June, 2021.

BDO Canada Limited
in its capacity as Court-Appointed Receiver of
Altmore Mortgage Investment Corporation
and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to read "Clark Lonergan". The signature is written in a cursive style with a large, prominent "C" and "L".

Clark Lonergan, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX H

ON READING the Second Report of the Receiver dated June 23, 2021 and the Appendices thereto (the “**Second Report**”) and on hearing the submissions of counsel for the Receiver, no one appearing for Altmore or any other person on the Service List, although duly served as appears from the affidavit of service of Shallon Garrafa sworn June 24, 2021, filed,

SERVICE

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

ACTIVITIES & CONDUCT

2. THIS COURT ORDERS that the Second Report of the Receiver dated June 23, 2021 (the “**Second Report**”) including the actions and activities of the Receiver and its legal counsel, Miller Thomson LLP, as set out therein, be and it is hereby approved.

PROFESSIONAL FEES

3. THIS COURT ORDERS that the professional fees and disbursements of the Receiver and its legal counsel as detailed in the affidavits of Clark Lonergan and Gregory Azeff, each sworn June 23, 2021 and appended to the Second Report (the “**Professional Fees**”), be and they are hereby approved.

REGISTRATION OF CHARGE

4. THIS COURT ORDERS that the Receiver be and it is hereby authorized to register a charge in the amount of the Professional Fees against title to the property (the “**Valridge Property**”) described as:

UNIT 7, LEVEL 1, WENTWORTH CONDOMINIUM PLAN NO. 323 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT BLK 87 PL 62M881; ANCASTER, PARTS 32, 33, 34, 35, 36, 37, 40, 41, 42, 43, 44, 45, 46, 52, 53, 54, 55, 56, 57, 58, 59, 63 AND 64 ON 62R15871; S/T AN EASEMENT OVER PART 1 ON 62R13618 AS IN LT420910; S/T AN EASEMENT OVER PART 1 ON 62R13618 AS IN LT420921; S/T AND T/W THE VARIOUS EASEMENTS AS IN WE44885; HAMILTON.

5. THIS COURT ORDERS that the Receiver be and it is hereby authorized (but for greater certainty, not obligated) to discharge the registration of any Orders made in this proceeding against title to the Valridge Property.

DISCHARGE

6. THIS COURT ORDERS that the Receiver be and it is hereby discharged as Receiver, provided that notwithstanding its discharge as Receiver, BDO Canada Limited (“**BDO**”) shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all authorizations, approvals, protections and stays of proceedings in favour of BDO in its capacity as receiver.

RELEASE

7. THIS COURT ORDERS AND DECLARES that BDO is hereby released and discharged from any and all liability that BDO now has or may have by reason of, or in any way arising out

of, the acts and omissions of BDO while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part.

A handwritten signature in blue ink, appearing to read "Conway J.", is written above a horizontal line.

**MONICA MATTA and MARK
AMELLO**

and

**ALTMORE MORTGAGE
INVESTMENT CORP**

Applicants

Respondent

Court File No: CV-21-00662471-00CL

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

Proceedings commenced at Toronto

ORDER

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Lawyers for the Receiver, BDO Canada Limited

APPENDIX I

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

B E T W E E N :

MONICA MATTA and MARK AMELLO

Applicants

-and-

ALTMORE MORTGAGE INVESTMENT CORPORATION

Respondent

*APPLICATION UNDER SECTION 248(3) OF THE BUSINESS CORPORATIONS ACT
(ONTARIO) AND SECTION 101 OF THE COURTS OF JUSTICE ACT (ONTARIO)*

**THIRD REPORT OF BDO CANADA LIMITED,
IN ITS CAPACITY AS RECEIVER**

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N :

MONICA MATTA and MARK AMELLO

Applicants

-and-

ALTMORE MORTGAGE INVESTMENT CORPORATION

Respondent

*APPLICATION UNDER SECTION 248(3) OF THE BUSINESS CORPORATIONS ACT
(ONTARIO) AND SECTION 101 OF THE COURTS OF JUSTICE ACT (ONTARIO)*

**THIRD REPORT OF BDO CANADA LIMITED,
IN ITS CAPACITY AS RECEIVER**

I. INTRODUCTION

1. Pursuant to the Order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated November 8, 2021 (the “**Receivership Order**”), BDO Canada Limited (“**BDO**”) was appointed as receiver (in such capacity, the “**Receiver**”) over Altmort Mortgage Investment Corporation (“**Altmort**”), Altmort Capital Inc. (“**ACI**”), Independent Mortgage Advisors Inc. (“**IMAI**”) and Ian Ross McSevney (“**McSevney**”) (collectively, the “**Receivership Debtors**”) pursuant to section 248(1) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “**OBCA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”). Copies of the Receivership Order

and Endorsement of Justice Conway dated November 8, 2021 commencing the receivership proceeding (the “**Receivership Proceeding**”) are attached hereto as **Appendix “A”**.

2. Pursuant to the Receivership Order, the Receiver was authorized to make bankruptcy assignments in respect of any of the Receivership Debtors.

3. On November 18, 2021 (the “**Bankruptcy Date**”), the Receiver commenced the bankruptcy proceedings (the “**Bankruptcy Proceedings**”) by filing assignments in bankruptcy in respect of Altmore and McSevney (together, the “**Bankrupts**”). Attached hereto as **Appendices “B”** and “**C**”, respectively, are copies of the Certificates of Appointment issued by the Official Receiver (the “**OR**”) of the Office of the Superintendent of Bankruptcy Canada (the “**OSB**”) in respect of Altmore and McSevney.

4. The Receiver remains in place notwithstanding its appointment as Trustee of Altmore and McSevney. There is considerable overlap between the activities of the Receiver in the Receivership Proceedings and the Trustee in the Bankruptcy Proceedings. As such, for the purpose of describing the conduct, activities, findings and other information in this Third Report the term “Receiver” also includes the Trustee unless the context requires otherwise.

II. PURPOSE OF REPORT

5. This Third Report of the Receiver (the “**Third Report**”) has been filed in support of a Motion for, among other things, a Contempt Order against each of McSevney and his counsel, William Alexander Kyle (“**Kyle**”), in order to enforce the Receivership Order including, in particular, the provisions requiring them to deliver Records (as defined in the Receivership Order) to the Receiver.

6. For the purposes of this Third Report, all references to the singular herein shall include the plural, and the plural shall include the singular. Unless otherwise stated, all references to dollars shall be in Canadian dollars.

A. Activities of the Receiver & Trustee

7. This Third Report is filed to provide this Honourable Court with an update on the conduct and activities of the Receiver since the Receivership Order. In particular, the Receiver has engaged in the following activities:

- (a) Continued its investigation into the business, affairs and assets of the Receivership Debtors;
- (b) Issued demands for Records to various Persons including McSevney and Kyle;
- (c) Communicated with Altmore's investors including responding to a significant number of email and telephone inquiries;
- (d) Prepared and filed assignments in bankruptcy in respect of the Bankrupts; and
- (e) Confirmed, with inspector approval, the engagement of Miller Thomson LLP ("**Miller Thomson**") as counsel to the Trustee.

8. In addition to the above, since the Bankruptcy Date, the Trustee has engaged in the following activities:

- (a) As explained in further detail below, the Trustee has attempted to contact McSevney on multiple occasions to advise him of his duties under the *Bankruptcy*

and Insolvency Act (Canada) (the “BIA”), as both a personal bankrupt and officer of a bankrupt corporation, and to obtain details of the affairs of both Bankrupts;

- (b) Completed preparation and mailing of the Creditors Packages in respect of the Bankrupts;
- (c) Attended the First Meeting of Creditors in respect of the Bankrupts and presented its preliminary findings;
- (d) Communicated with the OSB including in connection with the Debtor Compliance Referral Program and examination preparation of McSevney in accordance with section 161 of the BIA;
- (e) Conducted two meetings of the Inspectors in the Estates of the Bankrupts;
- (f) Made arrangements to have rental payments in respect of the Unit 17 Property (as defined below) delivered to the Trustee;
- (g) Investigated the historical transactions involving the Unit 9 Property (as defined below) and its ownership;
- (h) Obtained and reviewed up-to-date bank statements of known bank accounts of the Bankrupts;
- (i) Communicated with Tangerine Bank, first mortgagee of the Unit 17 Property;
- (j) Issued formal request to Equitable Bank to freeze any bank account(s) of the Receivership Debtors and remit funds to the Trustee;

- (k) Issued Notices of Examination to Elaine McSevney and William Alexander Kyle pursuant to section 163(1) of the BIA;
- (l) Attended the scheduled examinations of Elaine McSevney and William Alexander Kyle on January 19 and 20, 2022, respectively, and obtained Certificates of Non-Attendance; and
- (m) Re-scheduled and attended the examination of Elaine McSevney on January 24, 2022.

B. Orders Sought

9. The Receiver files this Third Report in support of its motion for, among other things, Orders:

- (a) Declaring that Messrs. McSevney and Kyle are in contempt of the Receivership Order;
- (b) Directing Messrs. McSevney and Kyle to deliver to the Receiver copies of all Records (as defined in the Receivership Order) in their possession or control by no later than 5:00 pm EST on Friday February 4, 2022;
- (c) Authorizing the Receiver to attend at Kyle's business premises and to take such steps as are necessary or advisable for the purpose of locating, identifying and securing the Records, at Kyle's expense;
- (d) Directing all Persons (as defined in the Receivership Order) to provide assistance to the Receiver in exercising its authority pursuant to subsection (c) above;

- (e) Directing Messrs. Kyle and McSevney to attend an examination under oath by: (i) the Receiver pursuant to the Receivership Order, and (ii) the Trustee pursuant to section 163(1) of the BIA, by no later than Friday February 11, 2022;
- (f) Authorizing the Receiver and Trustee to conduct such examinations jointly as well as the use of the transcripts in both the Receivership Proceeding and the Bankruptcy Proceedings;
- (g) Authorizing the Receiver to market and sell the Unit 17 Property (as defined below) in accordance with the *Partition Act*, R.S.O. 1990, c. B.16, as amended (the “**Partition Act**”) or otherwise; and
- (h) Such further relief as this Court deems appropriate.

III. TERMS OF REFERENCE

10. In preparing this Third Report and making the comments herein the Receiver has, where applicable, relied upon information prepared or provided by third-party sources (collectively, the “**Information**”). Certain of the information contained in this Third Report may refer to, or is based on, the Information. As the Information has been provided by third parties or has been obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, has reviewed the Information for reasonableness. However, the Receiver has neither audited nor otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

11. All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Receivership Order.

IV. BACKGROUND TO THE PROCEEDINGS

A. Altmore

12. Altmore is a corporation incorporated pursuant to the OBCA on July 30, 2012. Attached as **Appendix “D”** hereto is a copy of corporate search results dated April 16, 2021 in respect of Altmore (the “**Altmore Search Results**”).

13. The Altmore Search Results indicate that McSevney, Terry Hepditch and Darren Plumb are the officers and directors of Altmore, although the Altmore Search Results also indicate that the company has failed to file any of its annual filings since March 4, 2013.

14. Notwithstanding the contents of the Altmore Search Results, it appears that McSevney is the sole guiding mind behind Altmore and its affiliates. The Receiver has not seen any indication of any involvement of Terry Hepditch or Darren Plumb in Altmore or its business, but continues to make inquiries in that regard.

15. Altmore claimed to operate as a mortgage investment corporation. Altmore solicited several millions of dollars¹ in investment capital from investors ostensibly for the purpose of investing in a portfolio of mortgages. However, as set out below, the Receiver is not aware of any mortgage investments actually made by Altmore.

¹ Due to the lack of cooperation of the parties involved and their failure to deliver any Records, it has not yet been possible for the Receiver to accurately quantify the total amount of such investments. As set out in paragraph 36 of the First Report, it appears that gross investments in Altmore totalled between \$4.53 million and \$6.26 million.

B. Prior Appointment of Receiver

16. By Application made by Monica Matta and Mark Amello (together, the “**Receivership Applicants**”) returnable May 25, 2021, BDO was initially appointed as Receiver in respect of Altmore for an initial period of 30 days pursuant to the Order of the Honourable Mr. Justice Dunphy dated May 25, 2021 (the “**Interim Receivership Order**”). A copy of the Interim Receivership Order is attached hereto as **Appendix “E”**.

C. Expansion of Receivership

17. As set out in the First Report of the Receiver dated June 7, 2021 (the “**First Report**”), following its appointment, the Receiver reviewed statements in respect of Altmore’s bank account (the “**Altmore Account**”). The Altmore Account statements indicate a number of related party transactions including transfers to, and payments made for the benefit of, McSevney, Christie Ward-McSevney, Elaine McSevney, ACI and IMAI. A copy of the First Report is attached hereto (without appendices) as **Appendix “F”**.

18. Mr. McSevney failed to provide any documentation or other verifiable information with respect to Altmore, its financial condition or any mortgage investments it made, and ceased communicating with the Receiver shortly after the issuance of the Interim Receivership Order.

19. Accordingly, pursuant to the Order of the Honourable Mr. Justice Dunphy dated June 9, 2021 (the “**June 9th Order**”) the Receiver was appointed over McSevney, ACI and IMAI. A copy of the June 9th Order is attached hereto as **Appendix “G”**.

D. Discharge of Receiver

20. As set out in the Second Report of the Receiver dated June 23, 2021 (the “**Second Report**”), McSevney failed to comply with his obligations under the Interim Receivership Order

or the June 9th Order. In particular, he failed to provide any documentation related to the business of Altmore or any mortgage investments. A copy of the Second Report is attached hereto (without appendices) as **Appendix “H”**.

21. The Receiver also made numerous inquiries and demands for information and documents to William Alexander Kyle, who acted as counsel to McSevney, Altmore and certain affiliates and related parties. However, Mr. Kyle failed to provide any meaningful information or documents to the Receiver.

22. However, due to the lack of funding available to continue the receivership proceeding or any further investigations, pursuant to the Order of the Honourable Madam Justice Conway dated June 25, 2021 (the “**June 25th Order**”), the Receiver was discharged. A copy of the June 25th Order is attached hereto as **Appendix “I”**.

E. Re-Appointment of Receiver

23. Following the issuance of the June 25th Order, the Receivership Applicants secured funding to continue the investigation into the business and affairs of the Receivership Debtors, and obtained the Receivership Order re-appointing BDO as Receiver and authorizing it to make assignments in bankruptcy in respect of any of the Receivership Debtors.

24. Pursuant to section 21 of the Receivership Order, the Court specifically directed that McSevney: “...assist and cooperate with the trustee in bankruptcy... including in the preparation of the statement of affairs and other statutory documents.”

25. On November 8, 2021, immediately upon the issuance of the Receivership Order, the Receiver sent an email to McSevney at ian@mcsevney.com advising him of the re-appointment

of the Receiver. Included as an attachment to this email was an information request checklist (the “**Information Request**”), containing a list of information requests in respect of McSevney’s personal financial affairs and Altmore. A copy of the email dated November 8, 2021, together with the attachments, is attached hereto as **Appendix “J”**.

26. McSevney responded to the Receiver on November 12, 2021 from ian@mcsevney.com, stating, *inter alia*, that he would provide the requested information. This is the last time BDO has had any communication from McSevney. A copy of the November 12th email from McSevney is attached hereto as **Appendix “K”**.

27. The Receiver sent a follow up email to McSevney on November 12, 2021, again requesting information on McSevney and Altmore, and advising McSevney of the duties of a bankrupt as set out in the BIA. McSevney did not respond to this email.

F. Bankruptcy Assignments

28. The Receiver worked with the OR to make the assignments in respect of McSevney and Altmore despite their lack of participation or cooperation, and on November 18, 2021 the assignments were completed. Attached hereto as **Appendices “L”** and **“M”** are copies of the Notices of Bankruptcy and First Meeting of Creditors in respect of McSevney and Altmore, respectively (the “**Bankruptcy Notices**”).

G. First Meeting of Creditors

29. In accordance with the Bankruptcy Notices, the First Meetings of Creditors in respect of McSevney and Altmore (the “**First Meetings**”) were held consecutively on December 7, 2021 and were chaired by the OR. Neither McSevney nor any representative of Altmore attended.

30. Mark Amello, one of the Receivership Applicants, was appointed as an inspector in the estates of both of the Bankrupts.

31. Immediately after the adjournment of the First Meetings, the first meeting of inspectors was held wherein the Trustee was instructed to refer McSevney to the Debtor Compliance Referral Program operated by the OSB. The Trustee promptly notified the OSB of the referral.

V. PRELIMINARY RESULTS OF INVESTIGATION

A. Efforts to Locate Property & Obtain Information

32. As noted above, neither the Receivership Debtors nor their legal counsel have provided any meaningful information, documents or other assistance to the Receiver, in violation of the Receivership Order (as well as their obligations to the Trustee under the BIA). Consequently, the Receiver's efforts to investigate their business and affairs have relied upon bank statements and other documents and information from investors and other third parties as well as publicly-available government records.

33. As set out in the Second Report (attached hereto, without exhibits, as Appendix "H"), at the time of its discharge pursuant to the June 25th Order, the Receiver was not aware of any significant asset under administration other than a residence located at Unit 17, 81 Valridge Drive, Ancaster, Ontario (the "**Unit 17 Property**"), registered in the names of Ian McSevney and his spouse, Christie Ward-McSevney. A copy of the Parcel Register dated January 21, 2022 in respect of the Unit 17 Property is attached as **Appendix "N"**.

34. Pursuant to the June 25th Order, the Receiver has registered a charge against the Unit 17 Property in order to, among other things, secure its unpaid fees and disbursements.

B. Rental of Unit 17 Property

35. On December 12, 2021, a representative of the Trustee attended the Unit 17 Property at 81 Valridge Drive in an effort to locate McSevney. The Trustee's representative learned that McSevney and his spouse did not reside in the Unit 17 Property. In fact, the Unit 17 Property had a third-party tenant, Ms. Gilda Savelli, residing in it.

36. Ms. Savelli had been paying rent to McSevney. The Trustee has made arrangements with her to have all future rents paid to the Trustee. Accordingly, the tenant mailed three post-dated cheques to the Trustee.

37. On January 18, 2022, the Unit 17 Property tenant advised the Trustee that she had secured new lodgings effective February 2, 2022. As such, the Unit 17 Property will be vacant as of that date. As set out below, the Receiver seeks an Order authorizing it to take possession of the Unit 17 Property effective upon the tenant's departure for the purpose of conducting a sale process and completing a sale.

38. The tenant has also confirmed to the Trustee that she has recently received a text message(s) from McSevney using the last known phone number that the Trustee has on file for McSevney.

C. Unit 9 Property

39. In the course of learning that a third-party tenant resided at the Unit 17 Property, the Trustee also learned that McSevney had in fact been residing in Unit 9 at 81 Valridge Drive (the "**Unit 9 Property**") but had moved out in or about early December.

40. The Trustee conducted a search in respect of the Unit 9 Property and learned that it was owned by 12195585 Canada Inc. (“**12195585**”), a corporation controlled by Elaine McSevney, whom the Trustee understands is Ian McSevney’s sister. Attached hereto as **Appendices “O”** and **“P”**, respectively, are copies of a Parcel Register dated January 12, 2022 in respect of the Unit 9 Property (the **“Unit 9 Parcel Register”**) and corporate search results dated December 10, 2022 in respect of 12195585.

41. The Unit 9 Parcel Register indicates that McSevney acquired the Unit 9 Property on November 1, 2016 and sold it to 12195585 for \$530,000 on August 4, 2020. As noted above, the Trustee understands that, notwithstanding the sale, McSevney continued to reside at the Unit 9 Property until the week prior to December 12, 2021.

42. The Unit 9 Parcel Register indicates that 12195585 sold the Unit 9 Property to Nathan Andrews and Vera Andrews on December 20, 2021 for a purchase price of \$700,000 (the **“December 2021 Sale”**).

D. Examination of Elaine McSevney

43. For various reasons including the fact that McSevney had continued to live in the Unit 9 Property following its sale to 12195585 in August 2020 as well as the sharp increase in value in a little over a year, the Receiver was concerned that McSevney had retained some form of interest in the Unit 9 Property that survived the sale to 12195585 and thus had an interest in the proceeds of the December 2021 Sale.

44. By letter from its counsel dated January 13, 2022 (delivered by email), the Receiver advised Elaine McSevney of its concerns and demanded that she, among other things: (i) deliver

any Records to the Receiver; and (ii) freeze any proceeds of the sale of the Unit 9 Property in which Ian McSevney has an interest.

45. The Receiver's letter to Elaine McSevney dated January 13, 2022 enclosed a Notice of Examination from the Trustee, requiring that Ms. McSevney attend an examination pursuant to section 163(1) of the BIA on January 20, 2022. Copies of the email, cover letter and Notice of Examination are attached hereto as **Appendix "Q"**.

46. By email dated January 18, 2022, counsel to the Trustee delivered to Ms. McSevney a brief of documents upon which it intended to rely at her examination. A copy of the email from Trustee's counsel to Ms. McSevney and the document brief are attached hereto as **Appendix "R"**.

47. During the evening of January 18, 2022, Elaine McSevney sent an email to the Trustee's counsel suggesting that she had until that time been unaware of the examination and would not attend. The Trustee's counsel advised that it would attend and obtain a Certificate of Non-Attendance in the event Ms. McSevney failed to attend. A copy of the email chain between Trustee's counsel and Ms. McSevney dated January 18, 2022 is attached hereto as **Appendix "S"**.

48. On January 19, 2022, Elaine McSevney failed to attend the examination. A copy of the Certificate of Non-Attendance dated January 19, 2022 in respect of Ms. McSevney is attached hereto as **Appendix "T"**. However, on January 20, 2022, Elaine McSevney confirmed that she would attend an examination on Monday January 24, 2020 at 2:00 pm. The Trustee delivered a revised Notice of Examination for that date.

49. On Monday January 24, 2022 the Trustee examined Elaine McSevney pursuant to section 163(1). Ms. McSevney did not produce the documents requested in the Notice of Examination at that time and undertook to do so.

VI. CONTEMPT ORDERS

A. Continuing Disregard for Receivership Order & BIA

50. Ian Ross McSevney and William Alexander “Alex” Kyle are in continuing breach of their obligations under the Receivership Order and the BIA. The Receiver is of the view that it is unlikely that either of these individuals will comply with such obligations without significant further assistance from the Court including the issuance of Contempt Orders against them.

B. William Alexander Kyle

51. As noted above, Kyle is a lawyer and member of the Law Society of Ontario (the “LSO”), and practices under the business name “Kyle & Associates”. Attached hereto as **Appendix “U”** is a copy of Kyle’s listing on the LSO website.

52. Kyle acted as counsel to McSevney, Altmore and their affiliates. Kyle also acted for members of McSevney’s family, including his sister Elaine McSevney.

C. Kyle’s Continuing Breach of the Receivership Order

53. Following the issuance of the Interim Receivership Order, the Receiver identified ten (10) transfers in the aggregate amount of \$343,801.56 from Altmore’s bank account to Kyle & Associates. By letter to Kyle dated June 2, 2021, the Receiver identified the transfers and requested information and documents with respect to same, among other things. A copy of the letter from the Receiver’s counsel dated June 2, 2021 is attached hereto as **Appendix “V”**.

54. By telephone call with Receiver's counsel on June 3, 2021, Kyle advised that the records relevant to the transfers described above had been placed into offsite long term storage. The Receiver requested that Kyle retrieve and forward such records to the Receiver. Kyle agreed to deliver the records and advised that retrieval from storage would take approximately one week.

55. However, Kyle did not deliver the records. On June 16, 2021, the Receiver's counsel sent an email to Kyle reiterating the request. On June 21, 2021, the Receiver's counsel sent a second follow up email to Kyle. Copies of the Receiver's emails to Mr. Kyle dated June 16, 2021 and June 21, 2021 are attached hereto as **Appendices "W"** and **"X"**, respectively.

56. As noted above, the Receiver was discharged pursuant to the June 25th Order. Kyle did not deliver a single document to the Receiver prior to its discharge.

57. Following its re-appointment on November 8, 2021, the Receiver renewed its request to Mr. Kyle for the Records. Counsel for the Receiver sent Kyle a letter by email and registered mail dated November 10, 2021. A copy of this letter is attached hereto as **Appendix "Y"**.

58. Kyle responded to Receiver's counsel by telephone on November 16, 2021 and confirmed that he would provide the documents requested in the November 10th letter and that he would, further, contact McSevney to seek his waiver of solicitor-client privilege.

59. On December 2, 2021, Kyle's legal assistant wrote to Receiver's counsel advising that the requested records were being retrieved from storage, which usually takes five (5) business days. A copy of the email is attached hereto as **Appendix "Z"**. As there was no further communication from Kyle's office in this regard as of December 17, 2021, Receiver's counsel again wrote to Kyle requesting the outstanding information along with records related to Kyle's handling of

McSevney's sale of the Unit 9 Property to 12195585 in August of 2020. A copy of the December 17th letter is attached hereto as **Appendix "AA"**. As of the date of this Third Report Kyle has not responded to the December 17th letter.

60. As of the date of this Third Report, Kyle has failed to deliver a single document to the Receiver and has ceased acknowledging or responding to email correspondence from the Receiver.

61. As noted above, in early January 2022 the Receiver learned that 12195585 (*ie*, Elaine McSevney's company) had recently sold the Unit 9 Property. In addition to his representation of McSevney and Altmore, Kyle acted for 12195585 in both the purchase of the Unit 9 Property from McSevney in August 2020 and its sale in December 2021.

62. As noted at paragraph 43 above, the Trustee was concerned that McSevney had an interest in the proceeds of the December 2021 Sale. By letter from its counsel dated January 13, 2022 (delivered by email), the Receiver advised Kyle of its concerns and demanded that Kyle, among other things: (i) deliver the Records to the Receiver by no later than Monday January 17, 2022 (including, in particular, those related to the Unit 9 Property and sale); and (ii) freeze any proceeds of the sale of the Unit 9 Property in which McSevney has interest.

D. Kyle's Failure to Attend s.163 Examination

63. The Receiver's letter to Kyle dated January 13, 2022 enclosed a Notice of Examination from the Trustee, requiring that Kyle attend an examination pursuant to section 163(1) of the BIA on January 20, 2022. Copies of the email, cover letter and Notice of Examination are attached hereto as **Appendix "BB"**.

64. By email dated January 19, 2022, counsel to the Trustee delivered to Kyle a brief of documents upon which it intended to rely at his examination. A copy of the email from Trustee's counsel to Kyle and the document brief are attached hereto as **Appendix "CC"**.

65. On January 20, 2022, Kyle failed to attend the examination. A copy of the Certificate of Non-Attendance dated January 20, 2022 in respect of Kyle is attached hereto as **Appendix "DD"**.

E. Ian McSevney's Continuing Breach of the Receivership Order

66. Following the issuance of the Interim Receivership Order, the Receiver contacted McSevney in order to obtain information and records, among other things. McSevney was initially responsive and agreed to deliver the requested information and records as soon as possible.

67. However, McSevney quickly became uncooperative and non-responsive, as reported in the First Report and the Second Report.

68. As noted above, the Receiver was discharged pursuant to the June 25th Order. McSevney did not deliver a single document to the Receiver prior to its discharge.

69. Following its re-appointment on November 8, 2021, the Receiver renewed its request to McSevney for the Records. The Receiver also advised McSevney of his obligation to assist the Receiver in connection with the bankruptcy assignments, but McSevney failed to provide any assistance whatsoever in that regard.

70. As of the date of this Third Report, McSevney has failed to deliver a single page of the Records to the Receiver, and in fact has ceased acknowledging or responding to email correspondence or voicemail messages from the Receiver. McSevney is in deliberate, flagrant and

continuing breach of the Receivership Order, to the ongoing and mounting detriment of his creditors.

71. Despite the Receivership Order's express direction that McSevney assist the Trustee in its administration of the estates of the Bankrupts, McSevney has also disregarded his statutory duties under the BIA, including:

- (a) Failing to attend the First Meeting of Creditors in respect of his own bankruptcy as well as that of Almore in his capacity as an officer;
- (b) Failing to advise the Trustee of any of his assets and liabilities, which may include his interest in the Unit 9 Property;
- (c) Failing to disclose and misappropriating rental proceeds from the Unit 17 Property;
and
- (d) Failing to keep the Trustee advised of his current place of residence.

F. Need for Contempt Orders

72. Messrs. McSevney and Kyle are in continuing breach of their obligations under the Receivership Order and the BIA. Among other things, despite multiple written requests, neither McSevney nor Kyle has delivered a single Record to the Receiver, and McSevney has failed to comply with any of his duties as a bankrupt including those under section 158 of the BIA.

73. The Receiver is unable to complete its investigation and mandate under the Receivership Order without the Records and the assistance of McSevney and Kyle. However, it appears highly unlikely that either of them is prepared to comply with such obligations at this time.

74. Consequently, the Receiver seeks, among other things, the issuance of Contempt Orders against McSevney and Kyle in order to enforce the Receivership Orders.

75. In addition to the Contempt Order in respect of Kyle, the Receiver seeks an Order authorizing it to attend at the business premises of Kyle & Associates located at Unit 16-760 Pacific Road, Oakville, Ontario, L6L 6M5 (the “**Kyle Premises**”) and to take such steps as are necessary or advisable for the purpose of locating, identifying and securing the Records, at Kyle’s expense. The Receiver also seeks the costs of the Motion for the Contempt Order against Kyle personally.

VII. SALE OF THE UNIT 17 PROPERTY

A. Request for Sale of Unit 17 Property

76. The Receiver seeks an Order authorizing it to market and sell the Unit 17 Property in accordance with the *Partition Act* or otherwise.

77. As set out in the Parcel Register in respect of the Unit 17 Property (previously attached as Appendix “N”), title to the Unit 17 Property is registered in the name of McSevney and Christie Ward-McSevney, but they do not currently reside there, and the unit will be vacant effective February 2, 2022 following the departure of the current tenant.

78. McSevney’s interest in the Unit 17 Property has vested in the Trustee, subject to the relief that the Receiver is now seeking. As noted at paragraph 34 above, the Receiver has registered a charge against the Unit 17 Property. At this time, McSevney’s interest in the Unit 17 Property appears to be the sole significant asset in the bankruptcy estate.

B. Ms. Ward-McSevney's Interest

79. Ms. Ward-McSevney is neither a bankrupt nor a respondent in the Receivership Proceeding. However, it does appear that the Receiver has a potential claim against Ms. Ward-McSevney. Among other things, as set out in the Second Report, the Receiver identified a payment made in March 2018 in the amount of \$50,000 from Altmore's bank account to a tax-free savings account (the "TFSA") at Canaccord Genuity in the name of Christie Ward-McSevney. The Receiver is not aware of any legitimate purpose for such transfer. Unfortunately, by January 31, 2019 all funds had been withdrawn from Ms. Ward-McSevney's TFSA.

80. The Trustee proposes to hold 50 percent of the net sale proceeds of the Unit 17 Property in trust pending a determination as to Ms. Ward-McSevney's entitlement.

VIII. OTHER MATTERS

A. Website & Email Account

81. The Receiver maintains a public website at the following URL: <https://www.bdo.ca/en-ca/extranets/altmore-mortgage-investment-corporation/> (the "Website"), where it regularly posts information related to this proceeding including Court Reports, motion materials and Orders issued in these proceedings. The Website is up to date and contains all relevant information related to the status of this proceeding.

IX. CONCLUSION

82. The Receiver has prepared this Third Report in support of the relief sought in its Notice of Motion returnable February 1, 2022, including Orders substantially in the form attached as Schedules "A" and "B" thereto, among other things:

- (a) Approving the activities and conduct of the Receiver (and Trustee) as disclosed in this Third Report;
- (b) Declaring that McSevney and Kyle are in contempt of the Receivership Order;;
- (c) Directing McSevney and Kyle to deliver to the Receiver copies of all Records in either of their possession or control by no later than 5:00 pm EST on February 4, 2022;
- (d) Authorizing the Receiver to attend at the Kyle Premises and to take such steps as are necessary or advisable for the purpose of locating, identifying and securing the Records, at Kyle's expense;
- (e) Directing all Persons to provide assistance to the Receiver in exercising its authority pursuant to subsection (d) above;
- (f) Directing that Kyle and McSevney each attend an examination under oath by (i) the Receiver pursuant to the Receivership Order, and (ii) the Trustee pursuant to section 163(1) of the BIA, by no later than Friday February 11, 2022, and
- (g) Authorizing the Receiver and Trustee to conduct such examinations jointly;
- (h) Authorizing the use of the transcripts of such examinations in both the Receivership Proceeding and the Bankruptcy Proceedings;
- (i) Authorizing the Receiver to market and sell the Unit 17 Property, and directing the Receiver to hold 50 percent of the net proceeds of sale in trust pending further Court Order; and

- (j) Such further direction as the Court considers appropriate.

All of which is respectfully submitted at Toronto, Ontario this 26th day of January, 2022.

BDO Canada Limited
in its capacity as Court-Appointed Receiver of
Altmore Mortgage Investment Corporation and
Ian Ross McSevney and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to read "Clark Lonergan". The signature is written in a cursive, flowing style.

Clark Lonergan, CPA, CA, CIRP, LIT
Senior Vice -President

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

Proceeding commenced at Toronto

**THIRD REPORT OF THE RECEIVER
(JANUARY 26, 2022)**

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APPENDIX J

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

THE HONOURABLE)
)
JUSTICE CAVANAGH)
MONDAY THE 11th
DAY OF APRIL 2022

B E T W E E N :

MONICA MATTA and MARK AMELLO

Applicants

-and-

ALTMORE MORTGAGE INVESTMENT CORPORATION

Respondent

*APPLICATION UNDER SECTION 248(3) OF THE BUSINESS CORPORATIONS ACT
(ONTARIO) AND SECTION 101 OF THE COURTS OF JUSTICE ACT (ONTARIO)*

ORDER

THIS MOTION, made by BDO Canada Limited in its capacity as receiver (in such capacity, the “**Receiver**”) of Altmort Mortgage Investment Corporation, Altmort Capital Inc., Independent Mortgage Advisors Inc. and Ian Ross McSevney (“**McSevney**”) for an Order pursuant to section 248(3) of the *Business Corporations Act (Ontario)*, R.S.O 1990, c. B.16, as amended and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C. 43, as amended, was heard this day by Zoom video conference.

ON READING Third Report of the Receiver dated January 26, 2022 (the “**Third Report**”), the Supplementary Third Report dated April 8, 2022 (the “**Supplementary Third Report**”), the Endorsement of Justice Conway dated February 3, 2022, and on being satisfied that Mr. McSevney received the Motion Record of the Receiver dated January 26, 2022 as appears from the affidavit of service of Shallon Garrafa sworn April 8, 2022.

SERVICE

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

CONTEMPT AND SCHEDULING OF PENALTY HEARING

2. THIS COURT ORDERS that McSevney is hereby declared to be in breach of the Order of Justice Conway dated November 8, 2021 and is in contempt of this Court.

3. THIS COURT ORDERS and directs that a hearing as to the applicable penalty for the above-noted contempt be scheduled for May 3, 2022 at 12:00pm.

COSTS OF MOTION

4. THIS COURT ORDERS that the Receiver shall have its costs of this motion as against McSevney on a full indemnity basis.

MONICA MATTA et al.
Applicants and

**ALTMORE MORTGAGE INVESTMENT
CORPORATION**
Respondent

Court File No.: CV-21-00662471-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE -
COMMERCIAL LIST
Proceeding commenced at TORONTO

ORDER

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APPENDIX K

LAND
REGISTRY
OFFICE #62

18323-0007 (LT)

PAGE 1 OF 4
PREPARED FOR Rebecca01
ON 2022/01/21 AT 09:15:25

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

PROPERTY DESCRIPTION: UNIT 7, LEVEL 1, WENTWORTH CONDOMINIUM PLAN NO. 323 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT BLK 87 PL 62M881; ANCASTER, PARTS 32, 33, 34, 35, 36, 37, 40, 41, 42, 43, 44, 45, 46, 52, 53, 54, 55, 56, 57, 58, 59, 63 AND 64 ON 62R15871; S/T AN EASEMENT OVER PART 1 ON 62R13618 AS IN LT420910; S/T AN EASEMENT OVER PART 1 ON 62R13618 AS IN LT420921; S/T AND T/W THE VARIOUS EASEMENTS AS IN WE44885; HAMILTON.

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
ABSOLUTE

RECENTLY:

CONDOMINIUM FROM 17417-0698

PIN CREATION DATE:

2001/07/10

OWNERS' NAMES

MCSEVNEY, IAN
WARD-MCSEVNEY, CHRISTIE

CAPACITY SHARE

JTEN
JTEN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2001/07/10 **						
62R13618	1995/11/30	PLAN REFERENCE				C
LT396988	1996/01/05	NOTICE		*** DELETED AGAINST THIS PROPERTY ***	THE CORPORATION OF THE TOWN OF ANCASTER	
LT420910	1996/09/25	TRANSFER EASEMENT		JERSEYVILLE FARMS LIMITED	THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH	C
		REMARKS: PART 1 ON 62R-13618				
LT420921	1996/09/25	TRANSFER EASEMENT		JERSEYVILLE FARMS LIMITED	THE CORPORATION OF THE TOWN OF ANCASTER	C
		REMARKS: PART 1 ON 62R-13618				
62M881	1999/06/11	PLAN SUBDIVISION				C
LT557176	1999/06/22	NO SUB AGREEMENT		*** DELETED AGAINST THIS PROPERTY *** JERSEYVILLE FARMS LIMITED	THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH	
		REMARKS: RE: LOTS 1 TO 86: BLOCKS 87,88,89,93,94. SECONDLY LANDS/ DELETED BY WE592334 (ON 2013/12/02 CH)				
LT557187	1999/06/22	NO SUB AGREEMENT		JERSEYVILLE FARMS LIMITED	THE CORPORATION OF THE TOWN OF ANCASTER	C
		REMARKS: RE: LOTS 1 TO 86: BLOCKS 87,88,89,93 AND 94. SECONDLY LANDS				
LT559677	1999/07/05	TRANSFER		*** DELETED AGAINST THIS PROPERTY *** JERSEYVILLE FARMS LIMITED	STARWARD HOMES LIMITED	
		REMARKS: PLANNING ACT STATEMENT				
LT559678	1999/07/05	CHARGE		*** DELETED AGAINST THIS PROPERTY *** STARWARD HOMES LIMITED	JERSEYVILLE FARMS LIMITED FRACARSAN CORPORATION	
LT574110	1999/10/13	NOTICE AGREEMENT		STARWARD HOMES LIMITED	THE CORPORATION OF THE TOWN OF ANCASTER	C

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
LT579153	1999/11/18	CHARGE		*** DELETED AGAINST THIS PROPERTY *** STARWARD HOMES LIMITED	THE TORONTO-DOMINION BANK	
LT609916	2000/07/14	TRANSFER OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** JERSEYVILLE FARMS LIMITED	GLENRIO FINANCING LIMITED	
		REMARKS: DELETED BY WE79840 2012/12/13 C.J.				
WE19791	2001/01/05	NOTICE AGREEMENT		THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH	STARWARD HOMES LIMITED	C
		REMARKS: JOINT SERVICE				
62R15871	2001/06/13	PLAN REFERENCE				C
		REMARKS: PARTS 2, 3, 4, 13, 14, 15, 19, 21, 27, 35, 36, 42, 43, 44, 46, 47, 49, 50, 51, 52, 53, 58, 64, 65, 66 AND 67 S/T EASEMENT IN LT420910 AND LT420921. PART 9 S/T EASEMENT IN LT547735.				
WE44885	2001/07/09	DECLARATION CONDO		STARWARD HOMES LIMITED		C
WCP323	2001/07/09	PLAN CONDOMINIUM				C
WE46305	2001/07/19	CONDO BYLAW/98		WENTWORTH CONDOMINIUM CORPORATION NO. 323		C
		REMARKS: NO. 1				
WE46306	2001/07/19	CONDO BYLAW/98		WENTWORTH CONDOMINIUM CORPORATION NO. 323		C
		REMARKS: NO. 2				
WE46307	2001/07/19	CONDO BYLAW/98		WENTWORTH CONDOMINIUM CORPORATION NO. 323		C
		REMARKS: NO.3				
WE46308	2001/07/19	CONDO BYLAW/98		WENTWORTH CONDOMINIUM CORPORATION NO. 323		C
		REMARKS: NO.4				
WE46309	2001/07/19	CONDO BYLAW/98		WENTWORTH CONDOMINIUM CORPORATION NO. 323		C
		REMARKS: NO.5				
WE49810	2001/08/08	NOTICE		WENTWORTH CONDOMINIUM CORPORATION NO. 323	STARWARD HOMES LIMITED	C
WE50901	2001/08/15	TRANSFER		*** COMPLETELY DELETED *** STARWARD HOMES LIMITED	SMIBERT, BARBARA	
WE50958	2001/08/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** FRACARSAN CORPORATION GLENRIO FINANCING LIMITED		
		REMARKS: RE: LT559678				

LAND
REGISTRY
OFFICE #62

18323-0007 (LT)

PREPARED FOR Rebecca01
ON 2022/01/21 AT 09:15:25

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
WE50963	2001/08/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
	REMARKS: RE: LT579153					
WE99654	2002/06/13	CHARGE		*** COMPLETELY DELETED *** SMIBERT, BARBARA	CANADIAN IMPERIAL BANK OF COMMERCE	
WE173292	2003/07/21	NO CHNG ADDR CONDO		WENTWORTH CONDOMINIUM CORPORATION NO. 323		C
WE307661	2005/05/06	CONDO BYLAW/98		WENTWORTH CONDOMINIUM CORPORATION NO. 323		C
	REMARKS: BY-LAW NO. 6					
WE307801	2005/05/06	NOTICE		WENTWORTH CONDOMINIUM CORPORATION NO. 323		C
WE347690	2005/10/27	CHARGE		*** COMPLETELY DELETED *** SMIBERT, BARBARA	CANADIAN IMPERIAL BANK OF COMMERCE	
WE347691	2005/10/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADIAN IMPERIAL BANK OF COMMERCE		
	REMARKS: RE: WE99654					
WE380168	2006/03/27	CHARGE		*** COMPLETELY DELETED *** SMIBERT, BARBARA	THE TORONTO-DOMINION BANK	
WE381571	2006/03/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADIAN IMPERIAL BANK OF COMMERCE		
	REMARKS: RE: WE347690					
WE592335	2008/12/01	NO COMPL SUB AGR		*** COMPLETELY DELETED ***	CITY OF HAMILTON	
	REMARKS: RE: LT557176					
WE592339	2008/12/01	DISCHARGE INTEREST		*** COMPLETELY DELETED ***	CITY OF HAMILTON	
	REMARKS: RE: LT396988					
WE1176623	2017/01/04	NOTICE	\$2	WENTWORTH STANDARD CONDOMINIUM CORPORATION NO. 339		C
WE1208937	2017/05/30	NO SEC INTEREST		*** COMPLETELY DELETED *** 2035881 ONTARIO INC.		
WE1276178	2018/03/29	TRANSFER	\$429,900	SMIBERT, BARBARA	MCSEVNEY, IAN	C

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
WE1276179	2018/03/29	CHARGE	\$429,900	MCSEVNEY, IAN WARD-MCSEVNEY, CHRISTIE	WARD-MCSEVNEY, CHRISTIE TANGERINE BANK	C
WE1282679	2018/05/04	DISCH OF CHARGE <i>REMARKS: WE380168.</i>		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
WE1282762	2018/05/07	DISCHARGE INTEREST <i>REMARKS: WE1208937.</i>		*** COMPLETELY DELETED *** 2035881 ONTARIO INC.		
WE1397808	2019/11/27	CONDO LIEN/98		*** COMPLETELY DELETED *** WENTWORTH CONDOMINIUM CORPORATION NO. 323		
WE1444125	2020/07/27	DIS CONDO LIEN <i>REMARKS: WE1397808.</i>		*** COMPLETELY DELETED *** WENTWORTH CONDOMINIUM CORPORATION NO. 323		
WE1519911	2021/06/11	APL COURT ORDER <i>REMARKS: APPOINTING A RECEIVER</i>		ONTARIO SUPERIOR COURT OF JUSTICE	BDO CANADA LIMITED	C
WE1524300	2021/06/28	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	BDO CANADA LIMITED	C
WE1540279	2021/08/24	CERTIFICATE <i>REMARKS: TAX ARREARS</i>		*** COMPLETELY DELETED *** CITY OF HAMILTON		
WE1547947	2021/09/22	APL (GENERAL) <i>REMARKS: WE1540279</i>		*** COMPLETELY DELETED *** CITY OF HAMILTON		

APPENDIX L

Court File No.: 32-2783327 and 32-2783328
Estate File Nos. 32-2783327 and 32-2783328

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE BANKRUPTCY OF IAN ROSS MCSEVNEY, an individual
residing in the Town of Ancaster in the Province of Ontario

AND IN THE MATTER OF THE BANKRUPTCY OF ALTMORE MORTGAGE
INVESTMENT CORPORATION, a corporation established under the laws of the Province of
Ontario and carrying on business in the City of Toronto in the Province of Ontario

ACKNOWLEDGMENT AND CONSENT

WHEREAS on November 8, 2021, BDO Canada Limited ("**BDO**") was appointed as receiver (in such capacity, the "**Receiver**") over Altmore Mortgage Investment Corporation ("**Altmore**"), Altmore Capital Inc. ("**ACI**"), Independent Mortgage Advisors Inc. ("**IMAI**") and Ian Ross McSevney ("**McSevney**") (collectively, the "**Receivership Debtors**") pursuant to section 248(1) of the Business Corporations Act, R.S.O. 1990, c. B.16, as amended (the "**OBCA**") and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended (the "**CJA**").

AND WHEREAS on November 18, 2021, the Receiver commenced bankruptcy proceedings by filing assignments in bankruptcy in respect of Altmore and McSevney (the "**Bankrupts**") and BDO was appointed as trustee (in such capacity, the "**Trustee**") of the Bankrupts.

AND WHEREAS the Trustee intends to sell the property located at Unit 17 – 81 Valridge Drive, Ancaster, Ontario (the "**Property**"), which is registered in the names of Ian McSevney and Christie Ward-McSevney.

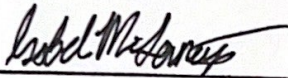
NOW THEREFORE, FOR VALUABLE AND SUFFICIENT CONSIDERATION
the undersigned hereby:

- a) agrees and consents to the marketing, listing, and sale of the Property by the Trustee;
- b) acknowledges, understands and confirms that following a sale of the Property, the Trustee will hold the proceeds of the sale (net of all costs, including commissions, fees, and all applicable taxes and withholdings) pending direction from the Ontario Superior Court of Justice (In Bankruptcy and Insolvency) for direction regarding distribution;

- c) confirms that she has had an adequate opportunity to read and consider this Acknowledgment and Consent and to obtain such legal and such other advice as she considers advisable;
- d) confirms that she understands the meaning of the terms of this Acknowledgment and Consent and the consequences of signing same; and
- e) confirms that she is signing this Acknowledgment and Consent voluntarily, without coercion and without reliance on any representation, expressed or implied.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the undersigned sets their hand and seal this 23 day of February 2022.



Witness: Isobel Mc Servey



Name: CHRISTIE WARD-MCSEVNEY

APPENDIX M

Listing Agreement
Seller Representation Agreement
Authority to Offer for Sale

This is a Multiple Listing Service® Agreement OR Exclusive Listing Agreement
(MLS logo) (Seller's Initials) (Seller's Initials)

BETWEEN: BROKERAGE: Royal LePage Burloak Real Estate Services Brokerage

3060 Mainway suite #200 Burlington ON L7M1A3 (the "Listing Brokerage") Tel. No. 9053353042

SELLER: BDO Canada Limited, Trustee of the Estate of Ian McSevney, a bankrupt. & WARD-MCSEVNEY, CHRISTIE (the "Seller")

In consideration of the Listing Brokerage listing the real property for sale known as 81 Valridge 17 Ancaster ON L9G5B6 (the "Property")

the Seller hereby gives the Listing Brokerage the exclusive and irrevocable right to act as the Seller's agent, commencing at 12:01 a.m. on the 1 day of March 2022, until 11:59 p.m. on the 2 day of May 2022 (the "Listing Period")

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act, 2002, (REBBA), if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials. (Seller's Initials)

to offer the Property for sale at a price of: Dollars (CDN\$) 749,900.00 Seven Hundred Forty-Nine Thousand Nine Hundred Dollars

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the Property. (Seller's Initials)

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"): "Seller" includes vendor, a "buyer" includes a purchaser, or a prospective purchaser. A "real estate board" includes a real estate association. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property, the Seller agrees to pay the Listing Brokerage a commission of 4 +HST % of the sale price of the Property or 2 +HST % of the sale price of the Property or out of the commission the Seller pays the Listing Brokerage.

The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on the Seller's behalf within 90 days after the expiration of the Listing Period (Holdover Period), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period, and provided the sale is complete. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amount be paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

All amounts set out as commission are to be paid plus applicable taxes on such commission.

INITIALS OF LISTING BROKERAGE: SCA INITIALS OF SELLER(S): (Seller's Initials)

Session id: c688baf6-c615-421d-9c66f-753959f44ca3

3. REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service.

The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage listing other properties that may be similar to the Seller's Property without any claim by the Seller of conflict of interest. The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage, said commission to be disbursed in accordance with the Commission Trust Agreement.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practicable opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understands and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

4. FINDERS FEES: The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the Commission as described above.

5. REFERRAL OF ENQUIRIES: The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period, the Seller agrees to pay the Listing Brokerage the amount of Commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.

6. MARKETING: The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property for sale during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.

7. WARRANTY: The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.

8. INDEMNIFICATION AND INSURANCE: The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the Commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement and, if attached, the accompanying data form. The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.

9. FAMILY LAW ACT: The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.

10. VERIFICATION OF INFORMATION: The Seller authorizes the Listing Brokerage to obtain any information affecting the Property from any regulatory authorities, governments, mortgagees or others and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.

11. USE AND DISTRIBUTION OF INFORMATION: The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of

INITIALS OF LISTING BROKERAGE:

SCA

INITIALS OF SELLER(S):

CW

Session Id: de89baf6-c615-421d-9c66f-753595d44ca9

CGN
SCA

the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. ~~The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid.~~ The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may: during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.


In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

Does Does Not

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.

- 12. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
- 13. CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between the Seller and the Listing Brokerage. There is no representation, warranty, collateral agreement or condition which affects this Agreement other than as expressed herein.
- 14. ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
- 15. ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time.
- 16. SCHEDULE(S):** **A and B** and data form attached hereto form(s) part of this Agreement.


THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.


Feb 28, 2022, 03:10 PM EST
Stephanie Alexander-Jones
(Authorized to bind the Listing Brokerage) (Date) (Name of Person Signing)

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME, I ACCEPT THE TERMS OF THIS AGREEMENT AND I ACKNOWLEDGE ON THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:


Feb 28, 2022, 03:24 PM EST
(Signature of Seller) (Date)


Feb 28, 2022, 07:19 PM EST
(Signature of Seller) (Date)


SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

(Spouse) (Seal) (Date) (Tel. No.)

DECLARATION OF INSURANCE


The Salesperson/Broker/Broker of Record **Stephanie alexander-Jones**
(Name of Salesperson/Broker/Broker of Record)

hereby declares that he/she is insured as required by REBBA.


(Signature of Salesperson/Broker/Broker of Record) Stephanie Alexander-Jones

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a copy of this Agreement on the 28th day of February, 2022


Feb 28, 2022, 03:24 PM EST
(Signature of Seller) (Date)


Feb 28, 2022, 07:19 PM EST
(Signature of Seller) (Date)

Session Id: de88baf6-c615-4271-d-9c66f-753595d44ca9

SCHEDULE "A"

THIS SCHEDULE is appended to and forms part of a Listing Agreement (Seller Representation Agreement – Authority to Offer for Sale) (the "**Listing Agreement**") made between Royal LePage Burloak Real Estate Services Brokerage, as listing brokerage (the "**Brokerage**"), and BDO Canada Limited ("**BDO**"), in its capacity as licensed insolvency trustee of the estate of Ian Ross McSevney, a bankrupt, and Christie Ward-McSevney, collectively as vendors (and collectively the "**Sellers**", which term for greater certainty includes for its employees, agents, officers, directors, consultants and legal counsel).

1. Unless otherwise defined in this Schedule "A", capitalized terms shall have the meanings prescribed in the Listing Agreement.
2. It is acknowledged and agreed that in the event of any inconsistency or conflict between the Listing Agreement and this Schedule "A", this Schedule "A" shall govern.
3. For greater certainty and without limiting any provision in the Listing Agreement, the Sellers:
 - (a) Shall not be responsible for any commissions, costs, expenses or other amounts incurred by or payable to the Brokerage or any other party unless expressly approved in advance in writing by the Sellers and a sale of the Property is completed in accordance with the Listing Agreement and this Schedule "A";
 - (b) Have not made and will not be asked to make any representation or warranty with respect to the Property or any portion thereof relating to any matter whatsoever, including title, encumbrances, description, quality, fitness for any present or intended purpose or use, physical condition, state of repair, degree of maintenance, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, or any other matter whatsoever;
 - (c) Have not agreed to provide any indemnity, guarantee or similar assurances to the Brokerage, which is proceeding with the mandate contemplated in the Listing Agreement entirely at its own risk;

- (d) Make no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCBs, radium, radon or radon daughters, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance contaminants or pollutants of any environment, including the natural environment;
 - (e) Make no representation regarding the compliance of the Property with any environmental regulation, whether federal, provincial or municipal, or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory; and
 - (f) Shall not be required to proceed with any transaction that has not been approved by the inspector of the Estate of Ian Ross McSevney, a bankrupt, and Christie Ward-McSevney.
4. The Brokerage shall advise all prospective buyers that an offer to purchase the Property shall not be accepted unless, among other things, such offer includes a schedule substantially in the form attached as Schedule "B" to the Listing Agreement.
 5. Any sale of the Property shall be on an "as is, where is" basis and subject to whatever defects or deficiencies may exist at the time of closing.
 6. The Brokerage has conducted such inspections and investigations concerning the Property as the Brokerage considered appropriate and has and shall be deemed to have relied entirely on its own inspections and investigations and satisfied itself concerning all matters affecting the Property.
 7. Under no circumstances shall BDO have any personal or corporate liability whatsoever under the Listing Agreement, the Schedules thereto or any other dealings between the Sellers and the Brokerage with respect to the Property..

SCHEDULE "B"

THIS SCHEDULE forms part of an Agreement of Purchase and Sale made between _____, as purchaser (the "**Purchaser**"), and BDO Canada Limited ("**BDO**"), in its capacity as licensed insolvency trustee of the estate of Ian Ross McSevney, a bankrupt, and Christie Ward-McSevney, collectively as vendor (and collectively the "**Sellers**", which term for greater certainty includes for its employees, agents, officers, directors, consultants and legal counsel).

Authority for Sale

1. Subject to what follows, it is understood and agreed that the Sellers are selling the real property described in the attached pre-printed form together with all buildings and improvements thereon (the "**Real Property**") with BDO as Trustee of the estate of Ian Ross McSevney, a bankrupt (in such capacity, the "Trustee"), and Christie Ward-McSevney in her personal capacity. The Purchaser acknowledges that BDO is acting strictly in its capacity as Trustee and no other personal or corporate capacity.
2. It is understood by the Purchaser that the Trustee requires Inspector approval to sell its interest in the Real Property and this agreement is subject to and conditional upon approval by the sole inspector of the Estate of Ian Ross McSevney, which approval shall be immediately sought upon selection of the winning bid.

Acceptance of Interest and "As is, Where is"

3. The Purchaser shall purchase all of the Sellers' right, title and interest, if any, in and to the Real Property as they shall exist at closing without representation, warranty or condition of any kind. The Purchaser acknowledges that the Real Property is being purchased on an "as is, where is" basis and subject to whatever defects or deficiencies may exist at the time of closing. The Purchaser has conducted such inspections and investigations concerning the Real Property as the Purchaser considered appropriate and has and shall be deemed to have relied entirely on its own inspections and investigations and satisfied itself concerning all matters affecting the Real Property. The Purchaser agrees to accept the Real Property in its present state and condition. The Purchaser acknowledges and agrees that other than as provided for in paragraph 13 of this schedule, the Sellers have not made and will not

be asked to make any representation or warranty and further acknowledges that there are no conditions, or warranties, whether express or implied, statutory or non-statutory, oral or written, affecting or in any way relating to the Real Property or any portion thereof relating to any matter whatsoever, including title, encumbrances, description, quality, fitness for any present or intended purpose or use, physical condition, state of repair, degree of maintenance, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, or any other matter whatsoever. The Sellers have no knowledge and make no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCB's, radium, radon or radon daughters, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance contaminants or pollutants of any environment, including the natural environment. The Sellers specifically make no representation regarding the compliance of the Real Property with any environmental regulation, whether federal, provincial or municipal, or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory. If the Closing occurs, the Purchaser shall assume any and all risks relating to the condition of the Real Property (including the environmental condition) as they existed as of the Closing, the Purchaser shall have no recourse to the Sellers with respect to same and shall indemnify the Sellers with respect to same. The implied covenants set forth in the *Land Registration Reform Act* otherwise operating in favour of the Purchaser are hereby expressly excluded. This paragraph 3 shall not merge on closing and shall be deemed to be incorporated by reference into all closing documents and deliveries.

4. The Sellers shall not be required to furnish or produce any survey, abstract, deed, declaration or other document or evidence of title. Any documentation, materials or information provided by or on behalf of the Sellers to the Purchaser was provided solely for the convenience of the Purchaser and is not warranted or represented to be complete or accurate.
5. The description of the Real Property is believed to be materially correct but if any statement, error or omission shall be found therein or in the particulars thereof, same shall not entitle the Purchaser to be relieved of any obligation hereunder nor shall any compensation be allowed to either the Sellers or the Purchaser in respect thereof.

Permitted Encumbrances, Easements and Restrictive Covenants

6. The Purchaser agrees to accept and take title to the Real Property subject to the following (the “**Permitted Encumbrances**”), and that the Sellers shall not be obligated to take any further actions in respect thereof:
- (a) The reservations, limitations, provisions and conditions expressed in the original Agreement from the Crown and all statutory exceptions to title;
 - (b) The provisions of governing municipal by-laws;
 - (c) municipal taxes, liens, charges, including hydro and water charges, rates and assessments accruing from day to day and not yet due and payable;
 - (d) Any agreements, restrictions or covenants that run with the Real Property;
 - (e) Any right of expropriation conferred upon, reserved to or vesting in Her Majesty the Queen in Right of Canada and Ontario;
 - (f) Any easements, rights of way, or right of re-entry in favour of a developer;
 - (g) Any agreements with municipal, utilities or public authorities; and
 - (h) Any minor encroachments which might be revealed by an up-to-date survey of the Real Property.

Leases and Tenancies

7. Left intentionally blank as not applicable.

Closing Documents and Arrangements

8. The Sellers and the Purchaser acknowledge that the transaction will be completed by electronic registration pursuant to Part III of the *Land Registration Reform Act*, R.S.O. 1990, c. L4, as amended. The Sellers and the Purchaser further acknowledge and agree that the delivery of documents and the release thereof to the Sellers and the Purchaser shall be governed by a Document Registration Agreement to be entered into between the Purchaser's Counsel and the Sellers' Counsel substantially in the form adopted by the Law Society of Ontario.

9. The Sellers agree to provide on closing to the Purchaser and the Purchaser acknowledges that it shall only have the right to require:
 - (a) All keys, security cards, alarm codes and access codes in the Trustee's possession;
 - (b) The Trustee's confirmation that the transaction contemplated herein has been approved by the inspector of the Estate of Ian Ross McSevney;
 - (c) A Statement of Adjustments; and
 - (d) An undertaking to readjust the Statement of Adjustments, providing that such undertaking shall terminate upon BDO's discharge as Trustee.

10. The Purchaser agrees to provide on closing, in addition to payment of the balance of the Purchase Price, the indemnities provided for in this schedule, an undertaking to readjust the Statement of Adjustments, and such other undertakings, certificates, releases, agreements and documents as the Sellers' solicitors acting reasonably, determine are necessary or required to complete the transaction contemplated herein.

Impairment of Closing

11. In the event any issue is raised with respect to this Agreement which the Sellers determine impairs the ability of the Sellers to complete this Agreement or in the event that an injunction or other Court Order is obtained or sought preventing the Sellers from completing this Agreement which the Sellers are unable or unwilling to remove, unless the parties otherwise agree in writing, this Agreement shall be terminated and any deposit paid shall be returned to the Purchaser, without interest or deduction, and the Sellers shall not be liable, in any manner whatsoever, for any costs, expenses, loss or damages incurred or suffered by the Purchaser by reason of same or in any way relating to this Agreement.

Covenants of the Purchaser

12. The Purchaser agrees that, on or before closing, it will cause the following to be done:

- (a) furnish the Sellers with evidence of the Purchaser's Harmonized Sales Tax registration number under the *Excise Tax Act* (Canada), if applicable;
- (b) ensure that the representations and warranties of the Purchaser set forth herein are true and correct at the time of closing by delivery of a bring-down certificate on closing; and
- (c) pay the balance of the purchase price, subject to adjustments, to the Sellers by way of certified cheque or bank draft.

Representations and Warranties of the Sellers

13. The Sellers represent and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying thereon in entering into and completing this Agreement:
- (a) BDO has been duly appointed by the Office of the Superintendent of Bankruptcy as the Trustee of the Estate of Ian Ross McSevney, a bankrupt, which appointment was affirmed at the first meeting of creditors in the bankruptcy administration (the "**Appointment**");
 - (b) The Sellers are not aware of any proceedings, pending or threatened, to enjoin the transaction contemplated by this Agreement;
 - (c) The Sellers have not done any act to encumber the Real Property and will not encumber the Real Property from the date of acceptance hereof to the date of closing;
 - (d) The Sellers are not non-residents of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada); and
 - (e) The Sellers have not previously sold and will not dispose of or sell the Real Property or any portion thereof between the date hereof and the date of closing.

Representations and Warranties of the Purchaser

14. The Purchaser represents and warrants to the Seller as follows and acknowledges that the Sellers are relying thereon in entering into and completing this Agreement:

- (a) This Agreement and each of the other agreements, documents and instruments to be executed and delivered by the Purchaser on or before closing have been or will be duly executed and delivered by, and when executed and delivered, will constitute valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with their respective terms;
- (b) The Purchaser is not a non-resident of Canada for purposes of the *Income Tax Act (Canada)*; and
- (c) The Purchaser is or will prior to closing be registered under the *Excise Tax Act (Canada)*, if applicable.

Mutual Conditions for the Benefit of the Sellers and the Purchaser

15. The following conditions are for the benefit of both the Sellers and the Purchaser and neither party will be obligated to complete the transaction contemplated by this Agreement unless such conditions have been satisfied or waived by both the Sellers and the Purchaser, in writing:
- (a) At the time of closing, no order will have been issued by a court of competent jurisdiction which remains in effect, and no action or proceeding will have been instigated which remains pending before any court of competent jurisdiction to prevent or otherwise adversely affect the purchase and sale of the Real Property or any portion thereof pursuant to this Agreement;
 - (b) The Trustee will have obtained written approval from the inspector of the Estate of Ian Ross McSevney to enter into this Agreement; and
 - (c) The Appointment shall remain in effect and the Sellers shall not have lost its ability to complete the transaction contemplated by this Agreement.

Governmental Approvals

16. It shall be the responsibility of the Purchaser, at the Purchaser's own expense, to obtain any and all governmental, regulatory or other approvals necessary to utilize the Real Property and every portion thereof. In particular and without limiting the

foregoing, the Purchaser shall have the sole obligation to obtain all necessary approvals, licences, permits, authority, permission or other items (collectively the “**Approvals**”) whether required locally, provincially, federally or otherwise as may be required to use and enjoy the Real Property and/or to carry on business thereon and the obtaining of the Approvals shall not, in any manner whatsoever, be a precondition to completion of or affect or limit the Purchaser’s obligations to complete the within transaction.

Taxes

17. The Purchaser shall pay on closing, in addition to the purchase price after usual adjustments only, all applicable federal and provincial taxes, including any applicable Land Transfer Tax and Harmonized Sales Tax, except to the extent that the Purchaser provides on or before closing, where applicable, appropriate exemption certificates and the Purchaser agrees to indemnify and save the Sellers harmless from and against all claims and demands for payment made as a result of the failure by the Purchaser to fulfill the requirements hereof and the Purchaser acknowledges and agrees that such indemnity shall extend to and include any amounts assessed against the Sellers on account of interest and/or penalties. The Purchaser shall be permitted to self-assess for the applicable Harmonized Sales Tax provided the Purchaser complies with section 221(2) of the *Excise Tax Act* as amended.

Chattels

18. The Purchaser acknowledges that the machinery, equipment, chattels and other personal property, if any, located on the Real Property may be included in the transaction provided for in this agreement, provided that the Sellers shall not be obligated to remove from the Real Property any unwanted chattel existing as of the closing date.

Property Taxes

19. The Purchaser acknowledges that the Sellers may apply for a reduction in the taxes payable to the Municipality with respect to the Real Property for the period prior to the closing date. The Purchaser agrees that the Sellers shall be entitled to the benefit of any such reduction for the period prior to the closing date. The Purchaser agrees that

on the closing of this transaction, it shall execute such directions, acknowledgements and other documents as may be necessary or desirable to ensure that the benefit of any such reduction for the period prior to the closing date is received by the Sellers.

Conditional Period

20. In the event that the obligations of the Purchaser herein are subject to any conditions in any fashion whatsoever other than the conditions in this Schedule B, then, in that event and until written waiver of all such conditions by the Purchaser, the Sellers shall have the right to continue to offer the Real Property for sale. In the event that the Sellers receive an offer or offers to purchase the Real Property which the Sellers wish to accept, then, in that event, the Sellers shall notify the Purchaser of that fact in writing and the Purchaser shall have the right to irrevocably waive, in writing, all such conditions by no later than 4:00 p.m. on the second business day following the date upon which notice is given by the Sellers in the manner specified below. In the event that the Purchaser does not waive any and all such conditions in accordance with the provisions hereof and within the time period specified, this Agreement shall terminate, the deposit shall be refunded, without interest, to the Purchaser and neither party shall have any further liability or other obligations to the other under or by virtue of this Agreement.

Independent Advice

21. The Purchaser acknowledges that the Purchaser has had an opportunity to obtain independent advice including, without limitation, independent real estate, accounting and legal advice, prior to the execution of this Schedule, the pre-printed form to which it is attached and all other schedules referred to therein or herein.

Receipt of Information

22. The Purchaser acknowledges that no property owner's statement of disclosure will be delivered or requested and that any document supplied to the Purchaser has been provided for the convenience of the Purchaser and has been delivered without any representation or warranty by or on behalf of the Sellers as to its accuracy or with respect to any other aspect thereof and does not form part of this Agreement.

Notices

23. Any notice relating to this Agreement of Purchase and Sale shall be forwarded as follows:

(a) To the Purchaser at:

With a copy to (Counsel):

(b) To the Sellers at:

BDO Canada Limited
25 Main Street West,
Suite 805
Hamilton, ON L8P 1H1
Attention: Peter Crawley
Email: pcrawley@bdo.ca

Christie Ward-McSevney
Email: c.ward@mcSevney.com

With a copy to:

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, Ontario M5H 3S1
Attention: Gregory Azeff
Email: gazeff@millerthomson.com

24. Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a business day, on the next following business day). Any party may at any time change its address for service from time to time by giving notice to the other party in accordance with this paragraph.

General Provisions

25. Acceptance of this offer by either party and communication of same by electronic transmission in 'pdf' format shall be binding upon each party as if the documents transmitted were originally executed documents.
26. Upon termination of this Agreement by reason of default of the Purchaser, in addition to any other remedy which the Sellers may have, the deposit, together with all interest accrued thereon, shall be paid to the Sellers, forthwith, without any further direction from the Purchaser required, as liquidated damages and not as a penalty and without prejudice to any other right or remedy which the Sellers may have against the Purchaser at law or in equity.
27. Except as herein expressly stated, no representation, statement, understanding or agreement has been made or exists, either oral or in writing, which in any way affects the terms or the subject matter hereof.
28. Time will, in all respects be of the essence of this Agreement and no extension or variation of this Agreement or any obligation hereunder will operate as a waiver or implied waiver of this provision.
29. Where the provisions of this Schedule conflict with anything contained in the pre-printed form to which this Schedule is attached, the parties agree that the provisions of this Schedule shall govern. Otherwise, the provisions of this Schedule shall supplement the provisions of the pre-printed form.
30. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns, as the case may be. The Purchaser, together with any party to which the Purchaser assigns this Agreement or any portion thereof, shall be jointly and severally liable for all obligations and liabilities of the Purchaser under this Agreement, including any obligations and liabilities arising from the failure to complete the Transaction. Any assignment of this Agreement by the Purchaser shall also be deemed to assign the deposit. In the event that this Agreement is executed by the Purchaser "in trust" for another party, the party executing this document shall be personally liable for the fulfillment of the obligations of the Purchaser hereunder.

31. The Sellers and the Purchaser will each execute and deliver all such further documents and instruments and do all acts and things as the Purchaser or the Sellers may, either before or after closing reasonably required to carry out effectively the intent and meaning of this Agreement and to consummate the transaction hereby contemplated.
32. This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable in Ontario.
33. BDO is acting solely in its capacity as Trustee of the Estate of Ian Ross McSevney, a bankrupt, and shall have no personal or corporate liability under or by virtue of this Agreement.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have duly executed this Schedule "B" on this _____ day of _____, 2022.

Witness

Purchaser

Name of Witness

Address of Witness

BDO Canada Limited, in its capacity as
Trustee of the estate of Ian Ross McSevney,
a bankrupt, without personal or corporate
liability

Per:

Peter Crawley, MBA, CPA, CA, CIRP, LIT
Vice President

I have the authority to bind the Trustee

Christie Ward-McSevney, in her personal
capacity

APPENDIX N



Agreement of Purchase and Sale Condominium Resale

Form 101

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 7 day of March 2022

BUYER: Eleuterio Mastromattei, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Bdo Ltd. Trustee Of I. Mcsevney And Christie Ward-Mcsevney, the following
(Full legal names of all Sellers)

PROPERTY:
a unit in the condominium property known as Townhouse No. 17
(Apartment/Townhouse/Suite/Unit)

located at 81 Valridge Dr Hamilton ON L9G 5B6

in the City of Hamilton

being WCC Condominium Plan No. 323
(Legal Name of Condominium Corporation)

Unit Number 17 Level No. 1 Building No. _____ together with ownership

or exclusive use of Parking Space(s) _____, together with ownership or exclusive use of
(Number(s), Level(s))

Locker(s) _____, together with Seller's proportionate undivided tenancy-in-common interest
(Number(s), Level(s))

in the common elements appurtenant to the Unit as described in the Declaration and Description including the exclusive right to use such other parts of the common elements appurtenant to the Unit as may be specified in the Declaration and Description: the Unit, the proportionate interest in the common elements appurtenant thereto, and the exclusive use portions of the common elements, being herein called the "Property".

PURCHASE PRICE: DS TM 765,000.00
Sixty-Five Dollars (CDN\$) 750,000.00
Seven Hundred Fifty Thousand Dollars

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

Thirty Thousand Dollars (CDN\$) 30,000.00

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

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

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

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer until 6:00 on the 8
(Seller/Buyer) (a.m./p.m.)
day of March 2022, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 7 day of April, 2022. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): TM

INITIALS OF SELLER(S): TM

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

FAX No.: (For delivery of Documents to Seller) FAX No.: (For delivery of Documents to Buyer)
Email Address: stephaniesells@royallepage.ca (For delivery of Documents to Seller) Email Address: philvani@rogers.com (For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**
All Existing; Appliances, Window Coverings, Electric Light Fixtures, Storage Units & Cabinetry, TV and all other permanent or fastened fixtures. All AS IS

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

5. **FIXTURES EXCLUDED:**

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer ` agrees to assume the rental contract(s), if assumable:
Hot Water Tank (if rental)

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

7. **COMMON EXPENSES:** Seller warrants to Buyer that the common expenses presently payable to the Condominium Corporation in respect of the Property are approximately \$ 280.95 per month, which amount includes the following: **Building Insurance, Common Elements**

8. **PARKING AND LOCKERS:** Parking and Lockers are as described above or assigned as follows:
..... at an additional cost of:

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

9. **HST:** If the sale of the Property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be included in the Purchase Price. If the sale of the Property is not subject to HST, Seller agrees to certify on or before closing, that the sale of the Property is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

10. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 22 day of March, 2022, (Requisition Date) to examine the title to the Property at Buyer's own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy Buyer that there are no outstanding work orders or deficiency notices affecting the Property, and that its present use (single family residential) may be lawfully continued. If within that time any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the Property. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the Property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

11. **TITLE:** Buyer agrees to accept title to the Property subject to all rights and easements registered against title for the supply and installation of telecommunication services, electricity, gas, sewers, water, television cable facilities and other related services; provided that title to the Property is otherwise good and free from all encumbrances except: (a) as herein expressly provided; (b) any registered restrictions, conditions or covenants that run with the land provided such have been complied with; (c) the provisions of the Condominium Act and its Regulations and the terms, conditions and provisions of the Declaration, Description and By-laws, Occupancy Standards By-laws, including the Common Element Rules and other Rules and Regulations; and (d) any existing municipal agreements, zoning by-laws and/or regulations and utilities or service contracts.

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

13. **STATUS CERTIFICATE AND MANAGEMENT OF CONDOMINIUM:** Seller represents and warrants to Buyer that there are no special assessments contemplated by the Condominium Corporation, and there are no legal actions pending by or against or contemplated by the Condominium Corporation. The Seller consents to a request by the Buyer or the Buyer's authorized representative for a Status Certificate from the Condominium Corporation. Buyer acknowledges that the Condominium Corporation may have entered into a Management Agreement for the management of the condominium property.

14. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the Property except such as are in the possession or control of Seller. Seller agrees to deliver to Buyer, if it is possible without incurring any costs in so doing, copies of all current condominium documentation of the Condominium Corporation, including the Declaration, Description, By-laws, Common Element Rules and Regulations and the most recent financial statements of the Condominium Corporation. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

15. **MEETINGS:** Seller represents and warrants to Buyer that at the time of the acceptance of this Offer the Seller has not received a notice convening a special or general meeting of the Condominium Corporation respecting; (a) the termination of the government of the condominium property; (b) any substantial alteration in or substantial addition to the common elements or the renovation thereof; OR (c) any substantial change in the assets or liabilities of the Condominium Corporation; and Seller covenants that if Seller receives any such notice prior to the date of completion Seller shall forthwith notify Buyer in writing and Buyer may thereupon at Buyer's option declare this Agreement to be null and void and all monies paid by Buyer shall be refunded without interest or deduction.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

Session Id: 7770aae0-da95-456c-ae2e-b34966278907

- 16. INSPECTION:** Buyer acknowledges having had the opportunity to inspect the Property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller. **The Buyer acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Buyer will not be obtaining a property inspection or property inspection report regarding the Property.**
- 17. APPROVAL OF THE AGREEMENT:** In the event that consent to this sale is required to be given by the Condominium Corporation or the Board of Directors, the Seller will apply forthwith for the requisite consent, and if such consent is refused, then this Agreement shall be null and void and the deposit monies paid hereunder shall be refunded without interest or other penalty to the Buyer.
- 18. INSURANCE:** The Unit and all other things being purchased shall be and remain at the risk of the Seller until completion. In the event of substantial damage to the Property Buyer may at Buyer's option either permit the proceeds of insurance to be used for repair of such damage in accordance with the provisions of the Insurance Trust Agreement, or terminate this Agreement and all deposit monies paid by Buyer hereunder shall be refunded without interest or deduction. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
- 19. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer.
- 20. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada; (b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 21. ADJUSTMENTS:** Common Expenses; realty taxes, including local improvement rates; mortgage interest; rentals; unmetered public or private utilities and fuel where billed to the Unit and not the Condominium Corporation; are to be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to the Buyer. There shall be no adjustment for the Seller's share of any assets or liabilities of the Condominium Corporation including any reserve or contingency fund to which Seller may have contributed prior to the date of completion.
- 22. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the Property, save and except any property taxes that accrued prior to the completion of this transaction.
- 23. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 24. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 25. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 26. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the Property, Seller has not caused any building on the Property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the Property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 27. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice.
- 28. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**
- 29. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 30. ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000*, S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction.
- 31. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the Property is located.

INITIALS OF BUYER(S):

DS
TM

INITIALS OF SELLER(S):

SCB4QXTLJRAE0W@PthkQ&M#252gRrV



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32. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) *Terry Mastromattei* **Mar-07-2022 | 11:11 PM EST**
 (Witness) **Antonio Mastromattei** (Seal) (Date)
 (Witness) (Buyer) (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Seller) **Mar 08, 2022, 05:11 PM EST**
 (Witness) (Seller) **Mar 08, 2022, 04:56 PM EST**
 (Witness) (Seller) **Mar 08, 2022, 04:58 PM EST**

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

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

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at **5:00pm** this **8th** day of **March**, 20**22**.

(a.m./p.m.)

Signature of Seller or Buyer **Mar 08, 2022, 04:58 PM EST** **Mar 08, 2022, 05:12 PM EST**

INFORMATION ON BROKERAGE(S)		
Listing Brokerage	ROYAL LEPAGE BURLOAK REAL ESTATE SERVICES, BROKERAGE	905-844-2022
	STEPHANIE ALEXANDER-JONES	(Tel.No.)
	(Salesperson/Broker/Broker of Record Name)	
Co-op/Buyer Brokerage	RE/MAX REALTY SERVICES INC.	(905) 456-1000
	PHIL VANI	(Tel.No.)
	(Salesperson/Broker/Broker of Record Name)	

Property Manager: (Name) (Address) (Tel. No., Fax. No.)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer. I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) Mar 08, 2022, 05:11 PM EST <i>Terry Mastromattei</i> 2022-03-08	(Date)	(Date)
(Seller) Mar 08, 2022, 04:56 PM EST Antonio Mastromattei (Date)	(Date)	(Date)
Address for Service (Tel. No.)	Address for Service (Tel. No.)	
Seller's Lawyer (Tel. No.)	Buyer's Lawyer (Tel. No.)	
Address (Tel. No.)	Address (Tel. No.)	
Email (Tel. No.)	Email (Tel. No.)	
(Tel. No.) (Fax. No.)	(Tel. No.) (Fax. No.)	

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

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Session Id: 770aae0-da95-456c-ae2e-b3496276907



Schedule A Agreement of Purchase and Sale - Condominium Resale

Form 101
for use in the Province of Ontario

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

BUYER: Eleuterio Mastromattei, and

SELLER: Bdo Ltd. Trustee Of I. Mcsevney And Christie Ward-Mcsevney

for the purchase and sale of 81 Valridge Dr 17

Hamilton ON L9G 5B6 dated the 7 day of March, 20 22

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by certified cheque, bank draft or wire transfer to the Seller on the completion of this transaction

Seller agrees to discharge all mortgages which are not being assumed, and all liens which may be registered against the property at his own expense, either out of the proceeds of this sale or by his solicitor's personal undertaking on or before closing and provide an existing survey of the property at least five days prior to the last date provided herein for the examination of title.

~~This Agreement is conditional until not later than 11:00 p.m. on the fifth (5th) banking day following the Confirmation of Acceptance date (excluding Saturdays, Sundays and statutory holidays), upon the Buyer arranging a new first mortgage at the Buyer's expense. Unless this condition is waived by writing, signed by the Buyer and delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto on or before the specified time, this Agreement shall become null and void and the full deposit herein shall be returnable to the Buyer.~~

~~This Agreement is conditional until not later than 11:59 p.m. on March 7 2022, upon the Buyer, at his own expense, obtaining from a home inspection company, an inspection of the property and a written report thereon that is satisfactory to the Buyer in his sole and unfettered discretion. Unless this condition is waived by writing, signed by the Buyer and delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto on or before the specified time, this Agreement shall become null and void and the full deposit shall be returnable to the Buyer.~~

~~This Agreement is conditional upon the Buyer obtaining the Status Certificate and the By-Laws of the Condominium Corporation from the Seller at the Sellers expense, and having two (2) business days for his lawyers to review and be satisfied in his sole and unfettered discretion as to the information, terms and conditions contained therein. The Seller agrees to request at the Sellers expense, the Status Certificate and the By-Laws of the Condominium Corporation within two (2) business days of the Confirmation of Acceptance date and deliver the Status Certificate and the By-Laws of the Condominium Corporation to the Buyer within two (2) days of the documents being ready for pickup. Unless this condition is waived by writing, signed by the Buyer and delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto in the time period allowed, this Agreement shall become null and void and the full deposit herein shall be returnable to the Buyer without deduction. If any of the above timelines have not been met, this Agreement shall become null and void and the full deposit herein shall be returnable to the Buyer without deduction.~~

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

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

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Schedule A

Agreement of Purchase and Sale - Condominium Resale

Form 101
for use in the Province of Ontario

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

BUYER: **Eleuterio Mastromattei**, and

SELLER: **Bdo Ltd. Trustee Of I. Mcsevney And Christie Ward-Mcsevney**

for the purchase and sale of **81 Valridge Dr** **17**

..... **Hamilton ON L9G 5B6** dated the **7** day of **March**, 20 **22**

Buyer agrees to pay the balance as follows:

The Buyer shall have the right to visit the property on or before completion on not more than 1 (one) occasion(s) at a mutually agreeable time.

The Seller represents and warrants that while the property was owned by Seller, and further, to the best of Seller's knowledge and belief, it has never been used for the growth or manufacture of marijuana. This warranty shall survive and not merge on completion of this transaction.

The Seller warrants and represents to the best of their knowledge and belief, there have been no death, suicides or murders on the property at any time and that no part of the property has been used for any criminal purposes. This warranty shall survive and not merge on the completion of this transaction, but shall only apply to circumstances existing at or before closing date

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

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

s0BkQXTLIRAE...vgrPkQm6z52gRv...

Session Id: 7770aae0-4a95-456c-ae2e-c34966276907

APPENDIX O

Client Statement

Current Statement
Period Ending: Mar 31, 2018

Previous Statement
Period Ending: Dec 31, 2017

CHRISTIE BRYER WARD-MCSEVNEY
148 BLAIR LANE
ANCASTER ON L9G 1B7

Your Advisory Team

Investment Advisor Peter Kirby
Toll Free 1-800-382-9280
Phone (416) 867-6138
Direct Fax (416) 947-8205
peter.kirby@canaccord.com

Assistant Andrea Gosse
Phone (416) 869-3806
andrea.gosse@canaccord.com

Brookfield Place, 161 Bay St.
Suite 3000, P.O. Box 516
Toronto, Ontario M5J 2S1

This statement belongs to:
CHRISTIE BRYER WARD-MCSEVNEY

Investment Summary

Account Type	Account Number	Account Allocation (%)	Previous Statement Value (\$)	Market Value (\$)
TFSA (CAD)	41R-021V-1	100.0	0.00	50,000.00
Total		100.0	0.00	50,000.00

Activity Summary

(\$)	Current Statement	Year to Date
Opening Statement Assets	0.00	0.00
Deposits / Transfers-in	50,000.00	50,000.00
Withdrawals / Transfers-out	0.00	0.00
Net Contributions	50,000.00	50,000.00
Income From Interest & Dividends	0.00	0.00
Investment Growth / Loss	0.00	0.00
TOTAL STATEMENT ASSETS	50,000.00	50,000.00

Important Message

Effective June 1, 2018, some of our fees are changing. Enclosed is a copy of the new Fee Schedule.

If this statement does not agree with your records, please communicate directly in writing with our auditors:

Ernst & Young LLP
P.O. Box 10101 Pacific Centre
700 West Georgia Street
Vancouver, BC Canada V7Y 1C7
Fax: (604) 643-5422

For more information please contact your Investment Advisor or visit us at www.canaccord.com.

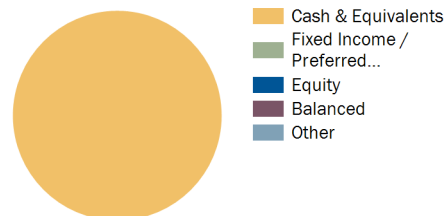
Member of all Canadian exchanges

CIPF
Canadian Investor Protection Fund
MEMBER

 **IIROC** | Regulated by Investment Industry Regulatory Organization of Canada

Asset Allocation

Asset Class	Allocation (%)	Previous Statement (%)	Market Value (\$)
Cash & Equivalents	100.0	0.0	50,000.00
Fixed Income / Preferred Shares	0.0	0.0	0.00
Equity	0.0	0.0	0.00
Balanced	0.0	0.0	0.00
Other	0.0	0.0	0.00
Total	100.0	0.0	50,000.00



Income Summary

Account / Activity Type	Account Number	Current Statement (\$)	Year to Date (\$)
No Activity			

Account Activity - TFSA (CAD) - 41R-021V-1

Date	Type	Description	Quantity	Price (\$)	Amount (\$)
		Opening Balance			0.00
Mar 27, 2018	TFSA Contribution	#935- BMO BANK DRAFT			50,000.00
		Closing Balance			50,000.00

Account Holdings - TFSA (CAD) - 41R-021V-1

Your Beneficiary: IAN R MCSEVNEY (Primary-100.00%)

Contributions - Year to Date: \$50,000.00

Withdrawals - Year to Date: \$0.00

	Quantity	Adjusted Average Cost (\$)	Current Price (\$)	Book Value (\$)	Accrued Interest / Income (\$)	Yield (%)	Market Value (\$)	% of Assets
CASH & EQUIVALENTS								
CASH								
cur	50,000.00	1.000	1.000	50,000.00	0.00	0.0%	50,000.00	100.0%
Subtotal				50,000.00			50,000.00	
Total				50,000.00			50,000.00	

Important Information about Your Statement

Company Information

- Canaccord Genuity Wealth Management ("CGWM") and Canaccord Genuity are divisions of Canaccord Genuity Corp. ("CGC"). CGC and Canaccord Genuity Wealth and Estate Planning Services Ltd. ("CGWEPSL") are both wholly-owned subsidiaries of Canaccord Genuity Group Inc. ("CGGI"). CGC is an investment dealer registered with IIROC. CGWEPSL offers insurance and estate planning services. While CGC and CGWEPSL are separate entities, they share office premises in certain locations.
- CGC is a wholly-owned subsidiary of CGGI and therefore all shares of CGGI shown on this statement were issued by a related party of CGC. CGGI is the only related party of our firm.
- CGC Statement of Financial Condition as of our most recent financial year-end and a list of our Directors and Senior Officers are available upon request. Information about commissions and fees that we charge, and about any administrative proceedings that may relate to the firm or our staff, is available upon request.

Statement Accuracy

- This is a statement of your account according to our records. If you have any questions or if any information on this statement is not in accordance with your understanding please notify your Investment Advisor or CGWM's head office immediately. Unless notified within 30 days from this date, we shall assume this statement to be correct. Please refer to your account number on all correspondence.

Material Changes

- Clients are reminded that their Client Account Agreement requires them to advise the firm of any material changes on a timely basis. Material changes include change of name, address, marital status, employment, financial situation, investment objectives, and status as an insider or control person of any public company. Clients are also required to notify the firm about material changes with respect to any party with authority over the client's account, especially their status as an insider or control person of a public company. Signed, written notification should be sent to either your Investment Advisor or to CGWM's head office.

Investor Protection

- Client accounts at CGWM are protected by the Canadian Investor Protection Fund within specified limits. A brochure describing the nature and limits of coverage is available upon request or at www.cipf.ca.

Use of Leverage

- The use of leverage may not be suitable for all investors. Using borrowed money to finance the purchase of securities involves greater risk than using cash resources only. If you borrow money to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines.

Settlement

- Stock Exchange regulations require settlement of cash or securities owed by you on transactions by the "Settlement Date" specified on the confirmation you have received.
- Cheques and securities in settlement of your account may be delivered in person to our office nearest you or may be mailed to CGWM's head office at the address shown on this statement. For your protection, we suggest you use registered mail when mailing negotiable securities.

Credit Balances

- Free credit balances represent funds due to you which are payable on demand. Non-registered account balances, although properly recorded in our books, are not segregated and may be used in the course of our business.

Trustee Information

- Registered accounts are held in trust by Computershare Trust Company of Canada. Cash balances in registered accounts are held in trust by the trustee. Account holdings or transactions in negotiable securities certificates registered in your name are referenced as SFK and Safe Custody on your statement. Account holdings or transactions in negotiable securities certificates that are held in trust for you by CGWM are denoted as segregated (seg) on your statement. Transactions in insurance products, including segregated funds, are made on your behalf by CGWEPSL.

Other Disclosures

- Securities transactions, as shown on this statement are disclosed to Canada Revenue Agency (CRA) on a yearly basis. The income or capital gain from these transactions must be reported on your annual income tax return. It is suggested that you retain this statement to refer to the activity section if needed for income tax purposes.
- Your Investment Advisor may be responsible for additional charges based on the number of transactions in your account.
- Clients of our Montreal branch only: In compliance with applicable regulatory rules, please be advised that telephone conversations with your Investment Advisor are recorded.
- The following notation may be associated with transactions in the activity section of your statement.

¹ The issuer of these securities is a connected issuer to Canaccord Genuity Corp.

Premium Distribution Program™

- Eligible investors holding eligible issuers' securities will be automatically enrolled in a Premium Distribution™ Program unless you advise us otherwise. The program enables the investor to receive up to 2% over and above their regular cash distributions. A complete list of eligible issuers is available upon request and further information is on issuers' websites. Plan participants should consult their tax advisors regarding the tax consequences of these plans.

How to Read Your Statement

Activity Summary

- If you have accounts in more than one currency, all consolidated values on your statement are shown in Canadian dollars. If you have accounts in a single currency, all consolidated values on your statement will be shown in that currency. CGWM reserves the right to select a conversion rate from the range of rates available in wholesale currency markets for the conversion of funds as required by client transactions or accounts and to levy any applicable adjustments. As a result, the conversion rate will vary from the exchange rates on your statement transactions, and CGWM may earn revenue in addition to the commission applicable to any trade. Furthermore, the rate in effect on the processing date may differ from the rate in effect on the transaction date.
- The "Investment Growth / Loss" outlined in the Activity Summary of your statement represents an unrealized gain / loss and includes the fees and commissions charged for services.

Account Activity

- References to Safe Custody represent transactions in negotiable securities certificates registered in your name.

Account Holdings

- Book Value refers to the total amount paid for the purchase of the security, including any transaction charges related to the purchase, adjusted for reinvested distributions, returns of capital and corporate reorganizations. For short positions the Book Value is the total amount received for the security, net of any transaction charges related to the sale, adjusted for any distributions (other than dividends), returns of capital and corporate reorganizations. Adjusted Average Cost is the Book Value on a per unit or share basis.
- The Book Value shown in this statement may not be suitable for income tax purposes, as it may not reflect all required adjustments. It is important for you to keep records of all of your investment transactions and consult your income tax advisor to properly determine your gains and losses for income tax purposes.
- Warrants issued as part of a unit in combination with common shares where the full cost of the unit has been allocated to the shares, are considered to be of zero cost.
- References to SFK represent account holdings in negotiable securities certificates registered in your name.
- The following notations may be associated with cost information in the holdings section of your statement:

- i** This notation indicates some transactions contributing to this position do not have an associated cost. To better reflect changes in value of this position, market value has been used to estimate part or all of the Book Value. For example, if Book Value was not available for positions transferred to CGWM then market value as of the date of the transfer was used in lieu of Book Value.
- ii** This notation indicates the Book Value for some or all transactions contributing to this position was not determinable. To better reflect changes in value of this position, where Book Value was unavailable, market value may have been used to estimate part of the Book Value. Where market value was not determinable, a Book Value of zero was used.

- Market value on statements is an approximate value only, calculated from public information believed to be reliable and assuming a ready market at the value quoted. CGWM provides this information on a best efforts basis, but the accuracy and completeness of the information is not guaranteed. For securities with a date restriction we derive the market value from the underlying freely tradable common shares; however date restricted securities are not freely tradable until the restriction has been removed or expires. The market value of freely tradable rights and warrants is derived from public market information. Non-transferable rights and warrants are not freely tradable; we report their market value as not determinable.

- Securities that are delisted are indicated in your holdings by including an asterisk (*) after the security name.

- Abbreviations indicating trading restrictions may be appended to the security name:

Non-Voting Share:	N/VTG or NON VTG
Restricted Share:	RS or RSTD
Restricted Voting Share:	R/VTG or RES VTG
Subordinate Voting Share:	S/VTG or SUB VTG

- The following notations may be associated with market values and price information in the holding section of your statement:

- iii** This notation indicates that the market value of this position was estimated.
- iv** This notation indicates that the market value of this position was not determinable because there was no active market for this security. For performance reporting a zero value is used for all positions where the market value is not determinable.

- For mutual fund holdings, an acronym may appear at the end of the security's name. The meaning of each acronym is explained below. For more information, please contact your Investment Advisor.

DSC: Deferred Sales Charge. The position may be subject to additional sales charges as described in the Fund Facts documents or prospectus.

LL, LL2, LL3, LL4, LL5, LL6, LL7, LL8 and LSC: Low Load or Low Sales Charge. These notations identify positions with a lower deferred sales charge. This position may be subject to additional sales charges as described in the Fund Facts document or prospectus.

FE, ISC, and SC: Front-end, Initial Sales Charge and Sales Charge. These notations identify positions where sales charges were paid at the time of purchase.

NL: No Load. There is no front-end or deferred sales charge for this type of mutual fund.

NA: Not Applicable. This mutual fund can be purchased in a fee-based account only.

TAB 3

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

THE HONOURABLE

JUSTICE OSBORNE

)
)
)

THURSDAY THE 18TH
DAY OF AUGUST 2022

IN THE MATTER OF THE BANKRUPTCY OF
IAN ROSS MCSEVNEY, an individual residing in the
Town of Ancaster in the Province of Ontario

AND IN THE MATTER OF THE BANKRUPTCY OF
ALTMORE MORTGAGE INVESTMENT CORPORATION, a corporation established
under the laws of the Province of Ontario and carrying on business
in the City of Toronto in the Province of Ontario

ORDER

THIS MOTION, made by BDO Canada Limited in its capacity as trustee in bankruptcy (in such capacity, the “**Trustee**”) of Altmore Mortgage Investment Corporation (“**Altmore**”) and Ian Ross McSevney (“**McSevney**”, and together with Altmore, the “**Bankrupts**”) for an Order • was heard this day by Zoom video conference.

ON READING first report of the Trustee dated August 12, 2022 (the “**First Report**”) and on hearing the submissions of the lawyer(s) for the Trustee, counsel to McSevney and Christie Ward-McSevney (“**Ward-McSevney**”), no one in attendance for any other person on the service

list, although properly served as appears from the affidavit of service of Shallon Garrafa sworn August 12, 2022.

SERVICE

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

APPROVAL OF CONDUCT

2. THIS COURT ORDERS that the activities and conduct of the Trustee and its counsel, Miller Thomson LLP, as disclosed in the First Report be and they are hereby approved.

DISTRIBUTION TO WARD-MCSEVNEY

3. THIS COURT ORDERS that the Trustee be and it is hereby authorized and directed to pay to Christie Ward-McSevney (“**Ward-McSevney**”) the amount of \$49,087.60 in respect of her share of the proceeds of sale of the property known municipally as Unit 17, 81 Valridge Drive, Ancaster, Ontario (the “**Unit 17 Property**”), and such payment shall be in full satisfaction of any and all claims and entitlements of Ward-McSevney with respect to such proceeds of sale or otherwise in respect of the Unit 17 Property.

CONSOLIDATION OF ESTATES

4. THIS COURT ORDERS AND DIRECTS that the bankruptcy estates of Ian Ross McSevney and Altmore Mortgage Investment Corporation in Estate File Nos. 32-2783327 and 32-2783328, respectively (together, the “**Bankruptcies**”), be and they are hereby procedurally and

substantively consolidated, and the Trustee is directed to administer the Bankruptcies on a consolidated basis for all purposes in carrying out its administrative duties and other responsibilities under the BIA.

5. THIS COURT ORDERS AND DIRECTS that the single court file number 32-2783327 (the “**Consolidated Court File**”) shall be assigned to the Bankruptcies and the following title of proceeding shall be assigned to the Bankruptcies:

“IN THE MATTER OF THE BANKRUPTCIES OF IAN ROSS MCSEVNEY AND
ALTMORE MORTGAGE INVESTMENT CORPORATION”

6. THIS COURT ORDERS that a copy of this Order shall be filed in the court file for each of the Bankruptcies, but that any other document required to be filed in either of the Bankruptcies shall only be required to be filed in the Consolidated Court File.

IN THE MATTER OF THE BANKRUPTCY OF IAN ROSS MCSEVNEY, AN INDIVIDUAL
RESIDING IN THE TOWN OF ANCASTER IN THE PROVINCE OF ONTARIO

Court File No.: 32-2783327 and 32-2783328
Estate File Nos.: 32-2783327 and 32-2783328

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceeding commenced at [Toronto](#)

ORDER

MILLER THOMSON LLP

Scotiabank Plaza
40 King Street West, Suite 5800
Toronto Ontario
PO Box 1011
M5H 3S1

Gregory Azeff LSO#: 45324C

Email: gazeff@millerthomson.com
Tel: 416.595.2660 / Fax: 416.595.8695

Monica Faheim LSO#: 82213R

mfaheim@millerthomson.com
Tel: 416.597.6087

Lawyers for the Trustee, BDO Canada Limited

IN THE MATTER OF THE BANKRUPTCY OF IAN ROSS MCSEVNEY, AN INDIVIDUAL
RESIDING IN THE TOWN OF ANCASTER IN THE PROVINCE OF ONTARIO

Court File No.: 32-2783327 and 32-2783328
Estate File Nos.: 32-2783327 and 32-2783328

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceeding commenced at Toronto

MOTION RECORD

MILLER THOMSON LLP

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40 King Street West, Suite 5800
Toronto Ontario
PO Box 1011
M5H 3S1

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Tel: 416.595.2660 / Fax: 416.595.8695

Monica Faheim LSO#: 82213R

mfaheim@millerthomson.com
Tel: 416.597.6087

Lawyers for the Trustee, BDO Canada Limited