

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

THE SUPERINTENDENT OF FINANCIAL SERVICES

Applicant

- and -

BUILDING & DEVELOPMENT MORTGAGES CANADA INC.

Respondent

**APPLICATION UNDER SECTION 37 OF THE
MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT, 2006, S.O. 2006,
c. 29 and SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990 c. C.43**

**MOTION RECORD OF FAAN MORTGAGE ADMINISTRATORS INC., IN
ITS CAPACITY AS COURT-APPOINTED TRUSTEE**

(Motion Returnable September 20, 2022)

VOLUME 1 OF 2

March 21, 2022

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TAB 1

Court File No. CV-18-596204-00CL

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

BETWEEN

THE SUPERINTENDENT OF FINANCIAL SERVICES

Applicant

- and -

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Respondent

**APPLICATION UNDER SECTION 37 OF THE
MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT, 2006, S.O. 2006,
c. 29 and SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990 c. C.43**

**NOTICE OF MOTION
(Motion for Payment by Diversified to the Trustee of the Disputed Amounts)**

FAAN Mortgage Administrators Inc., in its capacity as Court-appointed trustee (in such capacity, the “**Trustee**”) of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc. (“**BDMC**”) pursuant to section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, S.O. 2006, c. 29, as amended (the “**MBLAA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) will make a motion before a judge of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) at a date and time to be set by the Court, or as soon after that time as the motion can be heard, by videoconference in Toronto, in accordance with the changes to the operations of the Commercial List in light of the COVID-19 pandemic.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order, *inter alia*:
 - (a) if necessary, abridging the time for service of this Notice of Motion and the Motion Record and dispensing with service on any person other than those served;
 - (b) for the immediate payment by Diversified Capital Inc. (“**Diversified**”) to the Trustee of the Disputed Amounts (as defined in paragraph 39 below); and
 - (c) such other relief or Orders incidental to or related to the relief requested in paragraph 1(b) above.
2. The costs of this motion on a partial indemnity basis; and
3. Such further and other relief as this Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

Background

1. Pursuant to the Order of the Court in respect of BDMC dated April 20, 2018 (the “**Appointment Order**”), FAAN Mortgage Administrators Inc. was appointed as the Trustee, without security, of all of the assets, undertakings and properties of BDMC, including, without limitation, all of the assets in the possession or under the control of BDMC, its counsel, agents and/or assignees but held on behalf of any other party, including, but not limited to, Investors (as defined in paragraph 2 below), brokers, or borrowers, in each case whether or not such property is held in trust or is required to be held in trust.
2. The purpose of the Trustee’s appointment is to protect the interests of the members of the investing public (the “**Investors**”) who invested in syndicated mortgage loans made by BDMC in respect of certain real estate development projects related to Fortress Real Developments Inc., secured by mortgages registered on title to the applicable real property, and to continue to administer the syndicated mortgage loans, including the loan in respect of a real estate development project located at 230-240 Cameron Crescent, Keswick, Ontario (the “**South Shore Project**”).

3. In carrying out its mandate, pursuant to paragraph 3 of the Appointment Order, the Trustee is empowered to receive, preserve, protect and maintain control of the “**Property**” (as defined in the Appointment Order), including the holding of mortgage security on behalf of the Investors and to exercise all remedies of BDMC in collecting monies owed to BDMC. Such mortgage security includes the charges related to the South Shore Project, referred to in paragraph 6 below. Further, the Trustee may, pursuant to paragraphs 4, 6 and 7 of the Appointment Order, require that all persons provide the Trustee with information of any kind related to the business or affairs of BDMC.

The South Shore Project and related Indebtedness

4. Prior to the completion of the Power of Sale Transaction (as defined in paragraph 11 below), the lands comprising the South Shore Project (the “**Lands**”) were owned by 2221563 Ontario Inc. (the “**Borrower**”).

5. Diversified held a first-ranking mortgage interest in the Lands, secured by a charge registered on title to the Lands on October 30, 2014, in the principal amount of \$4,500,000 (the “**Diversified Mortgage**”).

6. Prior to the appointment of the Trustee, BDMC administered three syndicated mortgage loans made to the Borrower in connection with the Lands and the South Shore Project:

- (a) a loan previously administered by Derek Sorrenti, in trust for various lenders (the “**Sorrenti Loan**”) which administration was transferred to BDMC in July 2016 and which was secured by a charge registered on title to the Lands on February 4, 2011, in the initial principal amount of \$4,800,000 and subsequently increased to \$8,600,000;
- (b) a non-revolving loan in an amount not exceeding \$20,000,000 under a loan agreement dated October 21, 2014 (the “**2014 BDMC Loan**”), which was secured by a charge registered on title to the Lands on January 14, 2015 in the initial principal amount of \$3,200,000 and subsequently increased to \$10,700,000; and

- (c) a non-revolving loan in an amount not exceeding \$10,500,000 under a loan agreement dated April 21, 2016 (the “**2016 BDMC Loan**” and together with the Sorrenti Loan and the 2014 BDMC Loan, the “**BDMC Loans**”), which was secured by a charge registered on title to the Lands on July 22, 2016 in the initial principal amount of \$5,900,000 and subsequently increased to \$11,175,000.

7. The BDMC Loans, including the relevant charges set out in paragraph 6 above, constitute Property, as defined in the Appointment Order.

8. Certain Investors in the South Shore Project (the “**South Shore Investors**”) invested through Olympia Trust Company, B2B Trust and The Bank of Nova Scotia Trust Company (the “**RRSP Trustees**”) using registered savings vehicles under the *Income Tax Act*, and a portion of the charges administered by BDMC registered on title to the Lands was transferred into the name of one or more RRSP Trustees.

9. Prior to the completion of the Power of Sale Transaction, the aggregate amount owing under the BDMC Loans was \$41,073,368 (comprised of \$29,242,025 of outstanding principal and \$11,831,343 of unpaid interest), including the following principal amounts:

- (a) \$8,600,000 under the Sorrenti Loan;
- (b) \$10,113,068 under the 2014 BDMC Loan; and
- (c) \$10,528,957 under the 2016 BDMC Loan.

The Sale of the South Shore Project

10. On January 24, 2019, Diversified issued a Notice of Sale under Mortgage regarding the Lands in respect of a default under the Diversified Mortgage (the “**Notice**”), which stated that the amount then outstanding was approximately \$6.895 million.

11. Acting under its power of sale, on or about March 19, 2021, Diversified entered into a binding agreement of purchase and sale in respect of the Lands with 2794080 Ontario Inc. (the “**Power of Sale Transaction**”) at a purchase price of \$13 million (the “**Sale Proceeds**”).

12. The Power of Sale Transaction closed on or about May 13, 2021, approximately 28 months following the issuance of the Notice.

Breach of Duty owed to BDMC during Sale Process

13. A priority mortgagee acting pursuant to a Notice of Sale under Mortgage is required to conduct a sale process honestly and in good faith and may not proceed without caring whether or not the interests of the mortgagors and any subsequent encumbrancers are sacrificed.

14. Throughout the conduct of the sale process in respect of the Lands (the “**Sale Process**”) and despite repeated requests by the Trustee to work collaboratively in furtherance of a sale to benefit all stakeholders, Diversified failed to act honestly and in good faith and breached the duty that it owed to BDMC by consistently willfully, recklessly, negligently, and/or carelessly disregarding the interests of BDMC (and the South Shore Investors), the fulcrum creditor with respect to the Lands, while interest continued to accrue under the Diversified Mortgage, including (without limitation) by:

- (a) ignoring numerous attempts by the Trustee to contact Diversified, including by phone, email, and text message, during the approximately 18-month period between January 24, 2019 (i.e., the date of the Notice) and July 2020 (i.e. when Diversified finally agreed to arrange a formal call with the Trustee);
- (b) failing to select a real estate broker in a timely fashion;
- (c) failing to consistently market the Lands for sale;
- (d) failing to list the Lands for sale for more than 21 months following issuance of the Notice;
- (e) disregarding various inquiries, including in December 2019 and January 2020, from parties that had expressed an interest in purchasing the Lands;
- (f) refusing to provide the Trustee with pertinent and readily accessible information regarding the Sale Process, once it was commenced, notwithstanding the Trustee’s

repeated requests for same and confirmation by the Trustee that it would sign a confidentiality agreement;

- (g) accepting a highly conditional offer in December 2020 in respect of a transaction that was ultimately not completed (the “**Conditional Offer**”), notwithstanding that at least one unconditional offer had also been submitted for the Lands and that the Trustee had advised that no agreement(s) of purchase and sale with respect to the Lands should be executed without first engaging with the Trustee;
- (h) failing to provide a payout statement prior to the completion of the Power of Sale Transaction despite repeated verbal and written requests by the Trustee and its counsel over several months; and
- (i) failing to provide the Trustee with any opportunity to review, assess, and verify the amounts that Diversified intended to claim from the Sale Proceeds, despite the Trustee’s request that no such amounts should be disbursed from Diversified’s counsel’s trust account to Diversified prior to such a review taking place.

15. The total length of Diversified’s process to sell the Lands was unreasonably lengthy, and as a result, was unjustly detrimental to the interests of the South Shore Investors as detailed below.

16. By letter dated May 25, 2021, after the closing of the Power of Sale Transaction, Diversified delivered an accounting letter (the “**Accounting Letter**”) to the Trustee, in which Diversified claimed amounts in excess of \$9.9 million from the Sale Proceeds in respect of its \$4.5 million principal loan to the Borrower.

17. Diversified has calculated interest accruing under the Diversified Mortgage using a rate of 12% per annum compounded on a monthly basis.

18. Following the application of certain adjustments, the payment of certain property tax arrears and other costs related to the Power of Sale Transaction, and payment of the amount claimed by Diversified, approximately \$2.4 million of the Sale Proceeds would be available for distribution to subsequent encumbrancers, of which approximately \$610,000 is subject to a priority dispute between BDMC and a lien claimant.

19. As at the date hereof, only \$1,760,479.25 of the Sale Proceeds have been distributed to the Trustee, on behalf of BDMC, which represents a return on the outstanding principal amount of the aggregate amount of the BDMC Loans of only approximately 6.0% (or approximately 4.3% of outstanding principal together with unpaid interest).

20. Diversified has claimed (and ultimately paid to itself from the Sale Proceeds) interest totaling approximately \$4.7 million, of which at least approximately \$1.87 million resulted from undue delays which accrued over a 22 month period commencing six months after the issuance of the Notice and ending upon the completion of the Power of Sale Transaction (the “**Interest due to Delay**”).

21. Based on the Trustee’s experience in sale transactions for land similar to the South Shore Project, six months is a more than sufficient period of time to conduct and complete a sale process of this nature. Moreover, Diversified’s own process for the South Shore Project from the listing date through to the completion of the Power of Sale Transaction was approximately six months (inclusive of the additional delay resulting from the acceptance of the Conditional Offer).

Renewal Fees have been Improperly Deducted from the Sale Proceeds

22. Diversified has claimed and deducted from the Sale Proceeds \$409,237 in respect of renewal fees (the “**Renewal Fees**”).

23. Diversified claims the Renewal Fees based on a renewal letter dated July 27, 2015 (the “**Renewal Letter**”).

24. The Renewal Letter provides that an automatic renewal of the Diversified Mortgage would occur on the maturity date of the initial term and any renewal term, in exchange for fees equal to 3% of the principal amount of the loan for the first renewal term and 1.5% for each subsequent renewal term thereafter.

25. The Renewal Letter, however, stated that the automatic renewals would only occur “provided the Borrower is then not in default [of] any of the terms and conditions of the Loan” (emphasis added).

26. The Borrower was in default under the Diversified Mortgage as of September 2015. Notwithstanding such default, Diversified renewed the Diversified Mortgage in November 2015, November 2016, November 2017 and November 2018, charging the collective Renewal Fees.

27. The Renewal Fees, charged when the mortgage was in default, were a disguised penalty and a violation of section 8 of the *Interest Act*, R.S.C., 1985, c. I-15.

28. Further, the Renewal Letter was not registered on title to the Lands, nor is there reference to renewal fees in the mortgage documents registered on title to the Lands. Diversified cannot maintain a priority over a subsequent encumbrancer in connection with amendments to its mortgage where such amendments are not known to the subsequent encumbrancer when making its loan.

29. Accordingly, the Renewal Fees were improperly deducted by Diversified from the Sale Proceeds.

Improperly Charged Interest due to Monthly Compounding have been Improperly Taken by Diversified from the Sale Proceeds

30. The charge/mortgage registered as YR2209128 on October 30, 2014 (the “**Registered Diversified Mortgage Instrument**”) does not state any interest calculation or compounding period that would apply in the circumstances, as is clearly seen in the following excerpt from the charge provisions:

Provisions			
<i>Principal</i>	\$4,500,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>			
<i>Balance Due Date</i>	2015/11/01		
<i>Interest Rate</i>	12% pr annum		

31. The Registered Diversified Mortgage Instrument incorporates Standard Charge Terms 200033 (the “**Standard Charge Terms**”). Section 6 of the Standard Charge Terms reads:

In case default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable

and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the land.

32. A calculation period is not synonymous with a payment period.
33. Diversified asserts that section 6 of the Standard Charge Terms provides for default interest to be calculated on a monthly compounding basis.
34. The Trustee takes the position that the correct interest calculation or compounding period is the annual period referenced in the interest rate provision of the Registered Diversified Mortgage Instrument.
35. The Trustee has calculated the incremental amount of interest charged by Diversified and improperly deducted from the Sale Proceeds due to the use of an improper compounding period (i.e., monthly) to be \$560,523.

Improperly Charged Administrative Expenses

36. To be recoverable under a mortgage, costs, charges, fees and expenses must be reasonable in the context of commercially reasonable steps that were or needed to be taken, and the quantum must be reasonable.
37. Diversified has claimed and deducted from the Sale Proceeds \$32,391 in respect of certain unreasonable "Sale Administration and Property Management" charges (the "**Management Fees**").
38. The Management Fees are in respect of fees paid to "Diversified Realty Advisors Inc." for "management and administration services" rendered in connection with the Property. The Trustee takes the position that the Management Fees are not commercially reasonable or needed in the circumstances. Among other things:
 - (a) the invoice submitted by Diversified Realty Advisors Inc. and provided by Diversified to the Trustee contained inadequate and incomplete particulars regarding

the identity of the timekeeper, their hourly rate, and the time spent on any particular task;

- (b) the invoice submitted by Diversified Realty Advisors Inc. includes, among other things, entries related directly to Diversified's obstruction of the Trustee's efforts to fulfill its Court-ordered mandate and/or to pursuing, against the Trustee's advice, the Conditional Offer received by Diversified in December 2020 in respect of a transaction that was ultimately not completed; and
- (c) Diversified engaged a "Nick J. Costa" to perform property management type services, which included, among other things, facilitating due diligence, visiting the site, and attending to repairs at the Property. Mr. Costa's fees were also paid out of the Sale Proceeds and the fees paid to Diversified Realty Advisors Inc. are duplicative of the fees paid to Mr. Costa.

39. A priority mortgagee owes a subsequent encumbrancer a fiduciary duty in respect of any surplus obtained following a sale. The surplus paid thus far to the Trustee has been wrongfully reduced as a result of the breach of duty Diversified owes to BDMC, the wrongfully claimed Renewal Fees, the improper compounding of interest and the improperly charged Management Fees (collectively, the **"Disputed Amounts"**).

40. The following is a summary of the Disputed Amounts:

Sales Process Breach of Duty	\$1,870,000
Improperly Charged Renewal Fees	\$409,237
Improperly Charged Interest due to Monthly Compounding	\$560,523
Improperly Charged Management Fees	\$32,391
Total	\$2,872,151

41. Diversified owes BDMC a fiduciary duty in respect of the Disputed Amounts and has breached that duty by unilaterally paying itself these amounts.

General

42. The Appointment Order.

43. Section 37 of the MBLAA.

44. Sections 22, 27, and 43 of the *Mortgages Act*, R.S.O. 1990, c. M.40.

45. Rules 1.04, 1.05, 2.03, 3.02, 16, 37, and 54.02(1)(c) of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.

46. The inherent and equitable jurisdiction of this Honourable Court; and

47. Such further and other grounds as counsel may advise and this Court may permit.

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

1. The Report of the Trustee, to be filed; and

2. Such further and other evidence as counsel may advise and this Court may permit.

January 10, 2022

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Court-Appointed Representative Counsel for Investors

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- and -

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Respondent

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

NOTICE OF MOTION
(Payment by Diversified to the Trustee of the
Disputed Amounts)

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 capacity as Court-appointed Trustee of Building &
 Development Mortgages Canada Inc.

TAB 2

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TWENTY-EIGHTH REPORT OF THE TRUSTEE

March 21, 2022



FAAN Mortgage Administrators Inc.
Court-Appointed Trustee of the Respondent

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Court File No. CV-18-596204-00CL

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TWENTY-EIGHTH REPORT OF THE TRUSTEE

March 21, 2022

INTRODUCTION

1. On April 20, 2018, pursuant to an order ("**Appointment Order**") of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (Commercial List) ("**Court**"), FAAN Mortgage Administrators Inc. ("**FAAN Mortgage**") was appointed as trustee ("**Trustee**") over all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc. ("**BDMC**") including, without limitation, all of the assets in the possession or under the control of BDMC, its counsel, agents and/or assignees but held on behalf of any other party, including, but not limited to, lenders under syndicated mortgage loans ("**Investors**"), brokers, or borrowers, in each case whether or not such property was or is held in trust or was or is required to be held in trust (collectively, the "**Property**"). The Appointment Order was issued following an application made by the Superintendent of Financial Services pursuant to section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006* (Ontario), as amended ("**MBLAA**"), and section 101 of the *Courts of Justice Act* (Ontario), as amended. A copy of the Appointment Order is attached as **Appendix "1"**.

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2. On October 30, 2018, this Court issued an Order ("**Realized Property Order**") that, among other things,
 - (a) required the Trustee to distribute (when aggregated with previous distributions) 70% of (I) all funds held or received by the Trustee as a result of a repayment (in whole or in part) of principal on any loan or other indebtedness administered by BDMC on behalf of Investors, whether or not (i) secured by any Real Property Charges in the name of BDMC or an RRSP Trustee, (ii) received before or after the date of the Appointment Order, or (iii) paid or payable in trust, plus (II) all interest paid or payable to BDMC or the Trustee at the time such repayment (in whole or in part) of principal is made (collectively, "**Realized Property**");
 - (b) required the Trustee to retain 30% of all Realized Property; and
 - (c) authorized the Trustee to use the retained Realized Property to aid the Trustee in complying with the Appointment Order and in carrying out its mandate, as the Trustee, in its sole discretion, considered necessary or desirable for the administration of the estate, including in respect of those matters set out in paragraph 17 of the Order made by the Court in these proceedings on June 26, 2018 ("**Interim Stabilization Order**").
3. The Realized Property Order, as amended, requires the Trustee to distribute (when aggregated with previous distributions) 85% of all Realized Property to Investors.
4. The Trustee has, in total, delivered twenty-seven reports to Court (collectively, the "**Reports**") detailing the Trustee's activities during these proceedings, providing updates to stakeholders on various projects and providing information in support of Orders sought by the Trustee. Notably, on January 18, 2022, the Trustee delivered its twenty-seventh report in these proceedings ("**Twenty-Seventh Report**"), which provided, among other things, a comprehensive update on the Trustee's activities and support for the Trustee's request for the January 2022 Omnibus Order.
5. Further, as described in the Reports, the Trustee continues to attempt to maximize recoveries for Investors. As part of those efforts and as noted in its Twenty-Seventh Report, the Trustee commenced litigation against Diversified Capital Inc. ("**Diversified**") seeking to recover certain of the amounts paid to Diversified from the proceeds of the Sale Transaction (defined further herein), in priority to those Investors

that had advanced funds in a real estate development project known as the South Shore Project ("**South Shore Investors**").

6. Capitalized terms used but not otherwise defined in this twenty-eighth report ("**Report**" or "**Twenty-Eighth Report**") have meanings ascribed to them in previous Reports. Materials filed with the Court with respect to these proceedings, including the Reports and the various Court orders issued in these proceedings, are accessible on the Trustee's website at: www.faanmortgageadmin.com ("**Trustee's Website**"). The Trustee intends to maintain the Trustee's Website for the duration of these proceedings and will be updating it as appropriate.

PURPOSE OF THE TWENTY-EIGHTH REPORT

7. The Trustee is filing this Twenty-Eighth Report in support of the requested relief set out in the Trustee's Notice of Motion dated January 10, 2022, for an Order that would, among other things, require:
 - a) the immediate payment by Diversified to the Trustee of the Disputed Amounts (defined below);
 - b) the Trustee's costs on a partial indemnity basis; and
 - c) such relief or other Orders incidental to or related to the relief requested in this Report ("**Diversified Payment Order**").
8. All capitalized terms used above and not otherwise defined are defined later in this Report.

SCOPE AND TERMS OF REFERENCE

9. In preparing this Twenty-Eighth Report, the Trustee has relied upon unaudited financial and other information provided by, *inter alia*, BDMC, Olympia Trust Company ("**Olympia**"), Fortress Real Developments Inc. ("**Fortress**"), Canadian Development Capital & Mortgage Services Inc. ("**CDCM**"), the mortgage brokerage who assumed the mortgage brokerage duties of BDMC, Diversified, Robins Appleby LLP (Diversified's legal counsel) and Colliers Macaulay Nicolls Inc. ("**Colliers**") and certain other individual borrowers who have borrowed funds from BDMC under various syndicated mortgage loans administered by BDMC. However, the Trustee notes that

it cannot be certain that it is in receipt of all applicable and relevant information with respect to the projects and the administration business of BDMC. While the Trustee reviewed various documents provided by BDMC, CDCM, Fortress, Diversified and applicable borrowers (including, among other things, unaudited internal information, appraisals and financial projections), the Trustee's review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Assurance Standards ("**GAAS**"), Generally Accepted Accounting Principles ("**GAAP**"), or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Trustee expresses no opinion or other form of assurance pursuant to GAAS, GAAP or IFRS, or any other guidelines, with respect to such information.

10. Some of the information used and relied upon in preparing this Twenty-Eighth Report consists of financial projections and other information received from various third parties, including appraisals and project cost information. The Trustee cautions that the projections and other information used and relied upon are generally based upon assumptions and estimates about future events and/or market conditions that are not ascertainable or that could change. As such, the information presented in this Twenty-Eighth Report may vary from the projections and information used to prepare this Twenty-Eighth Report and the actual results may differ both from the results projected therein and herein. Even if the assumptions relied upon therein or herein materialize, the variations from the projections could be significant. The Trustee's review of the future-oriented information used to prepare this Twenty-Eighth Report did not constitute an audit or review of such information under GAAS, GAAP or IFRS or any other guidelines.
11. This Twenty-Eighth Report has been prepared to assist the Court with respect to the Trustee's request for the proposed Diversified Payment Order. Accordingly, the reader is cautioned that this Twenty-Eighth Report may not be appropriate for any other purpose.
12. All references to dollars are in Canadian currency.

OVERVIEW OF THE SOUTH SHORE PROJECT

13. The South Shore Project was a real estate development project in Keswick, Ontario ("**South Shore Project**" or "**South Shore Property**") with three syndicated mortgage loans, which combined have principal debt outstanding totalling more than \$29 million,

and each is administered by BDMC (collectively the “**South Shore Loans**”). In total there are 638 South Shore Investors.

14. The development plan for the South Shore Project was comprised of two phases. Phase one of the development had foundation permits in place and site work had commenced on the South Shore Property, which the Trustee understands was halted in September 2017 due to financing issues.
15. On January 24, 2019, Diversified issued a Notice of Sale under Mortgage (“**Notice of Sale**”) in respect of its then outstanding first priority debt (“**Diversified Mortgage**”) that was in default. Following a delayed sale process, the South Shore Property was eventually sold on May 13, 2021 (“**Sale Transaction**”). The Sale Transaction completed by Diversified took place almost two and a half years from the date of issuance of the Notice of Sale. A copy of the Notice of Sale is attached as **Appendix “2”**.
16. The Trustee and its counsel have been engaging with Diversified and its counsel since the issuance of the Notice of Sale, throughout the sale process and subsequent to the completion of the Sale Transaction, in an effort to address the Trustee’s concerns regarding the actions and inactions taken by Diversified since the issuance of the Notice of Sale, including as it relates to the amounts paid to Diversified from the Sale Transaction proceeds.
17. On May 27, 2021, the Trustee received a distribution of approximately \$1.8 million, representing the remaining sale proceeds after the payment of commission, legal fees, a lien settlement of \$35,000, approximately \$610,000 that has been paid into Court in respect of an outstanding lien claim and approximately \$9.9 million paid to Diversified.
18. Despite the Trustee’s efforts to engage in productive discussions with Diversified throughout this process, there has been no resolution with Diversified; accordingly, the Trustee is seeking the Diversified Payment Order to recover the Disputed Amounts paid to Diversified, including amounts related to the conduct and length of the power of sale proceeding leading up to the Sale Transaction and the quantum of the fees and interest taken by Diversified as a result of same, each discussed and detailed later in this Report.

THE SOUTH SHORE LOANS

19. Immediately prior to the closing of the Sale Transaction, there were three BDMC loans registered on title to the South Shore Property: (i) the Sorrenti Loan, (ii) the 2014 BDMC Loan, and (iii) the 2016 BDMC Loan (each as defined below). A copy of the parcel register for the South Shore Property as of May 20, 2021 is attached as **Appendix “3”**.¹ The following amounts were owing under each of the three South Shore Loans when the Sale Transaction closed:

	Sorrenti	2014 BDMC	2016 BDMC	Total
Number of Investors	208	202 ²	228	638
Principal Outstanding (\$)	8,600,000	10,073,068 ³	10,528,957	29,202,025
Accrued Interest (\$)	5,202,044	3,876,495	2,833,676	11,912,215
Total Outstanding (\$)	13,802,044	13,949,563	13,362,633	41,114,240

19. Of the 638 South Shore Investors, 392 Investors advanced funds from their retirement accounts through either Olympia Trust, B2B Trust Company (“**B2B**”) or the Bank of Nova Scotia Trust Company (“**BNS**” and collectively the “**RRSP Trustees**”) using registered savings vehicles under the Income Tax Act, representing approximately \$15.9 million or 54.6% of the total principal outstanding under the South Shore Loans. A portion of the charges administered by BDMC and registered on title to the South Shore Property was transferred into the name of one or more RRSP Trustees.
20. The following paragraphs describe each of the loans advanced by the South Shore Investors.

¹ The relevant mortgages had yet to be deleted from title as of this date.

² In the Trustee’s Twenty-Seventh Report the number of Investors reported as having invested in the 2014 BDMC Loan was understated as a result of a clerical error.

³ The outstanding principal was reported as \$10,113,068 in the Notice of Motion, served January 10, 2022. Upon completing its procedures in advance of making the South Shore Distribution (defined below) to the South Shore Investors, this amount was revised to reflect the actual amounts determined to be outstanding.

Sorrenti Loan

21. The Trustee understands that the South Shore Project was originally branded as the Crates Landing Project. Commencing in January 2011, 2221563 Ontario Inc. ("**Borrower**") entered into various loan agreements with Derek Sorrenti ("**Sorrenti**"), Olympia, B2B and/or BNS, in each case, in trust for individual Investors ("**Crates Landing Investors**") with a maximum principal balance of \$8.6 million in aggregate (collectively, the "**Sorrenti Loan**").
22. On February 4, 2011, the Borrower granted a mortgage of \$4.8 million (which amount was subsequently increased to \$8.6 million) on title to the South Shore Property in favour of Sorrenti, in trust (which mortgage was subsequently amended to include Olympia, B2B and BNS as trustees for those Crates Landing Investors who made their investments through registered plans). Attached as **Appendix "4"** is a copy of the Sorrenti mortgage.

2014 BDMC Loan

23. On October 21, 2014, the Borrower entered into a loan agreement with Centro Mortgage Inc. ("**Centro**", the prior operating name for BDMC), in trust for certain individual lenders ("**South Shore 2 Investors**"), that provided for an aggregate syndicated mortgage loan of up to \$20 million ("**2014 BDMC Loan**"). The Trustee understands that the project was rebranded from Crates Landing to the South Shore Project after the registration of the 2014 BDMC mortgage. Attached as **Appendix "5"** is a copy of the 2014 BDMC mortgage.
24. On January 14, 2015, the Borrower granted a mortgage of \$3.2 million (which amount was subsequently increased to \$10.7 million) on the South Shore Property in favour of Centro (which mortgage was subsequently amended to include Olympia).

2016 BDMC Loan

25. On April 21, 2016, the Borrower entered into a loan agreement with BDMC, in trust for certain individual lenders ("**South Shore Hybrid Investors**") that provided for an aggregate loan of up to \$10.5 million ("**2016 BDMC Loan**").
26. On July 22, 2016, the Borrower granted a mortgage of \$5.9 million (which amount was subsequently increased to \$11.175 million) on title to the South Shore Property

in favour of BDMC (which mortgage was subsequently amended to include Olympia). Attached as **Appendix “6”** is a copy of the 2016 BDMC mortgage.

South Shore Distribution

27. On January 31, 2022, the Court granted an order (“**January 2022 Omnibus Order**”) approving, among other things, the *pari-passu* distribution to the South Shore Investors, of 85% of the approximately \$1.8 million payment received by the Trustee from the sale of the South Shore Property (“**South Shore Distribution**”), and any further proceeds to be received in connection with the South Shore Project.
28. The \$1.8 million payment represented a recovery of approximately 6% on the original principal balance of approximately \$29 million advanced pursuant to the South Shore Loans to the Borrower.
29. On March 11, 2022, the Trustee made the South Shore Distribution in accordance with the January 2022 Omnibus Order.

DIVERSIFIED SALE PROCESS

30. As noted above, on January 24, 2019, Diversified issued the Notice of Sale.
31. On February 5, 2019, the Trustee sent a notice to the South Shore Investors advising of the Notice of Sale and that the Borrower was seeking a transaction for the sale of the South Shore Property that may allow BDMC to maintain its mortgages on the South Shore Property. A copy of the South Shore Investor notice is attached as **Appendix “7”**.
32. Prior to the issuance of the Notice of Sale, the Trustee had been in discussions with the Borrower regarding the ongoing development of the South Shore Project and options it was considering and working on including a possible transaction for the South Shore Property. Those discussions with the Borrower continued for a period of time after the issuance of the Notice of Sale; however, consistent with the role that the Trustee takes and has taken in enforcement proceedings commenced in respect of BDMC projects, and in particular those where BDMC is the fulcrum creditor, the Trustee reached out to directly to Diversified, as the enforcing creditor.

33. The Trustee's initial correspondence with Diversified regarding the South Shore Property took place on or about March 25, 2019. At that time, the Trustee sought information regarding Diversified's intentions with respect to the South Shore Property, including the anticipated timing for commencement of a sale process and details related to how the process would be conducted. Limited information was provided.
34. On March 29, 2019, the Trustee spoke with Mr. Russ Giannotta (whom the Trustee understands is the principal of Diversified) who advised that there were a "couple" of people looking at the transaction, it was not yet listed for sale, he had sent documents out to six or seven parties that he thought could do a deal and the timeline to a transaction was likely 30 to 45 days. During the call, the Trustee requested information regarding the parties that Mr. Giannotta had contacted and the information that had been provided to them. Mr. Giannotta advised that he would likely be in a position to share further information with the Trustee within approximately two weeks.
35. On April 25, 2019, the Trustee spoke with Mr. Giannotta to obtain an update on the status of the transaction that was discussed at the end of March. During that call Mr. Giannotta again advised that he was "working with a prospect" and that he thought it may give rise to a sale of the South Shore Property. He advised that he was in the process of providing that prospect with information related to their due diligence requests and that the parties had not yet had a discussion regarding value for the South Shore Property. On that call the Trustee requested details regarding all of the parties that had been contacted through Diversified's marketing efforts. Mr. Giannotta advised that he would prepare a summary for the Trustee. The Trustee was never provided with that information.
36. The Trustee continued to follow up with Diversified on a periodic basis through to October 22, 2019. The correspondence during that period took place by telephone and text messages, which was Mr. Giannotta's preferred way of communication.
37. During the limited discussions that the Trustee had with Diversified over that seven-month period, Diversified continually advised that it was attempting to market the property on an informal basis to mitigate the stigma and possible loss in value that can result when a sale process is conducted through an enforcement proceeding. During those discussions Mr. Giannotta advised that he understood that evidence of

a proper process and extensive canvassing of the marketplace would need to be provided to support any sale transaction that may result from those efforts. Despite that acknowledgement and the Trustee's request for information supporting the informal process that was being conducted, no information was provided.

38. On October 15, 2019, after attempting to reach Diversified and having multiple voicemails and text messages go unanswered, the Trustee followed up by email at the last known email address for Diversified, but the email bounced back. A copy of the October 15, 2019, email and the notice of being undeliverable is attached as **Appendix "8"**.
39. Finally, in late October 2019 the Trustee spoke with Mr. Giannotta, who advised that he was in the process of obtaining appraisals and seeking proposals from commercial real estate agents, and that he intended to list the South Shore Property in the near term with a 45-day deadline for offers. Attached as **Appendix "9"** is the Trustee's internal correspondence regarding the October 2019 call with Diversified.
40. Despite Mr. Giannotta's assertions that a sale process would be commenced in the near term, a process was not commenced at that time.
41. On January 22, 2020, the Trustee was contacted by a commercial real estate agent, acting on behalf of one of the agent's clients, whom the agent described as "a reputable developer". The agent advised that it had been attempting to contact Diversified since December 1, 2019, regarding its client's interest in purchasing the South Shore Property, with no response. The agent reached out to the Trustee looking for assistance with its client's efforts to purchase the South Shore Property. The Trustee attempted to contact Diversified again at that time with no response. A copy of the January 22, 2020 email is attached as **Appendix "10"**.
42. Also in January 2020, the Trustee was contacted by a developer in the BDMC portfolio who expressed an interest in acquiring the South Shore Property. Both the Trustee and the developer attempted to contact Mr. Giannotta on multiple occasions regarding that developer's interest in the South Shore Property. The developer advised that it had also contacted Diversified's legal counsel in March, 2020 and was advised in April, 2020 that Diversified would only consider a repayment in full of all amounts outstanding under its mortgage in exchange for an assignment of the Diversified mortgage.

43. Based on Diversified's response to that developer, it appeared that Diversified had no interest or intention of commencing a sale process nor did it appear that Diversified was carrying out an informal sale and marketing process for the South Shore Property as Mr. Giannotta had previously communicated to the Trustee.
44. On June 5, 2020, the Trustee's counsel wrote to Diversified to formally request an update with respect to the status of Diversified's efforts to sell the South Shore Property, including but not limited to: (i) the details of any sale process conducted for the South Shore Property; (ii) the listing details for the South Shore Property; (iii) the proposed timeline for the sale of the South Shore Property; (iv) a list of potentially interested parties; and (v) details regarding any purchase offers that Diversified has received for the South Shore Property to date. The letter requested that Diversified provide a response as quickly as possible and in any event within 30 days of the letter ("**June 5th Letter**"). A copy of the June 5th Letter is attached as **Appendix "11"**.
45. On June 19, 2020, the Trustee spoke with Jawad Rathore and Vince Petrozza, the principals of Fortress, in their capacity as representatives of the Borrower on the South Shore Project. They advised that they had last spoken to Mr. Giannotta in March 2020 at which time Mr. Giannotta had advised that he would soon be marketing the South Shore Property. According to Mr. Rathore and Mr. Petrozza, after that discussion Mr. Giannotta also stopped responding to their correspondence.
46. Finally, on July 6, 2020, after approximately 8 months of no response or correspondence from Diversified, the Trustee was contacted by Mr. Giannotta to set up a call to discuss the information that had been requested by the Trustee's counsel in the June 5th Letter.
47. The Trustee had four phone calls with Mr. Giannotta between July 7, 2020, and September 17, 2020, requesting the same information that was set out in the June 5th Letter.
48. During each of those calls the information provided was the same. Mr. Giannotta continued to advise that he was finalizing the appraisal and that he was in the process of selecting a real estate agent to formally list the South Shore Property for sale.
49. Around August 2020, the Trustee was advised by a potential purchaser that it was interested in and prepared to submit a formal offer for the South Shore Property;

however, it needed to understand the sale process in order to move forward as the potential purchaser was concerned that it would be wasting its time dealing directly with Diversified. Despite Diversified being aware of such interest in the South Shore Property, no sale process was commenced at that time.

50. On September 18, 2020, the Trustee followed up with Diversified by email⁴ again requesting that information requested in the June 5th Letter be provided to it by September 21, 2020. No response was received. A copy of the September 18th email is attached as **Appendix “12”**.
51. On October 19, 2020, the Trustee followed up with Diversified by email once again looking for an update on the status of the sale process and advising that the Trustee would be instructing its counsel to take next steps given Diversified’s lack of action and responsiveness since the Notice of Sale was issued. A copy of the October 19 email is attached as **Appendix “13”**.
52. On October 21, 2020, the Trustee learned through an unrelated third party that the South Shore Property had been listed for sale by Colliers and offers were due on November 26, 2020. Diversified did not provide the Trustee with a copy of the listing nor any explanation for why such a short timeline was chosen.
53. On November 2, 2020, the Trustee had a very brief call with the Colliers agent managing the listing, who advised that he could not provide the Trustee with any information at that time as he needed to check with Diversified to find out if he could speak to the Trustee about the process. He also stated that it was his understanding that Mr. Giannotta had spoken to the Trustee about the sale process, which the Trustee advised was not the case.
54. Following the call on November 2, the Trustee emailed the Colliers agent to provide a copy of the Appointment Order and requested a response from the agent as soon as possible given the tight timeline for offers. On the same date the Colliers agent responded advising that he would get back to the Trustee. On November 6, 2020, the Trustee followed up with Colliers by email as no response had been received.
55. On November 9, 2020, Osler wrote to Diversified and Schneider Ruggiero Spencer Milburn LLP, whom the Trustee understood was representing Diversified. The letter

⁴ The Trustee now had Diversified’s correct email address.

detailed the history of correspondence between the Trustee and Diversified and requested specific information related to the recently commenced sale process. The letter also stated that the Trustee would be willing to execute a confidentiality agreement and it attached a markup of the Colliers confidentiality agreement to the letter. A copy of the November 9th letter is attached as **Appendix “14”**.

56. On November 13, 2020, Robins Appleby LLP (“**Robins Appleby**”), in its capacity as Diversified’s legal counsel, sent a letter to Osler in response to the November 9 letter advising that given BDMC’s role as a subsequent mortgagee and in accordance with Diversified’s rights under its mortgage to sell the South Shore Property under its power of sale, Diversified was not required to provide any information to the Trustee regarding the sale process. The letter further stated that the Trustee could redeem the Diversified Mortgage should it wish to take over the sale process (which Diversified knew or should have known that given the Trustee’s role in the BDMC proceedings was not a feasible option). A copy of the November 13th letter is attached as **Appendix “15”**.
57. On November 23, 2020, the Trustee emailed Colliers to inquire as to whether the deadline had been extended and was advised that the new deadline for offers was December 16, 2020.
58. On November 26, 2020, the Trustee emailed Colliers requesting high level information regarding the sale process, including the reasons for the extension of the offer deadline, and advising that the Trustee was also working to generate interest in the South Shore Property and was directing interested parties to Colliers.
59. On November 27, 2020, Colliers confirmed that the deadline had been extended to December 16, 2020, because new information had been added to the data room. The Colliers agent also advised that he would be happy to speak with the Trustee regarding the process if Diversified would agree to allow Colliers to release the information to Trustee.
60. On November 30, 2020, the Trustee emailed Colliers to request the form of offer that was provided in the data room and to confirm that the form of offer was in fact available in the data room.

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61. Colliers advised that it could not provide any information to the Trustee until the Trustee executed a confidentiality agreement. The Trustee responded advising that it would look into executing a confidentiality agreement. Given that the form of confidentiality agreement previously provided by Diversified was; (i) not consistent with the Trustee's mandate, but rather was geared towards potential purchasers; and (ii) Diversified's prior unwillingness to provide the Trustee with comments on the confidentiality agreement markup previously provided to Diversified by the Trustee, the Trustee was ultimately unable to execute a confidentiality agreement. As a result, Collier's did not provide the Trustee with the requested information.
62. On December 7, 2020, the Trustee followed up with Colliers again regarding the form of offer as one of the interested parties advised the Trustee that it still had not received it and wanted to begin to prepare its offer. The Trustee did not receive a response to this email.
63. On December 16, 2020, being the extended offer deadline, an unrelated third party asked the Trustee to forward an offer to Colliers on its behalf. The request was made because of confidentiality concerns that this prospective purchaser had with other parties potentially knowing that it was submitting an offer to purchase the South Shore Property. It was concerned that Diversified or other parties knowing who the purchaser was might prejudice its offer from being considered. Although the Trustee is unrelated to this party, it had knowledge of the party and its financial ability to complete a transaction which is why the Trustee agreed to simply forward the offer on that party's behalf.
64. On December 18, 2020, the Trustee spoke with the Colliers agent who provided the Trustee with some limited information regarding the sale process. He advised the following:
 - a) seven offers had been received, three of which were received after the offer deadline, and that it was their intention to consider all offers;
 - b) three or four of the offers were financially competitive;
 - c) it was unlikely that there would be a second round, as one of the offers was significantly better than the others; and

- d) Colliers had some concerns regarding the third-party offer forwarded by the Trustee as little was known about that party. The Trustee advised that it could set up a call with the prospective purchaser to have it provide Colliers with additional information.
64. The Trustee asked for information regarding the other offers that had been submitted and attempted to understand why a second round of offers for the three or four financially competitive offers would not be held. It was the Trustee's view that a second round would only further assist to maximize recoveries, of which BDMC would be the sole beneficiary.
65. Given that the Trustee had knowledge of the offer price submitted by the party on behalf of whom the Trustee forwarded the offer, it was clear that BDMC was the fulcrum creditor.
66. Following the Trustee's call with Colliers on December 18, 2020, the Trustee sent a follow up email to Colliers again asking to be involved in the strategy to maximize the value on the sale of the South Shore Property, including the possibility of having a second round of offers given the results to date.
67. Further, on December 18, 2020, the Trustee was made aware that counsel to the third-party purchaser emailed Colliers directly to attempt to provide any additional information that may be required to move forward with its client's offer.
68. On December 23, 2020, Colliers emailed the Trustee to advise that it would not be moving forward with the third-party offer forwarded by the Trustee.
69. On December 23, 2020, the Trustee emailed Diversified and Colliers:
- a) clarifying, again, that the Trustee has no relationship to the party on behalf of whom it forwarded the offer;
 - b) stating that it had attempted to work together with Diversified and Colliers in good faith since the beginning of the sale process in an effort to maximize recoveries;
 - c) noting its surprise that Colliers had not acknowledged or responded to the communications from counsel to the third-party purchaser;
 - d) stating its concerns with the sale process and its disappointment that a second round of bidding was not conducted, in particular because the Trustee was aware

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of one offer that would have seen funds being available to satisfy a portion of the amounts owing to BDMC, and the Trustee's belief that a second round of bidding could have resulted in an increased offer from that party;

- e) stating its assumption that that the offer that was being accepted by Diversified had to be superior, to the offer that was forwarded by the Trustee; and
 - f) requesting an update by 5pm (on December 23, 2021), regarding the status of the process, the quantum of each offer received, including the one that Diversified was currently working with, communications with the bidders and anticipated timing for acceptance of an offer.
70. On December 24, 2020, after receiving no response to the December 23, 2020 email, the Trustee again wrote to Diversified and Colliers, and requested a payout statement with respect to Diversified's mortgage. No response was received to that email. A copy of the December 23rd and 24th emails chain is attached as **Appendix "16"**.
71. On December 29, 2020, Osler wrote to Robins Appleby expressing the Trustee's concerns with the sale process and the lack of information that had been provided to the Trustee. Osler requested that Robins Appleby speak with Diversified about providing the requested information to the Trustee, as well as a payout statement so that the Trustee could consider all its options.
72. On December 31, 2020, Robins Appleby responded to Osler's email advising that Diversified had entered into a conditional agreement with a prospective purchaser ("**Conditional Offer**") and restating its position that once the sale was complete it would provide the Trustee with an accounting of the transaction, and again stating that they would not be providing any information at that time. A copy of the December 29 and December 31 email exchange is attached as **Appendix "17"**.
73. On January 6, 2021, Osler sent a letter to Robins Appleby with background regarding the South Shore Loans and the previous correspondence among the parties and again requesting information about the sale and offer acceptance process, and specifically requesting the following information:
- a) copies of all offers received, including the Conditional Offer;
 - b) a copy of the agreement of purchase and sale entered into by Diversified; and

- c) information related to the assessment and selection process undertaken to determine the successful bidder and select the winning bid.
74. The letter also stated that if information was not provided to the Trustee by 5pm on January 8, 2021, the Trustee would be seeking an appointment with the Court to schedule an urgent motion in the BDMC proceedings to compel Diversified to provide the information. A copy of the January 6th letter is attached as **Appendix "18"**.
75. On January 7, 2021, Robins Appleby responded advising that it would not be able to meet the Trustee's deadline but that it would provide a meaningful response the following week.
76. On January 11, 2021, Robins Appleby sent a letter to Osler again stating that the Trustee is not entitled to any information but in any event advising the following:
- a) the Conditional Offer was still in the conditional period and was for an amount that significantly exceeded any other bid received, however, should Diversified be unable to complete a sale it would have to return to market and therefore was unwilling to provide details of the various offers received;
 - b) the Conditional Offer was from an arms-length party with an established reputation. The original conditional period was 30 days from January 4, 2021 (to be extended by agreement of the parties), with the closing to take place 30 days from the expiry of the conditional period;
 - c) the marketing process was run by Colliers from October 21, 2020 to December 16, 2020, and was marketed through Colliers database of over 4,200 parties, MLS, and various social media platforms; and
 - d) upon receipt of bids, each offer was analyzed and on the advice of Colliers the Conditional Offer was entered into by Diversified.
- A copy of the January 11th letter is attached as **Appendix "19"**.
77. On January 14, 2021, Osler sent a letter to Robins Appleby:
- a) clarifying the record again to state that the Trustee is not aligned with any party that participated in the sale process, including the party on behalf of whom it forwarded the offer;

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- b) raising concerns over Robins Appleby's comments in the January 11, 2021 letter that Diversified may need to return to market to sell the property should the Conditional Offer not be completed;
- c) disagreeing with the conclusion made by Robins Appleby that the Trustee is not entitled to, nor should it be provided with the information that it has been requesting throughout the sale process; and
- d) asking for confirmation of the following based on information provided in the January 11th letter:
 - i. that the purchase price for the Conditional Offer was significantly greater than the price of the other offer known to the Trustee;
 - ii. a meaningful deposit had been received;
 - iii. the closing date could be extended one time for a further 30-day period upon mutual agreement between the purchaser and the Diversified; and
 - iv. stating that unless it were to hear otherwise the Trustee would assume its understanding on the above points was correct. Osler again requested delivery of the agreement of purchase and sale for the Conditional Offer and the Diversified payout statement that had not yet been provided.

A copy of the January 14th letter is attached as **Appendix "20"**.

78. On January 18, 2021, Robins Appleby sent an email providing the following responses:
- (a) Diversified considered the offer that was forwarded by the Trustee on behalf a purchaser;
 - (b) The Conditional Offer that was accepted provided a meaningful deposit, that would be refundable in the event that the conditions were not waived;
 - (c) Diversified would only provide the Trustee with a copy of the conditional agreement of purchase and sale after conditions were waived and the agreement was firm; and
 - (d) Diversified was unable to prepare a payout statement because information required to do so was at the Diversified office and due to the Covid-19 stay-at-home order that information could not be accessed, and that if the Trustee wanted

the information, it should take the loan information provided in the Notice of Sale and roll forward the interest calculation.

A copy of the January 18th email is attached as **Appendix “21”**.

79. On February 1, 2021, Osler followed up with Robins Appleby regarding the expiration of the due diligence period. Robins Appleby advised that the due diligence period had been extended to March 5, 2021.
80. On March 1, 2021, Osler followed up regarding the expiration of the extended diligence period. On March 3, 2020, Robins Appleby advised that Diversified was working on completing a deal with the prospective purchaser and an update would be provided at the end of the week.
81. On March 5 and 8, 2021, Osler followed up again with Robins Appleby regarding the status of the Conditional Offer and on March 9, 2021, Robins Appleby advised that Diversified and the prospective purchaser who had submitted the Conditional Offer, had not agreed upon terms, therefore Colliers would be going back to the market to have all parties, including the party that had submitted the Conditional Offer, submit final offers for the South Shore Property. A copy of the email chain between Osler and Robins Appleby, including the March 5, 8 and 9 emails, is attached as **Appendix “22”**.
82. The Trustee was advised that on March 9, 2021, Colliers notified parties that had previously participated in the sale process that the conditional offer was not completed, and that Colliers would be accepting best and final offers for the South Shore Property on March 12, 2021 (*just three days later*).
83. On March 13, 2021, Osler emailed Robins Appleby to request that copies of all offers submitted to Colliers on March 12, 2021 be provided to the Trustee immediately. Osler further stated that (i) given the length of time that had passed since Diversified initiated the sale process; (ii) the failure of Diversified to close a transaction that it accepted without consulting with the Trustee, who is clearly the fulcrum creditor; and (iii) combined with the interest that Diversified was continuing to accrue, the Trustee required the ability to review the offers submitted. Osler further advised that should the information not be provided, the Trustee would be in contact with Robins Appleby regarding a potential Court attendance, and in that regard also requested that Robins Appleby advise as to availability

for a 9:30am Court attendance should it be required. A copy of the March 13, 2021 email exchange, is attached as **Appendix “23”**.

84. The 9:30 Court attendance was ultimately scheduled for March 17, 2021.
85. Finally, in the evening of March 16, 2021, after further discussions between Osler and Robins Appleby, Robins Appleby provided the Trustee with copies of the two highest offers (one of which had a 30-day conditional period) received by Diversified on March 12, 2021, both of which were open until the following day, March 17, 2021, at 6pm. In the email Robins Appleby asked if the Trustee had a preference between the two offers, noting however that despite the Trustee’s feedback, Diversified retained the right to select the offer it determined to be most appropriate in the circumstances.
86. Later that evening the Trustee provided its feedback to Robins Appleby, advising that its preference was to proceed with the unconditional offer (*which was the same unconditional offer submitted to Diversified on the offer deadline or approximately three months earlier*). A copy of the March 16 email exchange is attached as **Appendix “24”**.
87. Had the Trustee been consulted by Diversified prior to the acceptance of the Conditional Offer, the Trustee would have recommended that a non-conditional offer be chosen, given the significant closing risks of the Conditional Offer.
88. Ultimately Diversified proceeded with the unconditional offer at a purchase price of \$13 million (“**Sale Proceeds**”) and the March 17, 2021 Court appearance was cancelled as the immediate matter had been resolved.
89. Prior to the closing of the sale transaction, the Trustee and its counsel on numerous occasions requested a copy of the Diversified payout statement, including during a telephone conversation on May 10, 2021. Notwithstanding the numerous requests the payout statement was not provided.
90. The sale transaction closed on May 13, 2021.
91. On May 13, 2021, Osler wrote to Robins Appleby stating, among other things, that the Trustee required that Robins Appleby hold the Sale Proceeds in trust pending the Trustee being provided with Diversified’s payout statement and an opportunity to review same prior to any distribution of the Sale Proceeds. A copy of the May 13, 2021 letter is attached as **Appendix “25”**.

92. On May 17, 2021, Robins Appleby sent an email in response to the May 13 letter, providing among other things, a payout statement as at May 14, 2021, and advising that given there is no obligation for Diversified to obtain the Trustee's consent prior to being paid the funds owing under its mortgage, Diversified had been paid the amounts set out in the payout statement, which totaled approximately \$9.9 million and was comprised of: (i) a return of principal of \$4.5 million; (ii) unpaid interest of \$4.7 million (on \$4.5 million of original principal); and (iii) approximately \$700,000 in renewal fees and other amounts. A copy of the May 17th email and related payout statement is attached as **Appendix "26"**.
93. On May 27, 2021, the Trustee, on behalf of BDMC, received a distribution of \$1,760,479.25 from the Sale Proceeds ("**BDMC Distribution**"), which represents a return on the outstanding principal amount of the aggregate amount of the South Shore Loans of only approximately 6.0% (or approximately 4.3% of outstanding principal together with unpaid interest). The following chart provides a summary of the amounts distributed from the Sale Proceeds:

	Distribution
Sale Proceeds	13,008,416 ⁵
Distribution to Diversified	9,931,694
Distribution to BDMC	1,760,479
Payment into Court for Outstanding Lien Claim	609,983
Settlement of Sunbelt Lien Claim	35,000
Commission, property tax arrears and other closing costs	671,260
Total	\$13,008,416

94. On May 25, 2021, Robins Appleby followed up with a further letter providing additional details and certain supporting documentation regarding the amounts set out in the payout statement previously provided ("**Accounting Letter**"). A copy of the Accounting Letter is attached as **Appendix "27"**.

⁵ Based on the statement of adjustments the total proceeds paid by the Purchaser was \$1,3008,416.35, inclusive of a property tax reimbursement.

95. On July 13, 2021, Osler wrote to Robins Appleby and among other things, again set out the Trustee's concerns regarding Diversified's conduct throughout the Notice of Sale proceedings and in particular as it related to significant interest amounts paid to Diversified, which were in the Trustee's view the result of the unwarranted delays related to the commencement of the sale process and the selection of the Conditional Offer. The letter further set out additional information required by the Trustee to complete its review of the items detailed in the Accounting Letter. A copy of the July 13, 2021, letter is attached as **Appendix "28"**.
96. On August 26, 2021, Robins Appleby sent a letter in response to Osler's July 13 letter, which denied the allegations made by the Trustee and provided certain of the additional information requested by the Trustee to complete its review of the items detailed in the Accounting Letter. A copy of the August 26, 2021 letter is attached as **Appendix "29"**.
97. On October 18, 2021, Osler sent a letter to Robins Appleby regarding certain amounts paid to Diversified from the Sale Proceeds, and in particular the amounts related to: (i) the calculation of interest and the amount of interest charged as a result of the unwarranted delays related to the commencement of the sale process and completion of a sale transaction; (ii) improperly charged interest due to monthly compounding; (iii) renewal fees; and (iv) certain administrative expense claimed by Diversified, which in aggregate total \$2,872,151 ("**Disputed Amounts**") and are summarized in the chart below:

	Disputed Amounts
Improperly Charged Interest due to Unwarranted Delay	1,870,000
Improperly Charged Interest due to Monthly Compounding	560,523
Improperly Charged Renewal Fees	409,237
Improperly Charged Administrative Fees	32,391
Total	\$2,872,151

A copy of the October 18th letter is attached as **Appendix "30"**.

97. On November 1, 2021, Robins Appleby sent an e-mail response to Osler's October 18 letter in which it continued to deny the validity of the Disputed Amounts. Furthermore, Robins Appleby took the position that the proposed motion by the Trustee in respect of the Disputed Amounts is a matter that should be heard on the regular civil list and is not

one that should be before the Commercial List. A copy of the November 1st email is attached as **Appendix “31”**.

98. Given the inability of Trustee and Diversified to come to an agreement with respect to the Disputed Amounts, on January 10, 2022, the Trustee served its 9:30 request form and a Notice of Motion and proposed timetable. A copy of the 9:30 request form and the Notice of Motion is attached as **Appendix “32”**.

DISPUTED AMOUNTS

99. The Trustee’s position is that each of the Disputed Amounts were improperly paid by Diversified to itself from the Sale Proceeds. Each of these amounts is discussed further below.

Improperly Charged Interest Due to Unwarranted Delay

100. As set out in detail above, Diversified’s process to sell the Property was unreasonably lengthy, and as a result, was detrimental to and disregarded the interests of the South Shore Investors.
101. Based on the Trustee’s experience in sale transactions for land similar to the South Shore Property, six months is a more than sufficient period of time to conduct and complete a sale process of this nature. Moreover, Diversified’s own process for the South Shore Project from the listing date through to the completion of the Sale Transaction was approximately six months (inclusive of the additional delay resulting from the acceptance of the Conditional Offer).
102. Diversified claimed (and ultimately paid itself from the Sale Proceeds) interest totaling approximately \$4.7 million, of which at least approximately \$1.87 million resulted from unwarranted delays. These unwarranted delays unnecessarily extended the sale process by an additional 22-months, being the period of time commencing six months after the issuance of the Notice of Sale and ending upon the completion of the Sale Transaction. The additional \$1.87 million of improperly charged interest paid to Diversified was in excess of the total amount paid to the South Shore Investors.

Improperly Charged Interest

103. Based on the commitment letter between the Borrower and Diversified dated October 2, 2014 ("**Commitment Letter**"), the interest on the Diversified loan was to be charged at 12% per annum, paid monthly. There is no provision regarding the method pursuant to which interest would be calculated should it not be paid in accordance with the payment terms set out in the Commitment Letter. A copy of the Commitment Letter is attached as **Appendix "33"**.
104. The charge registered on title as YR2209128 on October 30, 2014 ("**Diversified Registered Charge**") does not state any interest calculation or compounding period that would apply in the circumstances, as is seen in the following excerpt from that charge, but does state that the interest period is annual, as opposed to monthly.

Provisions			
Principal	\$4,500,000.00	Currency	CDN
Calculation Period			
Balance Due Date	2015/11/01		
Interest Rate	12% pr annum		

A copy of the Diversified Registered Charge is attached as **Appendix "34"**.

105. The Diversified Registered Charge incorporates Standard Charge Terms 200033 (the "**Standard Charge Terms**"). Section 6 of the Standard Charge Terms reads:

In case default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the land.

A copy of the Standard Charge Terms is attached as **Appendix "35"**.

106. A calculation period is not synonymous with a payment period.

107. As set out in the August 26, 2021 letter, Diversified asserts that section 6 of the Standard Charge Terms provides for default interest to be calculated on a monthly compounding basis.
108. It is the Trustee's position that the correct interest calculation or compounding period is the annual period referenced in the interest rate provision of the Diversified Registered Charge.
109. The Trustee has calculated the incremental amount of interest charged by Diversified and improperly deducted from the Sale Proceeds due to the use of an improper compounding period (i.e., monthly vs. annually) to be \$560,523.

Renewal Fees

110. Diversified has claimed and deducted from the Sale Proceeds \$409,237 in respect of renewal fees ("**Renewal Fees**").
111. Diversified claims the Renewal Fees based on a renewal letter dated July 27, 2015 between the Borrower and Diversified ("**Renewal Letter**"). A copy of the Renewal Letter is attached as **Appendix "36"**.
112. The Renewal Letter provides that an automatic renewal of the Diversified Mortgage would occur on the maturity date of the initial term and any renewal term, in exchange for fees equal to 3% of the principal amount of the loan for the first renewal term and 1.5% for each subsequent renewal term thereafter.
113. The Renewal Letter, however, stated that the automatic renewals would only occur "provided the Borrower is then not in default of any of the terms and conditions of the Loan".
114. The Borrower was in default under the Diversified Mortgage as of September 2015, when it missed its scheduled monthly interest payment, and remained in default thereafter. Notwithstanding such default, Diversified renewed the Diversified Mortgage in November 2015, November 2016, November 2017 and November 2018, charging the collective Renewal Fees.
115. It is the Trustee's position that the Renewal Fees were charged when the mortgage was in default and are therefore not properly chargeable under the Renewal Letter. As such it is the Trustee's view that the Renewal Fees, in addition to not being chargeable in the

circumstances, are a disguised penalty, which is a violation of the Interest Act, R.S.C. 1985, c. I 15.

116. Further, the Renewal Letter was not registered on title to the Property, nor is there reference to renewal fees in the Diversified Registered Charge. It is also the Trustee's position that Diversified cannot maintain a priority over a subsequent encumbrancer in connection with amendments to its mortgage where such amendments are not known to the subsequent encumbrancer when making its loan.
117. Accordingly, it is the Trustee's position that the Renewal Fees were improperly deducted by Diversified from the Sale Proceeds.

Improperly Charged Administrative Fees

118. Diversified has claimed and deducted from the Sale Proceeds \$32,391 in respect of certain "Sale Administration and Property Management" charges ("**Management Fees**").
119. The Management Fees are in respect of fees paid to "Diversified Realty Advisors Inc." for "management and administration services" rendered in connection with the Property. The Trustee takes the position that the Management Fees are not commercially reasonable nor were they necessary in the circumstances for the following reasons:
- a) the Diversified Realty Advisors Inc. invoice ("**Diversified Realty Invoice**") contained inadequate and incomplete particulars regarding the identity of the timekeeper, their hourly rate, and the time spent on any particular task;
 - b) the Diversified Realty Invoice includes, among other things, entries related directly to Diversified's obstruction of the Trustee's efforts to fulfill its Court-ordered mandate and/or to pursuing, against the Trustee's advice, the Conditional Offer that was ultimately not completed; and
 - c) Diversified engaged a "Nick J. Circosta" to perform property management type services, which included, among other things, facilitating due diligence, visiting the site, and attending to repairs at the Property. Mr. Circosta's fees were also paid out of the Sale Proceeds and the fees paid in respect of the Diversified Realty Invoice. are duplicative of the fees paid to Mr. Circosta.

120. It is the Trustee's position that the Administrative Fees were unnecessary and are not commercially reasonable and should not have been paid to Diversified from the Sale Proceeds.

CONCLUSION

121. The Trustee acknowledges that in all circumstances the South Shore Investors would have experienced a catastrophic loss on their investment given the market value of undeveloped South Shore Property. However, had Diversified not acted with a complete disregard for the legitimate interests of BDMC as a subsequent mortgagee, the outcome would have been less severe. Had the Disputed Amounts been paid to the BDMC instead of to Diversified, BDMC, on behalf of the South Shore Investors, would have recovered approximately 15.8% of the outstanding principal of the South Shore Loans compared to the 6% that has been recovered as a result of those amounts having been paid to Diversified. Should the Diversified Payment Order be granted by the Court the total return of principal to the South Shore Investors will more than double.
122. Diversified as a priority mortgagee owed BDMC as a subsequent encumbrancer a fiduciary duty in respect of any surplus obtained following a sale. It is the Trustee's view that the surplus paid thus far to the Trustee has been wrongfully reduced as a result of the breach of duty Diversified owes to BDMC, the wrongfully claimed Renewal Fees, the improper compounding of interest and the improperly charged Management Fees, which together total approximately \$2.87 million. Accordingly, the Trustee requests that the Diversified Payment Order be granted by the Court.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 21st day of March, 2022

Faan Mortgage Administrators Inc.

**FAAN MORTGAGE ADMINISTRATORS INC.,
SOLELY IN ITS CAPACITY AS
COURT-APPOINTED TRUSTEE OF
BUILDING & DEVELOPMENT MORTGAGES CANADA INC.,
AND NOT IN ITS PERSONAL OR ANY OTHER CAPACITY**

Appendix 1:
Appointment Order dated April 20, 2018

Court File No. CV-18-596204-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

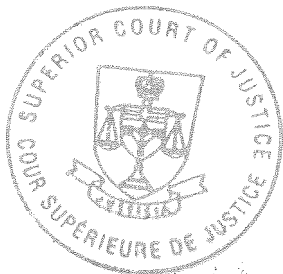
THE HONOURABLE MR.)	FRIDAY, THE 20 TH DAY
)	
JUSTICE HAINEY)	OF APRIL, 2018

BETWEEN:

THE SUPERINTENDENT OF FINANCIAL SERVICES

Applicant

- and -



BUILDING & DEVELOPMENT MORTGAGES CANADA INC.

Respondent

**APPLICATION UNDER SECTION 37 OF THE
MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT, 2006, S.O. 2006, c.
29 and SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990 c. C.43**

APPOINTMENT ORDER

THIS APPLICATION, made by The Superintendent of Financial Services (the "**Superintendent**"), for an Order, *inter alia*, pursuant to section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, S.O. 2006, c. 29, as amended (the "**MBLAA**"), and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**"), appointing FAAN Mortgage Administrators Inc. ("**FAAN Mortgage**") as trustee (in such capacity, the "**Trustee**"), without security, of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc. (the "**Respondent**"), was heard this day at 330 University Avenue, Toronto, Ontario;

ON READING the affidavit of Brendan Forbes sworn April 19, 2018 and the exhibits thereto (the "**Supporting Affidavit**") and the consent of FAAN Mortgage to act as the Trustee,

and on hearing the submissions of counsel for the Superintendent, counsel for FAAN Mortgage and such other counsel as were present, no one appearing for any other person on the service list, as appears from the affidavit of service of Miranda Spence sworn April 19, 2018, filed;

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 37 of the MBLAA and section 101 of the CJA, FAAN Mortgage is hereby appointed Trustee, without security, of all of the assets, undertakings and properties of the Respondent, including, without limitation, all of the assets in the possession or under the control of the Respondent, its counsel, agents and/or assignees but held on behalf of any other party, including, but not limited to, lenders under any syndicate mortgage ("**Investors**"), brokers, or borrowers, in each case whether or not such property is held in trust or is required to be held in trust (collectively, the "**Property**"), which Property, for greater certainty, includes any and all real property charges in favour of the Respondent (the "**Real Property Charges**"), including, without limitation, any and all monetary and non-monetary entitlements in respect to the assets and values thereunder, the period of which appointment shall run from 12:01 a.m. on the date hereof until such date that all assets under all syndicated mortgage loans have been realized and all Property has been distributed to those entitled to it.

TRUSTEE'S POWERS

3. **THIS COURT ORDERS** that the Trustee 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 Trustee is hereby expressly empowered and authorized to do any of the following where the Trustee considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the holding of mortgage security in

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trust on behalf of Investors, the administering of the mortgages, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Respondent, including, without limitation, the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Respondent;
- (d) to engage 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 Trustee's powers and duties, including, without limitation, those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Respondent or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Respondent and to exercise all remedies of the Respondent in collecting such monies, including, without limitation, to enforce any security held by the Respondent, including, without limitation, such security held on behalf of Investors;
- (g) to settle, extend or compromise any indebtedness owing to the Respondent;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Trustee's name or in the name and on behalf of the Respondent for any purpose pursuant to this Order, including, without limitation, any documents in connection with any registration, discharge, partial discharge, transfer, assignment or similar dealings in respect of any mortgage ("**Land Title Document**") and, for greater certainty, the applicable land registry office, registrar or other official under the *Land Registration Reform Act* (Ontario), the *Land Titles Act* (Alberta), or any other comparable legislation in any other jurisdiction be and is hereby directed, upon being presented with a certified

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true copy of this Order and such Land Title Document, to register, discharge, partially discharge, transfer or otherwise deal with such mortgage in accordance with such Land Title Document without any obligation to inquire into the propriety of the execution or effect of such Land Title Document;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Respondent, the Property or the Trustee, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Trustee in its discretion may deem appropriate;
- (k) with the approval of this Court, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business, and in such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (l) with the approval of this Court, to restructure the Property in a manner that the Trustee considers reasonable, including, without limitation, the conversion, in whole or in part, of the Property or any part or parts thereof, out of the ordinary course of business, into an alternative or different interest in the capital structure of the Property or any part or parts thereof, including, without limitation, an ownership interest therein;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Trustee deems appropriate on all matters relating to the Property and the

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Trustee's mandate, and to share information, subject to such terms as to confidentiality as the Trustee deems advisable;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Trustee, in the name of the Respondent;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondent, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Respondent;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Respondent may have; and
- (s) 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 Trustee takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Respondent, without interference from any other Person and without regard to any arrangement in existence as of the date hereof between the Respondent and Investors as to how and when such actions or steps are to be taken. For greater certainty, the Trustee shall be and is empowered to take such actions or steps without seeking instructions from Investors where the Trustee determines, in its sole discretion, that it is necessary and appropriate to do so (having regard for the interests of Investors), and in all other cases, the Trustee is specifically authorized to continue to comply with the existing arrangements, including any deemed consent provisions contained therein.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE TRUSTEE

4. **THIS COURT ORDERS** that: (i) the Respondent; (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; (iii) all other individuals, firms, corporations,

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governmental bodies or agencies, or other entities having notice of this Order, including, without limitation, Tsunami Technology Group Inc., Fortress Real Developments Inc. ("FRDI"), all of its direct or indirect affiliates, and any entity under common control with FRDI (collectively with FRDI, the "**Fortress Entities**"), any entity that is a joint venture among a Fortress Entity and another entity, and each director, officer, employee and agent of any Fortress Entity (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Trustee of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Trustee, and shall deliver all such Property to the Trustee upon the Trustee's request. or CDCM

5. **THIS COURT ORDERS** that, pursuant to and without limiting the generality of paragraph 4 of this Order, all Persons shall, unless otherwise instructed by the Trustee: (i) deliver to the Trustee (or, in the case of RRSP or other registered funds administered by Olympia Trust Company ("OTC") or Computershare Trust Company of Canada ("**Computershare**"), not release to any Person without further Order of this Court) any and all monies held in trust that are related to the Respondent or its business (collectively, the "**Trust Funds**"), which Trust Funds, for greater certainty, include any and all monies in any OTC or Computershare account that are purported to be held in trust for the Investors in or beneficiaries under any of the Real Property Charges, including, without limitation, all monies held by way of interest reserves to satisfy interest payments to such Investors or beneficiaries, which Trust Funds are to be held or used by the Trustee in accordance with the terms of this Order and any further Order of this Court; and (ii) upon the Trustee's request, provide an accounting of all funds received from or on behalf of the Respondent or its associated businesses.

6. **THIS COURT ORDERS** that all Persons shall forthwith advise the Trustee of the existence of any books, emails, user accounts, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondent, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information, including copies of any previously performed electronic back ups (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Trustee or permit the Trustee to make, retain and take away copies thereof and grant to the Trustee 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

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provided to the Trustee 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 Trustee for the purpose of allowing the Trustee 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 Trustee in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Trustee. Further, for the purposes of this paragraph, all Persons shall provide the Trustee with all such assistance in gaining immediate access to the information in the Records as the Trustee may in its discretion require including providing the Trustee with instructions on the use of any computer or other system and providing the Trustee with any and all access codes, account names and account numbers that may be required to gain access to the information. Paragraphs 6 and 7 of this Order do not apply to any materials obtained by the Royal Canadian Mounted Police pursuant to any warrant issued under the *Criminal Code*, R.S.C. 1985, c. C-46.

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

NO PROCEEDINGS AGAINST THE TRUSTEE

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 Trustee except with the written consent of the Trustee or with leave of this Court.

NO PROCEEDINGS AGAINST THE RESPONDENT OR THE PROPERTY

10. **THIS COURT ORDERS** that, with the exception of the Suspension and Penalty Orders (as such term is defined in the Supporting Affidavit): (i) no Proceeding against or in respect of any of the Respondent, the Property or the Superintendent (in the last case, with respect to any matters arising from the Respondent or the Property) shall be commenced or continued except with the written consent of the Trustee or with leave of this Court; and (ii) any and all Proceedings currently under way against or in respect of any of the Respondent or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that, with the exception of the Suspension and Penalty Orders, all rights and remedies against the Respondent, the Trustee, or affecting the Property (including, without limitation, pursuant to any arrangement in existence as of the date hereof between the Respondent and Investors as to how and when the actions or steps contemplated by paragraph 3 of this Order are to be taken), are hereby stayed and suspended except with the written consent of the Trustee or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and further provided that nothing in this paragraph shall: (i) empower the Trustee or the Respondent to carry on any business which the Respondent is not lawfully entitled to carry on; (ii) exempt the Trustee or the Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or perfect a security interest; (iv) prevent the registration of a claim for lien; or (v) prevent the filing and service of a statement of claim solely to permit the perfection of a lien, provided that no further proceedings on such statement of claim shall be permitted other than pursuant to paragraph 10.

NO INTERFERENCE WITH THE TRUSTEE

12. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondent, without written consent of the Trustee or leave of this Court, including, for greater certainty, any licenses granted to the Respondent to act as an administrator of or lender under or administer syndicated mortgage loans under the MBLAA, *The Mortgage Brokers Act* (Manitoba), *The Mortgage Brokerages and Mortgage*

Administrators Act (Saskatchewan), the *Real Estate Act* (Alberta), the *Mortgage Brokers Act* (British Columbia) or any other comparable legislation in any other jurisdiction where the Respondent is currently licensed.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Respondent, or statutory or regulatory mandates for the supply of goods and/or services, including, without limitation, all computer software, communication and other data services (including, for greater certainty, all goods and/or services provided by Tsunami Technology Group Inc. in respect of the Respondent), centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent 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 Trustee, and that the Trustee shall be entitled to the continued use of the Respondent's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Trustee in accordance with normal payment practices of the Respondent or such other practices as may be agreed upon by the supplier or service provider and the Trustee, or as may be ordered by this Court.

TRUSTEE TO HOLD FUNDS

14. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Trustee 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 accounts controlled by the Trustee or, if the Trustee determines it is advisable, new accounts to be opened by the Trustee (the "**Post Trusteeship Accounts**") and the monies standing to the credit of such Post Trusteeship Accounts from time to time, net of any disbursements provided for herein, shall be held by the Trustee to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. **THIS COURT ORDERS** that nothing herein contained shall require the Trustee 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 Trustee from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Trustee shall not, as a result of this Order or anything done in pursuance of the Trustee'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 TRUSTEE'S LIABILITY

18. **THIS COURT ORDERS** that the Trustee 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 subsections 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 Trustee by section 14.06 of the BIA or by any other applicable legislation.

TRUSTEE'S ACCOUNTS

19. **THIS COURT ORDERS** that the Trustee and counsel to the Trustee 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, which fees and disbursements shall be added to the indebtedness secured by the Real Property Charges and that the Trustee and counsel to the Trustee shall be entitled to and are hereby granted a charge (the "**Trustee'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 Trustee'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 subsections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

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

21. **THIS COURT ORDERS** that prior to the passing of its accounts, the Trustee shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its

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fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Trustee or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE APPOINTMENT

22. **THIS COURT ORDERS** that the Trustee be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Trustee by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Trustee's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Trustee's Charge and the charges as set out in subsections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in these proceedings, 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/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the "**Rules**"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules 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: www.faanmortgageadmin.com.

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

GENERAL

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

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Trustee from acting as a trustee in bankruptcy of the Respondent.

30. **THIS COURT ORDERS** that Confidential Exhibits (as defined in the Supporting Affidavit) be and are hereby sealed until further Order of this Court.

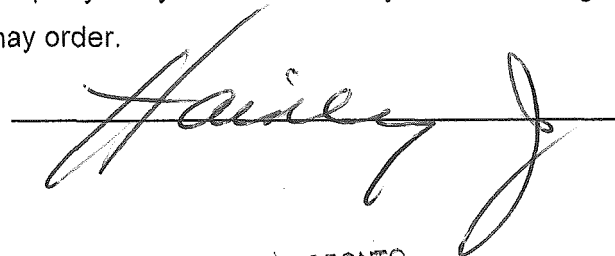
31. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Trustee and its agents in carrying out the terms of this Order. All courts, tribunals,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

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

32. **THIS COURT ORDERS** that the Trustee 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 Trustee 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.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice, or such shorter period of time as the Court may permit, to the Trustee 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.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 20 2018

PER / PAR:



SCHEDULE "A"

TRUSTEE CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that FAAN Mortgage Administrators Inc., the Trustee (in such capacity, the "**Trustee**") of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc. (the "**Respondent**"), including, without limitation, all of the assets in possession or under the control of the Respondent, its counsel, agents and/or assignees but held on behalf of any other party, including, but not limited to, lenders under any syndicate mortgage ("**Investors**"), brokers, or borrowers, in each case whether or not such property is held in trust or is required to be held in trust (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 20th day of April, 2018 (the "**Order**") made in an application having Court file number CV-18-596204-00CL, has received as such Trustee from the holder of this certificate (the "**Lender**") the principal sum of \$~~<*>~~, being part of the total principal sum of \$~~<*>~~ which the Trustee is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Trustee

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to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the _____ day of _____, 2018.

FAAN MORTGAGE ADMINISTRATORS INC.,
solely in its capacity as Trustee of the Property (as
defined in the Order), and not in its personal
capacity

Per: _____

Name:

Title:

Applicant

Respondent

Court File No. CV-18-596204-00CL

	<p style="text-align: center;">ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST</p> <p style="text-align: center;">Proceedings commenced at Toronto</p> <hr/> <p style="text-align: center;">APPOINTMENT ORDER</p> <hr/> <p style="text-align: center;">AIRD & BERLIS LLP Brookfield Place 181 Bay Street, Suite 1800 Toronto, ON M5J 2T9</p> <p>Steven L. Graff (LSUC # 31871V) Tel: (416) 865-7726 Fax: (416) 863-1515 Email: sgraff@airdberlis.com</p> <p>Ian Aversa (LSUC # 55449N) Tel: (416) 865-3082 Fax: (416) 863-1515 Email: iaversa@airdberlis.com</p> <p>Miranda Spence (LSUC # 60621M) Tel: (416) 865-3414 Fax: (416) 863-1515 Email: mspence@airdberlis.com</p> <p style="text-align: right;"><i>Lawyers for The Superintendent of Financial Services</i></p>
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Appendix 2:
Diversified Notice of Sale

NOTICE OF SALE UNDER MORTGAGE

TO: See Schedule "A" attached

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage made between

DIVERSIFIED CAPITAL INC.

and

2221563 ONTARIO INC.

upon the following properties, namely:

PIN 03475-2054 (LT) – PT LT 8, PLAN 170, N Gwillimbury AS IN R533209; GEORGINA; LOTS 1, 2, 3, 4, 5, 6, 7 AND 8, PLAN 447; N Gwillimbury; DOREDA DR, LAN 447, PT 2, 65R16653, GEORGINA AS STOPPED UP AND CLOSED BY BY-LAW REGISTERED AS YR45264; PT LOT 6, PLAN 170, N Gwillimbury AS IN B31794B; LOT 5, PLAN 170, N Gwillimbury, T/W R737440; LOTS 9, 10, 11, 12, 13, 14 AND 15, PLAN 447, N Gwillimbury; BLK A, PLAN 447, N Gwillimbury, PT LOT 8, PLAN 170, PT 1, 65R16553 LYING N/W OF LOTS 6 & 7, PLAN 447, PT LOT 8, PLAN 170, PT 1 65R16653, LYING S OF DOREDA DRIVE, LOTS 9, 10 & BLK A, PLAN 447; PT LOTS 6, 7 & 8, PLAN 170, N Gwillimbury, AS IN R649566; TOWN OF GEORGINA.

which mortgage was registered on October 30, 2014, in the Land Registry Office for the Land Titles Division of York (No.65) as Instrument No. YR2209128.

And we hereby give you notice that the amount due on the mortgage for principal money, interest and costs, respectively, is \$6,895,099.29, made up as follows:

Total Indebtedness as at December 31, 2018	\$6,824,984.57
Accrued Interest to January 24, 2019	\$53,851.93
Prior Legal Fees & Disbursements	\$10,762.79
Costs (plus H.S.T.)	\$5,500.00
Total:	\$6,895,099.29

(such amount for costs being up to and including the service of this notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 12% calculated monthly on the principal, interest and costs hereinbefore mentioned, from January 24, 2019 to the date of payment.

AND unless the said sums are paid on or before **March 4, 2019**, we shall sell the property covered by the said mortgage under the provisions contained in it.

THIS notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED January 24, 2019.

DIVERSIFIED CAPITAL INC., Mortgagee

by its solicitors

SCHNEIDER RUGGIERO LLP

Barristers & Solicitors,

120 Adelaide Street, West

Suite 1000

Toronto, Ontario M5H 3V1

Phone No. 416-363-2211

Fax No. 416-363-0645

Per:



Contact: Lilia Pereira, Law Clerk
BM/lp
(File #40818)

Schedule “A”

2221563 Ontario Inc.
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Vincenzo Petrozza
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Jawad Shafique Rathore
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Jawad Shafique Rathore
2 Scandia Court
Unionville, Ontario, L6C 1G6

Vincenzo Petrozza
471 Sunset Beach Road
Richmond Hill, Ontario, L4E 3J3

Vince Petrozza
471 Sunset Beach Road
Richmond Hill, Ontario, L4E 3J3

2221563 Ontario Inc.
608450 12th Sideroad, R.R.#2
P.O. Box 415
Ravenna, Ontario, N0H 2E0

Snoxons Holdings Inc.
2 Guthrie Court
Stouffville, Ontario, L4A 7X2

2221563 Ontario Inc.
55 St. Clair Avenue West, Suite 205
Toronto, Ontario, M4V 2Y7

Derek Sorrenti
3800 Steeles Avenue West
Suite 400
Vaughan, Ontario
L4L 4G9

Snoxons Holdings Inc.
2 Cuthrie Court
Stouffville, Ontario, L4A 7X2

2221563 Ontario Inc.
55 St. Clair Avenue West, Suite 205
Toronto, Ontario, M4V 2Y7

B2B Trust
130 Adelaide Street West, 4th Floor
Toronto, Ontario, M5H 3P5

Olympia Trust Company
125-9th Avenue SE, Suite 2200
Calgary, Alberta, T2G 0P6

The Bank of Nova Scotia Trust Company
Scotia Trust
130 King Street West, 20th Floor
Toronto, Ontario, M5X 1K1

B2B Trust
#400-130 Adelaide Street West
Toronto, Ontario, M5H 3P5

Olympia Trust Company
#2200-125-9th Avenue SE
Calgary, Alberta, T2G 0P6

Derek Sorrenti, In Trust
3800 Steeles Avenue West, Suite 400
Vaughan, Ontario, L4L 4G9

Centro Mortgage Inc. In Trust
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Centro Mortgage Inc. In Trust
25 Brodie Drive, Unit 1A
Richmond Hill, Ontario, L4B 3K7

Derek Sorrenti
3300 Highway 7, Suite 310
Vaughan, Ontario, L4K 4M3

Building & Development Mortgages Canada Inc. In Trust
25 Brodie Drive, Unit 8
Richmond Hill, Ontario, L4B 3K7

B2B Bank
#600-199 Bay Street
Toronto, Ontario, M5L 0A2

Building & Development Mortgages Canada Inc., In Trust
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Building & Development Mortgages Canada Inc.
25A Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

De Hodge Contracting Inc.
25 Delaware Street
St. Catharines, Ontario
L2M 5M1

De Hodge Contracting Inc.
c/o Mauro Marchioni
Barrister and Solicitor
9100 Jane Street, 3rd Floor, Bldg A
Vaughan, Ontario
L4K 0A4

De Hodge Contracting Inc.
c/o Summit Search Limited
85 Rosebury Lane
Woodbridge, Ontario
L4L 3Z1

Fortress Crates Landing 2013 Inc.
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Sunbelt Rentals of Canada Inc.
c/o Dooley Lucenti LLP
Barristers and Solicitors
10 Checkley Street
Barrie, Ontario, L4N 1W1

2221563 Ontario Inc.
232 Cameron Crescent
Keswick, Ontario, L4P 3T6

Sunbelt Rentals of Canada Inc. formerly known as CRS Contractors Rental Supply General Partner Inc.
c/o Dooley Lucenti LLP
Barristers and Solicitors
10 Checkley Street
Barrie, Ontario, L4N 1W1

Olympia Trust Company
In Trust for all the parties as set out in Schedule "B" attached hereto.
2200, 125-9th Avenue SE
Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.
In Trust for all the parties as set out in Schedule "B" attached hereto.
25 Brodie Drive, Unit 8
Richmond Hill, Ontario, L4B 3K7

Olympia Trust Company

In Trust for all the parties as set out in Schedule "C" attached hereto.
 125-9th Avenue SE, Suite 2200
 Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.

In Trust for all the parties as set out in Schedule "C" attached hereto.
 25A Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

B2B Bank

In Trust for all the parties as set out in Schedule "C" attached hereto.
 130 Adelaide Street West, 4th Floor
 Toronto, Ontario, M5H 3P5

The Bank of Nova Scotia Trust Company

In Trust for all the parties as set out in Schedule "C" attached hereto.
 Scotia Trust
 130 King Street West, 20th Floor
 Toronto, Ontario, M5X 1K1

Olympia Trust Company

In Trust for all the parties as set out in Schedule "D" attached hereto.
 2200, 125-9th Avenue SE
 Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.

In Trust for all the parties as set out in Schedule "D" attached hereto.
 25 Brodie Drive, Unit 8
 Richmond Hill, Ontario, L4B 3K7

Schedule "B"

SCHEDULE TO TRANSFER OF CHARGE

The Chargees acknowledge and confirm that:

- I. Olympia Trust Company holds this charge in trust for:
 - (a) Daniel Rulli, Plan No. 144514 in the amount of \$59,000.00;
 - (b) Bei Li, Plan No. 144731 in the amount of \$30,000.00;
 - (c) Cheryl Ann Busby, Plan No. 145860 in the amount of \$30,000.00;
 - (d) Grant Fournier, Plan No. 141406 in the amount of \$22,000.00;
 - (e) James Bruce Stormont, Plan No. 145145 in the amount of \$66,000.00;
 - (f) James Bruce Stormont, Plan No. 145174 in the amount of \$40,000.00;
 - (g) Jose Santos Pereira, Plan No. 144256 in the amount of \$47,000.00;
 - (h) Maria Kai Lei, Plan No. 145716 in the amount of \$40,000.00;
 - (i) Lai-Kuen Lee, Plan No. 145682 in the amount of \$30,000.00;
 - (j) Leanna M. Macdonnell, Plan No. 142131 in the amount of \$50,700.00;
 - (k) Linda C. Martindale, Plan No. 145681 in the amount of \$49,200.00;
 - (l) Phan Dam, Plan No. 144346 in the amount of \$40,000.00;
 - (m) Rita Tamakuwala, Plan No. 130414 in the amount of \$30,000.00;
 - (n) Rita Tamakuwala, Plan No. 145590 in the amount of \$45,000.00;
 - (o) Virginia Pereira, Plan No. 144255 in the amount of \$48,000.00;
 - (p) Xiaomei Liu, Plan No. 146496 in the amount of \$34,000.00;
 - (q) Xin Wu Chen, Plan No. 146491 in the amount of \$32,000.00;
 - (r) Esther Rainville, Plan No. 146424 in the amount of \$65,000.00;
 - (s) Esther Rainville, Plan No. 146426 in the amount of \$30,000.00;
 - (t) John Bloomfield, Plan No. 78165 in the amount of \$30,000.00;
 - (u) Russell Ramlal, Plan No. 146460 in the amount of \$107,700.00;
 - (v) Virgilio Bacalhau, Plan No. 146801 in the amount of \$50,000.00;
 - (w) Adam Markoff, Plan No. 147204 in the amount of \$30,000.00;
 - (x) Aditya Harimohn Kaul, Plan No. 145561 in the amount of \$30,000.00;
 - (y) Anna Maria Liscio, Plan No. 144343 in the amount of \$54,000.00;
 - (z) Constance A. Marr, plan No. 144602 in the amount of \$30,000.00;
 - (aa) Domenico Albanese, Plan No. 144513 in the amount of \$28,000.00;
 - (bb) Domenico Binetti, Plan No. 147596 in the amount of \$30,000.00;
 - (cc) Harminder Kaur Jangi, Plan No. 145340 in the amount of \$79,200.00;
 - (dd) Lee Nay Choi, Plan No. 147005 in the amount of \$32,000.00;

- 2 -

- (ee) Manjapra Parameswaran, Plan No. 146885 in the amount of \$30,000.00;
- (ff) Maria Luisa Genco, Plan No. 147308 in the amount of \$30,000.00;
- (gg) Michelle Cindy Albanese, Plan No. 144512 in the amount of \$23,800.00;
- (hh) Sheila Harris, Plan No. 147324 in the amount of \$50,000.00;
- (ii) Tommy Yuk, Plan No. 146637 in the amount of \$30,000.00;
- (jj) Yun Xiao Chen, Plan No. 144593 in the amount of \$30,000.00;
- (kk) Bryan Jose Difrancesco, Plan No. 147462 in the amount of \$60,000.00;
- (ll) Bernice T. Henhoeffter, Plan No. 147331 in the amount of \$42,500.00;
- (mm) Bickram Kissoonsingh, Plan No. 147952 in the amount of \$52,000.00;
- (nn) David Ure, Plan No. 148131 in the amount of \$34,100.00;
- (oo) Eduardo Teolis, Plan No. 147915 in the amount of \$35,700.00;
- (pp) Joan Fleiszer, Plan No. 147713 in the amount of \$43,000.00;
- (qq) Linda Feng, Plan No. 147334 in the amount of \$30,000.00;
- (rr) Marcus Graham Doig, Plan No. 147654 in the amount of \$31,300.00;
- (ss) Marina Shulman, Plan No. 126059 in the amount of \$50,000.00;
- (tt) Mark Andrew McKendrick, Plan No. 147902 in the amount of \$30,000.00;
- (uu) Mark Fleiszer, Plan No. 147715 in the amount of \$43,000.00;
- (vv) Massimo Difelice, Plan No. 147661 in the amount of \$30,000.00;
- (ww) Patricia Difelice, Plan No. 147722 in the amount of \$30,000.00;
- (xx) Robert Glenn Thrasher, Plan No. 114022 in the amount of \$53,000.00;
- (yy) Robert Glenn Thrasher, Plan No. 147898 in the amount of \$18,500.00;
- (zz) Tatiana Korolko, Plan No. 148377 in the amount of \$45,500.00;
- (aaa) Bonnie Patricia May Anderson, Plan No. 148317 in the amount of \$40,000.00;
- (bbb) Lynda S. Brutus, Plan No. 149227 in the amount of \$21,500.00;
- (ccc) Pauline Black, Plan No. 149093 in the amount of \$46,500.00;
- (ddd) Bernd Walter, Plan No. 124326 in the amount of \$38,000.00;
- (eee) Baljinder S. Gill, Plan No. 107336 in the amount of \$30,000.00;
- (fff) Balwinder K. Gill, Plan No. 107332 in the amount of \$25,400.00;
- (ggg) Lisa Utley, Plan No. 149264 in the amount of \$100,000.00;
- (hhh) Raju Bhuvarahan Raghavan, Plan No. 149359 in the amount of \$40,000.00;
- (iii) Sufyan Rahim Minhas, Plan No. 125036 in the amount of \$10,000.00;
- (jjj) Daniel Rulli, Plan No. 144515 in the amount of \$31,000.00;
- (kkk) Ajay Batra, Plan No. 150399 in the amount of \$30,000.00;

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- (III) Caroline Novinic, Plan No. 149052 in the amount of \$30,000.00;
- (mmm) David Clarke, Plan No. 149057 in the amount of \$30,000.00;
- (nnn) Gordana Jovicic, Plan No. 150460 in the amount of \$25,000.00;
- (ooo) Jin Ming Li, Plan No. 149077 in the amount of \$58,300.00;
- (ppp) Sumita Roy, Plan No. 149597 in the amount of \$40,000.00;
- (qqq) Zhen Dong Mei, Plan No. 144538 in the amount of \$30,000.00;
- (rrr) Abuturab Dholkawala, Plan No. 161294 in the amount of \$24,200.00;
- (sss) Gilbert Gilbert, Plan No. 150246 in the amount of \$40,000.00;
- (ttt) Mangal Waghmare, Plan No. 145739 in the amount of \$30,000.00;
- (uuu) Reji James Thekkeveetil, Plan No. 147343 in the amount of \$55,000.00;
- (vvv) Laura Rigutto, Plan No. 145394 in the amount of \$53,200.00;
- (www) Minati Banerjee, Plan No. 161289 in the amount of \$40,000.00;
- (xxx) Argentina Gomes Dos Santos, Plan No. 115081 in the amount of \$90,000.00;
- (yyy) Dixie Lee Jones, Plan No. 172538 in the amount of \$36,000.00;
- (zzz) Lanfang Peng, Plan No. 172885 in the amount of \$30,000.00;
- (aaaa) Frances C. Michaud, Plan No. 149787 in the amount of \$9,100.00;
- (bbbb) John Lane, Plan No. 138434 in the amount of \$31,000.00;
- (cccc) Judy Medeiros, Plan No. 142048 in the amount of \$92,000.00;
- (dddd) Judy Medeiros, Plan No. 106482 in the amount of \$30,000.00;
- (eeee) Pawan Sharda, Plan No. 172935 in the amount of \$30,000.00;
- (ffff) Ana Maria Del Castillo, Plan No. 173640 in the amount of \$41,300.00;
- (gggg) Angelo Coniglio, Plan No. 142801 in the amount of \$50,000.00;
- (hhhh) Eldad Weiner, Plan No. 131821 in the amount of \$37,700.00;
- (iiii) Felix Winstok, Plan No. 129731 in the amount of \$54,000.00;
- (jjjj) Igor Ivanov, Plan No. 116611 in the amount of \$30,000.00;
- (kkkk) Inga Reyder, Plan No. 116725 in the amount of \$30,000.00;
- (llll) Karamjit Singh Mann, Plan No. 134369 in the amount of \$30,000.00;
- (mmmm) Nida Dela Paz, Plan No. 173700 in the amount of \$30,000.00;
- (nnnn) Onofrio Greco, Plan No. 174550 in the amount of \$100,000.00;
- (oooo) Regina Maltsman, Plan No. 174729 in the amount of \$52,000.00;
- (pppp) Rocky Ramnauth, Plan No. 173392 in the amount of \$50,000.00;
- (qqqq) Roman Margulis, Plan No. 174308 in the amount of \$52,000.00;
- (rrrr) Thelma Sison, Plan No. 173698 in the amount of \$37,500.00;

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(ssss) Ana Maria Del Castillo, Plan No. 173641 in the amount of \$21,000.00;

(tttt) Ian E. Bellinger, Plan No. 162018 in the amount of \$30,000.00;

(uuuu) Karen J. Routliffe, Plan No. 142243 in the amount of \$32,000.00;

(vvvv) Michael D. Dowling, Plan No. 101316 in the amount of \$70,000.00;

(wwwv) Rafique Mohammed, Plan No. 132921 in the amount of \$30,000.00;

(xxxx) Ramona Dion, Plan No. 103505 in the amount of \$40,000.00;

(yyyy) Richard Alexander, Plan No. 175459 in the amount of \$50,000.00;

(zzzz) Ji Young Ha, Plan No. 175273 in the amount of \$50,000.00;

(aaaaa) Yuping Ren, Plan No. 175048 in the amount of \$30,000.00;

(bbbbb) Maulik Sanghvi, Plan No. 175679 in the amount of \$30,000.00;

(ccccc) Michelle Catherine Helder, Plan No. 176147 in the amount of \$50,000.00;

(ddddd) Allan Burgess, Plan No. 175114 in the amount of \$40,000.00;

(eeee) Darshana Ben Shah, Plan No. 175640 in the amount of \$30,000.00;

(ffff) Elizabeth Prabhu, Plan No. 144723 in the amount of \$32,500.00;

(ggggg) Felix Alcantara, Plan No. 142325 in the amount of \$24,600.00;

(hhhhh) Felix Alcantara, Plan No. 142013 in the amount of \$18,200.00;

(iiii) Gui Jiang Zhang, Plan No. 139555 in the amount of \$33,000.00;

(jjjj) Gui Jiang Zhang, Plan No. 139554 in the amount of \$33,000.00;

(kkkkk) Hin Tatt Cheong, Plan No. 176026 in the amount of \$30,000.00;

(lllll) Kalpeshkumar Jetendra Shah, Plan No. 175621 in the amount of \$46,100.00;

(mmmmm) Kelvin Mano, Plan No. 129003 in the amount of \$67,500.00;

(nnnnn) Mark Tressel, Plan No. 175455 in the amount of \$40,000.00;

(ooooo) Mihir Pravinbhai Patel, Plan No. 174910 in the amount of \$20,000.00;

(ppppp) Richard L. Robbins, Plan No. 174911 in the amount of \$40,000.00;

(qqqqq) Sergey Vakhitov, Plan No. 138654 in the amount of \$50,500.00;

(rrrr) Alina Isaakov, Plan No. 177181 in the amount of \$52,000.00;

(sssss) Elisabeta Boronka, Plan No. 175944 in the amount of \$78,000.00;

(ttttt) Ernest Meyer, Plan No. 177184 in the amount of \$52,000.00;

(uuuuu) Fei Gao, Plan No. 176088 in the amount of \$50,000.00;

(vvvvv) Jian Wang, Plan No. 176206 in the amount of \$40,000.00;

(wwwww) Lori Terpandjian, Plan No. 176866 in the amount of \$30,000.00;

(xxxxx) Nancy-Ann Varnell-Fabbri, Plan No. 175964 in the amount of \$46,500.00;

(yyyyy) Paul Humphreys, Plan No. 177276 in the amount of \$50,000.00;

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- (zzzzz) Weijie Wan, Plan No. 176149 in the amount of \$50,000.00;
- (aaaaaa) Alexandra Balitsky, Plan No. 126025 in the amount of \$63,000.00;
- (bbbbbb) Alina Isaakov, Plan No. 177180 in the amount of \$51,900.00;
- (ccccc) Christine Yeung, Plan No. 176357 in the amount of \$104,900.00;
- (dddddd) Christopher D'Costa, Plan No. 27044 in the amount of \$32,500.00;
- (eeeeee) Ernest Meyer, Plan No. 177183 in the amount of \$29,000.00;
- (ffffff) Lisa Tavares, Plan No. 177782 in the amount of \$50,000.00;
- (gggggg) Michele Anne King, Plan No. 177355 in the amount of \$52,000.00;
- (hhhhh) Swati Navathe, Plan No. 173547 in the amount of \$40,500.00;
- (iiiiii) Georges Elias Younes, Plan No. 177895 in the amount of \$129,000.00;
- (jjjjj) Marilyn G. Lemon, Plan No. 175777 in the amount of \$22,000.00.
2. Building & Development Mortgages Canada Inc. holds this charge in trust for:
- (a) Alexander Morcos in the amount of \$30,000.00;
 - (b) Armindo Fernandes and Idalina Fernandes in the amount of \$60,000.00;
 - (c) Bill Cunic Contracting Incorp (per: Barbara Cunic) in the amount of \$100,000.00;
 - (d) Bert Proulx in the amount of \$100,000.00;
 - (e) Craig Dymment and Leslise Dymment in the amount of \$75,000.00;
 - (f) David G. Gerber and Marilyn L. Gerber in the amount of \$57,000.00;
 - (g) Ding Yuan Zhang in the amount of \$100,000.00;
 - (h) Linda C. Martindale in the amount of \$30,000.00;
 - (i) Mary Lou Lanni in the amount of \$50,000.00;
 - (j) Mercedes Trindade in the amount of \$100,000.00;
 - (k) Nga Thi Bich Duong in the amount of \$30,000.00;
 - (l) Robert S. VanValkengoed and Lorie L. VanValkengoed in the amount of \$30,000.00;
 - (m) Wan Ming Zheng in the amount of \$60,000.00;
 - (n) Bettina Wittemeier in the amount of \$50,000.00;
 - (o) Ellen Lundy, in Trust for Trevor Breuls, in the amount of \$100,000.00;
 - (p) Fangshu Li in the amount of \$50,000.00;
 - (q) George J. Poole and Sandra K. Poole in the amount of \$45,000.00;
 - (r) Kevin Serroul in the amount of \$30,000.00;
 - (s) Maria De Fatima Moniz Da Silva Lindo and Aurelio Vieira De Melo Lindo in the amount of \$100,000.00;
 - (t) Robert W. Ahearn in the amount of \$50,000.00;

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- (u) Joseph Henderson and Wendy Henderson in the amount of \$75,000.00;
- (v) Seongin Kim in the amount of \$150,000.00;
- (w) Alvin D. Rezel in the amount of \$100,000.00;
- (x) Anil P. Misra and Shudha Misra in the amount of \$30,000.00;
- (y) Anthony Colangelo in the amount of \$40,000.00;
- (z) WFM Corporate Services Inc. (per: John Wright) in the amount of \$30,000.00;
- (aa) Olufunmilayo O. Fasina in the amount of \$30,000.00;
- (bb) Xiaoxuan Chen in the amount of \$30,000.00;
- (cc) 2351127 Ontario Inc. (per: Majot and Sangita Sheth) in the amount of \$120,000.00;
- (dd) H.S. Stelzer Medicine Prof. Corp. (per: Hans Stelzer) in the amount of \$35,000.00;
- (ee) 1490700 Ontario Ltd. (per: Inkwan Baek) in the amount of \$30,000.00;
- (ff) Paul McLachlan in the amount of \$40,000.00;
- (gg) William Frank Smith Wallace and Margaret Armstrong Wallace in the amount of \$30,000.00;
- (hh) Jennifer S. Peel in the amount of \$30,000.00;
- (ii) Krista Louise Pollock in the amount of \$30,000.00;
- (jj) Megan Joy Wallar in the amount of \$50,000.00;
- (kk) 2371499 Ontario Inc. (per: Vidhan Singh) in the amount of \$30,000.00;
- (ll) Eduardo Cavaco in the amount of \$85,000.00;
- (mm) Eric Mendoza in the amount of \$60,000.00;
- (nn) Joao Gabriel Candeias in the amount of \$30,000.00;
- (oo) Dixie Lee Jones in the amount of \$40,000.00;
- (pp) Lisa Ann Desjardins in the amount of \$30,000.00;
- (qq) Thian Hock Tan in the amount of \$60,000.00;
- (rr) Eduardo Cavaco & Mercedes Trindade in the amount of \$200,000.00;
- (ss) Albert Bello in the amount of \$20,000.00;
- (tt) Frederick William Kent Rahn III in the amount of \$50,000.00;
- (uu) Jiajing Zhang in the amount of \$30,000.00;
- (vv) Loyi Yang & Minh Diep in the amount of \$50,000.00;
- (ww) Qing Yan Li & Joao Miguel Ribeiro in the amount of \$125,000.00;
- (xx) Ugo Bottero in the amount of \$50,000.00;
- (yy) Frances C. Michaud in the amount of \$13,400.00;
- (zz) Patricia Ping Song in the amount of \$50,000.00;

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- (aaa) Radhika & Giuseppe Giacobello in the amount of \$30,000.00;
- (bbb) Sarah Emily Dhandhari in the amount of \$100,000.00;
- (ccc) Sunny Rehsi in the amount of \$35,000.00;
- (ddd) Valerie A. Robbins in the amount of \$32,500.00;
- (eee) Anil P. Misra in the amount of \$30,000.00;
- (fff) Antonietta Ferlito in the amount of \$50,000.00;
- (ggg) Antonio Severin in the amount of \$30,000.00;
- (hhh) Carolyn Gail Popper in the amount of \$30,000.00;
- (iii) Daniel Ruscigno in the amount of \$40,000.00;
- (jjj) Domenico Bello in the amount of \$30,000.00;
- (kkk) Evelyn H. Hachey & Leonard J. Hachey of \$50,000.00;
- (lll) Frances C. Michaud in the amount of \$7,457.00;
- (mmm) Oksana Tressel in the amount of \$50,000.00;
- (nnn) 1892418 Ontario Inc. Per: Philip David S. Staite in the amount of \$30,000.00;
- (ooo) Sharon Ruscigno in the amount of \$150,000.00;
- (ppp) Susan Wendy Archer & Ronald Dale Archer in the amount of \$30,000.00;
- (qqq) Terry Mon Chang Lui & Tat Cheung Lui in the amount of \$30,000.00;
- (rrr) Trevor Seaton in the amount of \$30,000.00;
- (sss) Yan Sun in the amount of \$50,000.00;
- (ttt) Amarjit Kaur Fervaha in the amount of \$30,000.00;
- (uuu) Albert Galletti in the amount of \$30,000.00;
- (vvv) Huel O'Connor Wilson & Clementina Wilson in the amount of \$100,000.00;
- (www) Kathay Suk Ling Wong in the amount of \$30,000.00;
- (xxx) Malcolm Taharally in the amount of \$50,000.00;
- (yyy) Paul D. McCauley in the amount of \$20,000.00;
- (zzz) Xuehong Zheng in the amount of \$50,000.00;
- (aaaa) Dott Solutions Inc. Per: Yuriy Kitsis & Gregory Livertovski in the amount of \$30,000.00;
- (bbbb) James Albert Eggleton 2nd in the amount of \$30,000.00;
- (cccc) John Deodath Ramnarine & Nirmala Teelucksingh in the amount of \$30,000.00;
- (dddd) Maria Dantas De Sousa & Joao De Sousa in the amount of \$100,000.00;
- (eeee) Mohamed A. and Fareen Merali in the amount of \$50,000.00;
- (ffff) PLD1 Holdings Ltd. Per: Patrick L. Doherty in the amount of \$100,000.00;
- (gggg) Zhaohua Li in the amount of \$50,000.00;

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(hhhh) Kehinde Makinde in the amount of \$30,000.00;

(iiii) Wei Hong Zhan in the amount of \$30,000.00.

Schedule "C"

SCHEDULE TO TRANSFER OF CHARGE

WHEREAS:

1. By a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York on the 4th day of February, 2011 as Instrument No. YR1607456, 2221563 ONTARIO INC., gave a Charge/Mortgage upon the lands described herein in favour of DEREK SORRENTI IN TRUST to secure the payment of the principal sum of FOUR MILLION EIGHT HUNDRED THOUSAND (\$4,800,000.00) DOLLARS with interest as therein set out upon the terms therein mentioned.
2. By a Notice Amending the said Charge/Mortgage, registered as Instrument Number YR1699568 on the 22nd day of August, 2011 the said Charge/Mortgage was amended as follows:
 - (a) The principal secured under the said Charge/Mortgage shall be the sum of EIGHT MILLION SIX HUNDRED THOUSAND, (\$8,600,000.00) DOLLARS.

AND WHERE AS:

3. By Transfer of Charge in the Land Registry Office for the Land Titles Division of York, on the 13th day of July, 2016, as Instrument No. YR2505546, Derek Sorrenti transferred his bare trusteeship share in the said Charge to BUILDING & DEVELOPMENT MORTGAGES CANADA INC

The Chargee hereby acknowledge that they hereby transfer such percentage shares of the said Charge as set forth herein and as may be amended from time to time to the Transferees named herein, together with any and all amendments and/or notices related to said Charge without altering, modifying or waiving any rights of the existing Chargee.

The Chargee hereby acknowledges that:

- a. Building & Development Mortgages Canada Inc. holds this mortgage in trust for Jawad Rathore in the amount of \$43,000.00;

DELETE:

- b. Olympia Trust Company holds this mortgage in trust for Darryl Rigby, Plan No. 86141 in the amount of \$43,000.00;

In all other respects the parties hereto confirm the terms and conditions contained in the aforesaid Charge/Mortgage and to any amendments or notices registered subsequent thereto.

PROVIDED that nothing herein contained shall create any merger or alter the rights of the Chargee(s) as against any subsequent encumbrancer or other person interested in the said lands, nor affect the liability of any person not a party hereto who may be liable to pay the said mortgage money or the rights of any such person all of which rights are hereby reserved.

In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein required and all necessary grammatical changes, as the context requires, shall be deemed to made.

The parties hereto acknowledge and agree that any amount s transferred pursuant to this agreement are CUMULATIVE, and that the purpose and effect of this transfer of charge

is to acknowledge the CUMULATIVE amount of the said charge owned by each charge named therein.

The provisions of this document shall enure to and be binding upon the executors, administrators, successors and assigns of each party and all covenants, liabilities and obligations shall be joint and several.

Schedule “D”

SCHEDULE TO TRANSFER OF CHARGE

The Chargees acknowledge and confirm that:

1. Olympia Trust Company holds this charge in trust for:
 - (a) Jorgen S. Christensen, Plan No. 128116 in the amount of \$100,000.00;
 - (b) Mark Philips, Plan No. 129000 in the amount of \$50,000.00;
 - (c) James Hanna, Plan No. 128796 in the amount of \$30,000.00;
 - (d) Scott Williams, Plan No. 129238 in the amount of \$30,000.00;
 - (e) Joseph H. Clark, Plan No. 129323 in the amount of \$26,600.00;
 - (f) Roman Kujawa, Plan No. 129695 in the amount of \$32,000.00;
 - (g) Matt Savelli, Plan No. 128411 in the amount of \$31,000.00;
 - (h) Anne-Marie St. Onge, Plan No. 137684 in the amount of \$30,000.00;
 - (i) Maria Zito-Spatafora, Plan No. 115491 in the amount of \$50,000.00;
 - (j) Geoffrey David Pheaton, Plan No. 130177 in the amount of \$45,000.00;
 - (k) Gurmukh S. Hunjan, Plan No. 129871 in the amount of \$28,300.00;
 - (l) Amanda Beverly Louise Keating, Plan No. 129065 in the amount of \$58,000.00;
 - (m) Carolyn Mills, Plan No. 106383 in the amount of \$15,000.00;
 - (n) Blair Mills, Plan No. 106295 in the amount of \$15,000.00;
 - (o) Katelyn Bloomfield, Plan No. 130307 in the amount of \$31,000.00;
 - (p) James Donald Helmer, Plan No. 124420 in the amount of \$30,000.00;
 - (q) Sherri Lynn Mizrachi, Plan No. 129294 in the amount of \$30,000.00;
 - (r) Dennis Forrester, Plan No. 130507 in the amount of \$90,000.00;
 - (s) Andrew A. Hussey, Plan No. 69252 in the amount of \$25,300.00;
 - (t) Yudhbir S. Dadhwal, Plan No. 128278 in the amount of \$30,000.00;
 - (u) Edward A. Bennett, Plan No. 130215 in the amount of \$57,500.00;
 - (v) Natalie S. Joseph, Plan No. 131684 in the amount of \$30,000.00;
 - (w) Charmaine Perpetua Risbert, Plan No. 109503 in the amount of \$26,600.00;
 - (x) Marisa Fabris, Plan No. 130314 in the amount of \$24,000.00;
 - (y) Patrick Li, Plan 117307 in the amount of \$66,500.00;
 - (z) Etienne Lalonde, Plan No. 116013 in the amount of \$26,000.00;
 - (aa) Henry Raud, Plan No. 99576 in the amount of \$34,500.00;
 - (bb) Rocco Vasco, Plan No. 125626 in the amount of \$45,000.00;
 - (cc) Brenda Randell, Plan No. 96127 in the amount of \$35,000.00;
 - (dd) Michael Ruscigno, Plan 124950 in the amount of \$50,000.00;

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- (ee) Lloyd Edward Cooper, Plan No. 134366 in the amount of \$40,000.00;
- (ff) Jana Dawi, Plan No. 122224 in the amount of \$52,000.00;
- (gg) Mei-Ann Suharly, Plan No. 134898 in the amount of \$30,000.00;
- (hh) Gerlando Gentile, Plan No. 134399 in the amount of \$150,000.00;
- (ii) Humberto Manuel Silva, Plan No. 134468 in the amount of \$29,200.00;
- (jj) Robert Baker, Plan No. 136499 in the amount of \$30,000.00;
- (kk) Sonia Tomilson, Plan No. 100369 in the amount of \$25,700.00;
- (ll) Keiran Marie Glynn, Plan No. 136148 in the amount of \$30,000.00;
- (mm) Liwiyaty Suharly, Plan No. 135663 in the amount of \$30,000.00;
- (nn) Cheryl Campbell, Plan No. 137895 in the amount of \$30,000.00;
- (oo) David R. Carter, Plan No. 138321 in the amount of \$41,000.00;
- (pp) Ian Blevins, Plan No. 85334 in the amount of \$39,300.00;
- (qq) Juxia Guo, Plan No. 137334 in the amount of \$50,000.00;
- (rr) Lorrinda L. Mabee, Plan No. 91344 in the amount of \$41,400.00;
- (ss) Carl Sutton, Plan No. 138619 in the amount of \$31,600.00;
- (tt) David Fritz, Plan No. 138996 in the amount of \$67,500.00;
- (uu) Grant Chettle, Plan No. 139314 in the amount of \$40,000.00;
- (vv) Jin Hua Cui, Plan No. 139312 in the amount of \$35,000.00;
- (ww) Kelly A. Ferris, Plan No. 139300 in the amount of \$36,000.00;
- (xx) Ryszard T. Matacz, Plan No. 138551 in the amount of \$100,000.00;
- (yy) Joseph Zadra, Plan No. 139804 in the amount of \$60,000.00;
- (zz) Karen E. Giffen, Plan No. 139434 in the amount of \$30,000.00;
- (aaa) Susan L. McEwan, Plan No. 138770 in the amount of \$30,000.00;
- (bbb) Hope Landon Meek, Plan No. 142588 in the amount of \$45,000.00;
- (ccc) Bipin Chawla, Plan No. 143015 in the amount of \$30,000.00;
- (ddd) Agata Zuber, Plan No. 119895 in the amount of \$30,000.00;
- (eee) Antonio Augusto Pratas Da Silva, Plan No. 143003 in the amount of \$59,400.00;
- (fff) Berno Bastiampillai, Plan No. 143995 in the amount of \$30,000.00;
- (ggg) Candida Domingos, Plan No. 142322 in the amount of \$31,000.00;
- (hhh) Carmela Bertucci, Plan No. 143863 in the amount of \$20,000.00;
- (iii) Cosimo Bruzzese, Plan No. 143847 in the amount of \$69,100.00;
- (jjj) David De Jesus Lima Chiu, Plan No. 142954 in the amount of \$30,000.00;
- (kkk) Denis Graziadei, Plan No. 139518 in the amount of \$35,700.00;

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- (lll) Dharampaul Dhandhari, Plan No. 96233 in the amount of \$64,900.00;
- (mmm) Diana Alvarado, Plan No. 143890 in the amount of \$30,000.00;
- (nnn) Fernando Melo, Plan No. 142323 in the amount of \$45,000.00;
- (ooo) Filomena Silveira, Plan No. 143997 in the amount of \$25,000.00;
- (ppp) Franca Repole, Plan No. 144257 in the amount of \$280,000.00;
- (qqq) Ingrid C. Till, Plan No. 144461 in the amount of \$30,000.00;
- (rrr) Joaquim Domingos, Plan No. 142324 in the amount of \$26,000.00;
- (sss) Jose Carlos Tavares, Plan No. 143857 in the amount of \$74,900.00;
- (ttt) Julieta Melo, Plan No. 142326 in the amount of \$45,000.00;
- (uuu) Junok Chung, Plan No. 144516 in the amount of \$50,000.00;
- (vvv) Maria Amelia Tavares, Plan No. 143860 in the amount of \$62,000.00;
- (www) Maria De Angelis Pater, Plan No. 143129 in the amount of \$30,000.00;
- (xxx) Marisa Clemente, Plan No. 144082 in the amount of \$50,000.00;
- (yyy) Michael Clemente, Plan No. 144083 in the amount of \$35,600.00;
- (zzz) Myung Sook Chung, Plan No. 144794 in the amount of \$46,500.00;
- (aaaa) Shen Shen Wang, Plan No. 130324 in the amount of \$43,368.00;
- (bbbb) Thian Hock Tan, Plan No. 143722 in the amount of \$30,000.00;
- (cccc) Tim Collins, Plan No. 144754 in the amount of \$35,000.00;
- (dddd) Warren T. Cameron, Plan No. 144606 in the amount of \$40,300.00;
- (eeee) Winston Alleyne, Plan No. 144245 in the amount of \$30,000.00;
- (ffff) Antonio Cetra, Plan No. 145267 in the amount of \$85,000.00;
- (gggg) Cindy Deck, Plan No. 144208 in the amount of \$30,000.00;
- (hhhh) Donald Richard Andrews, Plan No. 144721 in the amount of \$30,000.00;
- (iiii) Gordon Stewart Clarke, Plan No. 145170 in the amount of \$40,000.00;
- (jjjj) Ireneusz Abramczuk, Plan No. 144969 in the amount of \$65,000.00;
- (kkkk) Kathryn Goldsmith, Plan No. 143202 in the amount of \$64,000.00;
- (llll) Patricia Margaret Andrews, Plan No. 144760 in the amount of \$30,000.00;
- (mmmm) Gursukhvinder Singh, Plan No. 143360 in the amount of \$34,000.00;
- (nnnn) Marcelino Evangelista Gomes, Plan No. 145594 in the amount of \$144,500.00;
- (oooo) Maria Natividade Gomes, Plan No. 145595 in the amount of \$39,500.00;
- (pppp) Maria Natividade Gomes, Plan No. 145596 in the amount of \$57,300.00;
- (qqqq) Andrzej Ziarno, Plan No. 143993 in the amount of \$30,000.00;
- (rrrr) Diana Valdez Arce, Plan No. 114359 in the amount of \$50,000.00;

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- (ssss) Gary Booth, Plan No. 67355 in the amount of \$50,000.00;
 - (tttt) Kathryn Bergman, Plan No. 144951 in the amount of \$30,000.00;
 - (uuuu) Larry Laturski, Plan No. 145719 in the amount of \$42,500.00; and
 - (vvvv) Peter Bergman, Plan No. 144722 in the amount of \$30,000.00.
2. Building & Development Mortgages Canada Inc. holds this charge in trust for:
- (a) Simon Julianne Chung in the amount of \$30,000.00;
 - (b) Mohan Singh and Harbans Kaur Singh in the amount of \$30,000.00;
 - (c) Fang-Sing Heh in the amount of \$30,000.00;
 - (d) Joseph Lise in the amount of \$100,000.00;
 - (e) Advanced Servo Technologies Inc. in the amount of \$100,000.00;
 - (f) R. Zwinkels C.A. Professional Corporation in the amount of \$30,000.00;
 - (g) Usama Raouf in the amount of \$30,000.00;
 - (h) Zaid Medhat in the amount of \$30,000.00;
 - (i) Qian Huang in the amount of \$100,000.00;
 - (j) Robert Gemmiti in the amount of \$30,000.00;
 - (k) Rocco Frano in the amount of \$50,000.00;
 - (l) Kenneth Wright in the amount of \$30,000.00;
 - (m) Yi Qing Wang in the amount of \$100,000.00;
 - (n) Mi Sook Kang in the amount of \$50,000.00;
 - (o) Narinder Kochhar in the amount of \$30,000.00;
 - (p) Blair Mills & Carolyn Mills in the amount of \$36,000.00;
 - (q) Zbigniew Targowski in the amount of \$30,000.00;
 - (r) Christopher Turner in the amount of \$60,000.00;
 - (s) Sabrina Bartolini & Daniele Bartolini in the amount of \$100,000.00;
 - (t) 2230248 Ontario Ltd. in the amount of \$50,000.00;
 - (u) Danica Trajkovski in the amount of \$50,000.00;
 - (v) Paulo Alves in the amount of \$30,000.00;
 - (w) Paul Ghent in the amount of \$75,000.00;
 - (x) Ning Feng in the amount of \$30,000.00;
 - (y) Lilian Del Pilar Espana in the amount of \$30,000.00;
 - (z) 1922652 Ontario Inc. in the amount of \$110,000.00;
 - (aa) Jing Son in the amount of \$49,800.00;
 - (bb) Wieslaw Poliszot in the amount of \$30,000.00;

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- (cc) Shu Hua Ju in the amount of \$100,000.00;
- (dd) Fangfang Ma in the amount of \$150,000.00;
- (ee) Shaomo Xing in the amount of \$30,000.00;
- (ff) Huiqing Zhang in the amount of \$50,000.00;
- (gg) L & F Canada Inc. in the amount of \$200,000.00;
- (hh) William Orville Shaw and Helen L. Shaw in the amount of \$65,000.00;
- (ii) Donna Wood in the amount of \$30,000.00;
- (jj) Ruth Roth in the amount of \$30,000.00;
- (kk) Xiaoyi Han in the amount of \$100,000.00;
- (ll) Danuta Ruczynski and Radeusz Ruczynski in the amount of \$90,000.00;
- (mm) Dino Alberto Oliveira in the amount of \$100,000.00;
- (nn) Jose Augusto Costa in the amount of \$200,000.00;
- (oo) Edward Taylor and Gladys Taylor in the amount of \$30,000.00;
- (pp) Susan Helen Wight and Paul William Wight in the amount of \$50,000.00;
- (qq) Susan Helen Wight and Bradley Leland Wight in the amount of \$50,000.00;
- (rr) Eduarda Matias and Luis Filipe Matias in the amount of \$200,000.00;
- (ss) Keith Mulligan in the amount of \$40,000.00;
- (tt) Menglin Ma in the amount of \$30,000.00;
- (uu) Faith and Paul Ospalak in the amount of \$35,000.00;
- (vv) David Rankin in the amount of \$50,000.00;
- (ww) Ling Ouyang and Yusheng He in the amount of \$30,000.00;
- (xx) Yam Yoke Chung in the amount of \$30,000.00;
- (yy) Gina Markin and Stuart Lapowich in the amount of \$55,000.00;
- (zz) Piotr Artymko and Anna Lidia Fal in the amount of \$50,000.00;
- (aaa) Yan Rong Jin in the amount of \$40,000.00;
- (bbb) Danuta Ruczynski and Tadeusz Ruczynski in the amount of \$30,000.00;
- (ccc) Crissie Halabi in the amount of \$30,000.00;
- (ddd) Andrew A. Hussey Medicine Professional Corporation in the amount of \$40,000.00;
- (eee) Bruce Hogan in the amount of \$35,000.00;
- (fff) Ilan Tabori in the amount of \$50,000.00;
- (ggg) Manish Bansal in the amount of \$40,000.00;
- (hhh) George Ralph Stevens in the amount of \$50,000.00;
- (iii) Yuk Sim Mandy Yeung in the amount of \$30,000.00;

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- (jjj) Dr. Antonio Locantore Prof. Corp. (per: Antonio Locantore) in the amount of \$30,000.00;
- (kkk) Achilles Lioukras and Christina Lioukras in the amount of \$35,000.00;
- (lll) Hilda Buczolitis in the amount of \$40,000.00;
- (mmm) Camyo Inc. (per: James Douglas Ough) in the amount of \$50,000.00;
- (nnn) 2262489 Ontario Ltd. (per: Mark Cadman) in the amount of \$30,000.00;
- (ooo) Zarie Boronka in the amount of \$50,000.00;
- (ppp) Camillo Holdings Inc. (per: Camillo Sciulli) in the amount of \$30,000.00;
- (qqq) Kenneth H. Saul and Barbara D. Saul in the amount of \$40,000.00;
- (rrr) Duilio Conte and Caterina Conte in the amount of \$50,000.00;
- (sss) Julie Chastain McLeland in the amount of \$50,000.00;
- (ttt) Steven Leonard in the amount of \$30,000.00;
- (uuu) Amit Lekhi in the amount of \$75,000.00;
- (vvv) Balinder Jeet Kaur in the amount of \$50,000.00;
- (www) Vacuum & Acrylic Creations Ltd. (per: Barbara Cunic) in the amount of \$100,000.00;
- (xxx) Beatriz Tovar Vargas in the amount of \$50,000.00;
- (yyy) Elaine McMeekin in the amount of \$50,800.00;
- (zzz) Naresh Sehdev Pharmacy Inc. (per: Naresh Sehdev) in the amount of \$30,000.00;
- (aaaa) Sheliza Hanif in the amount of \$50,000.00;
- (bbbb) Shirley Anne Buckley in the amount of \$50,000.00;
- (cccc) Shital Atawala in the amount of \$30,000.00;
- (dddd) Suzanne Johnson in the amount of \$70,000.00;
- (eeee) Zhibo Zhao in the amount of \$30,000.00;
- (ffff) Ameesh Lekhi Pharmacy Inc. (per: Ameesh Lekhi) in the amount of \$50,000.00;
- (gggg) Alicia Vernon in the amount of \$98,000.00;
- (hhhh) Anna Da Eira and Jose Da Eira in the amount of \$50,000.00;
- (iiii) Calogero Gallo and Stephanie Gallo in the amount of \$30,000.00;
- (jjjj) Carmela Bertucci in the amount of \$80,000.00;
- (kkkk) Catherine E. Ball in the amount of \$30,000.00;
- (llll) Dannette Pierroz in the amount of \$30,000.00;
- (mmmm) Daniel A. Santo in the amount of \$30,000.00;
- (nnnn) Ivo Jurkic and Jelka Jurkic in the amount of \$50,000.00;
- (oooo) James Thomson in the amount of \$50,000.00;

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- (pppp) Lucas Debellis in the amount of \$30,000.00;
- (qqqq) Manuel Conceicao and Graciete Conceicao in the amount of \$40,000.00;
- (rrrr) Maria Borges and Joao Borges in the amount of \$50,000.00;
- (ssss) Maria Luisa Azeredo and Joao Da Costa Azeredo in the amount of \$50,000.00;
- (tttt) Mark Tami-Ing in the amount of \$30,000.00;
- (uuuu) Roger Rajan in the amount of \$61,000.00;
- (vvvv) Ruth Joanne Steinmann in the amount of \$30,000.00
- (wwwv) Silvia Rocha in the amount of \$50,900.00;
- (xxxx) Ivy Lo in the amount of \$95,000.00; and
- (yyyy) Daniel Aaron Blacher in the amount of \$25,000.00.

Appendix 3:
Parcel Register for South Shore Registry



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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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PREPARED FOR Lstorm01
ON 2021/05/20 AT 13:43:44

03475-2054 (LT)

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

PROPERTY DESCRIPTION:

PT LOT 8, PLAN 170, N GWILLIMBURY AS IN R633209; GEORGINA; LOTS 1, 2, 3, 4, 5, 6, 7, AND 8, PLAN 447; N GWILLIMBURY; DOREDA DR, LAN 447, PT 2, 65R16653, GEORGINA AS STOPPED UP AND CLOSED BY BY-LAW REGISTERED AS VR45264; PT LOT 6, PLAN 170, N GWILLIMBURY AS IN B31794B; LOT 5, PLAN 170, N GWILLIMBURY, T/W R737440; LOTS 9, 10, 11, 12, 13, 14, AND 15, PLAN 447, N GWILLIMBURY; BLK A, PLAN 447, N GWILLIMBURY, PT LOT 8, PLAN 170, PT 1, 65R16553 LYING N/W OF LOTS 6 & 7, PLAN 447, PT LOT 8, PLAN 170, PT 1 65R16653, LYING S OF DOREDA DRIVE, LOTS 9, 10 & BLK A, PLAN 447; PT LOTS 6, 7, & 8, PLAN 170, N GWILLIMBURY, AS IN R649566; TOWN OF GEORGINA

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

CONSOLIDATION FROM 03475-0123, 03475-0124, 03475-0125, 03475-0126, 03475-0127, 03475-0868, 2016/08/15
03475-0869, 03475-0870, 03475-0927

PIN CREATION DATE:

2016/08/15

OWNERS' NAMES

2221563 ONTARIO INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT	INCLUDES ALL	DOCUMENT TYPES AND	DELETED INSTRUMENTS SINCE 2016/08/15 **			
**SUBJECT,	ON FIRST REGISTRATION	UNDER THE LAND TITLES ACT, TO:				
**	SUBSECTION 44 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *					
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70 (2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES: 1999/04/26 **					
PL447	1955/02/09	PLAN SUBDIVISION				C
R198450	1976/11/09	BYLAW				C
65R16653	1993/08/12	PLAN REFERENCE				C
YR45264	2001/09/05	BYLAW		THE CORPORATION OF THE TOWN OF GEORGINA		C
REMARKS: TO STOP UP, CLOSE AND SELL				TO THE ADJUTING OWNERS THE UNOPENED ROAD ALLOWANCE OF DOREDA DRIVE, PL 447		
YR1069853	2007/10/15	LR'S ORDER		LAND REGISTRAR		C
REMARKS: AMEND		DESPN FROM -- PT LT 8, PL 170, PT 1 65R16653 TO -- PT LT 8, PL 170, PT 1 65R16653 LYING NW OF LTS 6 & 7, PL 447.				
YR1416419	2009/12/09	TRANS POWER SALE	\$4,800,000	FOREMOST MORTGAGE HOLDING CORPORATION EDSON, RALPH PARTNOY, TINA RIO INVESTMENTS LIMITED	2221563 ONTARIO INC.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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03475-2054 (LT)

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				MARVER, BESS NEWMAN, BEVERLEY BARTOLINI, SANTINO BARTOLINI, MARGHERITA CAPUTO, LUIGI CAPUTO, MARY DINAPET HOLDINGS LIMITED MULLER, SUSAN KUSHNER, DOROTHY 614921 ONTARIO LIMITED 697350 ONTARIO LIMITED GORE, JOSEPH GOLDMAN, SAM LADISA, CARLO LADISA, MICHAEL LATCHMAN, VICTOR LATCHMAN, ROSALIE GAMBINO, GIUSEPPE MUCHWAKER, MARILYN CAPUANI, ANTONIETTA COMMUNITY TRUST COMPANY RUMACK, JEROME BERG, ROCHELLE		
REMARKS: YR1128568.						
YR1416446	2009/12/09	CHARGE	\$6,000,000	2221563 ONTARIO INC.	SNOXONS HOLDINGS INC.	C
YR1607456	2011/02/04	CHARGE	\$4,800,000	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1607457	2011/02/04	NOTICE		SNOXONS HOLDINGS INC.	2221563 ONTARIO INC. SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1610149	2011/02/14	NOTICE		2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1614814	2011/02/25	NOTICE		2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1617921	2011/03/04	NOTICE		2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1626329	2011/03/25	NOTICE		2221563 ONTARIO INC.	SORRENTI, DEREK	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
REMARKS: YR1607456						
YR1629086	2011/03/31	NOTICE		2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1629087	2011/03/31	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST	C
REMARKS: YR1607456.						
YR1636123	2011/04/19	NOTICE		2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1637719	2011/04/26	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1637720	2011/04/26	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST	C
REMARKS: YR1607456.						
YR1642625	2011/05/04	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1642626	2011/05/04	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR1645228	2011/05/10	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1650665	2011/05/20	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1650666	2011/05/20	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR1656127	2011/05/31	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1656128	2011/05/31	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
REMARKS: YR1607456. YR1660699 REMARKS: YR1607456	2011/06/09 NOTICE	TRANSFER OF CHARGE	\$2	2221563 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
YR1660700	2011/06/09	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456. YR1607456 YR1668421 REMARKS: YR1607456	2011/06/24 NOTICE	TRANSFER OF CHARGE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1668422	2011/06/24	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456. YR1680843 REMARKS: YR1607456	2011/07/19 NOTICE	TRANSFER OF CHARGE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1680844	2011/07/19	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456. YR1685793 REMARKS: YR1607456	2011/07/28 NOTICE	TRANSFER OF CHARGE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1685794	2011/07/28	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456. YR1699568 NOTICE	2011/08/22 NOTICE		\$8,600,000	2221563 ONTARIO INC.	SORRENTI, DEREK OLYMPIA TRUST B2B TRUST THE BANK OF NOVA SCOTIA TRUST COMPANY	C

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REMARKS: YR1607456 YR1699569 2011/08/22 NOTICE REMARKS: YR1607456			\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1699570 2011/08/22 TRANSFER OF CHARGE				SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456. YR1607456 YR1705464 2011/08/31 NOTICE REMARKS: YR1607456			\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1705465 2011/08/31 TRANSFER OF CHARGE				SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456. YR1710126 2011/09/09 TRANSFER OF CHARGE				SORRENTI, DEREK	SORRENTI, DEREK B2BTRUST	C
REMARKS: YR1607456. YR1711081 2011/09/13 NOTICE REMARKS: YR1607456			\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1711082 2011/09/13 TRANSFER OF CHARGE				SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456. YR1716118 2011/09/22 NOTICE REMARKS: YR1607456			\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1716119 2011/09/22 TRANSFER OF CHARGE				SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456. YR1726662 2011/10/13 NOTICE			\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C

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REMARKS: YR1607456						
YR1726663	2011/10/13	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR1737106	2011/11/02	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1737107	2011/11/02	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR1746587	2011/11/22	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1746588	2011/11/22	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR1757721	2011/12/14	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1757722	2011/12/14	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR1768945	2012/01/10	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
REMARKS: YR1607456						
YR1768946	2012/01/10	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456.						

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR1778209 REMARKS: YR1607456	2012/01/31	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1778210 REMARKS: YR1607456.	2012/01/31	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR1791525 REMARKS: YR1607456	2012/03/05	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1791526 REMARKS: YR1607456.	2012/03/05	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR1812940 REMARKS: YR1607456	2012/04/25	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1812941 REMARKS: YR1607456.	2012/04/25	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR1827223 REMARKS: YR1607456	2012/05/25	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1827224 REMARKS: YR1607456.	2012/05/25	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR1848606 REMARKS: YR1607456	2012/07/04	NOTICE	\$2	2221563 ONTARIO INC.	SORRENTI, DEREK	C
YR1848607	2012/07/04	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR1876962	2012/08/28	NOTICE	\$2	THE BANK OF NOVA SCOTIA TRUST COMPANY	THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR1876963	2012/08/28	TRANSFER OF CHARGE		SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR2192808	2014/09/26	TRANSFER OF CHARGE		SORRENTI, DEREK B2B BANK OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B TRUST OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR2204014	2014/10/21	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B TRUST THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR2209128	2014/10/30	CHARGE	\$4,500,000	2221563 ONTARIO INC.	DIVERSIFIED CAPITAL INC.	C
YR2209129	2014/10/30	NO ASSGN RENT GEN		2221563 ONTARIO INC.	DIVERSIFIED CAPITAL INC.	C
YR2209130	2014/10/30	POSTPONEMENT		SNOXONS HOLDINGS INC.	DIVERSIFIED CAPITAL INC.	C
YR2209131	2014/10/30	POSTPONEMENT		SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B TRUST THE BANK OF NOVA SCOTIA TRUST COMPANY	DIVERSIFIED CAPITAL INC.	C
YR2242948	2015/01/14	CHARGE	\$3,200,000	2221563 ONTARIO INC.	CENTRO MORTGAGE INC.	C
YR2242949	2015/01/14	POSTPONEMENT		SNOXONS HOLDINGS INC.	CENTRO MORTGAGE INC.	C
YR2242950	2015/01/14	POSTPONEMENT		SORRENTI, DEREK	CENTRO MORTGAGE INC.	C

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YR2242978	REMARKS: YR1607456, YR2204014 TO YR2242948 2015/01/14	TRANSFER OF CHARGE		OLYMPIA TRUST COMPANY B2B TRUST THE BANK OF NOVA SCOTIA TRUST COMPANY		
YR2242978	REMARKS: YR2242948.					
YR2249175	2015/01/29	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
YR2242948	REMARKS: YR2242948					
YR2257613	2015/02/19	TRANSFER OF CHARGE		SORRENTI, DEREK B2B BANK OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK B2B BANK OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR2258713	REMARKS: YR1607456. 2015/02/23	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
YR2242948	REMARKS: YR2242948					
YR2276417	2015/04/09	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
YR2242948	REMARKS: YR2242948					
YR2280706	2015/04/21	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
YR2302493	2015/06/09	NOTICE				
YR2302493	REMARKS: YR2242948					
YR2302500	2015/06/09	POSTPONEMENT		2221563 ONTARIO INC.		
YR2302501	REMARKS: YR1416446 TO YR2242948					
YR2302501	2015/06/09	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
YR2302501	REMARKS: YR2242948					

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YR2317841	2015/07/08	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
REMARKS: YR2242948						
YR2349339	2015/09/01	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
REMARKS: YR2242948						
YR2352237	2015/09/04	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR2359250	2015/09/22	NOTICE		2221563 ONTARIO INC.	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
REMARKS: YR2242948						
YR2359252	2015/09/22	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
REMARKS: YR2242948 YR2242948						
YR2373600	2015/10/19	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR2383204	2015/11/03	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
REMARKS: YR2242948						
YR2399061	2015/12/03	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
REMARKS: YR2242948						
YR2404312	2015/12/15	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B TRUST THE BANK OF NOVA SCOTIA TRUST COMPANY	C
REMARKS: YR1607456.						
YR2404314	2015/12/15	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK	C

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YR2408708	REMARKS: YR1607456. 2015/12/22	TRANSFER OF CHARGE		OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	
YR2413640	REMARKS: YR2242948 2016/01/08	TRANSFER OF CHARGE		CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	CENTRO MORTGAGE INC. OLYMPIA TRUST COMPANY	C
YR2434381	REMARKS: YR1607456. 2016/02/23	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	C
YR2457912	REMARKS: YR1607456. 2016/04/15	NOTICE		2221563 ONTARIO INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2457913	REMARKS: YR2242948 2016/04/15	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2460994	REMARKS: YR2242948, YR2408708 YR2242948 2016/04/22	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2471252	REMARKS: YR2242948 2016/05/13	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2480017	REMARKS: YR2242948 2016/06/01	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2505546	REMARKS: YR2242948 2016/07/13	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C

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YR2510956	REMARKS: YR1607456. 2016/07/22	CHARGE		THE BANK OF NOVA SCOTIA TRUST COMPANY B2B BANK	THE BANK OF NOVA SCOTIA TRUST COMPANY B2B BANK	
YR2510957	2016/07/22	POSTPONEMENT	\$5,900,000	2221563 ONTARIO INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	C
YR2510958	REMARKS: YR1416446 TO YR2510956 2016/07/22	POSTPONEMENT		SNOXONS HOLDINGS INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	C
	2016/07/22	POSTPONEMENT		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY THE BANK OF NOVA SCOTIA TRUST COMPANY B2B BANK	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	C
YR2510962	REMARKS: YR1607456, YR2505546 TO YR2510956 2016/07/22	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2511199	REMARKS: YR2510956. 2016/07/22	APL CONSOLIDATE		2221563 ONTARIO INC.		C
YR2516850	2016/08/02	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2523368	REMARKS: YR2242948 2016/08/12	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2530787	REMARKS: YR2510956 2016/08/25	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2541971	2016/09/13	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2561795	2016/10/18	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2561798	REMARKS: YR2510956 2016/10/18	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
	2016/10/18	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C

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YR2564016	2016/10/21	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY B2B BANK THE BANK OF NOVA SCOTIA TRUST COMPANY	C
	REMARKS: YR1607456.					
YR2571964	2016/11/02	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
	REMARKS: YR2510956 & YR2561795					
YR2595214	2016/12/13	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2607517	2017/01/11	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2617719	2017/01/30	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
	REMARKS: YR2510956					
YR2626191	2017/02/15	NOTICE		2221563 ONTARIO INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
	REMARKS: YR2242948					
YR2633539	2017/03/02	NOTICE	\$2	2221563 ONTARIO INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
	REMARKS: YR2510956					
YR2633696	2017/03/02	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2643520	2017/03/24	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
	REMARKS: ORIGINAL CHARGE IS YR2510956.					
YR2650434	2017/04/06	NOTICE	\$2	2221563 ONTARIO INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
	REMARKS: AMENDING CHARGE YR2510956, YR2617719, YR2633539, YR2633696 AND YR2643520					
YR2657565	2017/04/25	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
	REMARKS: YR2510956, YR2643520					

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YR2669306	2017/05/16	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2669351	2017/05/16	NOTICE		2221563 ONTARIO INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2671216	2017/05/19	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** DEEP FOUNDATIONS CONTRACTORS INC.		
YR2683637	2017/06/12	APL DEL CONST LIEN		*** COMPLETELY DELETED *** DEEP FOUNDATIONS CONTRACTORS INC.		
YR2683728	2017/06/12	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2703133	2017/07/17	NOTICE		2221563 ONTARIO INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2703134	2017/07/17	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2712105	2017/08/02	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2715536	2017/08/10	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
YR2773053	2017/12/13	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** M.G.R. CONTRACTING AND MAINTENANCE LTD.		
YR2777153	2017/12/21	CONSTRUCTION LIEN	\$559,984	DE HODGE CONTRACTING INC.		C
YR2784028	2018/01/16	CERTIFICATE		DE HODGE CONTRACTING INC.	ONTARIO SUPERIOR COURT OF JUSTICE	C

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YR2785684 REMARKS: YR2773053	2018/01/19	CERTIFICATE		*** COMPLETELY DELETED *** M.G.R CONTRACTING AND MAINTENANCE LTD.		
YR2795219	2018/02/13	CONSTRUCTION LIEN	\$82,913	SUNBELT RENTALS OF CANADA INC.		C
YR2824874 REMARKS: YR2795219	2018/05/09	CERTIFICATE		SUNBELT RENTALS OF CANADA INC.		C
YR2885358 REMARKS: YR2773053.	2018/10/12	APL DEL CONST LIEN		*** COMPLETELY DELETED *** 2221563 ONTARIO INC. FORTRESS CRATES LANDING 2013 INC.		
YR3250335 REMARKS: YR2771153.	2021/05/13	APL DEL CONST LIEN		DE HODGE CONTRACTING INC.		
YR3250336 REMARKS: YR2824874.	2021/05/13	APL DEL CONST LIEN		SUNBELT RENTALS OF CANADA INC.		
YR3250337 REMARKS: YR2209128. PLANNING ACT STATEMENTS.	2021/05/13	TRANS POWER SALE	\$13,000,000	DIVERSIFIED CAPITAL INC.	2833367 ONTARIO LIMITED	
YR3250487	2021/05/14	NO CHNG ADDR OWNER		2833367 ONTARIO LIMITED		

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Appendix 4:
Sorrenti Mortgage

Properties

PIN	03475 – 0123	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY AS IN R533209 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0927	LT	Interest/Estate	Fee Simple
Description	PT LT 6 PL 170 N GWILLIMBURY; PT LT 7 PL 170 N GWILLIMBURY; PT LT 8 PL 170 N GWILLIMBURY AS IN R649566 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0126	LT	Interest/Estate	Fee Simple
Description	PT LT 6 PL 170 N GWILLIMBURY AS IN B31794B ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0127	LT	Interest/Estate	Fee Simple
Description	LT 5 PL 170 N GWILLIMBURY T/W R737440 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0125	LT	Interest/Estate	Fee Simple
Description	DOREDA DR PL 447 PT 2 65R16653, GEORGINA AS STOPPED UP AND CLOSED BY BY–LAW REGISTERED AS YR45264			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0124	LT	Interest/Estate	Fee Simple
Description	LT 1 PL 447 N GWILLIMBURY; LT 2 PL 447 N GWILLIMBURY; LT 3 PL 447 N GWILLIMBURY; LT 4 PL 447 N GWILLIMBURY; LT 5 PL 447 N GWILLIMBURY; LT 6 PL 447 N GWILLIMBURY; LT 7 PL 447 N GWILLIMBURY; LT 8 PL 447 N GWILLIMBURY ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0868	LT	Interest/Estate	Fee Simple
Description	LT 9 PL 447 N GWILLIMBURY; LT 10 PL 447 N GWILLIMBURY; LT 11 PL 447 N GWILLIMBURY; LT 12 PL 447 N GWILLIMBURY; LT 13 PL 447 N GWILLIMBURY; LT 14 PL 447 N GWILLIMBURY; LT 15 PL 447 N GWILLIMBURY; BLK A PL 447 N GWILLIMBURY ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0869	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY PT 1 65R16653 LYING NW OF LTS 6 & 7, PL 447; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0870	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY PT 1 65R16653 LYING S OF DOREDA DR , LTS 9 10 & BLK A PL 447 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name2221563 ONTARIO INC.

Address for Service55 St. Clair Avenue West, Suite 205,
Toronto, Ontario, M4V 2Y7

I, Alan Chapple, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Chargee(s)	Capacity	Share
Name	SORRENTI, DEREK	Trustee
		100.0%

Chargee(s)	Capacity	Share
Address for Service	3800 Steeles Avenue West, Suite 400, Vaughan, Ontario, L4L 4G9	

Statements
Schedule: See Schedules

Provisions			
Principal	\$4,800,000.00	Currency	CDN
Calculation Period	annually		
Balance Due Date	2014/01/21		
Interest Rate	8.0%		
Payments	\$96,000.00		
Interest Adjustment Date	2011 01 21		
Payment Date	due and payable quarterly commencing April 21, 2011		
First Payment Date	2011 04 21		
Last Payment Date	2014 01 21		
Standard Charge Terms	200033		
Insurance Amount	full insurable value		
Guarantor			

Signed By				
Derek Francesco Sorrenti		400–3800 Steeles Ave. West Vaughan L4L 4G9	acting for Chargor (s)	Signed 2011 02 04
Tel	4166195453			
Fax	4166194790			
I have the authority to sign and register the document on behalf of the Chargor(s).				

Submitted By		
DEREK SORRENTI		2011 02 04
400–3800 Steeles Ave. West Vaughan L4L 4G9		
Tel	4166195453	
Fax	4166194790	

Fees/Taxes/Payment	
Statutory Registration Fee	\$60.00
Total Paid	\$60.00

File Number	
Chargee Client File Number :	100119–1

ADDITIONAL PROVISIONS

1. Default

In addition to any other Default Clauses set out in this Charge, or in the Standard Charge Terms referred to herein, the monies hereby secured, together with interest thereon as aforesaid, shall become payable and the security hereby constituted shall become enforceable immediately upon demand by the Chargee on the occurrence or happening or any of the following events ("Event(s) of Default"):

- (a) the Chargor makes default in the payment of the principal, interest or other monies hereby secured on any principal or interest payment and other monies owed by it to the Chargee whether secured by this Charge or not;
- (b) the Chargor makes material default in the observance or performance of any written covenant or undertaking heretofore or hereafter given by it to the Chargee and such default has not been cured within fifteen (15) days of written notice thereof being delivered to the Chargor;
- (c) if any statement, information (oral or written) or representation; heretofore or hereafter made or given by or on behalf of the Chargor to the Chargee and pertaining to the assets or the financial condition of the Chargor, and whether contained herein or not is false, inaccurate and/or misleading in any material respect;
- (d) an order is made or an effective resolution passed for the winding-up, liquidation, amalgamation or reorganization of the Chargor, or a petition is filed for the winding up of the Chargor;
- (e) the Chargor becomes insolvent or makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or the Chargor makes a bulk sale of its assets; or a bankruptcy petition or receiving order is filed for the winding up of the Chargor;
- (f) any proceedings with respect to the Chargor are commenced under the Companies' Creditors Arrangement Act;
- (g) the Chargor ceases or threatens to cease to carry on its business or the Chargor commits or threatens to commit any act of bankruptcy or insolvency;
- (h) the property hereby mortgaged and charged or any part thereof, other than sales of lots containing fully completed single family dwellings to bona fide purchasers for value, prior approved in writing by the Chargee, are sold by the Chargor or if there is a change in the present effective voting control of the Chargor or a change in the beneficial ownership of the Chargor or the assets or any one of them;
- (i) the monies secured hereby, together with interest thereon shall not be repaid to the Chargee on maturity;

2. Chargee May Remedy Default

If the Chargor should fail to perform any covenant or agreement of the Chargor hereunder, the Chargee may itself perform or cause to be performed such covenant or agreement and all expenses incurred or payments made by the Chargee in so doing, together with interest thereon at the rate set forth herein, shall be added to the indebtedness accrued herein and shall be paid by the Chargor and be secured by this Charge together with all other indebtedness secured thereby, provided however that the foregoing shall not in any way be interpreted as an obligation of the Chargee.

3. Construction Liens

Provided also that upon the registration of any construction lien against title to the charged property which is not discharged within a period of ten (10) days from the registration thereof, all monies hereby secured shall, at the option of the Chargee, forthwith become due and payable.

The Chargee may at its option, withhold from any advances for which the Chargor may have qualified, such holdbacks as the Chargee in its sole discretion, considers advisable to protect its position under the provisions of the Construction Lien Act, 1990, so as to secure its priority over any construction liens, until the Chargee is fully satisfied that all construction lien periods have expired and that there are no

preserved or perfected liens outstanding. Nothing in this clause shall be considered to make the Chargee an “owner” or “payer” as defined under the Construction Lien Act, 1990, nor shall there be, or be deemed to be, any obligation by the Chargee to obtain any holdback which may be required by the said legislation. Any holdback which may be required to be made by the owner or payer shall remain solely the Chargor’s obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of the Construction Lien Act, 1990.

4. Construction Loan

Provided that the Chargor and Chargee agree that this is a construction loan, the following conditions apply:

- (a) the Chargor covenants that all installation of services and construction on the lands hereby secured shall be carried out by reputable contractors with sufficient experience in a project of this nature and size, which contractors must be approved by the Chargee and which approval shall not be unreasonably withheld.
- (b) that the installation of services and the construction of dwellings on the said lands, once having been commenced, shall be continued in a good and workmanlike manner, with all due diligence and in substantial accordance with the plans and specifications delivered to the Chargee and to the satisfaction of the Municipality and all governmental and regulatory authorities having jurisdiction.
- (c) provided that should the servicing and constructions on the said lands cease for any reason whatsoever (strike, material shortages, weather and conditions or circumstances beyond the control of the Chargor excepted), for a period of fifteen (15) consecutive days unless explained to the satisfaction of the Chargee acting reasonably (Saturdays, Sundays and Statutory holidays excepted), then the monies hereby secured, at the option of the Chargee shall immediately become due and payable. In the event that construction does cease, then the Chargee shall have the right, at its sole option, to assume complete control of the servicing and construction of the project on the said lands in such manner and on such terms as it deems advisable. The cost of completion of servicing and construction of the project by the Chargee and all expenses incidental thereto shall be added to the principal amount of the Charge, together with a arrangement fee of fifteen percent (15%) of the costs of the construction completed by the Chargee. All costs and expenses, as well as the said management fee shall bear interest at the rate as herein provided for and shall form part of the principal secured hereunder and the Chargee shall have the same rights and remedies with respect so collection of name as it would have with respect to collection of principal and interest hereunder or at law.
- (d) at the option of the Chargee, at all times there shall be a holdback of ten percent (10%) with respect to work already completed.
- (e) all advances which are made from time to time hereunder shall be based on Certificate of the Chargee’s agents prepared at the expense of the Chargor, which Certificates shall without limitation certify the value of the work completed and the estimated costs of any uncompleted work and such Certificates shall further certify that such completed construction and/or servicing to the date of such Certificate shall be in accordance with the approved plans and specifications for the said construction and further, in a good and workmanlike manner and in accordance with the permits issued for such servicing and construction and in accordance with all municipal and other governmental requirements of any authority having jurisdiction pertaining to such servicing and construction and there shall be no outstanding work orders or other requirements pertaining to service and construction on the said lands. Such Certificates with respect to any values shall not include materials on the side which are not incorporated into the buildings or the services.

5. Environmental

- (a) The following terms have the following meanings in this Section:
 - (i) “Applicable Environmental Laws” means all federal, provincial, municipal and other laws, statutes, regulations, by-laws and codes and all international treaties and agreements, now or hereafter in existence, intended to protect the environment or relating to Hazardous Material (as hereinafter defined), including without limitations the *Environmental Act (Ontario)*, as amended from time to time (the “EPA”), and

the *Canadian Environmental Protection Act*, as amended from time to time (the “CEPA”); and

- (ii) “Hazardous Material” means, collectively, any contaminants (as defined in the EPA), toxic substance (as defined in the CEPA), dangerous goods (as defined in the *Transportation of Dangerous Goods Act (Canada)*, as amended from time to time) or pollutants or any other substance which when released to the natural environment is likely to cause, at some immediate or future time, material harm to the natural environment or material risk to human health.

(b) The Chargor hereby represents and warrants that:

- (i) neither the Chargor nor, to its knowledge, after due enquiry, any other person, firm or corporation (including without limitation any tenant or previous tenant or occupant of the Lands or any part thereof) has ever caused or permitted any Hazardous Material to be placed, held, located or disposed of on, under or at the lands;
- (ii) the business and assets of the Chargor are in compliance with all Applicable Environmental Laws;
- (iii) no control order, stop order, minister’s order, preventative order or other enforcement action has been threatened or issued or is pending by any governmental agency in respect of the Lands and Applicable Environmental Laws; and
- (iv) the Chargor has not received notice nor has any knowledge of any action or proceeding, threatened or pending, relating to the existence in, or under the Lands or on the property adjoining the Lands of, or the spilling, discharge or emission on or from the Lands or any such adjoining property of, any Hazardous Material.

(c) The Chargor covenants that:

- (i) the Chargor will not cause or knowingly permit to occur, a discharge, spillage, uncontrolled loss, seepage or filtration of any Hazardous Material at, upon, under, into or within the Lands or any contiguous real estate or any body or water on or flowing through or contiguous to the Lands;
- (ii) the Chargor shall, and shall cause any person permitted by the Chargor to use or occupy the Lands or any part thereof, to continue to operate its business and assets located on the Lands in compliance with the Applicable Environmental Laws and shall permit the Chargee to review and copy any records of the Chargor insofar as they relate to the Lands at any time and from time to time to ensure such compliance;
- (iii) the Chargor will not be involved in operation at or in the Lands which could lead to the imposition on the Chargor of liability under the Applicable Environmental Laws or the issuance of any order under the Applicable Environmental Laws to stop discharging, shut down, clean up or decommission or the creation of a lien on the Lands under any of the Applicable Environmental Laws;
- (iv) the Chargor will not knowingly permit any tenant or occupant of the Lands to engage in any activity that could lead to the imposition of liability on such tenant or occupant or the Chargor of liability under the Applicable Environmental Laws or the issuance of any order under the Applicable Environmental Laws to stop discharging, shut down, clean up or decommission or the creation of a lien on the Lands under any Applicable Environmental Laws;
- (v) the Chargor shall strictly comply with the requirements of the Applicable Environmental Laws (including, but not limited to obtaining any permits, licenses or similar authorizations to construct, occupy, operate or use the Lands or any fixtures or equipment located thereon by reason of the Applicable Environmental Laws) and shall notify the Chargee promptly in the event of any spill or location of Hazardous

Material upon the Lands, and shall promptly forward to the Chargee copies of all notices, permits, applications or other communications and reports in connection with any spill or other matters relating to the Applicable Environmental Laws, as they may affect the Lands;

- (vi) the Chargor shall remove any Hazardous material (or if removal is prohibited by law, to take whichever action is required by law) promptly upon discovery as its sole expense;
 - (vii) the Chargor will not install on the Lands, nor knowingly permit to be installed on the Lands, asbestos or any substance containing asbestos deemed hazardous by any Applicable Environmental Law; and
 - (viii) the Chargor will at its own expense carry out such investigations and tests as the Chargee may reasonably require from time to time in connection with environmental matters.
- (d) The Chargor hereby indemnifies and holds harmless the Chargee, its officers, directors, employees, agents, shareholders and any receiver or receiver and manager appointed by or on the application of the Chargee (the "Indemnified Persons") from and against and shall reimburse the Chargee for any and all losses, liabilities, claims, damages, costs and expenses, including legal fees and disbursements, suffered, incurred by or assessed against any of the Indemnified Persons whether as holder of the within Charge, as mortgagee in possession, a successor in interest to the Chargor as owner of the Lands by virtue of foreclosure or acceptance of a deed in lieu of foreclosure or otherwise:
- (i) under or an account of the Applicable Environmental Laws, including the assertion or any lien thereunder;
 - (iii) for, with respect to, or as a result of, the presence on or under, or the discharge, emission, spill or disposal from, the Lands or into or upon and land, the atmosphere, or any watercourse, body or water of wetland, or any Hazardous Material where a source of the Hazardous Material is the Lands including, without limitation:
 - a. the costs of defending and/or counterclaiming or claiming over against third parties in respect or any action or matter; and
 - b. any costs, liability or damage arising out of a settlement of any action entered into by the Chargee;
 - (iii) in complying with or otherwise in connection with any order, consent, decree, settlement, judgement or verdict arising from the deposit, storage, disposal, burial, dumping, injecting, spilling, leaking or other placement or release in on or from the Lands of any Hazardous Material (including without limitation any order under the Applicable Environmental Laws to clean up, decommission or pay for any clean up or decommissioning), whether or not such deposit, storage, disposal, burial, dumping, injecting, spilling, leaking or other placement or release in, on or from the Lands or any Hazardous Material:
 - a. resulted by, through or under the Chargor; or
 - b. occurred with the Chargor's knowledge and consent, or
 - c. occurred before or after the date of this Charge, whether with or without the Chargor's knowledge.

The provisions of this paragraph shall survive foreclosure of this Charge and satisfaction and release of this Charge and satisfaction and repayment of the amount secured hereunder. Any accounts for which the Chargor shall become liable to the Chargee under this paragraph shall, if paid by the Indemnified Person, bear interest from the date of payment at the interest rate stipulated herein and together with such interest shall be secured hereunder.

- (e) In the event of any spill of Hazardous Material affecting the Lands, whether or not the same originated from the Lands, or if the Chargor fails to comply with any of the requirements of the Applicable Environmental Laws, the Chargee may at its election, but without the obligation so to do, give such and cause such work to be performed at the Lands and take any and all other actions as the Chargee shall deem necessary or advisable in order to remedy said spill or Hazardous Material or cure said failure of compliance and say amounts paid as a result thereof, together with interest therein at the interest rate stipulated herein from the date of payment by the Chargee shall be immediately due and payable by the Chargor and until paid shall be added to and become a part of the amount secured hereunder.

6. Letters of Credit

The parties hereto acknowledge and agree that this Charge shall also secure payment by the Chargor to the Chargee of all amounts advanced by the Chargee pursuant to or by way or issuance or any letters of credit, renewals thereof, substitutions therefore and accretions thereto or pursuant to similar instruments issued at the Chargor's request or on its behalf and issued by the Chargee or on behalf of or at the request of or upon the credit of the Chargee and the total amount of such letters of credit shall be decreed to have been advanced and fully secured by this Charge from the date of the issuance of such letters of credit, regardless of when or whether such letters of credit are called upon by the holder(s) thereof. In the event of the enforcement or exercise by the Chargee or any of the remedies or rights provided for in this Charge, the Chargee shall be entitled to retain and shall not be liable to pay or account to the Chargor or any other party in respect of the full amount of any outstanding letters of credit from the proceeds of such enforcement or exercise until such time as the letters of credit have expired, have been cancelled and have been amended to the Lender or the issuer(s) thereof.

7. Appointment of a Receiver

NOTWITHSTANDING anything herein contained, it is declared and agreed that at any time, and from time to time, when there shall be default under the provisions of these presents, the Chargee may at such time, and from time to time, and with or without entering into possession of the Charged Property appoint in writing a receiver (the "Receiver" which term shall include a receiver/manager) of the Charged Property, or any part thereof, and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any such Receiver and appoint another in its place and stead, and in the making of any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. The Chargor hereby agrees and consents to the appointment of the Receiver of the Chargee's choice and without limitation, whether pursuant to this Charge, the Mortgages Act, the Construction Lien Act or pursuant to the Courts of Justice Act (as the Chargee may at its sole option require). Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Charged Property and every part thereof.

Upon the appointment of any such Receiver or Receivers from time to time the following provisions shall apply:

- (i) a statutory declaration of an officer of the Chargee as to default under the provisions of these presents shall be conclusive evidence thereof;
- (ii) every such Receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due with respect to the Charged Property, and every part thereof, whether in respect of any tenancies created in priority to these presents or subsequent thereto;
- (iii) the Chargee may from time to time fix the remuneration of every such Receiver who shall be entitled to deduct same out of the Charged Property or the proceeds thereof;
- (iv) each such Receiver shall, so far as concerns responsibility and liability for its acts or omissions, be deemed to be the agent or attorney of the Chargor and in no event the agent of the Chargee;
- (v) the appointment of every such Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may be done by any such Receiver or the removal of any such Receiver or the termination of any such Receivership shall not have the affect of constituting the Chargee a chargee in possession with respect to the Charged Property or any part thereof;

- (vi) the Receiver shall have the power to rent any portion of the Charged Property for such terms and subject to such provisions as it may deem advisable or expedient and in so doing such Receiver shall be acting as the attorney or agent of the Chargor and shall have the authority to execute any lease of any such premises in the name and on behalf of the Chargor and the Chargor undertakes to ratify and confirm whatever acts such Receiver may do in the Charged Property;
- (vii) every such Receiver shall have full power to complete any unfinished construction upon the Charged Property;
- (viii) any such Receiver shall have full power to carry on or concur in the carrying on of the business of the Chargor, and to employ and discharge such agents, workmen, accountants and other individuals or companies as are required to carry on the said business, upon such terms and with such salaries, wages or remuneration as it shall think proper, and to repair and keep in repair the Charged Property and to do all necessary acts and things for the carrying on of the business of the Chargor and the protection of the Charged Property.
- (ix) any such Receiver shall have the power to sell or lease or concur in selling or leasing the Charged Property, or any part thereof, any to carry any such sale or lease into effect by conveying in the name of or on behalf of the Chargor or otherwise, and any such sale may be made either a public auction or private sale as to the Receiver may seem best and any such sale may be made from time to time as to the whole or any part of the Charged Property; and the Receiver may make any stipulations as to title or conveyance or commencement of title or otherwise as it shall deem proper;
- (x) any such Receiver shall have the power to borrow money to carry on the business of the Chargor or to maintain the whole or any part of the Charged Property, in such amounts as the Receiver may from time to time deem necessary as in so doing, the Receiver may issue certificates that may be payable when the Receiver thinks expedient and shall bear interest as stated therein and the amounts from time to time payable under such certificates shall charge the Charged Property in priority to this Charge;
- (xi) any such Receiver shall have the power to execute and prosecute all suits, proceedings and actions which the Receiver in its opinion considers necessary for the proper protection of this Charged Property, to defend all suits, proceedings and actions against the Chargor or the Receiver, to appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted and to appeal any suit, proceeding or action;
- (xii) any such Receiver shall not be liable to the Chargor to account: for moneys or damages other than cash received by it with respect to the Charged Property or any part thereof and out of such cash so received every such Receiver shall pay in the following order:
 - (a) its remuneration;
 - (b) all payments made or incurred by the Receiver in connection with the management, operation, amendment, repair, alteration or extension of the Charged Property or any part thereof.
 - (c) in payment of interest, principal and other money which may from time to time be or become a charge upon the Charged Property in priority to moneys owing hereunder and all taxes, insurance premiums and every other proper expenditure made or incurred by it with respect to the Charged Property or any part thereof;
 - (d) in payment of all interest and arrears of interest and any other moneys remaining unpaid hereunder;
 - (e) the residue of any money so received by the Receiver shall be applied to the principal sum or any other amounts from time to time owing under this Charge;
 - (f) subject to subparagraph (e) above, in the discretion of the Receiver, interest, principal and other moneys which may from time to time constitute a charge or encumbrance on the

Charged Property subsequent in priority or subordinate to the interest of the Chargee under this Charge;

and that such Receiver may in its discretion retain reasonable reserves to meet accruing amounts and anticipated payments in connection with any of the foregoing, and further, that any surplus remaining in the hands of the Receiver, after payments made and such reasonable reserves retained as aforesaid, shall be payable to the Chargor.

PROVIDED that save as to moneys payable to the Chargor pursuant to subparagraph (xiii) of this Paragraph, this Chargor hereby releases and discharges the Chargee and every such Receiver from every claim of every nature, whether sounding in damages for negligence or trespass or otherwise, which may arise or be caused to the Chargor or any person claiming through or under it by reason or as a result of anything done by the Chargee or any such Receiver under the provisions of this Paragraph, unless such claim be the direct and proximate result of bad faith or gross neglect.

The Chargor hereby irrevocably appoints the Chargee as its attorney to execute such consent or consents and all such documents as may be required in the sole discretion of the Chargee and/or its solicitor so as to give affect to the foregoing provisions and the signature of such attorney shall be valid and binding on the Chargor and all parties dealing with the Chargor, the Chargee and/or Receiver and/or with respect to the Charged Property in the same manner as if such documentation was duly executed by the Chargor itself.

8. Miscellaneous

The Chargor agrees as follows:

- (a) to maintain the project in good repair and in a state of good operating efficiency;
- (b) to pay taxes, utilities and other operating and maintenance costs and provide evidence thereof to the Chargee;
- (c) to perform all governmental requirements and obligations as required;
- (d) to deliver to the Chargee all reasonable financial information deemed necessary by the Chargee, when requested;
- (e) to provide or comply with such other covenants and terms as the Chargee may reasonably require.

9. Restriction on Transfer

In the event of the Chargor selling, transferring or conveying title or its rights to a purchaser, transferee or grantee not approved by the Chargee, (other than agreements of purchase and sale related to individual residential condominium units to be built on the Charged Property as part of the proposed development project for the Charged Property) then, at the sole option of the Chargee, all monies secured, together with all accrued and unpaid interest thereon and any other amounts due under this Charge shall become due and payable.

10. Subsequent Financing

No financing subsequent to the Chargee's facilities shall be permitted, without the prior written consent of the Chargee. However, a new first mortgage of not more than \$40,000,000 is permitted in the place of the existing first mortgage currently registered in the amount of \$2,400,000, and such new first mortgage shall be for the purpose of providing construction financing for the residential condominium project to be built on the Charged Property.

11. Development Allowances

Notwithstanding any other provision herein:

- (a) The Chargor shall have the privilege of installing roads, watermains, sewers and other internal or external services or utilities and services in connection with the development of the Charged Property and carry on building operations generally and such acts shall not be deemed to be acts of waste hereunder.
- (b) The Chargee shall execute and deliver within a reasonable time and without payment on account of principal and/or interest or any other costs or amount other than the Chargee's reasonable legal costs, any and all plans and documents and postponements required to facilitate the registration of a

plan or plans of subdivision or condominium of the Charged Property and/or to rezone the Charged Property and/or to obtain approval for the development of the Charged Property and/or to convert the registration of the Charged Property from Land Titles qualified to absolute title and to do the foregoing, the execution of consents or agreements with the relevant municipality or region or any other governmental authority or agency or utility which may be required for such registration, rezoning or development, the execution of any cost sharing agreements with adjoining property owner or owners of properties in the same vicinity as the Charged Property and the execution of a consent of the Chargee under any declaration creating a condominium on the Charged Property or any part or parts thereof.

- (c) In the event the Chargor is required to grant easements and/or property to any municipal or regional authority, conservation authority or public utility commission or private utility supplier for the supply and/or installation of gas services, telephone services, cable television, electrical services, water, sewers or similar services in order to service the Charged Property, the Chargee shall execute and deliver within a reasonable time and without payment on account of principal and/or interest or any other costs or amounts, other than the Chargee's reasonable legal costs, any consent or postponement required for such grants.
- (d) The Chargee shall execute and deliver within a reasonable time and without payment on account of principal and/or interest or any other cost or amount other than the Chargee's reasonable legal costs, such partial discharge or discharges or other assurances or postponements as may be required to convey to any governmental authority or agency, or conservation authority, any part of the Charged Property required for municipal, regional or governmental purposes in order to register a plan or plans of subdivision or condominium of the Charged Property, or any part of parts thereof, or as may be required to rezone the Charged Property or obtain approval for the development of the Charged Property and without limiting the generality of the foregoing, such public purposes as roads, road widenings, walkways 1-foot reserves, school sites, parks, easements and rights-of-way.

12. Voting Control

The Chargor agrees that voting control shall not change during the currency of this loan without the prior written consent of the Chargee.

13. Prepayment Privileges

The within Charge may be prepaid in whole or in part at any time and times without notice, bonus or penalty including without limitation, prepayment of any individual lender to the exclusion of any and all other lenders.

Appendix 5:
2014 BDMC Mortgage

Properties

PIN	03475 – 0127	LT	Interest/Estate	Fee Simple
Description	LT 5 PL 170 N GWILLIMBURY T/W R737440 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0123	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY AS IN R533209 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0124	LT	Interest/Estate	Fee Simple
Description	LT 1 PL 447 N GWILLIMBURY; LT 2 PL 447 N GWILLIMBURY; LT 3 PL 447 N GWILLIMBURY; LT 4 PL 447 N GWILLIMBURY; LT 5 PL 447 N GWILLIMBURY; LT 6 PL 447 N GWILLIMBURY; LT 7 PL 447 N GWILLIMBURY; LT 8 PL 447 N GWILLIMBURY ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0125	LT	Interest/Estate	Fee Simple
Description	DOREDA DR PL 447 PT 2 65R16653, GEORGINA AS STOPPED UP AND CLOSED BY BY-LAW REGISTERED AS YR45264			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0126	LT	Interest/Estate	Fee Simple
Description	PT LT 6 PL 170 N GWILLIMBURY AS IN B31794B ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0868	LT	Interest/Estate	Fee Simple
Description	LT 9 PL 447 N GWILLIMBURY; LT 10 PL 447 N GWILLIMBURY; LT 11 PL 447 N GWILLIMBURY; LT 12 PL 447 N GWILLIMBURY; LT 13 PL 447 N GWILLIMBURY; LT 14 PL 447 N GWILLIMBURY; LT 15 PL 447 N GWILLIMBURY; BLK A PL 447 N GWILLIMBURY ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0869	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY PT 1 65R16653 LYING NW OF LTS 6 & 7, PL 447; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0870	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY PT 1 65R16653 LYING S OF DOREDA DR , LTS 9 10 & BLK A PL 447 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0927	LT	Interest/Estate	Fee Simple
Description	PT LT 6 PL 170 N GWILLIMBURY; PT LT 7 PL 170 N GWILLIMBURY; PT LT 8 PL 170 N GWILLIMBURY AS IN R649566 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name2221563 ONTARIO INC.

Address for Service25 Brodie Drive
Unit 1
Richmond Hill, Ontario
L4B 3K7

I, VINCE PETROZZA, Vice President, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Chargee(s)CapacityShare

NameCENTRO MORTGAGE INC.

Address for ServiceIn Trust
25 Brodie Drive
Unit 1
Richmond Hill, Ontario
L4B 3K7

Statements

Schedule: See Schedules

Provisions

Principal\$3,200,000.00CurrencyCDN

Calculation Periodquarterly, not in advance

Balance Due Date2017/07/21

Interest Rate8.00% per annum

Payments

Interest Adjustment Date

Payment Date21st day of each quarter end

First Payment Date2015 01 21

Last Payment Date2017 07 21

Standard Charge Terms200033

Insurance Amountfull insurable value

Guarantor

Signed By

Elaine Levy2600–120 Adelaide St. Westacting for ChargorSigned2015 01 14
Toronto(s)
M5H 1T1

Tel416–868–1080

Fax416–868–0306

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

ROBINS APPLEBY LLP2600–120 Adelaide St. West2015 01 14
Toronto
M5H 1T1

Tel416–868–1080

Fax416–868–0306

Fees/Taxes/Payment

Statutory Registration Fee\$60.00

Total Paid\$60.00

File Number

Chargor Client File Number : 1400613/JF?EL

SCHEDULE 1 TO THE ATTACHED CHARGE/MORTGAGE OF LAND
GIVEN TO CENTRO MORTGAGE INC., IN TRUST
BY 2221563 ONTARIO INC.

1. **Definitions.** In this Charge, unless there is something in the subject matter or context to indicate otherwise, the following terms shall have the meanings set out below:

- (a) **"Act"** means the *Land Registration Reform Act* (Ontario) and any amendments thereto in effect at the time of execution and delivery of the Charge;
- (b) **"Change of Control"** means, with respect to the Chargor, a change in the Person or group of Persons, or any combination thereof, that owns or controls directly or indirectly securities of the Chargor, such that another Person or group of Persons, or any combination thereof, other than corporations that are affiliates (as defined in the *Canada Business Corporations Act*) of such corporations, owns or controls directly or indirectly securities of the Chargor other than by way of security only;
- (c) **"Charge"** means the Form, this Schedule and all other schedules annexed, as any of the foregoing may be amended from time to time and the expressions **"hereof"**, **"herein"**, **"hereto"**, **"hereunder"** and similar expressions refer to the Charge and not to any particular paragraph or other portion thereof;
- (d) **"Charged Premises"** means the lands and premises described in the Electronic Form as the "Properties" and includes, without limitation, all buildings and fixed improvements thereon and all fixtures and appurtenances thereof;
- (e) **"Electronic Form"** means the attached electronic form of Charge/Mortgage pursuant to the Act;
- (f) **"Environmental Claim"** means all claims, suits, actions, causes of action, losses, costs, expenses, fines, penalties, payments, liabilities, obligations and/or damages (including, without limitation, all solicitors' fees on a solicitor and own client basis) relating to, directly or indirectly arising out of, attributable to, resulting from or in any way connected with:
 - (i) the existence of any Hazardous Substance in, on, under or near the Charged Premises; and
 - (ii) the Release in, on, under, over, upon or from the Charged Premises of any Hazardous Substance,

including, without limitation, all costs and expenses of any remediation or restoration of all or any part of the Charged Premises and/or any property adjoining or in the vicinity of the Charged Premises required or mandated by the Environmental Law;
- (g) **"Environmental Law"** means any law, by-law, order, ordinance, ruling, regulation, certificate, approval, consent or directive of any applicable federal, provincial or municipal government, governmental department, agency or regulatory authority or any court of competent jurisdiction, relating to Environmental Matters and/or regulating the import, storage, distribution, labelling, sale, use, handling, transport or disposal of a Hazardous Substance, including, but not limited to, the *Environmental Protection Act* (Ontario), as amended from time to time;
- (h) **"Environmental Matters"** means:
 - (i) all environmental matters relating to the Charged Premises including, without limitation:

- (A) the existence of any Hazardous Substance which might impair the quality of the environment, or adversely affect human health or damage any plant or animal in, on, under or near the Charged Premises; and the Release in, on, under, over, upon or from the Charged Premises of any Hazardous Substance; and
- (B) compliance with the Environmental Law;
- (i) **"Hazardous Substance"** means any substance or condition that is prohibited, controlled or otherwise regulated or otherwise hazardous in fact, including, without limitation, any contaminant, pollutant, noxious substance, toxic substance, dangerous substance, hazardous substance, material or wastes, hazardous waste, flammable or explosive material, radio-active material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls, polychlorinated biphenyl waste, polychlorinated biphenyl related waste, petroleum and associated products, underground storage tanks or surface impoundments and any other substance or material now or hereafter declared, defined or deemed to be regulated or controlled in or pursuant to the Environmental Law;
- (j) **"Interest"** means interest and other moneys payable under this Charge at the Interest Rate;
- (k) **"Loan Agreement"** means the loan agreement dated as of October 21, 2014, entered into between the Chargee and the Chargor, as same may be amended and/or restated from time to time;
- (l) **"Person"** is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision of any country, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;
- (m) **"Principal Sum"** means the lesser of the sum referred to in the Electronic Form and the sum advanced by the Chargee to the Chargor and outstanding from time to time under this Charge;
- (n) **"Release"** means any release, spill, emission, leakage, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration; and
- (o) **"Security Documents"** means all instruments or agreements given as collateral security for the obligations secured by this Charge.

2. **Charge.**

The Chargor, the owner of the Charged Premises, in consideration of \$10.00 of lawful money of Canada paid to it, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), charges the Charged Premises with payment to the Chargee of the Principal Sum, with Interest and with the power of sale expressed in this Charge. The Chargor further charges the Charged Premises to secure due payment and performance of all obligations, liabilities and all other amounts payable or arising under this Charge and the Loan Agreement.

3. **Default**

(1) The occurrence of any one or more of the following events shall constitute a default under this Charge:

- (a) the Chargor failing to pay to the Chargee principal or interest when due, or failing to pay any other indebtedness secured by this Charge within five (5) days after written notice that same is due;

- (b) the Chargor defaulting in the due and prompt performance or observance of any of their covenants or obligations hereunder or under the Loan Agreement or any of the Security Documents if such default continues for fifteen (15) days after notice of such default is given by Chargee, or the occurrence of an event which entitles, or with the giving of notice or lapse of time or otherwise would entitle, the Chargee to accelerate an indebtedness, liability or obligation secured by any of the Security Documents pursuant to the provisions thereof or the provisions of the Loan Agreement;
- (c) the Chargor defaulting in the due and prompt performance in respect of any other indebtedness which has resulted in the acceleration of such indebtedness;
- (d) if any proceedings are commenced or if an order shall be made by a court of competent jurisdiction or resolution of the directors or shareholders of the Chargor shall be passed for the dissolution, winding-up, or liquidation of the Chargor or if any application is made with respect to the Chargor under the *Companies' Creditors Arrangement Act* (Canada);
- (e) if the Chargor shall in any court file, or consent to the filing of, a petition in bankruptcy or insolvency or for any reorganization, readjustment, arrangement, composition, or similar relief under any Canadian or other applicable law or for the appointment of a receiver or trustee of all or a substantial portion of the Charged Premises or make a general assignment for the benefit of creditors, or a proposal under the *Bankruptcy and Insolvency Act* (Canada), or shall be declared by a court of competent jurisdiction bankrupt or if a trustee, custodian or a sequestrator or a receiver or receiver and manager or any other officer with similar powers shall be appointed of the Chargor or of the Charged Premises or any substantial part of the Charged Premises;
- (f) if an encumbrancer shall take possession of the Charged Premises or any substantial part of the Charged Premises, or if a distress or execution or any similar process be levied or enforced thereagainst and remain unsatisfied for such period as would permit such property to be sold thereunder;
- (g) if any representation or warranty made by the Chargor herein or in any of the Security Documents or the Loan Agreement, or in any notice, certificate, instrument or statement contemplated hereby or thereby is untrue or incorrect in any material respect as of the date on which such representation or warranty is made or any such representation or warranty becomes untrue or incorrect in any material respect at any time thereafter with reference to the facts subsisting at that time;
- (h) if any mortgage, charge, hypothec, pledge, lien or other security interest or encumbrance of whatsoever kind or nature, regardless of form and whether consensual or arising by law (statutory or otherwise) on the whole or any substantial part of the undertaking or assets of the Chargor becomes enforceable and the Person or Persons entitled to the benefit thereof takes steps to enforce such charge;
- (i) if any encumbrance or notice of an encumbrance is registered against the Charged Premises without the Chargee's prior written consent;
- (j) if the Chargor or those claiming under the Chargor shall commit any act of waste upon the Charged Premises;
- (k) if the Chargor breaches the provisions of Section 3 of this Schedule;
- (l) if any building now or hereafter in course of erection on the Charged Premises remains unfinished and without any work being done on it for a

period of ten (10) consecutive days subject to strikes or any other unavoidable delays;

- (m) if there is registered any construction lien against the Charged Premises or if there is issued any statement of claim derived therefrom, unless such lien is discharged and/or vacated within fifteen (15) days of the Chargee requiring the same to be done by the Chargor (which the Chargor agrees to do);
- (n) if the Charged Premises or a substantial part of the Charged Premises shall be expropriated by any governmental authority, body or corporation having the powers of expropriation; or
- (o) if the Chargor fails to comply with any of its obligations under the *Excise Tax Act* (Canada) to remit goods and services tax to the governmental authority entitled thereto or if any action is taken by any governmental authority against the Chargor or any other Person owing money to the Chargor with respect to goods and services tax, interest or penalties which such governmental authority claims is owing from the Chargor.

(2) Upon the occurrence of any one or more events of default under this Charge, the Principal Sum outstanding together with any and all accrued and unpaid interest and other moneys secured by this Charge shall at the option of the Chargee immediately become due and payable, and all the powers in and by this Charge or by law conferred in case of default, shall become exercisable and the powers of sale contained in this Charge may be exercised as provided in this Charge.

4. **Change in Ownership**

(1) If, without the prior written consent of the Chargee, or as contemplated by the Loan Agreement:

- (a) there is a change of ownership, control, pledge and/or sale, transfer or conveyance of the Charged Premises or any part thereof;
- (b) there is a Change of Control of the Chargor or any pledge of any interest in the Chargor; or any change in the Person(s) comprising or the partners, stockholders, members or beneficiaries of the Chargor from those represented to Chargee on the date of this Charge;
- (c) there is a merger, reorganization, dissolution or any other change in the ownership structure of the Chargor or any trustee, general partner or beneficiary of the Chargor; or
- (d) the Chargor enters into any agreement to effect any of the foregoing, whether by registered or unregistered instrument, and whether for valuable or nominal consideration,

then the Principal Sum and interest thereon and all other moneys secured by this Charge shall, at the option of the Chargee, immediately become due and payable.

(2) The Chargor shall provide such documentation as the Chargee may reasonably require in order to facilitate the giving of the consent referred to in Section 3(1) by the Chargee.

(3) The giving of a consent to any transaction referred to in Section 3(1) shall not be deemed to be a waiver of the Chargee's right to require consent to any future or successive transaction.

(4) The Chargee may require, among other things, as a term for granting any consent referred to in Section 3(1) that:

- (a) the proposed new owner or assignee of the Charged Premises (the "**Transferee**") provide the Chargee with such relevant financial information as the Chargee may request in the circumstances including

such evidence as the Chargee may require to establish the financial responsibility of the Transferee and the Chargor shall provide the Chargee with a specific authorization in writing allowing the Chargee to have access to and collect personal information concerning the Transferee; and

- (b) the Transferee shall execute the Chargee's then standard form assumption agreement in favour of the Chargee agreeing to be bound by all of the obligations of the Chargor under this Charge and other Security Documents in support thereof.

it being specifically understood that the consent of the Chargee to any transaction referred to in Section 3(1) shall not release the Chargor, from any of the covenants contained in this Charge.

(5) If the Transferee proposes to acquire less than the entire interest of the Chargor in the Charged Premises, the Chargee may require as a term for granting consent in addition to the requirements set out above that the Chargor and the Transferee execute co-ownership documentation in form and content satisfactory to the Chargee.

(6) The Chargor shall pay to the Chargee all costs of the Chargee relating to the Chargee's review of the Change of Control or change of ownership contemplated by this Charge, including a reasonable administrative charge and the fees, expenses and disbursements of the Chargee's solicitors, and such amounts shall be payable and secured by this Charge whether or not the consent of the Chargee to such Change of Control or change of ownership is granted.

5. **Condominium Provisions**

Provided that if all or any part of the Charged Premises is or becomes a condominium unit pursuant to the provisions of the Condominium Act, 1998, as amended, the following covenants and provisions shall apply in addition to all other covenants and provisions set forth in this Charge:

(1) For the purposes of all parts of the Charged Premises comprising one or more such condominium units, all references in this Charge to the Charged Premises shall include the Chargor's appurtenant undivided interest in the common elements and other assets of the Condominium Corporation;

(2) The Chargor shall at all times comply with the Condominium Act, 1998, as amended and shall forward to the Chargee proof of such compliance as the Chargee may request from time to time including, without limitation, estoppel certificates issued by the Condominium Corporation; and if the Chargor fails to so comply in any respect, the Chargee may do so at its option and all costs and expenses incurred by the Chargee in connection therewith shall be secured by this Charge and payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

(3) The Chargor shall pay, when due, all monies payable by the Chargor or with respect to the Charged Premises in accordance with the provisions of the Condominium Act, 1998, as amended and the declaration, by-laws and rules of the Condominium Corporation, including all required contributions to common expenses and any special levies, charges and assessments, and shall provide proof of such payment to the Chargee upon request; and if the Chargor fails to make any such payment, the Chargee may do so at its option and all amounts so paid by the Chargee shall be secured by this Charge and shall be payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

(4) The Chargor hereby irrevocably appoints, authorizes and empowers the Chargee to exercise the rights of the Chargor to vote or to consent as an owner within the meaning of the Condominium Act, 1998, as amended with respect to all matters relating to the affairs of the Condominium Corporation, or to abstain from doing so, provided that:

- (a) the Chargee may at any time and from time to time give notice in writing to the Chargor and to the Condominium Corporation that the Chargee does not intend to exercise such right to vote or to consent, in which case the Chargor may exercise its right to vote or to consent for so long as such notice remains effective or until such notice is revoked by the Chargee;

and any such notice may be for an indeterminate period of time, a limited period of time or for a specific meeting or matter;

- (b) the Chargee shall not be under any obligation to vote or to consent or to protect the interests of the Chargor; and
- (c) the exercise by the Chargee of its right to vote or to consent or to abstain from doing so shall not constitute the Chargee as a mortgagee or chargee in possession and shall not give rise to any liability on the part of the Chargee;

(5) The Chargor shall forward to the Chargee by delivery or by prepaid registered mail copies of every notice, assessment, claim, demand, by-law, rule, request for consent and other communication relating to all or any part of the Charged Premises or the common elements or affairs of the Condominium Corporation on or before the date which is the earlier of:

- (a) fourteen (14) days after receipt of the same by the Chargor;
- (b) seven (7) days prior to the date set for any meeting of the Condominium Corporation or any committee thereof;
- (c) seven (7) days prior to the due date of any claim or demand for payment; and
- (d) within twenty-four (24) hours after becoming aware of any information concerning termination of any insurance policy, insurance trust agreement or management agreement relating to the Condominium Corporation or any of its assets;

(6) The Chargor hereby authorizes and directs the Condominium Corporation to permit the Chargee to inspect the records of the Condominium Corporation at any reasonable time;

(7) In addition to and notwithstanding any other provisions of this Charge, the outstanding principal amount and all accrued interest and other charges secured by this Charge shall, at the Chargee's option, become immediately due and payable without notice or demand if any of the following events or circumstances shall occur and be continuing:

- (a) the government of the Condominium Corporation or the government of the Charged Premises by the Condominium Corporation is terminated;
- (b) a vote of the Condominium Corporation authorizes the sale of all or substantially all of its property or assets or all or any part of its common elements or all or any part of the Charged Premises, or any part of the same is expropriated;
- (c) the Condominium Corporation fails to comply with any provision of the Condominium Act, 1998, as amended or its declaration or any of its by-laws and rules;
- (d) the Condominium Corporation fails to insure its assets, including the Charged Premises, in accordance with the Condominium Act, 1998, as amended and the declaration and by-laws of the Condominium Corporation, or any insurer thereof cancels or threatens cancellation of any existing obligation to insure the same.

6. **Receiver.**

(1) If and whenever the Chargee becomes entitled to enter into possession of the Charged Premises, the Chargee may, in the sole and absolute discretion of the Chargee, with or without entering into possession of the Charged Premises or any part of the Charged Premises, by instrument in writing appoint a Receiver (which term shall include a receiver and manager) of the Charged Premises or any part of the Charged Premises and of the rents and profits of the Charged Premises and with or without security and may from time to time remove any Receiver

with or without appointing another instead, and in making such appointment or appointments the Chargee shall be deemed to be acting for the Chargor.

(2) Upon the appointment of any such Receiver or Receivers from time to time, and subject to the provisions of the instrument appointing such Receiver, the following provisions shall apply:

- (a) every such Receiver may, in the discretion of the Chargee and by writing, be vested with all or any of the powers and discretions of the Chargee;
- (b) every such Receiver, so far as concerns the responsibility of such Receiver's acts or omissions, shall be deemed the agent or attorney of the Chargor and not the agent of the Chargee (unless specifically appointed by the Chargee as the agent of the Chargee);
- (c) the appointment of every Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may be done by any such Receiver or the removal of any such Receiver or the termination of any such Receiver shall not have the effect of constituting the Chargee a mortgagee in possession in respect of the Charged Premises or any part of the Charged Premises;
- (d) every Receiver shall be the irrevocable agent or attorney of the Chargor (unless the Chargee specifically appoints such Receiver as the agent for the Chargee) for the collection of all rents falling due in respect of the Charged Premises or any part of the Charged Premises whether in respect of any leases created in priority to this Charge or subsequent to this Charge;
- (e) every such Receiver shall from time to time have the power to lease any portion of the Charged Premises which may become vacant for such term and subject to such provisions as the Receiver may deem advisable or expedient and in so doing every such Receiver shall act as the attorney or agent for the Chargor (unless specifically appointed by the Chargee as the agent of the Chargee) and such Receiver shall have authority to execute under seal any leases of any such premises in the name of and on behalf of the Chargor and the Chargor undertakes to ratify and confirm whatever any such Receiver may do in the premises;
- (f) every such Receiver shall have full power to manage, operate, amend, repair, alter or extend the Charged Premises or any part of the Charged Premises in the name of the Chargor for the purpose of securing the payment of rental from the Charged Premises or any part of the Charged Premises;
- (g) the Chargee may from time to time by writing fix the reasonable remuneration of every such Receiver who shall be entitled to deduct the same out of the receipts from the Charged Premises or the proceeds of the Charged Premises;
- (h) no such Receiver shall be liable to the Chargor to account for moneys or damages other than moneys received by him in respect of the Charged Premises or any part of the Charged Premises and every such Receiver shall apply such cash so received to pay in the following order:
 - (i) his commission or remuneration as Receiver;
 - (ii) all expenses properly made or incurred by the Receiver in connection with the management, operation, amendment, repair, alteration or extension of the Charged Premises or any part of the Charged Premises;

- (iii) money which may from time to time be or become charged on the Charged Premises in priority to this Charge, and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect of the Charged Premises or any part of the Charged Premises;
- (iv) in keeping in good standing all charges on the Charged Premises prior to this Charge;
- (v) the Chargee in payment of all Interest due or falling due under this Charge and the balance to be applied upon the Principal Sum and all other moneys due and payable and secured by this Charge; and
- (vi) thereafter any surplus remaining in the hands of every such Receiver to the Chargor or its assigns.

7. **Environmental Matters.**

(1) The Chargor covenants, represents and warrants that, except as disclosed by the Chargor in writing to the Chargee and accepted in writing by the Chargee:

- (a) the Chargor's use and occupation of, and activities and operations on, the Charged Premises comply and shall comply in all respects with the Environmental Law;
- (b) neither the Chargor, nor any party for whom the Chargor is responsible at law, has Released, caused or permitted a Release or shall Release, cause or permit a Release of any Hazardous Substance into the natural environment, including, without limitation, the air, soil, subsoil or surface or groundwater in, on, over, under or at the Charged Premises;
- (c) no Hazardous Substance is or will be stored or located in, on, under or at the Charged Premises;
- (d) no active or inactive underground storage tanks are or will be located under the Charged Premises and neither the Charged Premises nor any adjacent lands have ever been used as or for a waste disposal site or coal gassification site;
- (e) the Chargor is not required to obtain, nor has obtained, nor is subject to any certificate, approval, direction, or order of any governmental authority or court of competent jurisdiction under the Environmental Law in respect of the Charged Premises or the operation of the Chargor's business thereon; and
- (f) there are no pending or threatened claims, actions, suits, prosecutions, hearings or other proceedings of any kind in any court or tribunal and the Chargor has received no notice of any such proceedings relating to an Environmental Claim or the discharge, deposit, escape or Release of any Hazardous Substance or any actual or alleged violation of the Environmental Law affecting the Charged Premises, and there is no basis for any of the foregoing being initiated.

(2) The Chargor shall use its best efforts to ensure (i) that any tenant, subtenant or other occupant of the Charged Premises shall in the future be in compliance with all requirements of Environmental Law, (ii) that no tenant, subtenant or other occupant of the Charged Premises places, suffers or permits to remain any toxic waste or other Hazardous Substance, or any contaminants, oil or pesticides at, on, under, within or about the Charged Premises.

(3) The Chargor shall permit the Chargee reasonable access to the Charged Premises at any time, and the Chargee's agents and employees from time to time, in order to conduct, at the Chargor's expense, such tests, inspections and environmental audits of the Charged Premises

as may be required by the Chargee at any time during the currency of this Charge, including, without limitation, the right to take soil samples from the Charged Premises, and the right to review and photocopy any and all records relating to the Charged Premises or the business now or hereinbefore conducted at the Charged Premises and the conducting by the Chargee of such tests, inspections and environmental audits shall not constitute the Chargee a mortgagee/chargee in possession or in control of management of the Charged Premises.

(4) The Chargor agrees to indemnify and save harmless the Chargee, its officers, directors, employees and agents, from and against (i) any Environmental Claim, and (ii) all losses, damages, costs, expenses, liabilities, claims and demands, including without limitation, legal fees incurred and the cost, liability or damage arising out of the settlement of any action entered into by the Chargee, either with or without the consent of the Chargor, that may be incurred by the Chargee as a result of:

- (a) any of the representations and warranties set out in Section 6(1) being untrue on the date of this Charge or becoming untrue at any date hereafter throughout the currency of this Charge;
- (b) the presence on, under or about or migration from the Charged Premises of any Hazardous Substance caused by or attributable, either directly or indirectly, to any act or omission of the Chargor or any other Person; and
- (c) any remediation or restoration of the Charged Premises and/or any lands adjoining or in the vicinity of the Charged Premises required or mandated by the Environmental Law attributable, either directly or indirectly, to any act or omission of the Chargor or any other Person.

(5) Notwithstanding anything to the contrary contained herein or in the Loan Agreement, the representations, warranties, covenants and indemnities contained in this Section 6 shall survive:

- (a) any power of sale, action of foreclosure or judicial sale, or any other extinguishing of the obligations of the Chargor pursuant to this Charge; and
- (b) the exercise of any remedies available to the Chargee pursuant to this Charge.

8. **Acknowledgment.** The Chargor acknowledges having received a true copy of this Charge.

9. **Land Registration Reform Act.**

(1) It is hereby understood and agreed that wherever the words "**Chargor**", "**Chargee**" and "**Charge**" appear throughout this document, same shall correspondingly be deemed and construed to mean "**Chargor**", "**Chargee**", and "**Charge**" respectively, as such latter terms are defined in the Act, and wherever the words "**Charged Premises**" or any derivative of the word "Charge" are used throughout this document, same shall be deemed and construed to mean the "**Charged Premises**" and the applicable derivative of the word "**Charge**", as such latter term is defined in the Act.

(2) If any of the forms of words contained in this Charge is also contained in column 1 of Schedule B of the *Short Forms of Mortgages Act* (Ontario) and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in column 2 of Schedule B thereof distinguished by the same number, and this Charge shall be interpreted as if the *Short Forms of Mortgages Act* was still in force and effect.

(3) The parties to this Charge agree that the covenants implied by paragraphs 1 and 2 of subsection 7(1) of the Act (as varied in this Charge) shall be in addition to, and not in substitution for, the covenants and other provisions set forth in this Charge.

(4) In the event of any conflict between any of such implied covenants (as varied in this Charge) and any other covenant or provision of this Charge, such other covenant or provision of this Charge shall prevail.

(5) The parties to this Charge agree that the covenant deemed to be included in this Charge by clause 7(1)1(iii) of the Act is varied so that the text of such clause reads as follows:

That the Chargor has not done, omitted or permitted anything whereby the land is or may be encumbered, except as the Chargor has reported to the Chargee in writing.

10. **Conflict**

In the event of an inconsistency between any of the terms and conditions contained in this Schedule and the terms and conditions contained in Standard Charge Terms No. 200033, the terms and conditions of this Schedule shall prevail.

11. **Development**

The Chargee covenants and agrees to execute and deliver to the Chargor, as and when requested by the Chargor, and without any fee or charge whatsoever therefor (and without any principal or interest repayment being required under their respective agreements or security) save for all reasonable legal fees and disbursements respectively incurred by each of them in so doing, the following documents and instruments, namely:

- (a) All consents that may, in the reasonable opinion of the Chargor's solicitors, be required from time to time by the Chargor, in accordance with the *Condominium Act* 1998, S.O. 1998 as amended (the "**Act**"), or any successor condominium legislation, in order to register components of the Lands as a Condominium pursuant to the provisions of the Act or any successor condominium legislation, as well as any consents and acknowledgements required by the Chargor in connection with the entering into of (and postponements of its security documents and instruments in favour of) any site plan agreement(s), engineering agreement(s), condominium development agreement(s), or similar agreement(s) for the Condominium complex with any governmental authorities or agencies having jurisdiction over the development of the Lands (or any portion thereof) and/or any public or private utility authorities or agencies, together with all consents to (and postponements of their respective security documents and instruments in favour of) any easement(s) for components of the Condominium complex hereafter granted to any of the aforementioned governmental authorities or agencies (and/or to any public or private utility authorities or agencies) in connection with the installation of storm and/or sanitary sewers, gas, telephone, cable television, hydro-electric and water services and/or similar services, any easements for access and egress purposes in favour of any lands adjacent to the Lands encompassing the Condominium complex, or any portion thereof;
- (b) Such partial discharges or partial releases of its security documents and instruments so registered on title to any portion of the Lands as may, in the reasonable opinion of the Chargor's solicitors be required by the Chargor from time to time in connection with the giving of any road widenings, one (1) foot (or 0.3 meter) reserves, park dedications, or other land contribution(s) to any governmental authorities or agencies required as part of the development process in respect of the Condominium complex (or any lands adjacent thereto);
- (c) The Chargee agrees to execute and deliver, without any fee or charge whatsoever (save as provided in the Loan Agreement, and save for all reasonable legal fees and disbursements respectively incurred by it in so doing), a partial discharge of its security which may now or hereafter be encumbering the Lands encompassing a Condominium complex (as well as any rentals, leases, chattels, equipment or other personal property situate

within or otherwise pertaining to the lands and premises encompassing the Condominium complex, or any portion thereof) in respect of each and every condominium dwelling, commercial/retail, commercial/office, parking, locker and/or other unit(s) created and registered within the Condominium complex (or any portion thereof) that is sold, transferred or conveyed by or on behalf of the Chargor to any bona fide unit purchaser thereof for valuable consideration, on the express understanding that all net sale proceeds received (or receivable) in connection with any such sale, transfer or conveyance (exclusive of any unit purchaser's deposits previously utilized to pay or defray Project costs, and exclusive of all applicable real estate commissions, reasonable legal fees and disbursements, and federal goods and services tax and the provincial portion of any single or harmonized sales tax exigible in connection with any such sale, transfer or conveyance) shall be remitted in reduction of the outstanding indebtedness secured under any security which has priority over the within Charge (the "Senior Security"), until the outstanding indebtedness secured thereunder has been fully repaid, all required cash collateralization for outstanding letters of credit has been provided, and the security therefor has been fully discharged. It is further understood and agreed by the parties hereto that any partial discharge of within Charge in respect of any unit(s) in any condominiums located within the Condominium complex and its/their appurtenant common interests shall automatically constitute (and be deemed and construed as) a full and complete discharge and release of all security interests of such of the Chargee (whether preserved or perfected by registration under the PPSA or otherwise) with respect to any chattels, fixtures, rents, leases and/or other personal property (excluding however the net sale proceeds received on the final closing of any unit sale transactions in the Condominium complex) situate upon, within or affixed to (or otherwise relating to) the unit(s) so partially discharged from the aforementioned security, to the extent any such chattels, fixtures, rents, leases and/or other personal property are sold with any such unit(s). Without limiting the generality of the foregoing the Chargee hereby covenants and agrees to execute and provide the Chargor or any of the holders of the Senior Security with all of the consents, postponements, partial discharges and other documents and instruments contemplated to be executed and/or provided by the Chargee hereunder (hereinafter collectively referred to as the "Chargee's Consents And Discharges"), in accordance with the provisions of and on the same understanding as contained elsewhere in this Charge, and regardless of whether there is any outstanding default by the Chargor (or any other party) under this Charge, at the time, or after any of the Chargee's Consents And Discharges are requested to be so executed, in order to facilitate and expedite the development, construction and registration of the condominiums within the Condominium complex, and the corresponding completion of all unit sale transactions with respect thereto, which is hereby expressly acknowledged to be the paramount and overriding concern and goal of the Chargor and the Chargee.

Appendix 6:
2016 BDMC Mortgage

Properties

PIN	03475 – 0123	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY AS IN R533209 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0124	LT	Interest/Estate	Fee Simple
Description	LT 1 PL 447 N GWILLIMBURY; LT 2 PL 447 N GWILLIMBURY; LT 3 PL 447 N GWILLIMBURY; LT 4 PL 447 N GWILLIMBURY; LT 5 PL 447 N GWILLIMBURY; LT 6 PL 447 N GWILLIMBURY; LT 7 PL 447 N GWILLIMBURY; LT 8 PL 447 N GWILLIMBURY ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0125	LT	Interest/Estate	Fee Simple
Description	DOREDA DR PL 447 PT 2 65R16653, GEORGINA AS STOPPED UP AND CLOSED BY BY-LAW REGISTERED AS YR45264			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0126	LT	Interest/Estate	Fee Simple
Description	PT LT 6 PL 170 N GWILLIMBURY AS IN B31794B ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0127	LT	Interest/Estate	Fee Simple
Description	LT 5 PL 170 N GWILLIMBURY T/W R737440 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0868	LT	Interest/Estate	Fee Simple
Description	LT 9 PL 447 N GWILLIMBURY; LT 10 PL 447 N GWILLIMBURY; LT 11 PL 447 N GWILLIMBURY; LT 12 PL 447 N GWILLIMBURY; LT 13 PL 447 N GWILLIMBURY; LT 14 PL 447 N GWILLIMBURY; LT 15 PL 447 N GWILLIMBURY; BLK A PL 447 N GWILLIMBURY ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0869	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY PT 1 65R16653 LYING NW OF LTS 6 & 7, PL 447; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0870	LT	Interest/Estate	Fee Simple
Description	PT LT 8 PL 170 N GWILLIMBURY PT 1 65R16653 LYING S OF DOREDA DR , LTS 9 10 & BLK A PL 447 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			
PIN	03475 – 0927	LT	Interest/Estate	Fee Simple
Description	PT LT 6 PL 170 N GWILLIMBURY; PT LT 7 PL 170 N GWILLIMBURY; PT LT 8 PL 170 N GWILLIMBURY AS IN R649566 ; GEORGINA			
Address	CAMERON CRESCENT KESWICK			

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name2221563 ONTARIO INC.

Address for Service25 Brodie Drive
Unit 1A
Richmond Hill, Ontario
L4B 3K7

I, Vincent Petrozza, Vice-President, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Chargee(s)		Capacity	Share
Name	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.		
Address for Service	in Trust 25 Brodie Drive Unit 8 Richmond Hill, Ontario L4B 3K7		

Statements

Schedule: See Schedules

Provisions

Principal	\$5,900,000.00	Currency	CDN
Calculation Period	annually, not in advance		
Balance Due Date	2018/04/21		
Interest Rate	8.00% per annum		
Payments			
Interest Adjustment Date			
Payment Date			
First Payment Date			
Last Payment Date	2018 04 21		
Standard Charge Terms	200033		
Insurance Amount	full insurable value		
Guarantor			

Signed By

Lynn Pender

77 King Street West Suite 3000 PO
Box 95 TD Centre
Toronto
M5K 1G8

acting for Chargor

Signed

2016 07 21

(s)

Tel416-864-9700

Fax416-941-8852

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

FOGLER, RUBINOFF LLP

77 King Street West Suite 3000 PO
Box 95 TD Centre
Toronto
M5K 1G8

2016 07 22

Tel416-864-9700

Fax416-941-8852

Fees/Taxes/Payment

Statutory Registration Fee	\$62.85
Total Paid	\$62.85

SCHEDULE 1 TO THE ATTACHED CHARGE/MORTGAGE OF LAND
GIVEN TO CENTRO MORTGAGE INC., IN TRUST
BY 2221563 ONTARIO INC.

1. **Definitions.** In this Charge, unless there is something in the subject matter or context to indicate otherwise, the following terms shall have the meanings set out below:

- (a) **"Act"** means the *Land Registration Reform Act* (Ontario) and any amendments thereto in effect at the time of execution and delivery of the Charge;
- (b) **"Change of Control"** means, with respect to the Chargor, a change in the Person or group of Persons, or any combination thereof, that owns or controls directly or indirectly securities of the Chargor, such that another Person or group of Persons, or any combination thereof, other than corporations that are affiliates (as defined in the *Canada Business Corporations Act*) of such corporations, owns or controls directly or indirectly securities of the Chargor other than by way of security only;
- (c) **"Charge"** means the Form, this Schedule and all other schedules annexed, as any of the foregoing may be amended from time to time and the expressions **"hereof"**, **"herein"**, **"hereto"**, **"hereunder"** and similar expressions refer to the Charge and not to any particular paragraph or other portion thereof;
- (d) **"Charged Premises"** means the lands and premises described in the Electronic Form as the "Properties" and includes, without limitation, all buildings and fixed improvements thereon and all fixtures and appurtenances thereof;
- (e) **"Electronic Form"** means the attached electronic form of Charge/Mortgage pursuant to the Act;
- (f) **"Environmental Claim"** means all claims, suits, actions, causes of action, losses, costs, expenses, fines, penalties, payments, liabilities, obligations and/or damages (including, without limitation, all solicitors' fees on a solicitor and own client basis) relating to, directly or indirectly arising out of, attributable to, resulting from or in any way connected with:
 - (i) the existence of any Hazardous Substance in, on, under or near the Charged Premises; and
 - (ii) the Release in, on, under, over, upon or from the Charged Premises of any Hazardous Substance,

including, without limitation, all costs and expenses of any remediation or restoration of all or any part of the Charged Premises and/or any property adjoining or in the vicinity of the Charged Premises required or mandated by the Environmental Law;
- (g) **"Environmental Law"** means any law, by-law, order, ordinance, ruling, regulation, certificate, approval, consent or directive of any applicable federal, provincial or municipal government, governmental department, agency or regulatory authority or any court of competent jurisdiction, relating to Environmental Matters and/or regulating the import, storage, distribution, labelling, sale, use, handling, transport or disposal of a Hazardous Substance, including, but not limited to, the *Environmental Protection Act* (Ontario), as amended from time to time;
- (h) **"Environmental Matters"** means:
 - (i) all environmental matters relating to the Charged Premises including, without limitation:

- (A) the existence of any Hazardous Substance which might impair the quality of the environment, or adversely affect human health or damage any plant or animal in, on, under or near the Charged Premises; and the Release in, on, under, over, upon or from the Charged Premises of any Hazardous Substance; and
- (B) compliance with the Environmental Law;
- (i) **"Hazardous Substance"** means any substance or condition that is prohibited, controlled or otherwise regulated or otherwise hazardous in fact, including, without limitation, any contaminant, pollutant, noxious substance, toxic substance, dangerous substance, hazardous substance, material or wastes, hazardous waste, flammable or explosive material, radio-active material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls, polychlorinated biphenyl waste, polychlorinated biphenyl related waste, petroleum and associated products, underground storage tanks or surface impoundments and any other substance or material now or hereafter declared, defined or deemed to be regulated or controlled in or pursuant to the Environmental Law;
- (j) **"Interest"** means interest and other moneys payable under this Charge at the Interest Rate;
- (k) **"Loan Agreement"** means the loan agreement dated as of April 21, 2016, entered into between the Chargee and the Chargor, as same may be amended and/or restated from time to time;
- (l) **"Person"** is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision of any country, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;
- (m) **"Principal Sum"** means the lesser of the sum referred to in the Electronic Form and the sum advanced by the Chargee to the Chargor and outstanding from time to time under this Charge;
- (n) **"Release"** means any release, spill, emission, leakage, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration; and
- (o) **"Security Documents"** means all instruments or agreements given as collateral security for the obligations secured by this Charge.

2. **Charge.**

The Chargor, the owner of the Charged Premises, in consideration of \$10.00 of lawful money of Canada paid to it, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), charges the Charged Premises with payment to the Chargee of the Principal Sum, with Interest and with the power of sale expressed in this Charge. The Chargor further charges the Charged Premises to secure due payment and performance of all obligations, liabilities and all other amounts payable or arising under this Charge and the Loan Agreement.

3. **Default**

(1) The occurrence of any one or more of the following events shall constitute a default under this Charge:

- (a) the Chargor failing to pay to the Chargee principal or interest when due, or failing to pay any other indebtedness secured by this Charge within five (5) days after written notice that same is due;

- (b) the Chargor defaulting in the due and prompt performance or observance of any of their covenants or obligations hereunder or under the Loan Agreement or any of the Security Documents if such default continues for fifteen (15) days after notice of such default is given by Chargee, or the occurrence of an event which entitles, or with the giving of notice or lapse of time or otherwise would entitle, the Chargee to accelerate an indebtedness, liability or obligation secured by any of the Security Documents pursuant to the provisions thereof or the provisions of the Loan Agreement;
- (c) the Chargor defaulting in the due and prompt performance in respect of any other indebtedness which has resulted in the acceleration of such indebtedness;
- (d) if any proceedings are commenced or if an order shall be made by a court of competent jurisdiction or resolution of the directors or shareholders of the Chargor shall be passed for the dissolution, winding-up, or liquidation of the Chargor or if any application is made with respect to the Chargor under the *Companies' Creditors Arrangement Act* (Canada);
- (e) if the Chargor shall in any court file, or consent to the filing of, a petition in bankruptcy or insolvency or for any reorganization, readjustment, arrangement, composition, or similar relief under any Canadian or other applicable law or for the appointment of a receiver or trustee of all or a substantial portion of the Charged Premises or make a general assignment for the benefit of creditors, or a proposal under the *Bankruptcy and Insolvency Act* (Canada), or shall be declared by a court of competent jurisdiction bankrupt or if a trustee, custodian or a sequestrator or a receiver or receiver and manager or any other officer with similar powers shall be appointed of the Chargor or of the Charged Premises or any substantial part of the Charged Premises;
- (f) if an encumbrancer shall take possession of the Charged Premises or any substantial part of the Charged Premises, or if a distress or execution or any similar process be levied or enforced thereagainst and remain unsatisfied for such period as would permit such property to be sold thereunder;
- (g) if any representation or warranty made by the Chargor herein or in any of the Security Documents or the Loan Agreement, or in any notice, certificate, instrument or statement contemplated hereby or thereby is untrue or incorrect in any material respect as of the date on which such representation or warranty is made or any such representation or warranty becomes untrue or incorrect in any material respect at any time thereafter with reference to the facts subsisting at that time;
- (h) if any mortgage, charge, hypothec, pledge, lien or other security interest or encumbrance of whatsoever kind or nature, regardless of form and whether consensual or arising by law (statutory or otherwise) on the whole or any substantial part of the undertaking or assets of the Chargor becomes enforceable and the Person or Persons entitled to the benefit thereof takes steps to enforce such charge;
- (i) if any encumbrance or notice of an encumbrance is registered against the Charged Premises without the Chargee's prior written consent;
- (j) if the Chargor or those claiming under the Chargor shall commit any act of waste upon the Charged Premises;
- (k) if the Chargor breaches the provisions of Section 3 of this Schedule;
- (l) if any building now or hereafter in course of erection on the Charged Premises remains unfinished and without any work being done on it for a

period of ten (10) consecutive days subject to strikes or any other unavoidable delays;

- (m) if there is registered any construction lien against the Charged Premises or if there is issued any statement of claim derived therefrom, unless such lien is discharged and/or vacated within fifteen (15) days of the Chargee requiring the same to be done by the Chargor (which the Chargor agrees to do);
- (n) if the Charged Premises or a substantial part of the Charged Premises shall be expropriated by any governmental authority, body or corporation having the powers of expropriation; or
- (o) if the Chargor fails to comply with any of its obligations under the *Excise Tax Act* (Canada) to remit goods and services tax to the governmental authority entitled thereto or if any action is taken by any governmental authority against the Chargor or any other Person owing money to the Chargor with respect to goods and services tax, interest or penalties which such governmental authority claims is owing from the Chargor.

(2) Upon the occurrence of any one or more events of default under this Charge, the Principal Sum outstanding together with any and all accrued and unpaid interest and other moneys secured by this Charge shall at the option of the Chargee immediately become due and payable, and all the powers in and by this Charge or by law conferred in case of default, shall become exercisable and the powers of sale contained in this Charge may be exercised as provided in this Charge.

4. **Change in Ownership**

(1) If, without the prior written consent of the Chargee, or as contemplated by the Loan Agreement:

- (a) there is a change of ownership, control, pledge and/or sale, transfer or conveyance of the Charged Premises or any part thereof;
- (b) there is a Change of Control of the Chargor or any pledge of any interest in the Chargor; or any change in the Person(s) comprising or the partners, stockholders, members or beneficiaries of the Chargor from those represented to Chargee on the date of this Charge;
- (c) there is a merger, reorganization, dissolution or any other change in the ownership structure of the Chargor or any trustee, general partner or beneficiary of the Chargor; or
- (d) the Chargor enters into any agreement to effect any of the foregoing, whether by registered or unregistered instrument, and whether for valuable or nominal consideration,

then the Principal Sum and interest thereon and all other moneys secured by this Charge shall, at the option of the Chargee, immediately become due and payable.

(2) The Chargor shall provide such documentation as the Chargee may reasonably require in order to facilitate the giving of the consent referred to in Section 3(1) by the Chargee.

(3) The giving of a consent to any transaction referred to in Section 3(1) shall not be deemed to be a waiver of the Chargee's right to require consent to any future or successive transaction.

(4) The Chargee may require, among other things, as a term for granting any consent referred to in Section 3(1) that:

- (a) the proposed new owner or assignee of the Charged Premises (the "**Transferee**") provide the Chargee with such relevant financial information as the Chargee may request in the circumstances including

such evidence as the Chargee may require to establish the financial responsibility of the Transferee and the Chargor shall provide the Chargee with a specific authorization in writing allowing the Chargee to have access to and collect personal information concerning the Transferee; and

- (b) the Transferee shall execute the Chargee's then standard form assumption agreement in favour of the Chargee agreeing to be bound by all of the obligations of the Chargor under this Charge and other Security Documents in support thereof.

it being specifically understood that the consent of the Chargee to any transaction referred to in Section 3(1) shall not release the Chargor, from any of the covenants contained in this Charge.

(5) If the Transferee proposes to acquire less than the entire interest of the Chargor in the Charged Premises, the Chargee may require as a term for granting consent in addition to the requirements set out above that the Chargor and the Transferee execute co-ownership documentation in form and content satisfactory to the Chargee.

(6) The Chargor shall pay to the Chargee all costs of the Chargee relating to the Chargee's review of the Change of Control or change of ownership contemplated by this Charge, including a reasonable administrative charge and the fees, expenses and disbursements of the Chargee's solicitors, and such amounts shall be payable and secured by this Charge whether or not the consent of the Chargee to such Change of Control or change of ownership is granted.

5. **Condominium Provisions**

Provided that if all or any part of the Charged Premises is or becomes a condominium unit pursuant to the provisions of the Condominium Act, 1998, as amended, the following covenants and provisions shall apply in addition to all other covenants and provisions set forth in this Charge:

(1) For the purposes of all parts of the Charged Premises comprising one or more such condominium units, all references in this Charge to the Charged Premises shall include the Chargor's appurtenant undivided interest in the common elements and other assets of the Condominium Corporation;

(2) The Chargor shall at all times comply with the Condominium Act, 1998, as amended and shall forward to the Chargee proof of such compliance as the Chargee may request from time to time including, without limitation, estoppel certificates issued by the Condominium Corporation; and if the Chargor fails to so comply in any respect, the Chargee may do so at its option and all costs and expenses incurred by the Chargee in connection therewith shall be secured by this Charge and payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

(3) The Chargor shall pay, when due, all monies payable by the Chargor or with respect to the Charged Premises in accordance with the provisions of the Condominium Act, 1998, as amended and the declaration, by-laws and rules of the Condominium Corporation, including all required contributions to common expenses and any special levies, charges and assessments, and shall provide proof of such payment to the Chargee upon request; and if the Chargor fails to make any such payment, the Chargee may do so at its option and all amounts so paid by the Chargee shall be secured by this Charge and shall be payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

(4) The Chargor hereby irrevocably appoints, authorizes and empowers the Chargee to exercise the rights of the Chargor to vote or to consent as an owner within the meaning of the Condominium Act, 1998, as amended with respect to all matters relating to the affairs of the Condominium Corporation, or to abstain from doing so, provided that:

- (a) the Chargee may at any time and from time to time give notice in writing to the Chargor and to the Condominium Corporation that the Chargee does not intend to exercise such right to vote or to consent, in which case the Chargor may exercise its right to vote or to consent for so long as such notice remains effective or until such notice is revoked by the Chargee;

and any such notice may be for an indeterminate period of time, a limited period of time or for a specific meeting or matter;

- (b) the Chargee shall not be under any obligation to vote or to consent or to protect the interests of the Chargor; and
- (c) the exercise by the Chargee of its right to vote or to consent or to abstain from doing so shall not constitute the Chargee as a mortgagee or chargee in possession and shall not give rise to any liability on the part of the Chargee;

(5) The Chargor shall forward to the Chargee by delivery or by prepaid registered mail copies of every notice, assessment, claim, demand, by-law, rule, request for consent and other communication relating to all or any part of the Charged Premises or the common elements or affairs of the Condominium Corporation on or before the date which is the earlier of:

- (a) fourteen (14) days after receipt of the same by the Chargor;
- (b) seven (7) days prior to the date set for any meeting of the Condominium Corporation or any committee thereof;
- (c) seven (7) days prior to the due date of any claim or demand for payment; and
- (d) within twenty-four (24) hours after becoming aware of any information concerning termination of any insurance policy, insurance trust agreement or management agreement relating to the Condominium Corporation or any of its assets;

(6) The Chargor hereby authorizes and directs the Condominium Corporation to permit the Chargee to inspect the records of the Condominium Corporation at any reasonable time;

(7) In addition to and notwithstanding any other provisions of this Charge, the outstanding principal amount and all accrued interest and other charges secured by this Charge shall, at the Chargee's option, become immediately due and payable without notice or demand if any of the following events or circumstances shall occur and be continuing:

- (a) the government of the Condominium Corporation or the government of the Charged Premises by the Condominium Corporation is terminated;
- (b) a vote of the Condominium Corporation authorizes the sale of all or substantially all of its property or assets or all or any part of its common elements or all or any part of the Charged Premises, or any part of the same is expropriated;
- (c) the Condominium Corporation fails to comply with any provision of the Condominium Act, 1998, as amended or its declaration or any of its by-laws and rules;
- (d) the Condominium Corporation fails to insure its assets, including the Charged Premises, in accordance with the Condominium Act, 1998, as amended and the declaration and by-laws of the Condominium Corporation, or any insurer thereof cancels or threatens cancellation of any existing obligation to insure the same.

6. **Receiver.**

(1) If and whenever the Chargee becomes entitled to enter into possession of the Charged Premises, the Chargee may, in the sole and absolute discretion of the Chargee, with or without entering into possession of the Charged Premises or any part of the Charged Premises, by instrument in writing appoint a Receiver (which term shall include a receiver and manager) of the Charged Premises or any part of the Charged Premises and of the rents and profits of the Charged Premises and with or without security and may from time to time remove any Receiver

with or without appointing another instead, and in making such appointment or appointments the Chargee shall be deemed to be acting for the Chargor.

(2) Upon the appointment of any such Receiver or Receivers from time to time, and subject to the provisions of the instrument appointing such Receiver, the following provisions shall apply:

- (a) every such Receiver may, in the discretion of the Chargee and by writing, be vested with all or any of the powers and discretions of the Chargee;
- (b) every such Receiver, so far as concerns the responsibility of such Receiver's acts or omissions, shall be deemed the agent or attorney of the Chargor and not the agent of the Chargee (unless specifically appointed by the Chargee as the agent of the Chargee);
- (c) the appointment of every Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may be done by any such Receiver or the removal of any such Receiver or the termination of any such Receiver shall not have the effect of constituting the Chargee a mortgagee in possession in respect of the Charged Premises or any part of the Charged Premises;
- (d) every Receiver shall be the irrevocable agent or attorney of the Chargor (unless the Chargee specifically appoints such Receiver as the agent for the Chargee) for the collection of all rents falling due in respect of the Charged Premises or any part of the Charged Premises whether in respect of any leases created in priority to this Charge or subsequent to this Charge;
- (e) every such Receiver shall from time to time have the power to lease any portion of the Charged Premises which may become vacant for such term and subject to such provisions as the Receiver may deem advisable or expedient and in so doing every such Receiver shall act as the attorney or agent for the Chargor (unless specifically appointed by the Chargee as the agent of the Chargee) and such Receiver shall have authority to execute under seal any leases of any such premises in the name of and on behalf of the Chargor and the Chargor undertakes to ratify and confirm whatever any such Receiver may do in the premises;
- (f) every such Receiver shall have full power to manage, operate, amend, repair, alter or extend the Charged Premises or any part of the Charged Premises in the name of the Chargor for the purpose of securing the payment of rental from the Charged Premises or any part of the Charged Premises;
- (g) the Chargee may from time to time by writing fix the reasonable remuneration of every such Receiver who shall be entitled to deduct the same out of the receipts from the Charged Premises or the proceeds of the Charged Premises;
- (h) no such Receiver shall be liable to the Chargor to account for moneys or damages other than moneys received by him in respect of the Charged Premises or any part of the Charged Premises and every such Receiver shall apply such cash so received to pay in the following order:
 - (i) his commission or remuneration as Receiver;
 - (ii) all expenses properly made or incurred by the Receiver in connection with the management, operation, amendment, repair, alteration or extension of the Charged Premises or any part of the Charged Premises;

- (iii) money which may from time to time be or become charged on the Charged Premises in priority to this Charge, and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect of the Charged Premises or any part of the Charged Premises;
- (iv) in keeping in good standing all charges on the Charged Premises prior to this Charge;
- (v) the Chargee in payment of all Interest due or falling due under this Charge and the balance to be applied upon the Principal Sum and all other moneys due and payable and secured by this Charge; and
- (vi) thereafter any surplus remaining in the hands of every such Receiver to the Chargor or its assigns.

7. **Environmental Matters.**

(1) The Chargor covenants, represents and warrants that, except as disclosed by the Chargor in writing to the Chargee and accepted in writing by the Chargee:

- (a) the Chargor's use and occupation of, and activities and operations on, the Charged Premises comply and shall comply in all respects with the Environmental Law;
- (b) neither the Chargor, nor any party for whom the Chargor is responsible at law, has Released, caused or permitted a Release or shall Release, cause or permit a Release of any Hazardous Substance into the natural environment, including, without limitation, the air, soil, subsoil or surface or groundwater in, on, over, under or at the Charged Premises;
- (c) no Hazardous Substance is or will be stored or located in, on, under or at the Charged Premises;
- (d) no active or inactive underground storage tanks are or will be located under the Charged Premises and neither the Charged Premises nor any adjacent lands have ever been used as or for a waste disposal site or coal gassification site;
- (e) the Chargor is not required to obtain, nor has obtained, nor is subject to any certificate, approval, direction, or order of any governmental authority or court of competent jurisdiction under the Environmental Law in respect of the Charged Premises or the operation of the Chargor's business thereon; and
- (f) there are no pending or threatened claims, actions, suits, prosecutions, hearings or other proceedings of any kind in any court or tribunal and the Chargor has received no notice of any such proceedings relating to an Environmental Claim or the discharge, deposit, escape or Release of any Hazardous Substance or any actual or alleged violation of the Environmental Law affecting the Charged Premises, and there is no basis for any of the foregoing being initiated.

(2) The Chargor shall use its best efforts to ensure (i) that any tenant, subtenant or other occupant of the Charged Premises shall in the future be in compliance with all requirements of Environmental Law, (ii) that no tenant, subtenant or other occupant of the Charged Premises places, suffers or permits to remain any toxic waste or other Hazardous Substance, or any contaminants, oil or pesticides at, on, under, within or about the Charged Premises.

(3) The Chargor shall permit the Chargee reasonable access to the Charged Premises at any time, and the Chargee's agents and employees from time to time, in order to conduct, at the Chargor's expense, such tests, inspections and environmental audits of the Charged Premises

as may be required by the Chargee at any time during the currency of this Charge, including, without limitation, the right to take soil samples from the Charged Premises, and the right to review and photocopy any and all records relating to the Charged Premises or the business now or hereinbefore conducted at the Charged Premises and the conducting by the Chargee of such tests, inspections and environmental audits shall not constitute the Chargee a mortgagee/chargee in possession or in control of management of the Charged Premises.

(4) The Chargor agrees to indemnify and save harmless the Chargee, its officers, directors, employees and agents, from and against (i) any Environmental Claim, and (ii) all losses, damages, costs, expenses, liabilities, claims and demands, including without limitation, legal fees incurred and the cost, liability or damage arising out of the settlement of any action entered into by the Chargee, either with or without the consent of the Chargor, that may be incurred by the Chargee as a result of:

- (a) any of the representations and warranties set out in Section 6(1) being untrue on the date of this Charge or becoming untrue at any date hereafter throughout the currency of this Charge;
- (b) the presence on, under or about or migration from the Charged Premises of any Hazardous Substance caused by or attributable, either directly or indirectly, to any act or omission of the Chargor or any other Person; and
- (c) any remediation or restoration of the Charged Premises and/or any lands adjoining or in the vicinity of the Charged Premises required or mandated by the Environmental Law attributable, either directly or indirectly, to any act or omission of the Chargor or any other Person.

(5) Notwithstanding anything to the contrary contained herein or in the Loan Agreement, the representations, warranties, covenants and indemnities contained in this Section 6 shall survive:

- (a) any power of sale, action of foreclosure or judicial sale, or any other extinguishing of the obligations of the Chargor pursuant to this Charge; and
- (b) the exercise of any remedies available to the Chargee pursuant to this Charge.

8. **Acknowledgment.** The Chargor acknowledges having received a true copy of this Charge.

9. **Land Registration Reform Act.**

(1) It is hereby understood and agreed that wherever the words "**Chargor**", "**Chargee**" and "**Charge**" appear throughout this document, same shall correspondingly be deemed and construed to mean "**Chargor**", "**Chargee**", and "**Charge**" respectively, as such latter terms are defined in the Act, and wherever the words "**Charged Premises**" or any derivative of the word "Charge" are used throughout this document, same shall be deemed and construed to mean the "**Charged Premises**" and the applicable derivative of the word "**Charge**", as such latter term is defined in the Act.

(2) If any of the forms of words contained in this Charge is also contained in column 1 of Schedule B of the *Short Forms of Mortgages Act* (Ontario) and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in column 2 of Schedule B thereof distinguished by the same number, and this Charge shall be interpreted as if the *Short Forms of Mortgages Act* was still in force and effect.

(3) The parties to this Charge agree that the covenants implied by paragraphs 1 and 2 of subsection 7(1) of the Act (as varied in this Charge) shall be in addition to, and not in substitution for, the covenants and other provisions set forth in this Charge.

(4) In the event of any conflict between any of such implied covenants (as varied in this Charge) and any other covenant or provision of this Charge, such other covenant or provision of this Charge shall prevail.

(5) The parties to this Charge agree that the covenant deemed to be included in this Charge by clause 7(1)1(iii) of the Act is varied so that the text of such clause reads as follows:

That the Chargor has not done, omitted or permitted anything whereby the land is or may be encumbered, except as the Chargor has reported to the Chargee in writing.

10. **Conflict**

In the event of an inconsistency between any of the terms and conditions contained in this Schedule and the terms and conditions contained in Standard Charge Terms No. 200033, the terms and conditions of this Schedule shall prevail.

11. **Development**

The Chargee covenants and agrees to execute and deliver to the Chargor, as and when requested by the Chargor, and without any fee or charge whatsoever therefor (and without any principal or interest repayment being required under their respective agreements or security) save for all reasonable legal fees and disbursements respectively incurred by each of them in so doing, the following documents and instruments, namely:

- (a) All consents that may, in the reasonable opinion of the Chargor's solicitors, be required from time to time by the Chargor, in accordance with the *Condominium Act* 1998, S.O. 1998 as amended (the "**Act**"), or any successor condominium legislation, in order to register components of the Lands as a Condominium pursuant to the provisions of the Act or any successor condominium legislation, as well as any consents and acknowledgements required by the Chargor in connection with the entering into of (and postponements of its security documents and instruments in favour of) any site plan agreement(s), engineering agreement(s), condominium development agreement(s), or similar agreement(s) for the Condominium complex with any governmental authorities or agencies having jurisdiction over the development of the Lands (or any portion thereof) and/or any public or private utility authorities or agencies, together with all consents to (and postponements of their respective security documents and instruments in favour of) any easement(s) for components of the Condominium complex hereafter granted to any of the aforementioned governmental authorities or agencies (and/or to any public or private utility authorities or agencies) in connection with the installation of storm and/or sanitary sewers, gas, telephone, cable television, hydro-electric and water services and/or similar services, any easements for access and egress purposes in favour of any lands adjacent to the Lands encompassing the Condominium complex, or any portion thereof;
- (b) Such partial discharges or partial releases of its security documents and instruments so registered on title to any portion of the Lands as may, in the reasonable opinion of the Chargor's solicitors be required by the Chargor from time to time in connection with the giving of any road widenings, one (1) foot (or 0.3 meter) reserves, park dedications, or other land contribution(s) to any governmental authorities or agencies required as part of the development process in respect of the Condominium complex (or any lands adjacent thereto);
- (c) The Chargee agrees to execute and deliver, without any fee or charge whatsoever (save as provided in the Loan Agreement, and save for all reasonable legal fees and disbursements respectively incurred by it in so doing), a partial discharge of its security which may now or hereafter be encumbering the Lands encompassing a Condominium complex (as well as any rentals, leases, chattels, equipment or other personal property situate

within or otherwise pertaining to the lands and premises encompassing the Condominium complex, or any portion thereof) in respect of each and every condominium dwelling, commercial/retail, commercial/office, parking, locker and/or other unit(s) created and registered within the Condominium complex (or any portion thereof) that is sold, transferred or conveyed by or on behalf of the Chargor to any bona fide unit purchaser thereof for valuable consideration, on the express understanding that all net sale proceeds received (or receivable) in connection with any such sale, transfer or conveyance (exclusive of any unit purchaser's deposits previously utilized to pay or defray Project costs, and exclusive of all applicable real estate commissions, reasonable legal fees and disbursements, and federal goods and services tax and the provincial portion of any single or harmonized sales tax exigible in connection with any such sale, transfer or conveyance) shall be remitted in reduction of the outstanding indebtedness secured under any security which has priority over the within Charge (the "Senior Security"), until the outstanding indebtedness secured thereunder has been fully repaid, all required cash collateralization for outstanding letters of credit has been provided, and the security therefor has been fully discharged. It is further understood and agreed by the parties hereto that any partial discharge of within Charge in respect of any unit(s) in any condominiums located within the Condominium complex and its/their appurtenant common interests shall automatically constitute (and be deemed and construed as) a full and complete discharge and release of all security interests of such of the Chargee (whether preserved or perfected by registration under the PPSA or otherwise) with respect to any chattels, fixtures, rents, leases and/or other personal property (excluding however the net sale proceeds received on the final closing of any unit sale transactions in the Condominium complex) situate upon, within or affixed to (or otherwise relating to) the unit(s) so partially discharged from the aforementioned security, to the extent any such chattels, fixtures, rents, leases and/or other personal property are sold with any such unit(s). Without limiting the generality of the foregoing the Chargee hereby covenants and agrees to execute and provide the Chargor or any of the holders of the Senior Security with all of the consents, postponements, partial discharges and other documents and instruments contemplated to be executed and/or provided by the Chargee hereunder (hereinafter collectively referred to as the "Chargee's Consents And Discharges"), in accordance with the provisions of and on the same understanding as contained elsewhere in this Charge, and regardless of whether there is any outstanding default by the Chargor (or any other party) under this Charge, at the time, or after any of the Chargee's Consents And Discharges are requested to be so executed, in order to facilitate and expedite the development, construction and registration of the condominiums within the Condominium complex, and the corresponding completion of all unit sale transactions with respect thereto, which is hereby expressly acknowledged to be the paramount and overriding concern and goal of the Chargor and the Chargee.

Appendix 7:**Notice to South Shore Investors dated February 5, 2019**



February 5, 2019

Dear Lender:

Re: Syndicated Mortgage Loan made to 2221563 Ontario Inc. ("Borrower") in respect of properties located at 230-240 Cameron Crescent, Keswick, ON ("South Shore Project" or "Properties")

As you are aware, on April 20, 2018, FAAN Mortgage Administrators Inc. ("Trustee") was appointed as trustee over Building & Development Mortgages Canada Inc. under a court order issued pursuant to section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006* as amended, and section 101 of the *Courts of Justice Act*, as amended.

We are writing to you in our capacity as Trustee regarding the South Shore Project.

On January 24, 2019, Diversified Capital Inc. ("Diversified"), acting as the Borrower's first ranking priority lender, issued a Notice of Sale Under Mortgage ("Notice of Sale"). Diversified has taken the position that the Borrower is in default under their mortgage and unless the full amount of the outstanding debt totaling \$6,895,099 (including interest and fees as at the January 24, 2019) is paid on or before March 4, 2019, Diversified will be in a position to list the Properties for sale. A copy of the Notice of Sale is attached to this notice.

Should a sale of the Properties be completed, and the proceeds of such sale be insufficient to pay all amounts owing by the Borrower to the priority lenders on the South Shore Project, there is a risk that you may not recover the sums that you advanced to the Borrower.

The Trustee has been advised by the Borrower that it is seeking a transaction for the sale of the Properties, that may allow the syndicate to maintain its mortgage on the Properties.

The Trustee will keep you apprised of developments related to this matter.

Should you have any further questions at this time, our contact information is below (if you are contacting us by email, please use the subject line **South Shore**).

Email: Info@FAANMortgageAdmin.com

Local Telephone Number: **416-606-3338**

Toll-Free Telephone Number: **1-833-495-3338**

Yours very truly,

Faan Mortgage Administrators Inc.

**FAAN MORTGAGE ADMINISTRATORS INC.
IN ITS CAPACITY AS COURT-APPOINTED TRUSTEE OF
BUILDING & DEVELOPMENT MORTGAGES CANADA INC.
AND IN NO OTHER CAPACITY**

Appendix 8:
October 15, 2019, Email to Diversified



Naomi Lieberman <naomi@faanmortgageadmin.com>

South Shore Project

1 message

Naomi Lieberman <naomi@faanmortgageadmin.com>

Tue, Oct 15, 2019 at 2:19 PM

To: rgiannotta@diversifiedcapital.ca

Cc: Shelby Draper <shelby@faanmortgageadmin.com>

Hi Russ

My colleague Lana Bezner, who you have previously spoken with is on maternity leave.

We are in the process of preparing our next comprehensive report to court. We need to include an update on the south shore project as part of this report and accordingly need an update as soon as possible.

Kindly advise where things stand with respect to your efforts to market the south shore property for sale.

Is the property listed with a commercial real estate agent? Have you received any offers to date?

Can we set up a brief call to discuss the project later this week?

Please advise

Thanks

Naomi

--

Naomi Lieberman, CPA, CA, CIRP**FAAN Mortgage Administrators**

20 Adelaide Street East, Unit 920
Toronto, Ontario, M5C 2T6

T. 1-833-495-3338

E. naomi@faanmortgageadmin.com



Naomi Lieberman <naomi@faanmortgageadmin.com>

Mail delivery failed: returning message to sender

1 message

Mail Delivery System <Mailer-Daemon@eigbox.net>

Tue, Oct 15, 2019 at 2:19 PM

To: naomi@faanmortgageadmin.com

This message was created automatically by mail delivery software.

A message that you sent could not be delivered to one or more of its recipients. This is a permanent error. The following address(es) failed:

rgiannotta_divcapinc_if@pop.netfirms.com
(generated from rgiannotta@diversifiedcapital.ca)
host bospopproxy09.eigbox.net [10.20.20.9]

LMTP error after DATA: 552 5.2.2 <rgiannotta_divcapinc_if@pop.netfirms.com> Quota exceeded (mailbox for user is full)

Action: failed

Final-Recipient: rfc822;rgiannotta_divcapinc_if@pop.netfirms.com

Status: 5.0.0

Remote-MTA: dns; bospopproxy09.eigbox.net

Remote-MTA: X-ip; [10.20.20.9]:24

X-Exim-Diagnostic: X-str; LMTP error after DATA: 552 5.2.2 <rgiannotta_divcapinc_if@pop.netfirms.com> Quota exceeded (mailbox for user is full)

Diagnostic-Code: smtp; 552 5.2.2 <rgiannotta_divcapinc_if@pop.netfirms.com> Quota exceeded (mailbox for user is full)

 **noname**
3K

Appendix 9:

October 2019 Trustee's internal correspondence regarding its call with Diversified



Naomi Lieberman <naomi@faanmortgageadmin.com>

south shore ("SS")

1 message

Naomi Lieberman <naomi@faanmortgageadmin.com>
To: Naveed Manzoor <naveed@faanmortgageadmin.com>
Cc: Shelby Draper <shelby@faanmortgageadmin.com>

Wed, Oct 23, 2019 at 12:39 PM

Hi Naveed,

We require an update on the status of the SS project for our report.

If you recall the project was subject to a Notice of Sale issued by Diversified back in January, 2019.

When Lana reached out to Russ of Diversified in the spring he told her that he had commenced efforts to market the property (which is what we reported in the 7th report).

We have not heard anything since. I have tried to call and text Russ for an update for our next report but he has been non responsive. I also tried emailing but the email bounced back. Lana also texted him yesterday but has not received a response. She said that he was not always responsive in her previously exchanges with him.

REDACTED FOR PRIVILEGE

Thanks
Naomi

--

Naomi Lieberman, CPA, CA, CIRP

FAAN Mortgage Administrators

3/17/22, 1:58 PM

FAAN Mortgage Administrators Inc. Mail - south shore ("SS")

155

20 Adelaide Street East, Unit 920
Toronto, Ontario, M5C 2T6

T. 1-833-495-3338

E. naomi@faanmortgageadmin.com

Appendix 10:**Email correspondence from commercial real estate agent**



Info @FAAN Mortgage <info@faanmortgageadmin.com>

South Shore Condo Project.

David Metherall <davemetherall@rogers.com>

Wed, Jan 22, 2020 at 6:33 PM

To: Nick <info@faanmortgageadmin.com>

Hello Nick

I spoke to you last week regarding the South Shore project and more specifically our failed attempts to reach Diversified Capital. We have sent messages since the first of December 2019 with no reply whatsoever. I have texted directly to Russ Giannotta (+1 (416) 948-1756) along with emails to Russ@divcapinc.com again with no reply. The site has no visible for sale signs and I have not been able to find any brokerage activity or brokerage contact information. I am currently in communications with a reputable developer/builder who has interest in buying this site. With no response from Diversified capital, I am wondering if there is another party who can sell this site?

Please advise.

Thank you

David Metherall
Broker
RE/MAX All-Stars Realty Inc. Brokerage
905-955-1084
(Independently Owned and Operated)

David Metherall

Appendix 11:
June 5, 2020, Letter from Osler to Diversified



Toronto

June 5, 2020

Montréal

Michael De Lellis
Direct Dial: 416.862.5997
MDeLellis@osler.com
Our Matter Number: 1189997

Calgary

SENT BY ELECTRONIC MAIL

Ottawa

Vancouver

Diversified Capital Inc.
1243 Islington Avenue, Suite 701
Toronto, Ontario
M8X 1Y9

Schneider Ruggiero Spencer Milburn LLP
120 Adelaide Street West, Suite 1000
Toronto, Ontario
M5H 3V1
Fax: 416-363-0645

New York

Attention: Russ Giannotta
Email: rgiannotta@diversifiedcapital.ca

Attention: Lilia Pereira & Bruce Milburn
Email: lpereira@SRlawpractice.com &
bmilburn@SRlawpractice.com

(File #40818)

Dear Sir(s)/Madam(s):

Re: Notice of Sale under Mortgage dated January 24, 2019 (the “Notice”) issued by Diversified Capital Inc. (“Diversified”) to 2221563 Ontario Inc. (the “Borrower”) and certain other parties with respect to property located at 230-240 Cameron Crescent, Keswick, Ontario (the “Property”)

As you are likely aware, we are counsel to FAAN Mortgage Administrators Inc. in its capacity as Court-appointed trustee (in such capacity, the “**Trustee**”) of Building & Development Mortgages Canada Inc. (“**BDMC**”) pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (“**Court**”) dated April 20, 2018 (the “**Appointment Order**”) in proceedings commenced under section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, as amended, and section 101 of the *Courts of Justice Act*, as amended.

Pursuant to the Appointment Order, the Trustee’s Court-ordered mandate includes protecting members of the investing public (the “**BDMC Investors**”) who have an interest in the three BDMC mortgages registered on title to the Property (the “**BDMC Mortgages**”). As you are aware, each of the loans secured by the BDMC Mortgages (the “**BDMC Loans**”) has matured, has not been repaid, and, accordingly, is currently in default.

We are writing with respect to the Notice, which states that, as at the date of the Notice, the Borrower was indebted to Diversified in the total amount of approximately \$6.9 million under Diversified’s mortgage registered on title to the Property (the “**Diversified**



Mortgage”). The Notice states that interest will continue to accrue on such amount at the rate of 12%, calculated monthly, until such indebtedness is repaid. The Notice states further that, failing receipt of payment in the amount specified therein from the Borrower on or before March 4, 2019 (the “**Payment Deadline**”), Diversified *shall* sell the Property. A copy of the Notice is attached hereto as Appendix “A”.

The Trustee understands that the Borrower failed to make the requested payment by the Payment Deadline. As you are aware, such failure constitutes an additional event of default under the BDMC Loans. Formal notice of this and various other events of default under the BDMC Loans has been provided to the Borrower.

Notwithstanding Diversified’s commitment to sell the Property upon such a failure and that the Payment Deadline occurred more than 14 months ago, the Trustee understands that the Property has not been sold and that the indebtedness secured by the Diversified Mortgage continues to accrue interest.

The Trustee has attempted to contact Diversified on multiple occasions since receiving the Notice to obtain an update with respect to Diversified’s efforts to sell the Property. Despite these requests, to date the Trustee has not been provided with any such information.

In light of the foregoing, the Trustee is formally requesting an update with respect to the status of Diversified’s efforts to sell the Property, including but not limited to: (i) the details of any sale process conducted for the Property; (ii) the listing details for the Property; (iii) the proposed timeline for the sale of the Property; (iv) a list of potentially interested parties; and (v) details regarding any purchase offers that Diversified has received for the Property to date.

Given the significant passage of time since Diversified has been in a position to sell the property, any further delays in pursuing a sale of the Property will continue to erode recoveries for mortgagees that are subordinate in priority to Diversified and will adversely affect the BDMC Investors. Diversified must act in a commercially reasonable manner with regard to the BDMC Investors and act in a diligent and timely manner with a view to maximizing value for all interested parties.

The Trustee would welcome the opportunity to work cooperatively with Diversified towards maximizing value for the Property. However, it must do so in a manner that protects the financial interests of the BDMC Investors. As such, we request that you provide us with responses to the above inquires as quickly as possible and in any event within 30 days. Should Diversified fail to respond within the foregoing 30 day period and/or significant delays continue to occur regarding the sale of the Property, the Trustee will consider all options available to it in the circumstances, including affirmative steps

OSLER

Page 3

that it may take, and will view any contractual limitations restricting the actions it may take to be at an end.

This letter is being provided to you under an express reservation of all of the Trustee's rights, remedies, and recourses available at law, in equity or otherwise, and nothing contained herein should be interpreted as a waiver of any right or an admission of any kind whatsoever.

We are available to discuss these matters at your convenience and look forward to hearing from you.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Michael De Lellis", written in a cursive style.

Michael De Lellis

- c. Naveed Manzoor, *FAAN Mortgage Administrators Inc.*
Jeremy Dacks, *Osler, Hoskin & Harcourt LLP*

APPENDIX “A”**Notice**

(See attached)

NOTICE OF SALE UNDER MORTGAGE

TO: See Schedule "A" attached

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage made between

DIVERSIFIED CAPITAL INC.

and

2221563 ONTARIO INC.

upon the following properties, namely:

PIN 03475-2054 (LT) – PT LT 8, PLAN 170, N GWILLIMBURY AS IN R533209; GEORGINA; LOTS 1, 2, 3, 4, 5, 6, 7 AND 8, PLAN 447; N GWILLIMBURY; DOREDA DR, LAN 447, PT 2, 65R16653, GEORGINA AS STOPPED UP AND CLOSED BY BY-LAW REGISTERED AS YR45264; PT LOT 6, PLAN 170, N GWILLIMBURY AS IN B31794B; LOT 5, PLAN 170, N GWILLIMBURY, T/W R737440; LOTS 9, 10, 11, 12, 13, 14 AND 15, PLAN 447, N GWILLIMBURY; BLK A, PLAN 447, N GWILLIMBURY, PT LOT 8, PLAN 170, PT 1, 65R16653 LYING N/W OF LOTS 6 & 7, PLAN 447, PT LOT 8, PLAN 170, PT 1 65R16653, LYING S OF DOREDA DRIVE, LOTS 9, 10 & BLK A, PLAN 447; PT LOTS 6, 7 & 8, PLAN 170, N GWILLIMBURY, AS IN R649566; TOWN OF GEORGINA.

which mortgage was registered on October 30, 2014, in the Land Registry Office for the Land Titles Division of York (No.65) as Instrument No. YR2209128.

And we hereby give you notice that the amount due on the mortgage for principal money, interest and costs, respectively, is \$6,895,099.29, made up as follows:

Total Indebtedness as at December 31, 2018	\$6,824,984.57
Accrued Interest to January 24, 2019	\$53,851.93
Prior Legal Fees & Disbursements	\$10,762.79
Costs (plus H.S.T.)	\$5,500.00
Total:	<u>\$6,895,099.29</u>

(such amount for costs being up to and including the service of this notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 12% calculated monthly on the principal, interest and costs hereinbefore mentioned, from January 24, 2019 to the date of payment.

AND unless the said sums are paid on or before **March 4, 2019**, we shall sell the property covered by the said mortgage under the provisions contained in it.

THIS notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED January 24, 2019.

DIVERSIFIED CAPITAL INC., Mortgagee

by its solicitors

SCHNEIDER RUGGIERO LLP

Barristers & Solicitors,

120 Adelaide Street, West

Suite 1000

Toronto, Ontario M5H 3V1

Phone No. 416-363-2211

Fax No. 416-363-0645

Per:



Contact: Lilia Pereira, Law Clerk
BM/lp
(File #40818)

Schedule “A”

2221563 Ontario Inc.
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Vincenzo Petrozza
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Jawad Shafique Rathore
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Jawad Shafique Rathore
2 Scandia Court
Unionville, Ontario, L6C 1G6

Vincenzo Petrozza
471 Sunset Beach Road
Richmond Hill, Ontario, L4E 3J3

Vince Petrozza
471 Sunset Beach Road
Richmond Hill, Ontario, L4E 3J3

2221563 Ontario Inc.
608450 12th Sideroad, R.R.#2
P.O. Box 415
Ravenna, Ontario, N0H 2E0

Snoxons Holdings Inc.
2 Guthrie Court
Stouffville, Ontario, L4A 7X2

2221563 Ontario Inc.
55 St. Clair Avenue West, Suite 205
Toronto, Ontario, M4V 2Y7

Derek Sorrenti
3800 Steeles Avenue West
Suite 400
Vaughan, Ontario
L4L 4G9

Snoxons Holdings Inc.
2 Cuthrie Court
Stouffville, Ontario, L4A 7X2

2221563 Ontario Inc.
55 St. Clair Avenue West, Suite 205
Toronto, Ontario, M4V 2Y7

B2B Trust
130 Adelaide Street West, 4th Floor
Toronto, Ontario, M5H 3P5

Olympia Trust Company
125-9th Avenue SE, Suite 2200
Calgary, Alberta, T2G 0P6

The Bank of Nova Scotia Trust Company
Scotia Trust
130 King Street West, 20th Floor
Toronto, Ontario, M5X 1K1

B2B Trust
#400-130 Adelaide Street West
Toronto, Ontario, M5H 3P5

Olympia Trust Company
#2200-125-9th Avenue SE
Calgary, Alberta, T2G 0P6

Derek Sorrenti, In Trust
3800 Steeles Avenue West, Suite 400
Vaughan, Ontario, L4L 4G9

Centro Mortgage Inc. In Trust
 25 Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

Centro Mortgage Inc. In Trust
 25 Brodie Drive, Unit 1A
 Richmond Hill, Ontario, L4B 3K7

Derek Sorrenti
 3300 Highway 7, Suite 310
 Vaughan, Ontario, L4K 4M3

Building & Development Mortgages Canada Inc. In Trust
 25 Brodie Drive, Unit 8
 Richmond Hill, Ontario, L4B 3K7

B2B Bank
 #600-199 Bay Street
 Toronto, Ontario, M5L 0A2

Building & Development Mortgages Canada Inc., In Trust
 25 Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

Building & Development Mortgages Canada Inc.
 25A Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

De Hodge Contracting Inc.
 25 Delaware Street
 St. Catharines, Ontario
 L2M 5M1

De Hodge Contracting Inc.
 c/o Mauro Marchioni
 Barrister and Solicitor
 9100 Jane Street, 3rd Floor, Bldg A
 Vaughan, Ontario
 L4K 0A4

De Hodge Contracting Inc.
 c/o Summit Search Limited
 85 Rosebury Lane
 Woodbridge, Ontario
 L4L 3Z1

Fortress Crates Landing 2013 Inc.
 25 Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

Sunbelt Rentals of Canada Inc.
 c/o Dooley Lucenti LLP
 Barristers and Solicitors
 10 Checkley Street
 Barrie, Ontario, L4N 1W1

2221563 Ontario Inc.
 232 Cameron Crescent
 Keswick, Ontario, L4P 3T6

Sunbelt Rentals of Canada Inc. formerly known as CRS Contractors Rental Supply General Partner Inc.
 c/o Dooley Lucenti LLP
 Barristers and Solicitors
 10 Checkley Street
 Barrie, Ontario, L4N 1W1

Olympia Trust Company
 In Trust for all the parties as set out in Schedule "B" attached hereto.
 2200, 125-9th Avenue SE
 Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.
 In Trust for all the parties as set out in Schedule "B" attached hereto.
 25 Brodie Drive, Unit 8
 Richmond Hill, Ontario, L4B 3K7

Olympia Trust Company

In Trust for all the parties as set out in Schedule "C" attached hereto.
125-9th Avenue SE, Suite 2200
Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.

In Trust for all the parties as set out in Schedule "C" attached hereto.
25A Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

B2B Bank

In Trust for all the parties as set out in Schedule "C" attached hereto.
130 Adelaide Street West, 4th Floor
Toronto, Ontario, M5H 3P5

The Bank of Nova Scotia Trust Company

In Trust for all the parties as set out in Schedule "C" attached hereto.
Scotia Trust
130 King Street West, 20th Floor
Toronto, Ontario, M5X 1K1

Olympia Trust Company

In Trust for all the parties as set out in Schedule "D" attached hereto.
2200, 125-9th Avenue SE
Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.

In Trust for all the parties as set out in Schedule "D" attached hereto.
25 Brodie Drive, Unit 8
Richmond Hill, Ontario, L4B 3K7

SCHEDULE TO TRANSFER OF CHARGE

The Chargees acknowledge and confirm that:

- I. Olympia Trust Company holds this charge in trust for:
 - (a) Daniel Rulli, Plan No. 144514 in the amount of \$59,000.00;
 - (b) Bei Li, Plan No. 144731 in the amount of \$30,000.00;
 - (c) Cheryl Ann Busby, Plan No. 145860 in the amount of \$30,000.00;
 - (d) Grant Fournier, Plan No. 141406 in the amount of \$22,000.00;
 - (e) James Bruce Stormont, Plan No. 145145 in the amount of \$66,000.00;
 - (f) James Bruce Stormont, Plan No. 145174 in the amount of \$40,000.00;
 - (g) Jose Santos Pereira, Plan No. 144256 in the amount of \$47,000.00;
 - (h) Maria Kai Lei, Plan No. 145716 in the amount of \$40,000.00;
 - (i) Lai-Kuen Lee, Plan No. 145682 in the amount of \$30,000.00;
 - (j) Leanna M. Macdonnell, Plan No. 142131 in the amount of \$50,700.00;
 - (k) Linda C. Martindale, Plan No. 145681 in the amount of \$49,200.00;
 - (l) Phan Dam, Plan No. 144346 in the amount of \$40,000.00;
 - (m) Rita Tamakuwala, Plan No. 130414 in the amount of \$30,000.00;
 - (n) Rita Tamakuwala, Plan No. 145590 in the amount of \$45,000.00;
 - (o) Virginia Pereira, Plan No. 144255 in the amount of \$48,000.00;
 - (p) Xiaomei Liu, Plan No. 146496 in the amount of \$34,000.00;
 - (q) Xin Wu Chen, Plan No. 146491 in the amount of \$32,000.00;
 - (r) Esther Rainville, Plan No. 146424 in the amount of \$65,000.00;
 - (s) Esther Rainville, Plan No. 146426 in the amount of \$30,000.00;
 - (t) John Bloomfield, Plan No. 78165 in the amount of \$30,000.00;
 - (u) Russell Ramlal, Plan No. 146460 in the amount of \$107,700.00;
 - (v) Virgilio Bacalhau, Plan No. 146801 in the amount of \$50,000.00;
 - (w) Adam Markoff, Plan No. 147204 in the amount of \$30,000.00;
 - (x) Aditya Harimohn Kaul, Plan No. 145561 in the amount of \$30,000.00;
 - (y) Anna Maria Liscio, Plan No. 144343 in the amount of \$54,000.00;
 - (z) Constance A. Marr, plan No. 144602 in the amount of \$30,000.00;
 - (aa) Domenico Albanese, Plan No. 144513 in the amount of \$28,000.00;
 - (bb) Domenico Binetti, Plan No. 147596 in the amount of \$30,000.00;
 - (cc) Harminder Kaur Jangi, Plan No. 145340 in the amount of \$79,200.00;
 - (dd) Lee Nay Choi, Plan No. 147005 in the amount of \$32,000.00;

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- (ee) Manjapra Parameswaran, Plan No. 146885 in the amount of \$30,000.00;
- (ff) Maria Luisa Genco, Plan No. 147308 in the amount of \$30,000.00;
- (gg) Michelle Cindy Albanese, Plan No. 144512 in the amount of \$23,800.00;
- (hh) Sheila Harris, Plan No. 147324 in the amount of \$50,000.00;
- (ii) Tommy Yuk, Plan No. 146637 in the amount of \$30,000.00;
- (jj) Yun Xiao Chen, Plan No. 144593 in the amount of \$30,000.00;
- (kk) Bryan Jose Difrancesco, Plan No. 147462 in the amount of \$60,000.00;
- (ll) Bernice T. Henhoeffter, Plan No. 147331 in the amount of \$42,500.00;
- (mm) Bickram Kissoonsingh, Plan No. 147952 in the amount of \$52,000.00;
- (nn) David Ure, Plan No. 148131 in the amount of \$34,100.00;
- (oo) Eduardo Teolis, Plan No. 147915 in the amount of \$35,700.00;
- (pp) Joan Fleiszer, Plan No. 147713 in the amount of \$43,000.00;
- (qq) Linda Feng, Plan No. 147334 in the amount of \$30,000.00;
- (rr) Marcus Graham Doig, Plan No. 147654 in the amount of \$31,300.00;
- (ss) Marina Shulman, Plan No. 126059 in the amount of \$50,000.00;
- (tt) Mark Andrew McKendrick, Plan No. 147902 in the amount of \$30,000.00;
- (uu) Mark Fleiszer, Plan No. 147715 in the amount of \$43,000.00;
- (vv) Massimo Difelice, Plan No. 147661 in the amount of \$30,000.00;
- (ww) Patricia Difelice, Plan No. 147722 in the amount of \$30,000.00;
- (xx) Robert Glenn Thrasher, Plan No. 114022 in the amount of \$53,000.00;
- (yy) Robert Glenn Thrasher, Plan No. 147898 in the amount of \$18,500.00;
- (zz) Tatiana Korolko, Plan No. 148377 in the amount of \$45,500.00;
- (aaa) Bonnie Patricia May Anderson, Plan No. 148317 in the amount of \$40,000.00;
- (bbb) Lynda S. Brutus, Plan No. 149227 in the amount of \$21,500.00;
- (ccc) Pauline Black, Plan No. 149093 in the amount of \$46,500.00;
- (ddd) Bernd Walter, Plan No. 124326 in the amount of \$38,000.00;
- (eee) Baljinder S. Gill, Plan No. 107336 in the amount of \$30,000.00;
- (fff) Balwinder K. Gill, Plan No. 107332 in the amount of \$25,400.00;
- (ggg) Lisa Utley, Plan No. 149264 in the amount of \$100,000.00;
- (hhh) Raju Bhuvarahan Raghavan, Plan No. 149359 in the amount of \$40,000.00;
- (iii) Sufyan Rahim Minhas, Plan No. 125036 in the amount of \$10,000.00;
- (jjj) Daniel Rulli, Plan No. 144515 in the amount of \$31,000.00;
- (kkk) Ajay Batra, Plan No. 150399 in the amount of \$30,000.00;

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- (lll) Caroline Novinic, Plan No. 149052 in the amount of \$30,000.00;
- (mmm) David Clarke, Plan No. 149057 in the amount of \$30,000.00;
- (nnn) Gordana Jovicic, Plan No. 150460 in the amount of \$25,000.00;
- (ooo) Jin Ming Li, Plan No. 149077 in the amount of \$58,300.00;
- (ppp) Sumita Roy, Plan No. 149597 in the amount of \$40,000.00;
- (qqq) Zhen Dong Mei, Plan No. 144538 in the amount of \$30,000.00;
- (rrr) Abuturab Dholkawala, Plan No. 161294 in the amount of \$24,200.00;
- (sss) Gilbert Gilbert, Plan No. 150246 in the amount of \$40,000.00;
- (ttt) Mangal Waghmare, Plan No. 145739 in the amount of \$30,000.00;
- (uuu) Reji James Thekkeveetil, Plan No. 147343 in the amount of \$55,000.00;
- (vvv) Laura Rigutto, Plan No. 145394 in the amount of \$53,200.00;
- (www) Minati Banerjee, Plan No. 161289 in the amount of \$40,000.00;
- (xxx) Argentina Gomes Dos Santos, Plan No. 115081 in the amount of \$90,000.00;
- (yyy) Dixie Lee Jones, Plan No. 172538 in the amount of \$36,000.00;
- (zzz) Lanfang Peng, Plan No. 172885 in the amount of \$30,000.00;
- (aaaa) Frances C. Michaud, Plan No. 149787 in the amount of \$9,100.00;
- (bbbb) John Lane, Plan No. 138434 in the amount of \$31,000.00;
- (cccc) Judy Medeiros, Plan No. 142048 in the amount of \$92,000.00;
- (dddd) Judy Medeiros, Plan No. 106482 in the amount of \$30,000.00;
- (eeee) Pawan Sharda, Plan No. 172935 in the amount of \$30,000.00;
- (ffff) Ana Maria Del Castillo, Plan No. 173640 in the amount of \$41,300.00;
- (gggg) Angelo Coniglio, Plan No. 142801 in the amount of \$50,000.00;
- (hhhh) Eldad Weiner, Plan No. 131821 in the amount of \$37,700.00;
- (iiii) Felix Winstok, Plan No. 129731 in the amount of \$54,000.00;
- (jjjj) Igor Ivanov, Plan No. 116611 in the amount of \$30,000.00;
- (kkkk) Inga Reyder, Plan No. 116725 in the amount of \$30,000.00;
- (llll) Karamjit Singh Mann, Plan No. 134369 in the amount of \$30,000.00;
- (mmmm) Nida Dela Paz, Plan No. 173700 in the amount of \$30,000.00;
- (nnnn) Onofrio Greco, Plan No. 174550 in the amount of \$100,000.00;
- (oooo) Regina Maltsman, Plan No. 174729 in the amount of \$52,000.00;
- (pppp) Rocky Ramnauth, Plan No. 173392 in the amount of \$50,000.00;
- (qqqq) Roman Margulis, Plan No. 174308 in the amount of \$52,000.00;
- (rrrr) Thelma Sison, Plan No. 173698 in the amount of \$37,500.00;

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(ssss) Ana Maria Del Castillo, Plan No. 173641 in the amount of \$21,000.00;

(tttt) Ian E. Bellinger, Plan No. 162018 in the amount of \$30,000.00;

(uuuu) Karen J. Routliffe, Plan No. 142243 in the amount of \$32,000.00;

(vvvv) Michael D. Dowling, Plan No. 101316 in the amount of \$70,000.00;

(wwwv) Rafique Mohammed, Plan No. 132921 in the amount of \$30,000.00;

(xxxx) Ramona Dion, Plan No. 103505 in the amount of \$40,000.00;

(yyyy) Richard Alexander, Plan No. 175459 in the amount of \$50,000.00;

(zzzz) Ji Young Ha, Plan No. 175273 in the amount of \$50,000.00;

(aaaaa) Yuping Ren, Plan No. 175048 in the amount of \$30,000.00;

(bbbbb) Maulik Sanghvi, Plan No. 175679 in the amount of \$30,000.00;

(ccccc) Michelle Catherine Helder, Plan No. 176147 in the amount of \$50,000.00;

(ddddd) Allan Burgess, Plan No. 175114 in the amount of \$40,000.00;

(eeee) Darshana Ben Shah, Plan No. 175640 in the amount of \$30,000.00;

(ffff) Elizabeth Prabhu, Plan No. 144723 in the amount of \$32,500.00;

(ggggg) Felix Alcantara, Plan No. 142325 in the amount of \$24,600.00;

(hhhhh) Felix Alcantara, Plan No. 142013 in the amount of \$18,200.00;

(iiiii) Gui Jiang Zhang, Plan No. 139555 in the amount of \$33,000.00;

(jjjjj) Gui Jiang Zhang, Plan No. 139554 in the amount of \$33,000.00;

(kkkkk) Hin Tatt Cheong, Plan No. 176026 in the amount of \$30,000.00;

(lllll) Kalpeshkumar Jetendra Shah, Plan No. 175621 in the amount of \$46,100.00;

(mmmmm) Kelvin Mano, Plan No. 129003 in the amount of \$67,500.00;

(nnnnn) Mark Tressel, Plan No. 175455 in the amount of \$40,000.00;

(oooo) Mihir Pravinbhai Patel, Plan No. 174910 in the amount of \$20,000.00;

(ppppp) Richard L. Robbins, Plan No. 174911 in the amount of \$40,000.00;

(qqqqq) Sergey Vakhitov, Plan No. 138654 in the amount of \$50,500.00;

(rrrr) Alina Isaakov, Plan No. 177181 in the amount of \$52,000.00;

(sssss) Elisabeta Boronka, Plan No. 175944 in the amount of \$78,000.00;

(ttttt) Ernest Meyer, Plan No. 177184 in the amount of \$52,000.00;

(uuuuu) Fei Gao, Plan No. 176088 in the amount of \$50,000.00;

(vvvvv) Jian Wang, Plan No. 176206 in the amount of \$40,000.00;

(wwwww) Lori Terpandjian, Plan No. 176866 in the amount of \$30,000.00;

(xxxxx) Nancy-Ann Varnell-Fabbri, Plan No. 175964 in the amount of \$46,500.00;

(yyyyy) Paul Humphreys, Plan No. 177276 in the amount of \$50,000.00;

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(zzzzz) Weijie Wan, Plan No. 176149 in the amount of \$50,000.00;
 (aaaaaa) Alexandra Balitsky, Plan No. 126025 in the amount of \$63,000.00;
 (bbbbbb) Alina Isaakov, Plan No. 177180 in the amount of \$51,900.00;
 (ccccc) Christine Yeung, Plan No. 176357 in the amount of \$104,900.00;
 (dddddd) Christopher D'Costa, Plan No. 27044 in the amount of \$32,500.00;
 (eeeeee) Ernest Meyer, Plan No. 177183 in the amount of \$29,000.00;
 (ffffff) Lisa Tavares, Plan No. 177782 in the amount of \$50,000.00;
 (gggggg) Michele Anne King, Plan No. 177355 in the amount of \$52,000.00;
 (hhhhh) Swati Navathe, Plan No. 173547 in the amount of \$40,500.00;
 (iiiiii) Georges Elias Younes, Plan No. 177895 in the amount of \$129,000.00;
 (jjjjj) Marilyn G. Lemon, Plan No. 175777 in the amount of \$22,000.00.

2. Building & Development Mortgages Canada Inc. holds this charge in trust for:

- (a) Alexander Morcos in the amount of \$30,000.00;
- (b) Armindo Fernandes and Idalina Fernandes in the amount of \$60,000.00;
- (c) Bill Cunic Contracting Incorp (per: Barbara Cunic) in the amount of \$100,000.00;
- (d) Bert Proulx in the amount of \$100,000.00;
- (e) Craig Dymment and Leslise Dymment in the amount of \$75,000.00;
- (f) David G. Gerber and Marilyn L. Gerber in the amount of \$57,000.00;
- (g) Ding Yuan Zhang in the amount of \$100,000.00;
- (h) Linda C. Martindale in the amount of \$30,000.00;
- (i) Mary Lou Lanni in the amount of \$50,000.00;
- (j) Mercedes Trindade in the amount of \$100,000.00;
- (k) Nga Thi Bich Duong in the amount of \$30,000.00;
- (l) Robert S. VanValkengoed and Lorie L. VanValkengoed in the amount of \$30,000.00;
- (m) Wan Ming Zheng in the amount of \$60,000.00;
- (n) Bettina Wittemeier in the amount of \$50,000.00;
- (o) Ellen Lundy, in Trust for Trevor Breuls, in the amount of \$100,000.00;
- (p) Fangshu Li in the amount of \$50,000.00;
- (q) George J. Poole and Sandra K. Poole in the amount of \$45,000.00;
- (r) Kevin Serroul in the amount of \$30,000.00;
- (s) Maria De Fatima Moniz Da Silva Lindo and Aurelio Vieira De Melo Lindo in the amount of \$100,000.00;
- (t) Robert W. Ahearn in the amount of \$50,000.00;

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- (u) Joseph Henderson and Wendy Henderson in the amount of \$75,000.00;
- (v) Seongin Kim in the amount of \$150,000.00;
- (w) Alvin D. Rezel in the amount of \$100,000.00;
- (x) Anil P. Misra and Shudha Misra in the amount of \$30,000.00;
- (y) Anthony Colangelo in the amount of \$40,000.00;
- (z) WFM Corporate Services Inc. (per: John Wright) in the amount of \$30,000.00;
- (aa) Olufunmilayo O. Fasina in the amount of \$30,000.00;
- (bb) Xiaoxuan Chen in the amount of \$30,000.00;
- (cc) 2351127 Ontario Inc. (per: Majot and Sangita Sheth) in the amount of \$120,000.00;
- (dd) H.S. Stelzer Medicine Prof. Corp. (per: Hans Stelzer) in the amount of \$35,000.00;
- (ee) 1490700 Ontario Ltd. (per: Inkwan Baek) in the amount of \$30,000.00;
- (ff) Paul McLachlan in the amount of \$40,000.00;
- (gg) William Frank Smith Wallace and Margaret Armstrong Wallace in the amount of \$30,000.00;
- (hh) Jennifer S. Peel in the amount of \$30,000.00;
- (ii) Krista Louise Pollock in the amount of \$30,000.00;
- (jj) Megan Joy Wallar in the amount of \$50,000.00;
- (kk) 2371499 Ontario Inc. (per: Vidhan Singh) in the amount of \$30,000.00;
- (ll) Eduardo Cavaco in the amount of \$85,000.00;
- (mm) Eric Mendoza in the amount of \$60,000.00;
- (nn) Joao Gabriel Candeias in the amount of \$30,000.00;
- (oo) Dixie Lee Jones in the amount of \$40,000.00;
- (pp) Lisa Ann Desjardins in the amount of \$30,000.00;
- (qq) Thian Hock Tan in the amount of \$60,000.00;
- (rr) Eduardo Cavaco & Mercedes Trindade in the amount of \$200,000.00;
- (ss) Albert Bello in the amount of \$20,000.00;
- (tt) Frederick William Kent Rahn III in the amount of \$50,000.00;
- (uu) Jiajing Zhang in the amount of \$30,000.00;
- (vv) Loyi Yang & Minh Diep in the amount of \$50,000.00;
- (ww) Qing Yan Li & Joao Miguel Ribeiro in the amount of \$125,000.00;
- (xx) Ugo Bottero in the amount of \$50,000.00;
- (yy) Frances C. Michaud in the amount of \$13,400.00;
- (zz) Patricia Ping Song in the amount of \$50,000.00;

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- (aaa) Radhika & Giuseppe Giacobello in the amount of \$30,000.00;
- (bbb) Sarah Emily Dhandhari in the amount of \$100,000.00;
- (ccc) Sunny Rehsi in the amount of \$35,000.00;
- (ddd) Valerie A. Robbins in the amount of \$32,500.00;
- (eee) Anil P. Misra in the amount of \$30,000.00;
- (fff) Antonietta Ferlito in the amount of \$50,000.00;
- (ggg) Antonio Severin in the amount of \$30,000.00;
- (hhh) Carolyn Gail Popper in the amount of \$30,000.00;
- (iii) Daniel Ruscigno in the amount of \$40,000.00;
- (jjj) Domenico Bello in the amount of \$30,000.00;
- (kkk) Evelyn H. Hachey & Leonard J. Hachey of \$50,000.00;
- (lll) Frances C. Michaud in the amount of \$7,457.00;
- (mmm) Oksana Tressel in the amount of \$50,000.00;
- (nnn) 1892418 Ontario Inc. Per: Philip David S. Staite in the amount of \$30,000.00;
- (ooo) Sharon Ruscigno in the amount of \$150,000.00;
- (ppp) Susan Wendy Archer & Ronald Dale Archer in the amount of \$30,000.00;
- (qqq) Terry Mon Chang Lui & Tat Cheung Lui in the amount of \$30,000.00;
- (rrr) Trevor Seaton in the amount of \$30,000.00;
- (sss) Yan Sun in the amount of \$50,000.00;
- (ttt) Amarjit Kaur Fervaha in the amount of \$30,000.00;
- (uuu) Albert Galletti in the amount of \$30,000.00;
- (vvv) Huel O'Connor Wilson & Clementina Wilson in the amount of \$100,000.00;
- (www) Kathay Suk Ling Wong in the amount of \$30,000.00;
- (xxx) Malcolm Taharally in the amount of \$50,000.00;
- (yyy) Paul D. McCauley in the amount of \$20,000.00;
- (zzz) Xuehong Zheng in the amount of \$50,000.00;
- (aaaa) Dott Solutions Inc. Per: Yuriy Kitsis & Gregory Livertovski in the amount of \$30,000.00;
- (bbbb) James Albert Eggleton 2nd in the amount of \$30,000.00;
- (cccc) John Deodath Ramnarine & Nirmala Teelucksingh in the amount of \$30,000.00;
- (dddd) Maria Dantas De Sousa & Joao De Sousa in the amount of \$100,000.00;
- (eeee) Mohamed A. and Fareen Merali in the amount of \$50,000.00;
- (ffff) PLD1 Holdings Ltd. Per: Patrick L. Doherty in the amount of \$100,000.00;
- (gggg) Zhaohua Li in the amount of \$50,000.00;

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(hhhh) Kehinde Makinde in the amount of \$30,000.00;

(iiii) Wei Hong Zhan in the amount of \$30,000.00.

Schedule "C"

SCHEDULE TO TRANSFER OF CHARGE

WHEREAS:

1. By a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York on the 4th day of February, 2011 as Instrument No. YR1607456, 2221563 ONTARIO INC., gave a Charge/Mortgage upon the lands described herein in favour of DEREK SORRENTI IN TRUST to secure the payment of the principal sum of FOUR MILLION EIGHT HUNDRED THOUSAND (\$4,800,000.00) DOLLARS with interest as therein set out upon the terms therein mentioned.
2. By a Notice Amending the said Charge/Mortgage, registered as Instrument Number YR1699568 on the 22nd day of August, 2011 the said Charge/Mortgage was amended as follows:
 - (a) The principal secured under the said Charge/Mortgage shall be the sum of EIGHT MILLION SIX HUNDRED THOUSAND, (\$8,600,000.00) DOLLARS.

AND WHERE AS:

3. By Transfer of Charge in the Land Registry Office for the Land Titles Division of York, on the 13th day of July, 2016, as Instrument No. YR2505546, Derek Sorrenti transferred his bare trusteeship share in the said Charge to BUILDING & DEVELOPMENT MORTGAGES CANADA INC

The Chargee hereby acknowledge that they hereby transfer such percentage shares of the said Charge as set forth herein and as may be amended from time to time to the Transferees named herein, together with any and all amendments and/or notices related to said Charge without altering, modifying or waiving any rights of the existing Chargee.

The Chargee hereby acknowledges that:

- a. Building & Development Mortgages Canada Inc. holds this mortgage in trust for Jawad Rathore in the amount of \$43,000.00;

DELETE:

- b. Olympia Trust Company holds this mortgage in trust for Darryl Rigby, Plan No. 86141 in the amount of \$43,000.00;

In all other respects the parties hereto confirm the terms and conditions contained in the aforesaid Charge/Mortgage and to any amendments or notices registered subsequent thereto.

PROVIDED that nothing herein contained shall create any merger or alter the rights of the Chargee(s) as against any subsequent encumbrancer or other person interested in the said lands, nor affect the liability of any person not a party hereto who may be liable to pay the said mortgage money or the rights of any such person all of which rights are hereby reserved.

In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein required and all necessary grammatical changes, as the context requires, shall be deemed to made.

The parties hereto acknowledge and agree that any amount s transferred pursuant to this agreement are CUMULATIVE, and that the purpose and effect of this transfer of charge

is to acknowledge the CUMULATIVE amount of the said charge owned by each charge named therein.

The provisions of this document shall enure to and be binding upon the executors, administrators, successors and assigns of each party and all covenants, liabilities and obligations shall be joint and several.

Schedule "D"

SCHEDULE TO TRANSFER OF CHARGE

The Chargees acknowledge and confirm that:

1. Olympia Trust Company holds this charge in trust for:
 - (a) Jorgen S. Christensen, Plan No. 128116 in the amount of \$100,000.00;
 - (b) Mark Philips, Plan No. 129000 in the amount of \$50,000.00;
 - (c) James Hanna, Plan No. 128796 in the amount of \$30,000.00;
 - (d) Scott Williams, Plan No. 129238 in the amount of \$30,000.00;
 - (e) Joseph H. Clark, Plan No. 129323 in the amount of \$26,600.00;
 - (f) Roman Kujawa, Plan No. 129695 in the amount of \$32,000.00;
 - (g) Matt Savelli, Plan No. 128411 in the amount of \$31,000.00;
 - (h) Anne-Marie St. Onge, Plan No. 137684 in the amount of \$30,000.00;
 - (i) Maria Zito-Spatafora, Plan No. 115491 in the amount of \$50,000.00;
 - (j) Geoffrey David Pheaton, Plan No. 130177 in the amount of \$45,000.00;
 - (k) Gurmukh S. Hunjan, Plan No. 129871 in the amount of \$28,300.00;
 - (l) Amanda Beverly Louise Keating, Plan No. 129065 in the amount of \$58,000.00;
 - (m) Carolyn Mills, Plan No. 106383 in the amount of \$15,000.00;
 - (n) Blair Mills, Plan No. 106295 in the amount of \$15,000.00;
 - (o) Katelyn Bloomfield, Plan No. 130307 in the amount of \$31,000.00;
 - (p) James Donald Helmer, Plan No. 124420 in the amount of \$30,000.00;
 - (q) Sherri Lynn Mizrachi, Plan No. 129294 in the amount of \$30,000.00;
 - (r) Dennis Forrester, Plan No. 130507 in the amount of \$90,000.00;
 - (s) Andrew A. Hussey, Plan No. 69252 in the amount of \$25,300.00;
 - (t) Yudhbir S. Dadhwal, Plan No. 128278 in the amount of \$30,000.00;
 - (u) Edward A. Bennett, Plan No. 130215 in the amount of \$57,500.00;
 - (v) Natalie S. Joseph, Plan No. 131684 in the amount of \$30,000.00;
 - (w) Charmaine Perpetua Risbert, Plan No. 109503 in the amount of \$26,600.00;
 - (x) Marisa Fabris, Plan No. 130314 in the amount of \$24,000.00;
 - (y) Patrick Li, Plan 117307 in the amount of \$66,500.00;
 - (z) Etienne Lalonde, Plan No. 116013 in the amount of \$26,000.00;
 - (aa) Henry Raud, Plan No. 99576 in the amount of \$34,500.00;
 - (bb) Rocco Vasco, Plan No. 125626 in the amount of \$45,000.00;
 - (cc) Brenda Randell, Plan No. 96127 in the amount of \$35,000.00;
 - (dd) Michael Ruscigno, Plan 124950 in the amount of \$50,000.00;

- 2 -

- (ee) Lloyd Edward Cooper, Plan No. 134366 in the amount of \$40,000.00;
- (ff) Jana Dawi, Plan No. 122224 in the amount of \$52,000.00;
- (gg) Mei-Ann Suharly, Plan No. 134898 in the amount of \$30,000.00;
- (hh) Gerlando Gentile, Plan No. 134399 in the amount of \$150,000.00;
- (ii) Humberto Manuel Silva, Plan No. 134468 in the amount of \$29,200.00;
- (jj) Robert Baker, Plan No. 136499 in the amount of \$30,000.00;
- (kk) Sonia Tomilson, Plan No. 100369 in the amount of \$25,700.00;
- (ll) Keiran Marie Glynn, Plan No. 136148 in the amount of \$30,000.00;
- (mm) Liwiyaty Suharly, Plan No. 135663 in the amount of \$30,000.00;
- (nn) Cheryl Campbell, Plan No. 137895 in the amount of \$30,000.00;
- (oo) David R. Carter, Plan No. 138321 in the amount of \$41,000.00;
- (pp) Ian Blevins, Plan No. 85334 in the amount of \$39,300.00;
- (qq) Juxia Guo, Plan No. 137334 in the amount of \$50,000.00;
- (rr) Lorrinda L. Mabee, Plan No. 91344 in the amount of \$41,400.00;
- (ss) Carl Sutton, Plan No. 138619 in the amount of \$31,600.00;
- (tt) David Fritz, Plan No. 138996 in the amount of \$67,500.00;
- (uu) Grant Chettle, Plan No. 139314 in the amount of \$40,000.00;
- (vv) Jin Hua Cui, Plan No. 139312 in the amount of \$35,000.00;
- (ww) Kelly A. Ferris, Plan No. 139300 in the amount of \$36,000.00;
- (xx) Ryszard T. Matacz, Plan No. 138551 in the amount of \$100,000.00;
- (yy) Joseph Zadra, Plan No. 139804 in the amount of \$60,000.00;
- (zz) Karen E. Giffen, Plan No. 139434 in the amount of \$30,000.00;
- (aaa) Susan L. McEwan, Plan No. 138770 in the amount of \$30,000.00;
- (bbb) Hope Landon Meek, Plan No. 142588 in the amount of \$45,000.00;
- (ccc) Bipin Chawla, Plan No. 143015 in the amount of \$30,000.00;
- (ddd) Agata Zuber, Plan No. 119895 in the amount of \$30,000.00;
- (eee) Antonio Augusto Pratas Da Silva, Plan No. 143003 in the amount of \$59,400.00;
- (fff) Berno Bastiampillai, Plan No. 143995 in the amount of \$30,000.00;
- (ggg) Candida Domingos, Plan No. 142322 in the amount of \$31,000.00;
- (hhh) Carmela Bertucci, Plan No. 143863 in the amount of \$20,000.00;
- (iii) Cosimo Bruzzese, Plan No. 143847 in the amount of \$69,100.00;
- (jjj) David De Jesus Lima Chiu, Plan No. 142954 in the amount of \$30,000.00;
- (kkk) Denis Graziadei, Plan No. 139518 in the amount of \$35,700.00;

- 3 -

- (lll) Dharampaul Dhandhari, Plan No. 96233 in the amount of \$64,900.00;
- (mmm) Diana Alvarado, Plan No. 143890 in the amount of \$30,000.00;
- (nnn) Fernando Melo, Plan No. 142323 in the amount of \$45,000.00;
- (ooo) Filomena Silveira, Plan No. 143997 in the amount of \$25,000.00;
- (ppp) Franca Repole, Plan No. 144257 in the amount of \$280,000.00;
- (qqq) Ingrid C. Till, Plan No. 144461 in the amount of \$30,000.00;
- (rrr) Joaquim Domingos, Plan No. 142324 in the amount of \$26,000.00;
- (sss) Jose Carlos Tavares, Plan No. 143857 in the amount of \$74,900.00;
- (ttt) Julieta Melo, Plan No. 142326 in the amount of \$45,000.00;
- (uuu) Junok Chung, Plan No. 144516 in the amount of \$50,000.00;
- (vvv) Maria Amelia Tavares, Plan No. 143860 in the amount of \$62,000.00;
- (www) Maria De Angelis Pater, Plan No. 143129 in the amount of \$30,000.00;
- (xxx) Marisa Clemente, Plan No. 144082 in the amount of \$50,000.00;
- (yyy) Michael Clemente, Plan No. 144083 in the amount of \$35,600.00;
- (zzz) Myung Sook Chung, Plan No. 144794 in the amount of \$46,500.00;
- (aaaa) Shen Shen Wang, Plan No. 130324 in the amount of \$43,368.00;
- (bbbb) Thian Hock Tan, Plan No. 143722 in the amount of \$30,000.00;
- (cccc) Tim Collins, Plan No. 144754 in the amount of \$35,000.00;
- (dddd) Warren T. Cameron, Plan No. 144606 in the amount of \$40,300.00;
- (eeee) Winston Alleyne, Plan No. 144245 in the amount of \$30,000.00;
- (ffff) Antonio Cetra, Plan No. 145267 in the amount of \$85,000.00;
- (gggg) Cindy Deck, Plan No. 144208 in the amount of \$30,000.00;
- (hhhh) Donald Richard Andrews, Plan No. 144721 in the amount of \$30,000.00;
- (iiii) Gordon Stewart Clarke, Plan No. 145170 in the amount of \$40,000.00;
- (jjjj) Ireneusz Abramczuk, Plan No. 144969 in the amount of \$65,000.00;
- (kkkk) Kathryn Goldsmith, Plan No. 143202 in the amount of \$64,000.00;
- (llll) Patricia Margaret Andrews, Plan No. 144760 in the amount of \$30,000.00;
- (mmmm) Gursukhvinder Singh, Plan No. 143360 in the amount of \$34,000.00;
- (nnnn) Marcelino Evangelista Gomes, Plan No. 145594 in the amount of \$144,500.00;
- (oooo) Maria Natividade Gomes, Plan No. 145595 in the amount of \$39,500.00;
- (pppp) Maria Natividade Gomes, Plan No. 145596 in the amount of \$57,300.00;
- (qqqq) Andrzej Ziarno, Plan No. 143993 in the amount of \$30,000.00;
- (rrrr) Diana Valdez Arce, Plan No. 114359 in the amount of \$50,000.00;

- 4 -

- (ssss) Gary Booth, Plan No. 67355 in the amount of \$50,000.00;
 - (tttt) Kathryn Bergman, Plan No. 144951 in the amount of \$30,000.00;
 - (uuuu) Larry Laturski, Plan No. 145719 in the amount of \$42,500.00; and
 - (vvvv) Peter Bergman, Plan No. 144722 in the amount of \$30,000.00.
2. Building & Development Mortgages Canada Inc. holds this charge in trust for:
- (a) Simon Julianne Chung in the amount of \$30,000.00;
 - (b) Mohan Singh and Harbans Kaur Singh in the amount of \$30,000.00;
 - (c) Fang-Sing Heh in the amount of \$30,000.00;
 - (d) Joseph Lise in the amount of \$100,000.00;
 - (e) Advanced Servo Technologies Inc. in the amount of \$100,000.00;
 - (f) R. Zwinkels C.A. Professional Corporation in the amount of \$30,000.00;
 - (g) Usama Raouf in the amount of \$30,000.00;
 - (h) Zaid Medhat in the amount of \$30,000.00;
 - (i) Qian Huang in the amount of \$100,000.00;
 - (j) Robert Gemmiti in the amount of \$30,000.00;
 - (k) Rocco Frano in the amount of \$50,000.00;
 - (l) Kenneth Wright in the amount of \$30,000.00;
 - (m) Yi Qing Wang in the amount of \$100,000.00;
 - (n) Mi Sook Kang in the amount of \$50,000.00;
 - (o) Narinder Kochhar in the amount of \$30,000.00;
 - (p) Blair Mills & Carolyn Mills in the amount of \$36,000.00;
 - (q) Zbigniew Targowski in the amount of \$30,000.00;
 - (r) Christopher Turner in the amount of \$60,000.00;
 - (s) Sabrina Bartolini & Daniele Bartolini in the amount of \$100,000.00;
 - (t) 2230248 Ontario Ltd. in the amount of \$50,000.00;
 - (u) Danica Trajkovski in the amount of \$50,000.00;
 - (v) Paulo Alves in the amount of \$30,000.00;
 - (w) Paul Ghent in the amount of \$75,000.00;
 - (x) Ning Feng in the amount of \$30,000.00;
 - (y) Lilian Del Pilar Espana in the amount of \$30,000.00;
 - (z) 1922652 Ontario Inc. in the amount of \$110,000.00;
 - (aa) Jing Son in the amount of \$49,800.00;
 - (bb) Wieslaw Poliszot in the amount of \$30,000.00;

- 5 -

- (cc) Shu Hua Ju in the amount of \$100,000.00;
- (dd) Fangfang Ma in the amount of \$150,000.00;
- (ee) Shaomo Xing in the amount of \$30,000.00;
- (ff) Huiqing Zhang in the amount of \$50,000.00;
- (gg) L & F Canada Inc. in the amount of \$200,000.00;
- (hh) William Orville Shaw and Helen L. Shaw in the amount of \$65,000.00;
- (ii) Donna Wood in the amount of \$30,000.00;
- (jj) Ruth Roth in the amount of \$30,000.00;
- (kk) Xiaoyi Han in the amount of \$100,000.00;
- (ll) Danuta Ruczynski and Radeusz Ruczynski in the amount of \$90,000.00;
- (mm) Dino Alberto Oliveira in the amount of \$100,000.00;
- (nn) Jose Augusto Costa in the amount of \$200,000.00;
- (oo) Edward Taylor and Gladys Taylor in the amount of \$30,000.00;
- (pp) Susan Helen Wight and Paul William Wight in the amount of \$50,000.00;
- (qq) Susan Helen Wight and Bradley Leland Wight in the amount of \$50,000.00;
- (rr) Eduarda Matias and Luis Filipe Matias in the amount of \$200,000.00;
- (ss) Keith Mulligan in the amount of \$40,000.00;
- (tt) Menglin Ma in the amount of \$30,000.00;
- (uu) Faith and Paul Ospalak in the amount of \$35,000.00;
- (vv) David Rankin in the amount of \$50,000.00;
- (ww) Ling Ouyang and Yusheng He in the amount of \$30,000.00;
- (xx) Yam Yoke Chung in the amount of \$30,000.00;
- (yy) Gina Markin and Stuart Lapowich in the amount of \$55,000.00;
- (zz) Piotr Artymko and Anna Lidia Fal in the amount of \$50,000.00;
- (aaa) Yan Rong Jin in the amount of \$40,000.00;
- (bbb) Danuta Ruczynski and Tadeusz Ruczynski in the amount of \$30,000.00;
- (ccc) Crissie Halabi in the amount of \$30,000.00;
- (ddd) Andrew A. Hussey Medicine Professional Corporation in the amount of \$40,000.00;
- (eee) Bruce Hogan in the amount of \$35,000.00;
- (fff) Ilan Tabori in the amount of \$50,000.00;
- (ggg) Manish Bansal in the amount of \$40,000.00;
- (hhh) George Ralph Stevens in the amount of \$50,000.00;
- (iii) Yuk Sim Mandy Yeung in the amount of \$30,000.00;

- 6 -

- (jjj) Dr. Antonio Locantore Prof. Corp. (per: Antonio Locantore) in the amount of \$30,000.00;
- (kkk) Achilles Lioukras and Christina Lioukras in the amount of \$35,000.00;
- (lll) Hilda Buczolitis in the amount of \$40,000.00;
- (mmm) Camyo Inc. (per: James Douglas Ough) in the amount of \$50,000.00;
- (nnn) 2262489 Ontario Ltd. (per: Mark Cadman) in the amount of \$30,000.00;
- (ooo) Zarie Boronka in the amount of \$50,000.00;
- (ppp) Camillo Holdings Inc. (per: Camillo Sciulli) in the amount of \$30,000.00;
- (qqq) Kenneth H. Saul and Barbara D. Saul in the amount of \$40,000.00;
- (rrr) Duilio Conte and Caterina Conte in the amount of \$50,000.00;
- (sss) Julie Chastain McLeland in the amount of \$50,000.00;
- (ttt) Steven Leonard in the amount of \$30,000.00;
- (uuu) Amit Lekhi in the amount of \$75,000.00;
- (vvv) Balinder Jeet Kaur in the amount of \$50,000.00;
- (www) Vacuum & Acrylic Creations Ltd. (per: Barbara Cunic) in the amount of \$100,000.00;
- (xxx) Beatriz Tovar Vargas in the amount of \$50,000.00;
- (yyy) Elaine McMeekin in the amount of \$50,800.00;
- (zzz) Naresh Sehdev Pharmacy Inc. (per: Naresh Sehdev) in the amount of \$30,000.00;
- (aaaa) Sheliza Hanif in the amount of \$50,000.00;
- (bbbb) Shirley Anne Buckley in the amount of \$50,000.00;
- (cccc) Shital Atawala in the amount of \$30,000.00;
- (dddd) Suzanne Johnson in the amount of \$70,000.00;
- (eeee) Zhibo Zhao in the amount of \$30,000.00;
- (ffff) Ameesh Lekhi Pharmacy Inc. (per: Ameesh Lekhi) in the amount of \$50,000.00;
- (gggg) Alicia Vernon in the amount of \$98,000.00;
- (hhhh) Anna Da Eira and Jose Da Eira in the amount of \$50,000.00;
- (iiii) Calogero Gallo and Stephanie Gallo in the amount of \$30,000.00;
- (jjjj) Carmela Bertucci in the amount of \$80,000.00;
- (kkkk) Catherine E. Ball in the amount of \$30,000.00;
- (llll) Dannette Pierroz in the amount of \$30,000.00;
- (mmmm) Daniel A. Santo in the amount of \$30,000.00;
- (nnnn) Ivo Jurkic and Jelka Jurkic in the amount of \$50,000.00;
- (oooo) James Thomson in the amount of \$50,000.00;

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(pppp) Lucas Debellis in the amount of \$30,000.00;
(qqqq) Manuel Conceicao and Graciete Conceicao in the amount of \$40,000.00;
(rrrr) Maria Borges and Joao Borges in the amount of \$50,000.00;
(ssss) Maria Luisa Azeredo and Joao Da Costa Azeredo in the amount of \$50,000.00;
(tttt) Mark Tami-Ing in the amount of \$30,000.00;
(uuuu) Roger Rajan in the amount of \$61,000.00;
(vvvv) Ruth Joanne Steinmann in the amount of \$30,000.00
(www) Silvia Rocha in the amount of \$50,900.00;
(xxxx) Ivy Lo in the amount of \$95,000.00; and
(yyyy) Daniel Aaron Blacher in the amount of \$25,000.00.

Appendix 12:
September 18, 2020, Email to Diversified



Naomi Lieberman <naomi@faanmortgageadmin.com>

Sale of 230 - 240 Keswick, Cameron Crescent1 message

Naomi Lieberman <naomi@faanmortgageadmin.com>

Fri, Sep 18, 2020 at 5:23 PM

To: russ giannotta <diversifiedcms@aol.com>, russ@divcapinc.com

Cc: Naveed Manzoor <naveed@faanmortgageadmin.com>, Shelby Draper <shelby@faanmortgageadmin.com>

Russ,

This email is further to our ongoing discussions with respect to the sale of the property located at 230-240 Cameron Crescent, Keswick, Ontario (the "**Property**")

and our most recent call with you yesterday morning, September 17, 2020.

On our call yesterday, you indicated that you would send an email with respect to the sales process for the Property, specifically, it was to include the date the Property will be formally listed on the market and a deadline for submission of offers. As of this morning we have not received this email from you. It should be noted that we have been in regular communication with you since July, 2020 (following various attempts to try and contact you prior to then) and during each conversation, you advised that you were close to finalizing your appraisals and to listing the property for sale but to date, this still has not happened. This is particularly troubling given the extensive period since you originally filed the Notice of Sale in January, 2019. There has been no meaningful progress with respect to the sale of the Property and it has now been over 18 months.

We request that information regarding the sale process be provided forthwith including a definitive start date and an offer deadline.

As previously stated over the course of our ongoing correspondence, your lack of action is very concerning and could have a significant negative effect on the recovery available from the Property. It is also likely caused confusion in the marketplace for potentially interested parties which needs to be immediately rectified.

Please respond by no later than September 21, 2020 with the information requested above.

Thanks,
Naomi

Naomi Lieberman, CPA, CA, CIRP

FAAN Mortgage Administrators

20 Adelaide Street East, Unit 920
Toronto, Ontario, M5C 2T6

T. 1-833-495-3338

E. naomi@faanmortgageadmin.com

Appendix 13:
October 19, 2020 Email to Diversified



Naomi Lieberman <naomi@faanmortgageadmin.com>

RE: Sale of 230 - 240 Keswick, Cameron Crescent

1 message

shelby@faanmortgageadmin.com <shelby@faanmortgageadmin.com>

Mon, Oct 19, 2020 at 9:48 AM

To: Naomi Lieberman <naomi@faanmortgageadmin.com>, russ giannotta <diversifiedcms@aol.com>, russ@divcapinc.com

Cc: Naveed Manzoor <naveed@faanmortgageadmin.com>, Lana Bezner <lana@faanmortgageadmin.com>

Hi Russ,

This email is further to the email sent to you on September 18th with respect to the sale of the property located at [230-240 Cameron Crescent, Keswick, Ontario](#) ("**Property**"), requesting information previously promised by you by no later than September 21st pertaining to the sale process for the Property including the proposed listing date and offer deadline. It has now been a month since that email was sent and since our September 17th call and we have not received any further information from you and we are not aware of any progress that you have made in this regard.

As previously stated over the course of our ongoing correspondence, your lack of action and continued disregard for the interests of BDMC, in its capacity as the fulcrum creditor on this Property, is extremely concerning. It has been well over 18 months since you issued your Notice of Sale and interest in respect of your debt continues to accrue to the detriment of the BDMC lenders.

On the September 17th call, we informed you that we have a party that is interested in this Property and that would like to participate in the sale process. We are concerned that your continued lack of action will jeopardize a potential sale transaction with this party or others. Again, this is extremely concerning for BDMC as we understand that this is a serious purchaser who is ready and willing to make a strong offer for the Property.

In light of the above, we have been left no choice but to instruct our counsel to take the appropriate next steps with respect to the BDMC debt. We will be in touch in this regard in the near term.

Shelby Draper, CPA, CA, CIRP**FAAN Mortgage Administrators**

T. 416.471.0969

E. shelby@faanmortgageadmin.com

From: Naomi Lieberman <naomi@faanmortgageadmin.com>**Sent:** September 18, 2020 5:24 PM**To:** russ giannotta <diversifiedcms@aol.com>; russ@divcapinc.com**Cc:** Naveed Manzoor <naveed@faanmortgageadmin.com>; Shelby Draper <shelby@faanmortgageadmin.com>**Subject:** Sale of 230 - 240 Keswick, Cameron Crescent

Russ,

This email is further to our ongoing discussions with respect to the sale of the property located at [230-240 Cameron Crescent, Keswick, Ontario](#) (the "**Property**")

and our most recent call with you yesterday morning, September 17, 2020.

On our call yesterday, you indicated that you would send an email with respect to the sales process for the Property, specifically, it was to include the date the Property will be formally listed on the market and a deadline for submission of offers. As of this morning we have not received this email from you. It should be noted that we have been in regular communication with you since July, 2020 (following various attempts to try and contact you prior to then) and during each conversation, you advised that you were close to finalizing your appraisals and to listing the property for sale but to date, this still has not happened. This is particularly troubling given the extensive period since you originally filed the Notice of Sale in January, 2019. There has been no meaningful progress with respect to the sale of the Property and it has now been over 18 months.

We request that information regarding the sale process be provided forthwith including a definitive start date and an offer deadline.

As previously stated over the course of our ongoing correspondence, your lack of action is very concerning and could have a significant negative effect on the recovery available from the Property. It is also likely caused confusion in the marketplace for potentially interested parties which needs to be immediately rectified.

Please respond by no later than September 21, 2020 with the information requested above.

Thanks,

Naomi

Naomi Lieberman, CPA, CA, CIRP

FAAN Mortgage Administrators

20 Adelaide Street East, Unit 920
Toronto, Ontario, M5C 2T6

T. 1-833-495-3338

E. naomi@faanmortgageadmin.com

Appendix 14:

**November 9, 2020 Letter from Osler to Diversified and Schneider Ruggiero
Spencer Milburn LLP**



Toronto

November 9, 2020

Montréal

Michael De Lellis
Direct Dial: 416.862.5997
MDeLellis@osler.com
Our Matter Number: 1189997

Calgary

SENT BY ELECTRONIC MAIL

Ottawa

Vancouver

Diversified Capital Inc.
1243 Islington Avenue, Suite 701
Toronto, Ontario
M8X 1Y9

Schneider Ruggiero Spencer Milburn LLP
120 Adelaide Street West, Suite 1000
Toronto, Ontario
M5H 3V1
Fax: 416-363-0645

New York

Attention: Russ Giannotta
Email: rgiannotta@diversifiedcapital.ca;
diversifiedcms@aol.com;
russ@divcapinc.com

Attention: Lilia Pereira & Bruce Milburn
Email: lpereira@SRlawpractice.com &
bmilburn@SRlawpractice.com

(File #40818)

Dear Sir(s)/Madam(s):

Re: Notice of Sale under Mortgage dated January 24, 2019 (the “Notice”) issued by Diversified Capital Inc. (“Diversified”) to 2221563 Ontario Inc. and certain other parties with respect to property located at 230-240 Cameron Crescent, Keswick, Ontario (the “Property”)

As you are aware, we are counsel to FAAN Mortgage Administrators Inc. in its capacity as Court-appointed trustee (in such capacity, the “**Trustee**”) of Building & Development Mortgages Canada Inc. (“**BDMC**”) pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated April 20, 2018 (the “**Appointment Order**”) in proceedings commenced under section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, as amended, and section 101 of the *Courts of Justice Act*, as amended. A copy of the Appointment Order is attached hereto as Appendix “A”.

We are writing further to our letter to Diversified and its counsel dated June 5, 2020 (the “**June 5 Letter**”), a copy of which is attached hereto as Appendix “B”, as well as further to various email correspondence between the Trustee and Diversified as described in more detail below. As set out in the June 5 Letter and on multiple occasions since the delivery thereof, the Trustee has sought details from Diversified regarding the Notice and any related sale or marketing process in respect of the Property (the “**Sale Process**”), including:

- (a) Prior to delivery of the June 5 Letter, the Trustee attempted to contact Mr. Russ Giannotta (“**Giannotta**”), the principal of Diversified, by telephone and via text message several times over a number of months to obtain an update with respect

to Diversified's efforts to sell the Property. These calls and messages were not answered or returned;

- (b) In the June 5 Letter, the Trustee formally requested, among other things, (i) details of any Sale Process, (ii) the listing details for the Property, (iii) a list of potentially interested parties, and (iv) details regarding any purchase offers that Diversified received for the Property. No response was received until nearly a month later when, on July 2, 2020, counsel to Diversified advised that Giannotta would be reaching out to the Trustee and that "Mr. Giannotta will continue to work within a spirit of cooperation with the mortgage administrator toward the best interests of all parties concerned";
- (c) During July 2020, the Trustee had three separate calls with Giannotta during which Giannotta advised, among other things, that (i) he had commissioned an initial appraisal for the Property, (ii) he was in the process of commissioning a second appraisal, and (iii) he was reaching out to multiple commercial real estate agents to request listing proposals for the Property;
- (d) During the morning of September 17, 2020, Giannotta and the Trustee participated in a telephone conversation during which, among other things, (i) the Trustee advised that it was aware of a party that was potentially interested in purchasing the Property, (ii) the Trustee requested pertinent information regarding the Sale Process that could be relayed to the interested party, and (iii) Giannotta once again indicated that he would provide details of the Sale Process following the discussion, including the date that the Property would be formally listed and a deadline for the submission of offers;
- (e) In a follow-up email sent by the Trustee to Giannotta on September 18, 2020, the Trustee, among other things, (i) advised that it had not yet received the information that Giannotta undertook to provide, (ii) re-iterated its request for that information, and (iii) expressed its continuing concern that no meaningful progress with respect to the sale of the Property had been made during the 18 month period since the Notice was issued. No response to this email was received by the Trustee;
- (f) In an email sent by the Trustee to Giannotta on October 19, 2020, the Trustee once again re-iterated that it had received an inquiry from an interested party and advised that it had not received the information that Giannotta undertook to provide. No response to this email was received by the Trustee; and
- (g) On November 2, 2020, the Trustee reached out to Colliers Macaulay Nicolls Inc. ("**Colliers**"), as agent to Diversified in connection with the sale of the Property, who indicated at that time that it was not in a position to share information regarding the Sale Process and that such information should be provided by Giannotta. Despite follow-up requests sent to Colliers, no such information has been provided to the Trustee date.

As set out above, Diversified has repeatedly failed to provide the information requested by the Trustee and to engage with the Trustee regarding the Property. The Trustee is of the view that, by July 2020 and despite 17 months having passed since the issuance of the Notice, no formal steps had been taken by Giannotta to ready the Property for a formal listing and such steps were seemingly only taken in response to the June 5 Letter. Further, Diversified's lack of response to the Trustee's advice that a potentially interested party was seeking additional information regarding the Sale Process and its failure to act thereon in a timely fashion is deeply concerning to the Trustee since, at all times and to BDMC's detriment, interest has continued to accrue under Diversified's mortgage that is registered on title to the Property.

As you are aware, BDMC is the fulcrum creditor in this matter and has three mortgages registered on title to the Property (the "**BDMC Mortgages**"). As you are also aware, the Trustee is an officer appointed by the Court pursuant to the Appointment Order with a mandate that includes protecting members of the investing public who have an interest in the BDMC Mortgages (the "**BDMC Investors**"). Diversified's inaction and continued disregard for BDMC's interests have impeded the Trustee in carrying out its Court-ordered mandate.

In fact, despite Diversified being required to act in a commercially reasonable manner with regard to the BDMC Investors and in a diligent and timely manner with a view to maximizing value for all stakeholders, the Trustee only found out about the public listing of the Property with Colliers from a third party. The Trustee has still not received any confirmation directly from Diversified that the Property has been listed for sale.

Accordingly, the Trustee hereby reiterates its formal request pursuant to Sections 4, 6 and 7 of the Appointment Order, which require (among other things) that all persons provide the Trustee with information of any kind related to the business or affairs of BDMC, for the following information (the "**Information**"):

1. Any appraisals relating to the Property and the contact information for each appraiser;
2. All details regarding the Sale Process, including:
 - (i) the commencement date of such Sale Process and any milestones or deadlines that have been established or communicated to interested parties, including the rationale behind any such milestones or deadlines;
 - (ii) the rationale for a very short marketing period with a November 26th offer date and how it is intended to maximize the value of the Property;
 - (iii) all potentially interested parties that have been identified or contacted;
 - (iv) all listing details;

3. Copies of any and all offers received to date and details regarding any offers anticipated to be received in respect of the Property;
4. A listing of all information contained in any data room that has been established in respect of the Property and copies of all documents currently or hereafter posted to any such data room; and
5. Whether Diversified intends to submit a bid for the Property and, if so, the safeguards that have been included in the Sale Process to ensure a fair assessment of all competing bids and the mechanism to be used to determine the successful bid by an independent party.

The Trustee understands that the protection of confidential and commercially sensitive information is important in conducting a sale process and is prepared to execute an appropriate confidentiality agreement with respect to the Information on terms acceptable to each of the parties, acting reasonably. In this regard, the Trustee's revisions to the form of confidentiality agreement uploaded to Colliers' website are enclosed with this letter, which incorporate certain changes that are necessary to reflect that the Trustee is a court-officer with an interest in monitoring the Sale Process rather than an interested party considering submitting an offer for the Property. The Trustee notes that a failure to provide the Information in a timely manner and to cooperate with the Trustee in respect of these matters would constitute a breach of the Appointment Order.

Please be advised that until such time as the Information has been made available to the Trustee and the Trustee has had a meaningful opportunity to engage with Diversified and Colliers, no agreement(s) of purchase and sale with respect to the Property should be executed.

This letter is being provided under an express reservation of all of the Trustee's rights, remedies, and recourses available at law, in equity or otherwise, including with respect to the collectability of any interest that has accrued or is accruing in favour of Diversified and any failure to provide the Information to the Trustee (including in respect of the repeated requests made prior to this letter), and nothing contained herein should be interpreted as a waiver of any right or an admission of any kind whatsoever.

We continue to remain available to discuss these matters and look forward to hearing from you.

Yours very truly,



Michael De Lellis



- c. Naveed Manzoor, *FAAN Mortgage Administrators Inc.*
Jeremy Dacks, *Osler, Hoskin & Harcourt LLP*
Jeremiah Shames & Myles Kenny, *Colliers Macaulay Nicolls Inc.*

APPENDIX “A”**Appointment Order**

(See attached)

Court File No. CV-18-596204-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)	FRIDAY, THE 20 TH DAY
)	
JUSTICE HAINEY)	OF APRIL, 2018

BETWEEN:

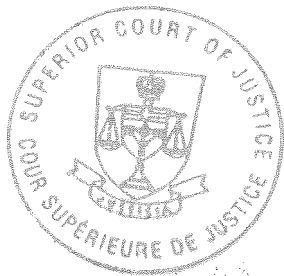
THE SUPERINTENDENT OF FINANCIAL SERVICES

Applicant

- and -

BUILDING & DEVELOPMENT MORTGAGES CANADA INC.

Respondent



**APPLICATION UNDER SECTION 37 OF THE
MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT, 2006, S.O. 2006, c.
29 and SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990 c. C.43**

APPOINTMENT ORDER

THIS APPLICATION, made by The Superintendent of Financial Services (the "**Superintendent**"), for an Order, *inter alia*, pursuant to section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, S.O. 2006, c. 29, as amended (the "**MBLAA**"), and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**"), appointing FAAN Mortgage Administrators Inc. ("**FAAN Mortgage**") as trustee (in such capacity, the "**Trustee**"), without security, of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc. (the "**Respondent**"), was heard this day at 330 University Avenue, Toronto, Ontario;

ON READING the affidavit of Brendan Forbes sworn April 19, 2018 and the exhibits thereto (the "**Supporting Affidavit**") and the consent of FAAN Mortgage to act as the Trustee,

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and on hearing the submissions of counsel for the Superintendent, counsel for FAAN Mortgage and such other counsel as were present, no one appearing for any other person on the service list, as appears from the affidavit of service of Miranda Spence sworn April 19, 2018, filed;

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 37 of the MBLAA and section 101 of the CJA, FAAN Mortgage is hereby appointed Trustee, without security, of all of the assets, undertakings and properties of the Respondent, including, without limitation, all of the assets in the possession or under the control of the Respondent, its counsel, agents and/or assignees but held on behalf of any other party, including, but not limited to, lenders under any syndicate mortgage ("**Investors**"), brokers, or borrowers, in each case whether or not such property is held in trust or is required to be held in trust (collectively, the "**Property**"), which Property, for greater certainty, includes any and all real property charges in favour of the Respondent (the "**Real Property Charges**"), including, without limitation, any and all monetary and non-monetary entitlements in respect to the assets and values thereunder, the period of which appointment shall run from 12:01 a.m. on the date hereof until such date that all assets under all syndicated mortgage loans have been realized and all Property has been distributed to those entitled to it.

TRUSTEE'S POWERS

3. **THIS COURT ORDERS** that the Trustee 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 Trustee is hereby expressly empowered and authorized to do any of the following where the Trustee considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the holding of mortgage security in

trust on behalf of Investors, the administering of the mortgages, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Respondent, including, without limitation, the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Respondent;
- (d) to engage 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 Trustee's powers and duties, including, without limitation, those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Respondent or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Respondent and to exercise all remedies of the Respondent in collecting such monies, including, without limitation, to enforce any security held by the Respondent, including, without limitation, such security held on behalf of Investors;
- (g) to settle, extend or compromise any indebtedness owing to the Respondent;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Trustee's name or in the name and on behalf of the Respondent for any purpose pursuant to this Order, including, without limitation, any documents in connection with any registration, discharge, partial discharge, transfer, assignment or similar dealings in respect of any mortgage ("**Land Title Document**") and, for greater certainty, the applicable land registry office, registrar or other official under the *Land Registration Reform Act* (Ontario), the *Land Titles Act* (Alberta), or any other comparable legislation in any other jurisdiction be and is hereby directed, upon being presented with a certified

true copy of this Order and such Land Title Document, to register, discharge, partially discharge, transfer or otherwise deal with such mortgage in accordance with such Land Title Document without any obligation to inquire into the propriety of the execution or effect of such Land Title Document;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Respondent, the Property or the Trustee, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Trustee in its discretion may deem appropriate;
- (k) with the approval of this Court, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business, and in such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (l) with the approval of this Court, to restructure the Property in a manner that the Trustee considers reasonable, including, without limitation, the conversion, in whole or in part, of the Property or any part or parts thereof, out of the ordinary course of business, into an alternative or different interest in the capital structure of the Property or any part or parts thereof, including, without limitation, an ownership interest therein;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Trustee deems appropriate on all matters relating to the Property and the

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Trustee's mandate, and to share information, subject to such terms as to confidentiality as the Trustee deems advisable;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Trustee, in the name of the Respondent;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondent, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Respondent;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Respondent may have; and
- (s) 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 Trustee takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Respondent, without interference from any other Person and without regard to any arrangement in existence as of the date hereof between the Respondent and Investors as to how and when such actions or steps are to be taken. For greater certainty, the Trustee shall be and is empowered to take such actions or steps without seeking instructions from Investors where the Trustee determines, in its sole discretion, that it is necessary and appropriate to do so (having regard for the interests of Investors), and in all other cases, the Trustee is specifically authorized to continue to comply with the existing arrangements, including any deemed consent provisions contained therein.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE TRUSTEE

4. **THIS COURT ORDERS** that: (i) the Respondent; (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; (iii) all other individuals, firms, corporations,

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governmental bodies or agencies, or other entities having notice of this Order, including, without limitation, Tsunami Technology Group Inc., Fortress Real Developments Inc. ("FRDI"), all of its direct or indirect affiliates, and any entity under common control with FRDI (collectively with FRDI, the "Fortress Entities"), any entity that is a joint venture among a Fortress Entity and another entity, and each director, officer, employee and agent of any Fortress Entity (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Trustee of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Trustee, and shall deliver all such Property to the Trustee upon the Trustee's request. or CDCM

5. **THIS COURT ORDERS** that, pursuant to and without limiting the generality of paragraph 4 of this Order, all Persons shall, unless otherwise instructed by the Trustee: (i) deliver to the Trustee (or, in the case of RRSP or other registered funds administered by Olympia Trust Company ("OTC") or Computershare Trust Company of Canada ("**Computershare**"), not release to any Person without further Order of this Court) any and all monies held in trust that are related to the Respondent or its business (collectively, the "**Trust Funds**"), which Trust Funds, for greater certainty, include any and all monies in any OTC or Computershare account that are purported to be held in trust for the Investors in or beneficiaries under any of the Real Property Charges, including, without limitation, all monies held by way of interest reserves to satisfy interest payments to such Investors or beneficiaries, which Trust Funds are to be held or used by the Trustee in accordance with the terms of this Order and any further Order of this Court; and (ii) upon the Trustee's request, provide an accounting of all funds received from or on behalf of the Respondent or its associated businesses.

6. **THIS COURT ORDERS** that all Persons shall forthwith advise the Trustee of the existence of any books, emails, user accounts, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondent, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information, including copies of any previously performed electronic back ups (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Trustee or permit the Trustee to make, retain and take away copies thereof and grant to the Trustee 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 Trustee 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 Trustee for the purpose of allowing the Trustee 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 Trustee in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Trustee. Further, for the purposes of this paragraph, all Persons shall provide the Trustee with all such assistance in gaining immediate access to the information in the Records as the Trustee may in its discretion require including providing the Trustee with instructions on the use of any computer or other system and providing the Trustee with any and all access codes, account names and account numbers that may be required to gain access to the information. Paragraphs 6 and 7 of this Order do not apply to any materials obtained by the Royal Canadian Mounted Police pursuant to any warrant issued under the *Criminal Code*, R.S.C. 1985, c. C-46.

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

NO PROCEEDINGS AGAINST THE TRUSTEE

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 Trustee except with the written consent of the Trustee or with leave of this Court.

NO PROCEEDINGS AGAINST THE RESPONDENT OR THE PROPERTY

10. **THIS COURT ORDERS** that, with the exception of the Suspension and Penalty Orders (as such term is defined in the Supporting Affidavit): (i) no Proceeding against or in respect of any of the Respondent, the Property or the Superintendent (in the last case, with respect to any matters arising from the Respondent or the Property) shall be commenced or continued except with the written consent of the Trustee or with leave of this Court; and (ii) any and all Proceedings currently under way against or in respect of any of the Respondent or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that, with the exception of the Suspension and Penalty Orders, all rights and remedies against the Respondent, the Trustee, or affecting the Property (including, without limitation, pursuant to any arrangement in existence as of the date hereof between the Respondent and Investors as to how and when the actions or steps contemplated by paragraph 3 of this Order are to be taken), are hereby stayed and suspended except with the written consent of the Trustee or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and further provided that nothing in this paragraph shall: (i) empower the Trustee or the Respondent to carry on any business which the Respondent is not lawfully entitled to carry on; (ii) exempt the Trustee or the Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or perfect a security interest; (iv) prevent the registration of a claim for lien; or (v) prevent the filing and service of a statement of claim solely to permit the perfection of a lien, provided that no further proceedings on such statement of claim shall be permitted other than pursuant to paragraph 10.

NO INTERFERENCE WITH THE TRUSTEE

12. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondent, without written consent of the Trustee or leave of this Court, including, for greater certainty, any licenses granted to the Respondent to act as an administrator of or lender under or administer syndicated mortgage loans under the MBLAA, *The Mortgage Brokers Act* (Manitoba), *The Mortgage Brokerages and Mortgage*

Administrators Act (Saskatchewan), the *Real Estate Act* (Alberta), the *Mortgage Brokers Act* (British Columbia) or any other comparable legislation in any other jurisdiction where the Respondent is currently licensed.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Respondent, or statutory or regulatory mandates for the supply of goods and/or services, including, without limitation, all computer software, communication and other data services (including, for greater certainty, all goods and/or services provided by Tsunami Technology Group Inc. in respect of the Respondent), centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent 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 Trustee, and that the Trustee shall be entitled to the continued use of the Respondent's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Trustee in accordance with normal payment practices of the Respondent or such other practices as may be agreed upon by the supplier or service provider and the Trustee, or as may be ordered by this Court.

TRUSTEE TO HOLD FUNDS

14. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Trustee 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 accounts controlled by the Trustee or, if the Trustee determines it is advisable, new accounts to be opened by the Trustee (the "**Post Trusteeship Accounts**") and the monies standing to the credit of such Post Trusteeship Accounts from time to time, net of any disbursements provided for herein, shall be held by the Trustee to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. **THIS COURT ORDERS** that nothing herein contained shall require the Trustee 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 Trustee from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Trustee shall not, as a result of this Order or anything done in pursuance of the Trustee'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 TRUSTEE'S LIABILITY

18. **THIS COURT ORDERS** that the Trustee 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 subsections 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 Trustee by section 14.06 of the BIA or by any other applicable legislation.

TRUSTEE'S ACCOUNTS

19. **THIS COURT ORDERS** that the Trustee and counsel to the Trustee 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, which fees and disbursements shall be added to the indebtedness secured by the Real Property Charges and that the Trustee and counsel to the Trustee shall be entitled to and are hereby granted a charge (the "**Trustee'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 Trustee'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 subsections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

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

21. **THIS COURT ORDERS** that prior to the passing of its accounts, the Trustee shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its

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fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Trustee or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE APPOINTMENT

22. **THIS COURT ORDERS** that the Trustee be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Trustee by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Trustee's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Trustee's Charge and the charges as set out in subsections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in these proceedings, 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/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the "**Rules**"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules 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: www.faanmortgageadmin.com.

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

GENERAL

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

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Trustee from acting as a trustee in bankruptcy of the Respondent.

30. **THIS COURT ORDERS** that Confidential Exhibits (as defined in the Supporting Affidavit) be and are hereby sealed until further Order of this Court.

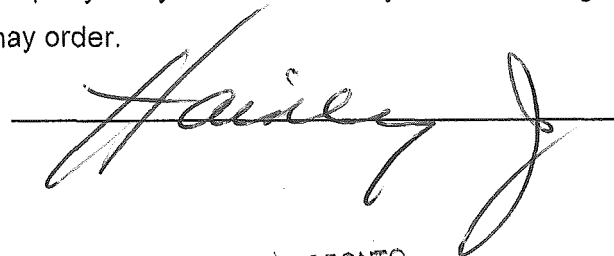
31. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Trustee and its agents in carrying out the terms of this Order. All courts, tribunals,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

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

32. **THIS COURT ORDERS** that the Trustee 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 Trustee 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.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice, or such shorter period of time as the Court may permit, to the Trustee 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 cursive script, appearing to read "Hainey", written over a horizontal line.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 20 2018

PER / PAR:

Handwritten initials "NB" in a stylized, cursive font.

SCHEDULE "A"

TRUSTEE CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that FAAN Mortgage Administrators Inc., the Trustee (in such capacity, the "**Trustee**") of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc. (the "**Respondent**"), including, without limitation, all of the assets in possession or under the control of the Respondent, its counsel, agents and/or assignees but held on behalf of any other party, including, but not limited to, lenders under any syndicate mortgage ("**Investors**"), brokers, or borrowers, in each case whether or not such property is held in trust or is required to be held in trust (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 20th day of April, 2018 (the "**Order**") made in an application having Court file number CV-18-596204-00CL, has received as such Trustee from the holder of this certificate (the "**Lender**") the principal sum of \$**<*>**, being part of the total principal sum of \$**<*>** which the Trustee is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Trustee

- 2 -

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the _____ day of _____, 2018.

FAAN MORTGAGE ADMINISTRATORS INC.,
solely in its capacity as Trustee of the Property (as
defined in the Order), and not in its personal
capacity

Per: _____

Name:

Title:

Applicant

Respondent

Court File No. CV-18-596204-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

APPOINTMENT ORDER

AIRD & BERLIS LLP
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Steven L. Graff (LSUC # 31871V)

Tel: (416) 865-7726

Fax: (416) 863-1515

Email: sgraff@airdberlis.com

Ian Aversa (LSUC # 55449N)

Tel: (416) 865-3082

Fax: (416) 863-1515

Email: iaversa@airdberlis.com

Miranda Spence (LSUC # 60621M)

Tel: (416) 865-3414

Fax: (416) 863-1515

Email: mspence@airdberlis.com

Lawyers for The Superintendent of Financial Services

APPENDIX “B”**June 5 Letter**

(See attached)



Toronto

June 5, 2020

Montréal

Michael De Lellis
Direct Dial: 416.862.5997
MDeLellis@osler.com
Our Matter Number: 1189997

Calgary

SENT BY ELECTRONIC MAIL

Ottawa

Vancouver

Diversified Capital Inc.
1243 Islington Avenue, Suite 701
Toronto, Ontario
M8X 1Y9

Schneider Ruggiero Spencer Milburn LLP
120 Adelaide Street West, Suite 1000
Toronto, Ontario
M5H 3V1
Fax: 416-363-0645

New York

Attention: Russ Giannotta
Email: rgiannotta@diversifiedcapital.ca

Attention: Lilia Pereira & Bruce Milburn
Email: lpereira@SRlawpractice.com &
bmilburn@SRlawpractice.com

(File #40818)

Dear Sir(s)/Madam(s):

Re: Notice of Sale under Mortgage dated January 24, 2019 (the “Notice”) issued by Diversified Capital Inc. (“Diversified”) to 2221563 Ontario Inc. (the “Borrower”) and certain other parties with respect to property located at 230-240 Cameron Crescent, Keswick, Ontario (the “Property”)

As you are likely aware, we are counsel to FAAN Mortgage Administrators Inc. in its capacity as Court-appointed trustee (in such capacity, the “**Trustee**”) of Building & Development Mortgages Canada Inc. (“**BDMC**”) pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (“**Court**”) dated April 20, 2018 (the “**Appointment Order**”) in proceedings commenced under section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, as amended, and section 101 of the *Courts of Justice Act*, as amended.

Pursuant to the Appointment Order, the Trustee’s Court-ordered mandate includes protecting members of the investing public (the “**BDMC Investors**”) who have an interest in the three BDMC mortgages registered on title to the Property (the “**BDMC Mortgages**”). As you are aware, each of the loans secured by the BDMC Mortgages (the “**BDMC Loans**”) has matured, has not been repaid, and, accordingly, is currently in default.

We are writing with respect to the Notice, which states that, as at the date of the Notice, the Borrower was indebted to Diversified in the total amount of approximately \$6.9 million under Diversified’s mortgage registered on title to the Property (the “**Diversified**



Mortgage”). The Notice states that interest will continue to accrue on such amount at the rate of 12%, calculated monthly, until such indebtedness is repaid. The Notice states further that, failing receipt of payment in the amount specified therein from the Borrower on or before March 4, 2019 (the “**Payment Deadline**”), Diversified *shall* sell the Property. A copy of the Notice is attached hereto as Appendix “A”.

The Trustee understands that the Borrower failed to make the requested payment by the Payment Deadline. As you are aware, such failure constitutes an additional event of default under the BDMC Loans. Formal notice of this and various other events of default under the BDMC Loans has been provided to the Borrower.

Notwithstanding Diversified’s commitment to sell the Property upon such a failure and that the Payment Deadline occurred more than 14 months ago, the Trustee understands that the Property has not been sold and that the indebtedness secured by the Diversified Mortgage continues to accrue interest.

The Trustee has attempted to contact Diversified on multiple occasions since receiving the Notice to obtain an update with respect to Diversified’s efforts to sell the Property. Despite these requests, to date the Trustee has not been provided with any such information.

In light of the foregoing, the Trustee is formally requesting an update with respect to the status of Diversified’s efforts to sell the Property, including but not limited to: (i) the details of any sale process conducted for the Property; (ii) the listing details for the Property; (iii) the proposed timeline for the sale of the Property; (iv) a list of potentially interested parties; and (v) details regarding any purchase offers that Diversified has received for the Property to date.

Given the significant passage of time since Diversified has been in a position to sell the property, any further delays in pursuing a sale of the Property will continue to erode recoveries for mortgagees that are subordinate in priority to Diversified and will adversely affect the BDMC Investors. Diversified must act in a commercially reasonable manner with regard to the BDMC Investors and act in a diligent and timely manner with a view to maximizing value for all interested parties.

The Trustee would welcome the opportunity to work cooperatively with Diversified towards maximizing value for the Property. However, it must do so in a manner that protects the financial interests of the BDMC Investors. As such, we request that you provide us with responses to the above inquires as quickly as possible and in any event within 30 days. Should Diversified fail to respond within the foregoing 30 day period and/or significant delays continue to occur regarding the sale of the Property, the Trustee will consider all options available to it in the circumstances, including affirmative steps

OSLER

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that it may take, and will view any contractual limitations restricting the actions it may take to be at an end.

This letter is being provided to you under an express reservation of all of the Trustee's rights, remedies, and recourses available at law, in equity or otherwise, and nothing contained herein should be interpreted as a waiver of any right or an admission of any kind whatsoever.

We are available to discuss these matters at your convenience and look forward to hearing from you.

Yours very truly,



Michael De Lellis

- c. Naveed Manzoor, *FAAN Mortgage Administrators Inc.*
Jeremy Dacks, *Osler, Hoskin & Harcourt LLP*

APPENDIX “A”**Notice**

(See attached)

NOTICE OF SALE UNDER MORTGAGE

TO: See Schedule "A" attached

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage made between

DIVERSIFIED CAPITAL INC.

and

2221563 ONTARIO INC.

upon the following properties, namely:

PIN 03475-2054 (LT) – PT LT 8, PLAN 170, N GWILLIMBURY AS IN R533209; GEORGINA; LOTS 1, 2, 3, 4, 5, 6, 7 AND 8, PLAN 447; N GWILLIMBURY; DOREDA DR, LAN 447, PT 2, 65R16653, GEORGINA AS STOPPED UP AND CLOSED BY BY-LAW REGISTERED AS YR45264; PT LOT 6, PLAN 170, N GWILLIMBURY AS IN B31794B; LOT 5, PLAN 170, N GWILLIMBURY, T/W R737440; LOTS 9, 10, 11, 12, 13, 14 AND 15, PLAN 447, N GWILLIMBURY; BLK A, PLAN 447, N GWILLIMBURY, PT LOT 8, PLAN 170, PT 1, 65R16653 LYING N/W OF LOTS 6 & 7, PLAN 447, PT LOT 8, PLAN 170, PT 1 65R16653, LYING S OF DOREDA DRIVE, LOTS 9, 10 & BLK A, PLAN 447; PT LOTS 6, 7 & 8, PLAN 170, N GWILLIMBURY, AS IN R649566; TOWN OF GEORGINA.

which mortgage was registered on October 30, 2014, in the Land Registry Office for the Land Titles Division of York (No.65) as Instrument No. YR2209128.

And we hereby give you notice that the amount due on the mortgage for principal money, interest and costs, respectively, is \$6,895,099.29, made up as follows:

Total Indebtedness as at December 31, 2018	\$6,824,984.57
Accrued Interest to January 24, 2019	\$53,851.93
Prior Legal Fees & Disbursements	\$10,762.79
Costs (plus H.S.T.)	\$5,500.00
Total:	<u>\$6,895,099.29</u>

(such amount for costs being up to and including the service of this notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 12% calculated monthly on the principal, interest and costs hereinbefore mentioned, from January 24, 2019 to the date of payment.

AND unless the said sums are paid on or before **March 4, 2019**, we shall sell the property covered by the said mortgage under the provisions contained in it.

THIS notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED January 24, 2019.

DIVERSIFIED CAPITAL INC., Mortgagee

by its solicitors

SCHNEIDER RUGGIERO LLP

Barristers & Solicitors,

120 Adelaide Street, West

Suite 1000

Toronto, Ontario M5H 3V1

Phone No. 416-363-2211

Fax No. 416-363-0645

Per:



Contact: Lilia Pereira, Law Clerk
BM/lp
(File #40818)

Schedule “A”

2221563 Ontario Inc.
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Vincenzo Petrozza
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Jawad Shafique Rathore
25 Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

Jawad Shafique Rathore
2 Scandia Court
Unionville, Ontario, L6C 1G6

Vincenzo Petrozza
471 Sunset Beach Road
Richmond Hill, Ontario, L4E 3J3

Vince Petrozza
471 Sunset Beach Road
Richmond Hill, Ontario, L4E 3J3

2221563 Ontario Inc.
608450 12th Sideroad, R.R.#2
P.O. Box 415
Ravenna, Ontario, N0H 2E0

Snoxons Holdings Inc.
2 Guthrie Court
Stouffville, Ontario, L4A 7X2

2221563 Ontario Inc.
55 St. Clair Avenue West, Suite 205
Toronto, Ontario, M4V 2Y7

Derek Sorrenti
3800 Steeles Avenue West
Suite 400
Vaughan, Ontario
L4L 4G9

Snoxons Holdings Inc.
2 Cuthrie Court
Stouffville, Ontario, L4A 7X2

2221563 Ontario Inc.
55 St. Clair Avenue West, Suite 205
Toronto, Ontario, M4V 2Y7

B2B Trust
130 Adelaide Street West, 4th Floor
Toronto, Ontario, M5H 3P5

Olympia Trust Company
125-9th Avenue SE, Suite 2200
Calgary, Alberta, T2G 0P6

The Bank of Nova Scotia Trust Company
Scotia Trust
130 King Street West, 20th Floor
Toronto, Ontario, M5X 1K1

B2B Trust
#400-130 Adelaide Street West
Toronto, Ontario, M5H 3P5

Olympia Trust Company
#2200-125-9th Avenue SE
Calgary, Alberta, T2G 0P6

Derek Sorrenti, In Trust
3800 Steeles Avenue West, Suite 400
Vaughan, Ontario, L4L 4G9

Centro Mortgage Inc. In Trust
 25 Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

Centro Mortgage Inc. In Trust
 25 Brodie Drive, Unit 1A
 Richmond Hill, Ontario, L4B 3K7

Derek Sorrenti
 3300 Highway 7, Suite 310
 Vaughan, Ontario, L4K 4M3

Building & Development Mortgages Canada Inc. In Trust
 25 Brodie Drive, Unit 8
 Richmond Hill, Ontario, L4B 3K7

B2B Bank
 #600-199 Bay Street
 Toronto, Ontario, M5L 0A2

Building & Development Mortgages Canada Inc., In Trust
 25 Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

Building & Development Mortgages Canada Inc.
 25A Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

De Hodge Contracting Inc.
 25 Delaware Street
 St. Catharines, Ontario
 L2M 5M1

De Hodge Contracting Inc.
 c/o Mauro Marchioni
 Barrister and Solicitor
 9100 Jane Street, 3rd Floor, Bldg A
 Vaughan, Ontario
 L4K 0A4

De Hodge Contracting Inc.
 c/o Summit Search Limited
 85 Rosebury Lane
 Woodbridge, Ontario
 L4L 3Z1

Fortress Crates Landing 2013 Inc.
 25 Brodie Drive, Unit 1
 Richmond Hill, Ontario, L4B 3K7

Sunbelt Rentals of Canada Inc.
 c/o Dooley Lucenti LLP
 Barristers and Solicitors
 10 Checkley Street
 Barrie, Ontario, L4N 1W1

2221563 Ontario Inc.
 232 Cameron Crescent
 Keswick, Ontario, L4P 3T6

Sunbelt Rentals of Canada Inc. formerly known as CRS Contractors Rental Supply General Partner Inc.
 c/o Dooley Lucenti LLP
 Barristers and Solicitors
 10 Checkley Street
 Barrie, Ontario, L4N 1W1

Olympia Trust Company
 In Trust for all the parties as set out in Schedule "B" attached hereto.
 2200, 125-9th Avenue SE
 Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.
 In Trust for all the parties as set out in Schedule "B" attached hereto.
 25 Brodie Drive, Unit 8
 Richmond Hill, Ontario, L4B 3K7

Olympia Trust Company

In Trust for all the parties as set out in Schedule "C" attached hereto.
125-9th Avenue SE, Suite 2200
Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.

In Trust for all the parties as set out in Schedule "C" attached hereto.
25A Brodie Drive, Unit 1
Richmond Hill, Ontario, L4B 3K7

B2B Bank

In Trust for all the parties as set out in Schedule "C" attached hereto.
130 Adelaide Street West, 4th Floor
Toronto, Ontario, M5H 3P5

The Bank of Nova Scotia Trust Company

In Trust for all the parties as set out in Schedule "C" attached hereto.
Scotia Trust
130 King Street West, 20th Floor
Toronto, Ontario, M5X 1K1

Olympia Trust Company

In Trust for all the parties as set out in Schedule "D" attached hereto.
2200, 125-9th Avenue SE
Calgary, Alberta, T2G 0P6

Building & Development Mortgages Canada Inc.

In Trust for all the parties as set out in Schedule "D" attached hereto.
25 Brodie Drive, Unit 8
Richmond Hill, Ontario, L4B 3K7

SCHEDULE TO TRANSFER OF CHARGE

The Chargees acknowledge and confirm that:

- I. Olympia Trust Company holds this charge in trust for:
 - (a) Daniel Rulli, Plan No. 144514 in the amount of \$59,000.00;
 - (b) Bei Li, Plan No. 144731 in the amount of \$30,000.00;
 - (c) Cheryl Ann Busby, Plan No. 145860 in the amount of \$30,000.00;
 - (d) Grant Fournier, Plan No. 141406 in the amount of \$22,000.00;
 - (e) James Bruce Stormont, Plan No. 145145 in the amount of \$66,000.00;
 - (f) James Bruce Stormont, Plan No. 145174 in the amount of \$40,000.00;
 - (g) Jose Santos Pereira, Plan No. 144256 in the amount of \$47,000.00;
 - (h) Maria Kai Lei, Plan No. 145716 in the amount of \$40,000.00;
 - (i) Lai-Kuen Lee, Plan No. 145682 in the amount of \$30,000.00;
 - (j) Leanna M. Macdonnell, Plan No. 142131 in the amount of \$50,700.00;
 - (k) Linda C. Martindale, Plan No. 145681 in the amount of \$49,200.00;
 - (l) Phan Dam, Plan No. 144346 in the amount of \$40,000.00;
 - (m) Rita Tamakuwala, Plan No. 130414 in the amount of \$30,000.00;
 - (n) Rita Tamakuwala, Plan No. 145590 in the amount of \$45,000.00;
 - (o) Virginia Pereira, Plan No. 144255 in the amount of \$48,000.00;
 - (p) Xiaomei Liu, Plan No. 146496 in the amount of \$34,000.00;
 - (q) Xin Wu Chen, Plan No. 146491 in the amount of \$32,000.00;
 - (r) Esther Rainville, Plan No. 146424 in the amount of \$65,000.00;
 - (s) Esther Rainville, Plan No. 146426 in the amount of \$30,000.00;
 - (t) John Bloomfield, Plan No. 78165 in the amount of \$30,000.00;
 - (u) Russell Ramlal, Plan No. 146460 in the amount of \$107,700.00;
 - (v) Virgilio Bacalhau, Plan No. 146801 in the amount of \$50,000.00;
 - (w) Adam Markoff, Plan No. 147204 in the amount of \$30,000.00;
 - (x) Aditya Harimohn Kaul, Plan No. 145561 in the amount of \$30,000.00;
 - (y) Anna Maria Liscio, Plan No. 144343 in the amount of \$54,000.00;
 - (z) Constance A. Marr, plan No. 144602 in the amount of \$30,000.00;
 - (aa) Domenico Albanese, Plan No. 144513 in the amount of \$28,000.00;
 - (bb) Domenico Binetti, Plan No. 147596 in the amount of \$30,000.00;
 - (cc) Harminder Kaur Jangi, Plan No. 145340 in the amount of \$79,200.00;
 - (dd) Lee Nay Choi, Plan No. 147005 in the amount of \$32,000.00;

- 2 -

- (ee) Manjapra Parameswaran, Plan No. 146885 in the amount of \$30,000.00;
- (ff) Maria Luisa Genco, Plan No. 147308 in the amount of \$30,000.00;
- (gg) Michelle Cindy Albanese, Plan No. 144512 in the amount of \$23,800.00;
- (hh) Sheila Harris, Plan No. 147324 in the amount of \$50,000.00;
- (ii) Tommy Yuk, Plan No. 146637 in the amount of \$30,000.00;
- (jj) Yun Xiao Chen, Plan No. 144593 in the amount of \$30,000.00;
- (kk) Bryan Jose Difrancesco, Plan No. 147462 in the amount of \$60,000.00;
- (ll) Bernice T. Henhoeffter, Plan No. 147331 in the amount of \$42,500.00;
- (mm) Bickram Kissoonsingh, Plan No. 147952 in the amount of \$52,000.00;
- (nn) David Ure, Plan No. 148131 in the amount of \$34,100.00;
- (oo) Eduardo Teolis, Plan No. 147915 in the amount of \$35,700.00;
- (pp) Joan Fleiszer, Plan No. 147713 in the amount of \$43,000.00;
- (qq) Linda Feng, Plan No. 147334 in the amount of \$30,000.00;
- (rr) Marcus Graham Doig, Plan No. 147654 in the amount of \$31,300.00;
- (ss) Marina Shulman, Plan No. 126059 in the amount of \$50,000.00;
- (tt) Mark Andrew McKendrick, Plan No. 147902 in the amount of \$30,000.00;
- (uu) Mark Fleiszer, Plan No. 147715 in the amount of \$43,000.00;
- (vv) Massimo Difelice, Plan No. 147661 in the amount of \$30,000.00;
- (ww) Patricia Difelice, Plan No. 147722 in the amount of \$30,000.00;
- (xx) Robert Glenn Thrasher, Plan No. 114022 in the amount of \$53,000.00;
- (yy) Robert Glenn Thrasher, Plan No. 147898 in the amount of \$18,500.00;
- (zz) Tatiana Korolko, Plan No. 148377 in the amount of \$45,500.00;
- (aaa) Bonnie Patricia May Anderson, Plan No. 148317 in the amount of \$40,000.00;
- (bbb) Lynda S. Brutus, Plan No. 149227 in the amount of \$21,500.00;
- (ccc) Pauline Black, Plan No. 149093 in the amount of \$46,500.00;
- (ddd) Bernd Walter, Plan No. 124326 in the amount of \$38,000.00;
- (eee) Baljinder S. Gill, Plan No. 107336 in the amount of \$30,000.00;
- (fff) Balwinder K. Gill, Plan No. 107332 in the amount of \$25,400.00;
- (ggg) Lisa Utley, Plan No. 149264 in the amount of \$100,000.00;
- (hhh) Raju Bhuvarahan Raghavan, Plan No. 149359 in the amount of \$40,000.00;
- (iii) Sufyan Rahim Minhas, Plan No. 125036 in the amount of \$10,000.00;
- (jjj) Daniel Rulli, Plan No. 144515 in the amount of \$31,000.00;
- (kkk) Ajay Batra, Plan No. 150399 in the amount of \$30,000.00;

- 3 -

- (lll) Caroline Novinic, Plan No. 149052 in the amount of \$30,000.00;
- (mmm) David Clarke, Plan No. 149057 in the amount of \$30,000.00;
- (nnn) Gordana Jovicic, Plan No. 150460 in the amount of \$25,000.00;
- (ooo) Jin Ming Li, Plan No. 149077 in the amount of \$58,300.00;
- (ppp) Sumita Roy, Plan No. 149597 in the amount of \$40,000.00;
- (qqq) Zhen Dong Mei, Plan No. 144538 in the amount of \$30,000.00;
- (rrr) Abuturab Dholkawala, Plan No. 161294 in the amount of \$24,200.00;
- (sss) Gilbert Gilbert, Plan No. 150246 in the amount of \$40,000.00;
- (ttt) Mangal Waghmare, Plan No. 145739 in the amount of \$30,000.00;
- (uuu) Reji James Thekkeveetil, Plan No. 147343 in the amount of \$55,000.00;
- (vvv) Laura Rigutto, Plan No. 145394 in the amount of \$53,200.00;
- (www) Minati Banerjee, Plan No. 161289 in the amount of \$40,000.00;
- (xxx) Argentina Gomes Dos Santos, Plan No. 115081 in the amount of \$90,000.00;
- (yyy) Dixie Lee Jones, Plan No. 172538 in the amount of \$36,000.00;
- (zzz) Lanfang Peng, Plan No. 172885 in the amount of \$30,000.00;
- (aaaa) Frances C. Michaud, Plan No. 149787 in the amount of \$9,100.00;
- (bbbb) John Lane, Plan No. 138434 in the amount of \$31,000.00;
- (cccc) Judy Medeiros, Plan No. 142048 in the amount of \$92,000.00;
- (dddd) Judy Medeiros, Plan No. 106482 in the amount of \$30,000.00;
- (eeee) Pawan Sharda, Plan No. 172935 in the amount of \$30,000.00;
- (ffff) Ana Maria Del Castillo, Plan No. 173640 in the amount of \$41,300.00;
- (gggg) Angelo Coniglio, Plan No. 142801 in the amount of \$50,000.00;
- (hhhh) Eldad Weiner, Plan No. 131821 in the amount of \$37,700.00;
- (iiii) Felix Winstok, Plan No. 129731 in the amount of \$54,000.00;
- (jjjj) Igor Ivanov, Plan No. 116611 in the amount of \$30,000.00;
- (kkkk) Inga Reyder, Plan No. 116725 in the amount of \$30,000.00;
- (llll) Karamjit Singh Mann, Plan No. 134369 in the amount of \$30,000.00;
- (mmmm) Nida Dela Paz, Plan No. 173700 in the amount of \$30,000.00;
- (nnnn) Onofrio Greco, Plan No. 174550 in the amount of \$100,000.00;
- (oooo) Regina Maltsman, Plan No. 174729 in the amount of \$52,000.00;
- (pppp) Rocky Ramnauth, Plan No. 173392 in the amount of \$50,000.00;
- (qqqq) Roman Margulis, Plan No. 174308 in the amount of \$52,000.00;
- (rrrr) Thelma Sison, Plan No. 173698 in the amount of \$37,500.00;

- 4 -

(ssss) Ana Maria Del Castillo, Plan No. 173641 in the amount of \$21,000.00;

(tttt) Ian E. Bellinger, Plan No. 162018 in the amount of \$30,000.00;

(uuuu) Karen J. Routliffe, Plan No. 142243 in the amount of \$32,000.00;

(vvvv) Michael D. Dowling, Plan No. 101316 in the amount of \$70,000.00;

(wwwv) Rafique Mohammed, Plan No. 132921 in the amount of \$30,000.00;

(xxxx) Ramona Dion, Plan No. 103505 in the amount of \$40,000.00;

(yyyy) Richard Alexander, Plan No. 175459 in the amount of \$50,000.00;

(zzzz) Ji Young Ha, Plan No. 175273 in the amount of \$50,000.00;

(aaaaa) Yuping Ren, Plan No. 175048 in the amount of \$30,000.00;

(bbbbb) Maulik Sanghvi, Plan No. 175679 in the amount of \$30,000.00;

(ccccc) Michelle Catherine Helder, Plan No. 176147 in the amount of \$50,000.00;

(ddddd) Allan Burgess, Plan No. 175114 in the amount of \$40,000.00;

(eeee) Darshana Ben Shah, Plan No. 175640 in the amount of \$30,000.00;

(ffff) Elizabeth Prabhu, Plan No. 144723 in the amount of \$32,500.00;

(ggggg) Felix Alcantara, Plan No. 142325 in the amount of \$24,600.00;

(hhhhh) Felix Alcantara, Plan No. 142013 in the amount of \$18,200.00;

(iiii) Gui Jiang Zhang, Plan No. 139555 in the amount of \$33,000.00;

(jjjj) Gui Jiang Zhang, Plan No. 139554 in the amount of \$33,000.00;

(kkkkk) Hin Tatt Cheong, Plan No. 176026 in the amount of \$30,000.00;

(llll) Kalpeshkumar Jetendra Shah, Plan No. 175621 in the amount of \$46,100.00;

(mmmmm) Kelvin Mano, Plan No. 129003 in the amount of \$67,500.00;

(nnnnn) Mark Tressel, Plan No. 175455 in the amount of \$40,000.00;

(oooo) Mihir Pravinbhai Patel, Plan No. 174910 in the amount of \$20,000.00;

(ppppp) Richard L. Robbins, Plan No. 174911 in the amount of \$40,000.00;

(qqqqq) Sergey Vakhitov, Plan No. 138654 in the amount of \$50,500.00;

(rrrr) Alina Isaakov, Plan No. 177181 in the amount of \$52,000.00;

(sssss) Elisabeta Boronka, Plan No. 175944 in the amount of \$78,000.00;

(ttttt) Ernest Meyer, Plan No. 177184 in the amount of \$52,000.00;

(uuuuu) Fei Gao, Plan No. 176088 in the amount of \$50,000.00;

(vvvvv) Jian Wang, Plan No. 176206 in the amount of \$40,000.00;

(wwwww) Lori Terpandjian, Plan No. 176866 in the amount of \$30,000.00;

(xxxxx) Nancy-Ann Varnell-Fabbri, Plan No. 175964 in the amount of \$46,500.00;

(yyyyy) Paul Humphreys, Plan No. 177276 in the amount of \$50,000.00;

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(zzzzz) Weijie Wan, Plan No. 176149 in the amount of \$50,000.00;
 (aaaaaa) Alexandra Balitsky, Plan No. 126025 in the amount of \$63,000.00;
 (bbbbbb) Alina Isaakov, Plan No. 177180 in the amount of \$51,900.00;
 (ccccc) Christine Yeung, Plan No. 176357 in the amount of \$104,900.00;
 (dddddd) Christopher D'Costa, Plan No. 27044 in the amount of \$32,500.00;
 (eeeeee) Ernest Meyer, Plan No. 177183 in the amount of \$29,000.00;
 (ffffff) Lisa Tavares, Plan No. 177782 in the amount of \$50,000.00;
 (gggggg) Michele Anne King, Plan No. 177355 in the amount of \$52,000.00;
 (hhhhh) Swati Navathe, Plan No. 173547 in the amount of \$40,500.00;
 (iiiii) Georges Elias Younes, Plan No. 177895 in the amount of \$129,000.00;
 (jjjjj) Marilyn G. Lemon, Plan No. 175777 in the amount of \$22,000.00.

2. Building & Development Mortgages Canada Inc. holds this charge in trust for:

- (a) Alexander Morcos in the amount of \$30,000.00;
- (b) Armindo Fernandes and Idalina Fernandes in the amount of \$60,000.00;
- (c) Bill Cunic Contracting Incorp (per: Barbara Cunic) in the amount of \$100,000.00;
- (d) Bert Proulx in the amount of \$100,000.00;
- (e) Craig Dymment and Leslise Dymment in the amount of \$75,000.00;
- (f) David G. Gerber and Marilyn L. Gerber in the amount of \$57,000.00;
- (g) Ding Yuan Zhang in the amount of \$100,000.00;
- (h) Linda C. Martindale in the amount of \$30,000.00;
- (i) Mary Lou Lanni in the amount of \$50,000.00;
- (j) Mercedes Trindade in the amount of \$100,000.00;
- (k) Nga Thi Bich Duong in the amount of \$30,000.00;
- (l) Robert S. VanValkengoed and Lorie L. VanValkengoed in the amount of \$30,000.00;
- (m) Wan Ming Zheng in the amount of \$60,000.00;
- (n) Bettina Wittemeier in the amount of \$50,000.00;
- (o) Ellen Lundy, in Trust for Trevor Breuls, in the amount of \$100,000.00;
- (p) Fangshu Li in the amount of \$50,000.00;
- (q) George J. Poole and Sandra K. Poole in the amount of \$45,000.00;
- (r) Kevin Serroul in the amount of \$30,000.00;
- (s) Maria De Fatima Moniz Da Silva Lindo and Aurelio Vieira De Melo Lindo in the amount of \$100,000.00;
- (t) Robert W. Ahearn in the amount of \$50,000.00;

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- (u) Joseph Henderson and Wendy Henderson in the amount of \$75,000.00;
- (v) Seongin Kim in the amount of \$150,000.00;
- (w) Alvin D. Rezel in the amount of \$100,000.00;
- (x) Anil P. Misra and Shudha Misra in the amount of \$30,000.00;
- (y) Anthony Colangelo in the amount of \$40,000.00;
- (z) WFM Corporate Services Inc. (per: John Wright) in the amount of \$30,000.00;
- (aa) Olufunmilayo O. Fasina in the amount of \$30,000.00;
- (bb) Xiaoxuan Chen in the amount of \$30,000.00;
- (cc) 2351127 Ontario Inc. (per: Majot and Sangita Sheth) in the amount of \$120,000.00;
- (dd) H.S. Stelzer Medicine Prof. Corp. (per: Hans Stelzer) in the amount of \$35,000.00;
- (ee) 1490700 Ontario Ltd. (per: Inkwan Baek) in the amount of \$30,000.00;
- (ff) Paul McLachlan in the amount of \$40,000.00;
- (gg) William Frank Smith Wallace and Margaret Armstrong Wallace in the amount of \$30,000.00;
- (hh) Jennifer S. Peel in the amount of \$30,000.00;
- (ii) Krista Louise Pollock in the amount of \$30,000.00;
- (jj) Megan Joy Wallar in the amount of \$50,000.00;
- (kk) 2371499 Ontario Inc. (per: Vidhan Singh) in the amount of \$30,000.00;
- (ll) Eduardo Cavaco in the amount of \$85,000.00;
- (mm) Eric Mendoza in the amount of \$60,000.00;
- (nn) Joao Gabriel Candeias in the amount of \$30,000.00;
- (oo) Dixie Lee Jones in the amount of \$40,000.00;
- (pp) Lisa Ann Desjardins in the amount of \$30,000.00;
- (qq) Thian Hock Tan in the amount of \$60,000.00;
- (rr) Eduardo Cavaco & Mercedes Trindade in the amount of \$200,000.00;
- (ss) Albert Bello in the amount of \$20,000.00;
- (tt) Frederick William Kent Rahn III in the amount of \$50,000.00;
- (uu) Jiajing Zhang in the amount of \$30,000.00;
- (vv) Loyi Yang & Minh Diep in the amount of \$50,000.00;
- (ww) Qing Yan Li & Joao Miguel Ribeiro in the amount of \$125,000.00;
- (xx) Ugo Bottero in the amount of \$50,000.00;
- (yy) Frances C. Michaud in the amount of \$13,400.00;
- (zz) Patricia Ping Song in the amount of \$50,000.00;

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- (aaa) Radhika & Giuseppe Giacobello in the amount of \$30,000.00;
- (bbb) Sarah Emily Dhandhari in the amount of \$100,000.00;
- (ccc) Sunny Rehsi in the amount of \$35,000.00;
- (ddd) Valerie A. Robbins in the amount of \$32,500.00;
- (eee) Anil P. Misra in the amount of \$30,000.00;
- (fff) Antonietta Ferlito in the amount of \$50,000.00;
- (ggg) Antonio Severin in the amount of \$30,000.00;
- (hhh) Carolyn Gail Popper in the amount of \$30,000.00;
- (iii) Daniel Ruscigno in the amount of \$40,000.00;
- (jjj) Domenico Bello in the amount of \$30,000.00;
- (kkk) Evelyn H. Hachey & Leonard J. Hachey of \$50,000.00;
- (lll) Frances C. Michaud in the amount of \$7,457.00;
- (mmm) Oksana Tressel in the amount of \$50,000.00;
- (nnn) 1892418 Ontario Inc. Per: Philip David S. Staite in the amount of \$30,000.00;
- (ooo) Sharon Ruscigno in the amount of \$150,000.00;
- (ppp) Susan Wendy Archer & Ronald Dale Archer in the amount of \$30,000.00;
- (qqq) Terry Mon Chang Lui & Tat Cheung Lui in the amount of \$30,000.00;
- (rrr) Trevor Seaton in the amount of \$30,000.00;
- (sss) Yan Sun in the amount of \$50,000.00;
- (ttt) Amarjit Kaur Fervaha in the amount of \$30,000.00;
- (uuu) Albert Galletti in the amount of \$30,000.00;
- (vvv) Huel O'Connor Wilson & Clementina Wilson in the amount of \$100,000.00;
- (www) Kathay Suk Ling Wong in the amount of \$30,000.00;
- (xxx) Malcolm Taharally in the amount of \$50,000.00;
- (yyy) Paul D. McCauley in the amount of \$20,000.00;
- (zzz) Xuehong Zheng in the amount of \$50,000.00;
- (aaaa) Dott Solutions Inc. Per: Yuriy Kitsis & Gregory Livertovski in the amount of \$30,000.00;
- (bbbb) James Albert Eggleton 2nd in the amount of \$30,000.00;
- (cccc) John Deodath Ramnarine & Nirmala Teelucksingh in the amount of \$30,000.00;
- (dddd) Maria Dantas De Sousa & Joao De Sousa in the amount of \$100,000.00;
- (eeee) Mohamed A. and Fareen Merali in the amount of \$50,000.00;
- (ffff) PLD1 Holdings Ltd. Per: Patrick L. Doherty in the amount of \$100,000.00;
- (gggg) Zhaohua Li in the amount of \$50,000.00;

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(hhhh) Kehinde Makinde in the amount of \$30,000.00;

(iiii) Wei Hong Zhan in the amount of \$30,000.00.

Schedule "C"

SCHEDULE TO TRANSFER OF CHARGE

WHEREAS:

1. By a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York on the 4th day of February, 2011 as Instrument No. YR1607456, 2221563 ONTARIO INC., gave a Charge/Mortgage upon the lands described herein in favour of DEREK SORRENTI IN TRUST to secure the payment of the principal sum of FOUR MILLION EIGHT HUNDRED THOUSAND (\$4,800,000.00) DOLLARS with interest as therein set out upon the terms therein mentioned.
2. By a Notice Amending the said Charge/Mortgage, registered as Instrument Number YR1699568 on the 22nd day of August, 2011 the said Charge/Mortgage was amended as follows:
 - (a) The principal secured under the said Charge/Mortgage shall be the sum of EIGHT MILLION SIX HUNDRED THOUSAND, (\$8,600,000.00) DOLLARS.

AND WHERE AS:

3. By Transfer of Charge in the Land Registry Office for the Land Titles Division of York, on the 13th day of July, 2016, as Instrument No. YR2505546, Derek Sorrenti transferred his bare trusteeship share in the said Charge to BUILDING & DEVELOPMENT MORTGAGES CANADA INC

The Chargee hereby acknowledge that they hereby transfer such percentage shares of the said Charge as set forth herein and as may be amended from time to time to the Transferees named herein, together with any and all amendments and/or notices related to said Charge without altering, modifying or waiving any rights of the existing Chargee.

The Chargee hereby acknowledges that:

- a. Building & Development Mortgages Canada Inc. holds this mortgage in trust for Jawad Rathore in the amount of \$43,000.00;

DELETE:

- b. Olympia Trust Company holds this mortgage in trust for Darryl Rigby, Plan No. 86141 in the amount of \$43,000.00;

In all other respects the parties hereto confirm the terms and conditions contained in the aforesaid Charge/Mortgage and to any amendments or notices registered subsequent thereto.

PROVIDED that nothing herein contained shall create any merger or alter the rights of the Chargee(s) as against any subsequent encumbrancer or other person interested in the said lands, nor affect the liability of any person not a party hereto who may be liable to pay the said mortgage money or the rights of any such person all of which rights are hereby reserved.

In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein required and all necessary grammatical changes, as the context requires, shall be deemed to made.

The parties hereto acknowledge and agree that any amount s transferred pursuant to this agreement are CUMULATIVE, and that the purpose and effect of this transfer of charge

is to acknowledge the CUMULATIVE amount of the said charge owned by each charge named therein.

The provisions of this document shall enure to and be binding upon the executors, administrators, successors and assigns of each party and all covenants, liabilities and obligations shall be joint and several.

Schedule "D"

SCHEDULE TO TRANSFER OF CHARGE

The Chargees acknowledge and confirm that:

1. Olympia Trust Company holds this charge in trust for:
 - (a) Jorgen S. Christensen, Plan No. 128116 in the amount of \$100,000.00;
 - (b) Mark Philips, Plan No. 129000 in the amount of \$50,000.00;
 - (c) James Hanna, Plan No. 128796 in the amount of \$30,000.00;
 - (d) Scott Williams, Plan No. 129238 in the amount of \$30,000.00;
 - (e) Joseph H. Clark, Plan No. 129323 in the amount of \$26,600.00;
 - (f) Roman Kujawa, Plan No. 129695 in the amount of \$32,000.00;
 - (g) Matt Savelli, Plan No. 128411 in the amount of \$31,000.00;
 - (h) Anne-Marie St. Onge, Plan No. 137684 in the amount of \$30,000.00;
 - (i) Maria Zito-Spatafora, Plan No. 115491 in the amount of \$50,000.00;
 - (j) Geoffrey David Pheaton, Plan No. 130177 in the amount of \$45,000.00;
 - (k) Gurmukh S. Hunjan, Plan No. 129871 in the amount of \$28,300.00;
 - (l) Amanda Beverly Louise Keating, Plan No. 129065 in the amount of \$58,000.00;
 - (m) Carolyn Mills, Plan No. 106383 in the amount of \$15,000.00;
 - (n) Blair Mills, Plan No. 106295 in the amount of \$15,000.00;
 - (o) Katelyn Bloomfield, Plan No. 130307 in the amount of \$31,000.00;
 - (p) James Donald Helmer, Plan No. 124420 in the amount of \$30,000.00;
 - (q) Sherri Lynn Mizrachi, Plan No. 129294 in the amount of \$30,000.00;
 - (r) Dennis Forrester, Plan No. 130507 in the amount of \$90,000.00;
 - (s) Andrew A. Hussey, Plan No. 69252 in the amount of \$25,300.00;
 - (t) Yudhbir S. Dadhwal, Plan No. 128278 in the amount of \$30,000.00;
 - (u) Edward A. Bennett, Plan No. 130215 in the amount of \$57,500.00;
 - (v) Natalie S. Joseph, Plan No. 131684 in the amount of \$30,000.00;
 - (w) Charmaine Perpetua Risbert, Plan No. 109503 in the amount of \$26,600.00;
 - (x) Marisa Fabris, Plan No. 130314 in the amount of \$24,000.00;
 - (y) Patrick Li, Plan 117307 in the amount of \$66,500.00;
 - (z) Etienne Lalonde, Plan No. 116013 in the amount of \$26,000.00;
 - (aa) Henry Raud, Plan No. 99576 in the amount of \$34,500.00;
 - (bb) Rocco Vasco, Plan No. 125626 in the amount of \$45,000.00;
 - (cc) Brenda Randell, Plan No. 96127 in the amount of \$35,000.00;
 - (dd) Michael Ruscigno, Plan 124950 in the amount of \$50,000.00;

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- (ee) Lloyd Edward Cooper, Plan No. 134366 in the amount of \$40,000.00;
- (ff) Jana Dawi, Plan No. 122224 in the amount of \$52,000.00;
- (gg) Mei-Ann Suharly, Plan No. 134898 in the amount of \$30,000.00;
- (hh) Gerlando Gentile, Plan No. 134399 in the amount of \$150,000.00;
- (ii) Humberto Manuel Silva, Plan No. 134468 in the amount of \$29,200.00;
- (jj) Robert Baker, Plan No. 136499 in the amount of \$30,000.00;
- (kk) Sonia Tomilson, Plan No. 100369 in the amount of \$25,700.00;
- (ll) Keiran Marie Glynn, Plan No. 136148 in the amount of \$30,000.00;
- (mm) Liwiyaty Suharly, Plan No. 135663 in the amount of \$30,000.00;
- (nn) Cheryl Campbell, Plan No. 137895 in the amount of \$30,000.00;
- (oo) David R. Carter, Plan No. 138321 in the amount of \$41,000.00;
- (pp) Ian Blevins, Plan No. 85334 in the amount of \$39,300.00;
- (qq) Juxia Guo, Plan No. 137334 in the amount of \$50,000.00;
- (rr) Lorrinda L. Mabee, Plan No. 91344 in the amount of \$41,400.00;
- (ss) Carl Sutton, Plan No. 138619 in the amount of \$31,600.00;
- (tt) David Fritz, Plan No. 138996 in the amount of \$67,500.00;
- (uu) Grant Chettle, Plan No. 139314 in the amount of \$40,000.00;
- (vv) Jin Hua Cui, Plan No. 139312 in the amount of \$35,000.00;
- (ww) Kelly A. Ferris, Plan No. 139300 in the amount of \$36,000.00;
- (xx) Ryszard T. Matacz, Plan No. 138551 in the amount of \$100,000.00;
- (yy) Joseph Zadra, Plan No. 139804 in the amount of \$60,000.00;
- (zz) Karen E. Giffen, Plan No. 139434 in the amount of \$30,000.00;
- (aaa) Susan L. McEwan, Plan No. 138770 in the amount of \$30,000.00;
- (bbb) Hope Landon Meek, Plan No. 142588 in the amount of \$45,000.00;
- (ccc) Bipin Chawla, Plan No. 143015 in the amount of \$30,000.00;
- (ddd) Agata Zuber, Plan No. 119895 in the amount of \$30,000.00;
- (eee) Antonio Augusto Pratas Da Silva, Plan No. 143003 in the amount of \$59,400.00;
- (fff) Berno Bastiampillai, Plan No. 143995 in the amount of \$30,000.00;
- (ggg) Candida Domingos, Plan No. 142322 in the amount of \$31,000.00;
- (hhh) Carmela Bertucci, Plan No. 143863 in the amount of \$20,000.00;
- (iii) Cosimo Bruzzese, Plan No. 143847 in the amount of \$69,100.00;
- (jjj) David De Jesus Lima Chiu, Plan No. 142954 in the amount of \$30,000.00;
- (kkk) Denis Graziadei, Plan No. 139518 in the amount of \$35,700.00;

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- (lll) Dharampaul Dhandhari, Plan No. 96233 in the amount of \$64,900.00;
- (mmm) Diana Alvarado, Plan No. 143890 in the amount of \$30,000.00;
- (nnn) Fernando Melo, Plan No. 142323 in the amount of \$45,000.00;
- (ooo) Filomena Silveira, Plan No. 143997 in the amount of \$25,000.00;
- (ppp) Franca Repole, Plan No. 144257 in the amount of \$280,000.00;
- (qqq) Ingrid C. Till, Plan No. 144461 in the amount of \$30,000.00;
- (rrr) Joaquim Domingos, Plan No. 142324 in the amount of \$26,000.00;
- (sss) Jose Carlos Tavares, Plan No. 143857 in the amount of \$74,900.00;
- (ttt) Julieta Melo, Plan No. 142326 in the amount of \$45,000.00;
- (uuu) Junok Chung, Plan No. 144516 in the amount of \$50,000.00;
- (vvv) Maria Amelia Tavares, Plan No. 143860 in the amount of \$62,000.00;
- (www) Maria De Angelis Pater, Plan No. 143129 in the amount of \$30,000.00;
- (xxx) Marisa Clemente, Plan No. 144082 in the amount of \$50,000.00;
- (yyy) Michael Clemente, Plan No. 144083 in the amount of \$35,600.00;
- (zzz) Myung Sook Chung, Plan No. 144794 in the amount of \$46,500.00;
- (aaaa) Shen Shen Wang, Plan No. 130324 in the amount of \$43,368.00;
- (bbbb) Thian Hock Tan, Plan No. 143722 in the amount of \$30,000.00;
- (cccc) Tim Collins, Plan No. 144754 in the amount of \$35,000.00;
- (dddd) Warren T. Cameron, Plan No. 144606 in the amount of \$40,300.00;
- (eeee) Winston Alleyne, Plan No. 144245 in the amount of \$30,000.00;
- (ffff) Antonio Cetra, Plan No. 145267 in the amount of \$85,000.00;
- (gggg) Cindy Deck, Plan No. 144208 in the amount of \$30,000.00;
- (hhhh) Donald Richard Andrews, Plan No. 144721 in the amount of \$30,000.00;
- (iiii) Gordon Stewart Clarke, Plan No. 145170 in the amount of \$40,000.00;
- (jjjj) Ireneusz Abramczuk, Plan No. 144969 in the amount of \$65,000.00;
- (kkkk) Kathryn Goldsmith, Plan No. 143202 in the amount of \$64,000.00;
- (llll) Patricia Margaret Andrews, Plan No. 144760 in the amount of \$30,000.00;
- (mmmm) Gursukhvinder Singh, Plan No. 143360 in the amount of \$34,000.00;
- (nnnn) Marcelino Evangelista Gomes, Plan No. 145594 in the amount of \$144,500.00;
- (oooo) Maria Natividade Gomes, Plan No. 145595 in the amount of \$39,500.00;
- (pppp) Maria Natividade Gomes, Plan No. 145596 in the amount of \$57,300.00;
- (qqqq) Andrzej Ziarno, Plan No. 143993 in the amount of \$30,000.00;
- (rrrr) Diana Valdez Arce, Plan No. 114359 in the amount of \$50,000.00;

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- (ssss) Gary Booth, Plan No. 67355 in the amount of \$50,000.00;
 - (tttt) Kathryn Bergman, Plan No. 144951 in the amount of \$30,000.00;
 - (uuuu) Larry Laturski, Plan No. 145719 in the amount of \$42,500.00; and
 - (vvvv) Peter Bergman, Plan No. 144722 in the amount of \$30,000.00.
2. Building & Development Mortgages Canada Inc. holds this charge in trust for:
- (a) Simon Julianne Chung in the amount of \$30,000.00;
 - (b) Mohan Singh and Harbans Kaur Singh in the amount of \$30,000.00;
 - (c) Fang-Sing Heh in the amount of \$30,000.00;
 - (d) Joseph Lise in the amount of \$100,000.00;
 - (e) Advanced Servo Technologies Inc. in the amount of \$100,000.00;
 - (f) R. Zwinkels C.A. Professional Corporation in the amount of \$30,000.00;
 - (g) Usama Raouf in the amount of \$30,000.00;
 - (h) Zaid Medhat in the amount of \$30,000.00;
 - (i) Qian Huang in the amount of \$100,000.00;
 - (j) Robert Gemmiti in the amount of \$30,000.00;
 - (k) Rocco Frano in the amount of \$50,000.00;
 - (l) Kenneth Wright in the amount of \$30,000.00;
 - (m) Yi Qing Wang in the amount of \$100,000.00;
 - (n) Mi Sook Kang in the amount of \$50,000.00;
 - (o) Narinder Kochhar in the amount of \$30,000.00;
 - (p) Blair Mills & Carolyn Mills in the amount of \$36,000.00;
 - (q) Zbigniew Targowski in the amount of \$30,000.00;
 - (r) Christopher Turner in the amount of \$60,000.00;
 - (s) Sabrina Bartolini & Daniele Bartolini in the amount of \$100,000.00;
 - (t) 2230248 Ontario Ltd. in the amount of \$50,000.00;
 - (u) Danica Trajkovski in the amount of \$50,000.00;
 - (v) Paulo Alves in the amount of \$30,000.00;
 - (w) Paul Ghent in the amount of \$75,000.00;
 - (x) Ning Feng in the amount of \$30,000.00;
 - (y) Lilian Del Pilar Espana in the amount of \$30,000.00;
 - (z) 1922652 Ontario Inc. in the amount of \$110,000.00;
 - (aa) Jing Son in the amount of \$49,800.00;
 - (bb) Wieslaw Poliszot in the amount of \$30,000.00;

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- (cc) Shu Hua Ju in the amount of \$100,000.00;
- (dd) Fangfang Ma in the amount of \$150,000.00;
- (ee) Shaomo Xing in the amount of \$30,000.00;
- (ff) Huiqing Zhang in the amount of \$50,000.00;
- (gg) L & F Canada Inc. in the amount of \$200,000.00;
- (hh) William Orville Shaw and Helen L. Shaw in the amount of \$65,000.00;
- (ii) Donna Wood in the amount of \$30,000.00;
- (jj) Ruth Roth in the amount of \$30,000.00;
- (kk) Xiaoyi Han in the amount of \$100,000.00;
- (ll) Danuta Ruczynski and Radeusz Ruczynski in the amount of \$90,000.00;
- (mm) Dino Alberto Oliveira in the amount of \$100,000.00;
- (nn) Jose Augusto Costa in the amount of \$200,000.00;
- (oo) Edward Taylor and Gladys Taylor in the amount of \$30,000.00;
- (pp) Susan Helen Wight and Paul William Wight in the amount of \$50,000.00;
- (qq) Susan Helen Wight and Bradley Leland Wight in the amount of \$50,000.00;
- (rr) Eduarda Matias and Luis Filipe Matias in the amount of \$200,000.00;
- (ss) Keith Mulligan in the amount of \$40,000.00;
- (tt) Menglin Ma in the amount of \$30,000.00;
- (uu) Faith and Paul Ospalak in the amount of \$35,000.00;
- (vv) David Rankin in the amount of \$50,000.00;
- (ww) Ling Ouyang and Yusheng He in the amount of \$30,000.00;
- (xx) Yam Yoke Chung in the amount of \$30,000.00;
- (yy) Gina Markin and Stuart Lapowich in the amount of \$55,000.00;
- (zz) Piotr Artymko and Anna Lidia Fal in the amount of \$50,000.00;
- (aaa) Yan Rong Jin in the amount of \$40,000.00;
- (bbb) Danuta Ruczynski and Tadeusz Ruczynski in the amount of \$30,000.00;
- (ccc) Crissie Halabi in the amount of \$30,000.00;
- (ddd) Andrew A. Hussey Medicine Professional Corporation in the amount of \$40,000.00;
- (eee) Bruce Hogan in the amount of \$35,000.00;
- (fff) Ilan Tabori in the amount of \$50,000.00;
- (ggg) Manish Bansal in the amount of \$40,000.00;
- (hhh) George Ralph Stevens in the amount of \$50,000.00;
- (iii) Yuk Sim Mandy Yeung in the amount of \$30,000.00;

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- (jjj) Dr. Antonio Locantore Prof. Corp. (per: Antonio Locantore) in the amount of \$30,000.00;
- (kkk) Achilles Lioukras and Christina Lioukras in the amount of \$35,000.00;
- (lll) Hilda Buczolitis in the amount of \$40,000.00;
- (mmm) Camyo Inc. (per: James Douglas Ough) in the amount of \$50,000.00;
- (nnn) 2262489 Ontario Ltd. (per: Mark Cadman) in the amount of \$30,000.00;
- (ooo) Zarie Boronka in the amount of \$50,000.00;
- (ppp) Camillo Holdings Inc. (per: Camillo Sciulli) in the amount of \$30,000.00;
- (qqq) Kenneth H. Saul and Barbara D. Saul in the amount of \$40,000.00;
- (rrr) Duilio Conte and Caterina Conte in the amount of \$50,000.00;
- (sss) Julie Chastain McLeland in the amount of \$50,000.00;
- (ttt) Steven Leonard in the amount of \$30,000.00;
- (uuu) Amit Lekhi in the amount of \$75,000.00;
- (vvv) Balinder Jeet Kaur in the amount of \$50,000.00;
- (www) Vacuum & Acrylic Creations Ltd. (per: Barbara Cunic) in the amount of \$100,000.00;
- (xxx) Beatriz Tovar Vargas in the amount of \$50,000.00;
- (yyy) Elaine McMeekin in the amount of \$50,800.00;
- (zzz) Naresh Sehdev Pharmacy Inc. (per: Naresh Sehdev) in the amount of \$30,000.00;
- (aaaa) Sheliza Hanif in the amount of \$50,000.00;
- (bbbb) Shirley Anne Buckley in the amount of \$50,000.00;
- (cccc) Shital Atawala in the amount of \$30,000.00;
- (dddd) Suzanne Johnson in the amount of \$70,000.00;
- (eeee) Zhibo Zhao in the amount of \$30,000.00;
- (ffff) Ameesh Lekhi Pharmacy Inc. (per: Ameesh Lekhi) in the amount of \$50,000.00;
- (gggg) Alicia Vernon in the amount of \$98,000.00;
- (hhhh) Anna Da Eira and Jose Da Eira in the amount of \$50,000.00;
- (iiii) Calogero Gallo and Stephanie Gallo in the amount of \$30,000.00;
- (jjjj) Carmela Bertucci in the amount of \$80,000.00;
- (kkkk) Catherine E. Ball in the amount of \$30,000.00;
- (llll) Dannette Pierroz in the amount of \$30,000.00;
- (mmmm) Daniel A. Santo in the amount of \$30,000.00;
- (nnnn) Ivo Jurkic and Jelka Jurkic in the amount of \$50,000.00;
- (oooo) James Thomson in the amount of \$50,000.00;

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(pppp) Lucas Debellis in the amount of \$30,000.00;
(qqqq) Manuel Conceicao and Graciete Conceicao in the amount of \$40,000.00;
(rrrr) Maria Borges and Joao Borges in the amount of \$50,000.00;
(ssss) Maria Luisa Azeredo and Joao Da Costa Azeredo in the amount of \$50,000.00;
(tttt) Mark Tami-Ing in the amount of \$30,000.00;
(uuuu) Roger Rajan in the amount of \$61,000.00;
(vvvv) Ruth Joanne Steinmann in the amount of \$30,000.00
(www) Silvia Rocha in the amount of \$50,900.00;
(xxxx) Ivy Lo in the amount of \$95,000.00; and
(yyyy) Daniel Aaron Blacher in the amount of \$25,000.00.

THE SUPERINTENDENT OF FINANCIAL SERVICES

- and -

BUILDING & DEVELOPMENT MORTGAGES CANADA INC.

Applicant

Respondent

Court File No. CV-18-596204-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

MOTION RECORD OF
FAAN MORTGAGE ADMINISTRATORS
INC., in its capacity as Court-appointed
Trustee

(Motion Returnable September 20, 2022)

VOLUME 1 OF 2

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Lawyers for FAAN Mortgage Administrators Inc.,
in its capacity as Court-appointed Trustee of
Building & Development Mortgages Canada Inc.