

Court File No: CV-19-00622054-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**FIRST SOURCE FINANCIAL MANAGEMENT INC.
and KINGSETT MORTGAGE CORPORATION**

Applicants

- and -

**IDEAL (BC) DEVELOPMENTS INC., IDEAL (BC2) DEVELOPMENTS INC.,
IDEAL DEVELOPMENTS INC., 2490564 ONTARIO INC., 2490568
ONTARIO INC., and SHAJIRAJ NADARAJALINGAM**

Respondents

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

MOTION RECORD

Re: Sale Approval

Returnable: August 19, 2019

August 12, 2019

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.
and KINGSETT MORTGAGE CORPORATION

Applicants

- and -

IDEAL (BC) DEVELOPMENTS INC., IDEAL (BC2) DEVELOPMENTS INC.,
IDEAL DEVELOPMENTS INC., 2490564 ONTARIO INC., 2490568
ONTARIO INC., and SHAJIRAJ NADARAJALINGAM

Respondents

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

NOTICE OF MOTION

KSV Kofman Inc. ("**KSV**"), in its capacity as Court-appointed receiver pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) and section 101 of the *Courts of Justice Act* (Ontario) (the "**Receiver**"), without security, of the real property of Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc., 2490564 Ontario Inc. and 2490568 Ontario Inc. (collectively, the "**Company**"), municipally known as 8, 10, 12, 14, 16 and 18 Bostwick Crescent, and 2, 6 and 8 Bond Crescent, in the Town of Richmond Hill, Ontario (collectively, the "**Real Property**"), will make a motion to a Judge presiding over the Commercial List on Monday, August 19, 2019 at 10:00 a.m., or as soon after that time as the motion can be heard at 330 University Ave., Toronto, Ontario.

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

THE MOTION IS FOR:

1. An Order substantially in the form found at Tab 3 of this Motion Record:
 - (a) approving a sale process (the "**Sale Process**") and authorizing and directing the Receiver to carry out same;
 - (b) approving the First Report of the Receiver dated August 9, 2019 (the "**First Report**") and the activities and conduct of the Receiver as described therein; and
2. Such further and other relief as this Court may deem just.

THE GROUNDS FOR THE MOTION ARE:Appointment Order

3. On July 19, 2019, KSV was appointed Receiver of the Real Property pursuant to the Order of Mr. Justice Hainey (the "**Appointment Order**") in furtherance of an application by First Source Financial Management Inc. and KingSett Mortgage Corporation (jointly, the "**Lenders**");

Background

4. The Real Property has an area of approximately 3.56 acres. There are six homes located on the Real Property, five of which are abandoned. The Company intended to construct 23 stacked townhomes and 49 freehold townhomes on the Real Property. At the commencement of the receivership, the Company was in the process of obtaining site plan approval for its development plan;

5. There are several mortgages registered on title to the Real Property, including a mortgage in favour of the Lenders, as set out in detail in the First Report;

Proposed Sale Process

6. Pursuant to subsection 3(h) of the Appointment Order, the Receiver has the power to market any or all of the Real Property or any part or parts thereof subject to the prior approval of the Sale Process by this Court;

7. Subject to Court approval, the Receiver intends to retain CBRE Ltd. ("CBRE") as the listing agent for the Real Property;

8. Retaining CBRE as the listing agent is appropriate because:

- (a) the Lenders support the retention of CBRE;
- (b) the CBRE team managing the mandate has extensive experience selling undeveloped land in the Greater Toronto Area;
- (c) the Receiver has worked with the CBRE team previously and the results on those mandates were successful; and
- (d) CBRE's proposed commission rate is reasonable based on KSV's experience selling real estate.

9. The proposed Sale Process is set out in detail in the First Report, and contemplates a three-stage process for the marketing of the Real Property on an "as is, where is" basis followed by bids and negotiation of definitive documents. Any transaction entered into by the Receiver will be conditional upon Court approval;

10. The proposed Sale Process represents a reasonable and commercially efficient process;

Approval of the Receiver's First Report and Activities

11. The First Report sets out in detail the activities of the Receiver since the date of its appointment to the date of the First Report;

Statutory and other grounds

12. Rules 3 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended;

13. Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended; and

14. 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 the motion:

- (a) the First Report of the Receiver dated August 9, 2019; and
- (b) such further and other evidence as the lawyers may advise and this Court may permit.

August 12, 2019

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Lawyers for the Receiver KSV Kofman Inc.

TO: THE SERVICE LIST

FIRST SOURCE FINANCIAL MANAGEMENT INC. et al. **-and-**

Court File No. CV-19-00622054-00CL
IDEAL (BC) DEVELOPMENTS INC. et al.

Applicants

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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Lawyers for the Receiver KSV Kofman Inc.

TAB 2



**First Report of
KSV Kofman Inc.
as Receiver and Manager of the Real Property
of Ideal (BC) Developments Inc., Ideal (BC2)
Developments Inc., 2490564 Ontario Inc. and
2490568 Ontario Inc.**

August 9, 2019

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COURT FILE NO.: CV-19-00622054-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

**FIRST SOURCE FINANCIAL MANAGEMENT INC.
AND KINGSETT MORTGAGE CORPORATION**

APPLICANTS

- AND -

**IDEAL (BC) DEVELOPMENTS INC., IDEAL (BC2) DEVELOPMENTS INC., IDEAL
DEVELOPMENTS INC., 2490564 ONTARIO INC., 2490568 ONTARIO INC. AND
SHAJIRAJ NADARAJALINGAM**

RESPONDENTS

FIRST REPORT AS RECEIVER AND MANAGER

AUGUST 9, 2019

1.0 Introduction

1. This report ("Report") is filed by KSV Kofman Inc. ("KSV") as receiver and manager ("Receiver") of the real property owned by Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc., 2490564 Ontario Inc. and 2490568 Ontario Inc. (collectively, the "Company"), municipally known as 8, 10, 12, 14, 16 and 18 Bostwick Crescent, and 2, 6 and 8 Bond Crescent, in the Town of Richmond Hill, Ontario (collectively, the "Real Property").
2. Pursuant to an application by First Source Financial Management Inc. and KingSett Mortgage Corporation (jointly, the "Lenders"), the Ontario Superior Court of Justice (Commercial List) (the "Court") issued an order dated July 19, 2019 appointing KSV as Receiver of the Real Property.
3. The principal purpose of the receivership proceedings is to conduct a sale process for the Real Property.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the Real Property;
 - b) summarize the recommended sale and marketing process to solicit offers for the Real Property, including the retention of CBRE Ltd. ("CBRE") to act as listing agent in the sale process ("Sale Process"); and
 - c) recommend that the Court issue an order approving the Sale Process, including the retention of CBRE.

2.0 Background

1. The Company intended to construct 23 stacked townhomes and 49 freehold townhomes on the Real Property. At the commencement of the receivership, the Company was in the process of obtaining site plan approval for its development plan.
2. The Real Property has an area of approximately 3.56 acres. There are six homes located on the Real Property, five of which are abandoned. The Receiver understands 16 Bostwick Crescent ("16 Bostwick") is occupied by its former owner. The Company's legal counsel, Friedmans Law Firm, has advised the Receiver that there is no written lease for 16 Bostwick and that the Company permitted the former owner to occupy the premises until construction commenced on the Real Property. At the commencement of the receivership, a representative of the Receiver tried unsuccessfully on multiple occasions to contact the former owner. On August 7, 2019, the Receiver's legal counsel sent a letter to the former owner advising of the receivership and the pending sale process. The Receiver is trying to have the former owner vacate 16 Bostwick as soon as possible. A copy of the letter sent to the former owner is attached as Appendix "A".

2.1 Secured Creditors

1. According to a Land Registry Office search, the following mortgages are registered against the Real Property¹:
 - a) a mortgage in favour of the Lenders in the amount of \$13 million;
 - b) a mortgage in favour of Feature Corp. ("Feature") in the amount of \$4 million²; and
 - c) a mortgage in favour of American Corporation in the amount of \$5 million.

¹ Interest and costs continue to accrue on the mortgages.

² Notwithstanding the amount registered on title, the principal amount of Feature's mortgage is stated as \$5 million in a Subordination and Standstill Agreement dated March 25, 2019 between the Lenders and Feature.

3.0 Sales Process

1. Subject to Court approval, the Receiver intends to retain CBRE as the listing agent pursuant to the listing agreement attached as Appendix “B” (which is in standard form for a transaction of this nature). The total commission payable under the Listing Agreement is 2.75% if there is a co-operating broker, with 0.75% payable to the co-operating broker. Without a cooperating broker, CBRE’s commission is 2%.
2. The Receiver recommends that CBRE be retained as:
 - a) the Lenders support the retention of CBRE;
 - b) the CBRE team managing the mandate has extensive experience selling undeveloped land in the Greater Toronto Area;
 - c) the Receiver has worked with the CBRE team previously and the results on those mandates were successful; and
 - d) CBRE’s proposed commission rate is reasonable based on KSV’s experience selling real estate. For comparative purposes, Appendix “C” provides a summary of commissions in KSV’s court-supervised real estate restructuring proceedings.

3.1 Sale Process

1. The recommended Sale Process is summarized in the table below.

Summary of Sale Process		
Milestone	Description of Activities	Timeline
<i>Phase 1 – Underwriting</i>		
Due diligence	<ul style="list-style-type: none"> ➤ CBRE to review all available documents concerning the Real Property, including environmental reports and planning and development reports. 	To be completed by return date of motion seeking Court approval
Finalize marketing materials	<ul style="list-style-type: none"> ➤ CBRE and the Receiver to: <ul style="list-style-type: none"> o prepare a development summary; o populate an online data room; o prepare a confidentiality agreement (“CA”); o prepare a Confidential Information Memorandum (“CIM”); and o prepare form of Purchase and Sale Agreement (“PSA”). 	
Prospect Identification	<ul style="list-style-type: none"> ➤ CBRE to develop a master prospect list. CBRE will qualify and prioritize prospects. ➤ CBRE will also have pre-marketing discussions with targeted developers. 	

Summary of Sale Process		
Milestone	Description of Activities	Timeline
<i>Phase 2 – Marketing</i>		
Stage 1	<ul style="list-style-type: none"> ➤ Mass market introduction, including: <ul style="list-style-type: none"> ○ offering summary and marketing materials printed; ○ publication of the acquisition opportunity in <i>The Globe and Mail</i> (National Edition) and a publication focused on the Asian community; ○ telephone and email canvassing of leading prospects; and ○ meet with and interview bidders. 	Weeks 1-2
Stage 2	<ul style="list-style-type: none"> ➤ CBRE to provide detailed information to qualified prospects which sign the CA, including the CIM and access to the data room. ➤ CBRE to facilitate all diligence by interested parties. 	Week 3-5
Stage 3	<ul style="list-style-type: none"> ➤ Prospective purchasers to submit PSAs or other proposals. 	End of Week 5
<i>Phase 3 – Offer Review and Negotiations</i>		
	<ul style="list-style-type: none"> ➤ Proposal short listing. ➤ Subsequent Round Bids - Prospective purchasers may be asked to re-submit PSAs. 	ASAP
Selection of Successful Bids	<ul style="list-style-type: none"> ➤ Select successful bidder and finalize definitive documents. 	ASAP
Sale Approval Motion and Closing	<ul style="list-style-type: none"> ➤ Motion for sale approval and close transaction. 	ASAP

2. Additional aspects of the Sale Process include:

- a) the Real Property will be marketed on an “as is, where is” basis;
- b) the Receiver will have the right to reject any and all offers, including the highest and best offer; and
- c) any transaction will be subject to Court approval.

3.2 Sale Process Recommendation

1. The Receiver recommends that the Court issue an order approving the Sale Process for the following reasons:
 - a) CBRE’s team has extensive experience selling raw land and its commission structure is consistent with the market;
 - b) the Sale Process is fair, open and transparent and is intended to canvass the market broadly on an orderly basis in order to obtain the highest and best price in a reasonable time period;

- c) no delay is expected to commence the process – marketing materials are expected to be prepared by the return date of the motion to seek approval of the Sale Process;
- d) the duration of the Sale Process is sufficient to allow interested parties to perform diligence and to submit offers. The Receiver will also have the right to extend or amend timelines, as it considers necessary, to maximize value. Each bidder will be provided with the same deadline to submit an offer. CBRE is comfortable with the duration of the Sale Process; and
- e) The Lenders have advised the Receiver that they consent to the terms of the Sale Process approval order.

4.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief detailed in Section 1.1 (1)(c) of this Report.

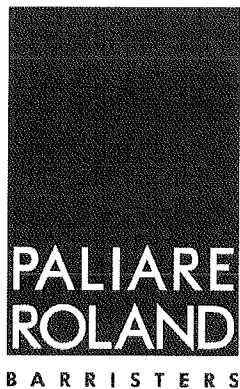
* * *

All of which is respectfully submitted,

KSV Kofman Inc

**KSV KOFMAN INC.
IN ITS CAPACITY AS COURT APPOINTED RECEIVER AND MANAGER OF
THE REAL PROPERTY OWNED BY IDEAL (BC) DEVELOPMENTS INC., IDEAL (BC2)
DEVELOPMENTS INC., 2490564 ONTARIO INC. AND 2490568 ONTARIO INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix "A"



Elizabeth Rathbone
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www.paliareroland.com

August 8, 2019

File 96315

HAND DELIVERED

16 Bostwick Crescent
Richmond Hill, ON

To Whom it May Concern:

Re: 16 Bostwick Crescent

We are counsel to KSV Kofman Inc. ("**KSV**") in its capacity as the court appointed receiver and manager of the real property at 8, 10, 12, 14, 16 and 18 Bostwick Crescent, and 2, 6 and 8 Bond Crescent, in the Town of Richmond Hill, Ontario (the "**Real Property**"). KSV was appointed by Order of the Honourable Justice Hailey made on July 19, 2019 (the "**Receivership Order**"). We enclose a copy of the Receivership Order for your review.

Pursuant to the Receivership Order, the Receiver is entitled to take possession and control of all of the Real Property, including 16 Bostwick Crescent ("**16 Bostwick**"). We understand that you may be currently occupying 16 Bostwick without any written lease agreement. If you do have a written lease agreement in respect of 16 Bostwick, please provide us with a copy immediately.

The Receiver will be commencing a sales process with a view to selling the Real Property in the near term. The Receiver would be happy to work with you cooperatively to vacate 16 Bostwick in a timely and orderly manner. If you are not agreeable to vacating 16 Bostwick voluntarily, the Receiver will be forced to pursue all remedies available to it at law.

Finally, please be advised that the Receiver does not presently have insurance in connection with any residential or commercial use of 16 Bostwick. The Receiver only became aware that someone was residing at that property. Moreover, pursuant to the Receivership Order, the Receiver shall not incur any liability as a result of its work carrying out the Receivership Order, including its possession and control of 16 Bostwick.

- Chris G. Paliare
- Ian J. Roland
- Ken Rosenberg
- Linda R. Rothstein
- Richard P. Stephenson
- Nick Coleman
- Donald K. Eady
- Gordon D. Capern
- Lily I. Harmer
- Andrew Lokan
- John Monger
- Odette Soriano
- Andrew C. Lewis
- Megan E. Shortreed
- Massimo Starnino
- Karen Jones
- Robert A. Centa
- Nini Jones
- Jeffrey Larry
- Kristian Borg-Olivier
- Emily Lawrence
- Tina H. Lie
- Jean-Claude Killey
- Jodi Martin
- Michael Fenrick
- Ren Bucholz
- Jessica Latimer
- Lindsay Scott
- Alysha Shore
- Denise Cooney
- Paul J. Davis
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- Elizabeth Rathbone
- Daniel Rosenbluth
- Glynnis Hawe
- Emily Home
- Hailey Bruckner
- Charlotté Calon
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COUNSEL
Stephen Goudge, Q.C.

HONORARY COUNSEL
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(1934 -2006)

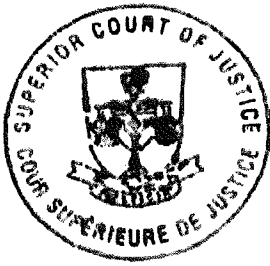
Please contact Noah Goldstein of the Receiver's office at 416.932.6207 or ngoldstein@ksvadvisory.com immediately to discuss this letter.

Yours very truly,
PALIARE ROLAND ROSENBERG ROTHSTEIN LLP



Elizabeth Rathbone
ER:MJ

Doc 2983773 v1



Court File No. CV-19-00622054-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)
JUSTICE **HAINES**)

FRIDAY, THE 19TH

DAY OF July, 2019

**FIRST SOURCE FINANCIAL MANAGEMENT INC.
and KINGSETT MORTGAGE CORPORATION**

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JUSTICE ACT*, R.S.O. 1990, C. C.43, AS AMENDED

**ORDER
(appointing Receiver)**

THIS MOTION made by the Applicants for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing KSV Kofman Inc. as receiver and manager (in such capacities, the "**Receiver**") of the real property of the respondents Ideal (BC) Development Inc., Ideal (BC2) Development Inc., 2490564 Ontario Inc., and 2490568 Ontario Inc., (the "**Debtors**"), known municipally as 8, 10, 12, 14, 16 and 18 Bostwick Crescent, and 2, 6 and 8 Bond Crescent, in the Town of Richmond Hill, Ontario and legally described within PINs 03196-0072 (LT), 03196-0073 (LT), 03196-0074 (LT), 03196-0075

(LT), 03196-0076 (LT), 03196-0077 (LT), 03196-0078 (LT), 03196-0079 (LT), 03196-0080 (LT) (the “**Real Property**”).

ON READING the Application Record of the Applicant, the Responding Record, the Reply Record, the transcripts of the cross-examination of Daniel Pollack and Shajiraj Nadarajalingam, the Compendium from the cross-examination of Shajiraj Nadarajalingam, the additional documents handed up during the hearing, and on hearing the submissions of counsel for the Applicants and Respondents.

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver of the Real Property.

RECEIVER’S POWERS

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

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

physical inventories and the placement of such insurance coverage with respect to the Real Property as may be necessary or desirable;

- (c) to carry on the business of the Debtors in respect of the Real Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, in respect of the Real Property, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors in respect of the Real Property;
- (d) to engage consultants, appraisers, agents, experts, accountants, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, conferred by this Order;
- (e) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors with respect to the Real Property and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors in respect of the Real Property;
- (f) to settle, extend or compromise any indebtedness owing to the Debtors in respect of the Real Property;
- (g) 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 Debtors in respect of the Real Property, the Real Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (h) subject to the prior approval of the sales process by this Court to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and

conditions of sale as the Receiver in its discretion may deem appropriate and as is approved by this Court;

- (i) upon obtaining the approval of this Court, to sell, convey or transfer, the Real Property out of the ordinary course of business,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be;

- (j) to apply for any vesting order or other orders necessary to convey the Real Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Real Property;

- (k) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Real Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable or as this Court may require;

- (l) to register a copy of this Order against title to the Real Property;

- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority with respect to the Real Property and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

- (n) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in respect of the Real Property;

- (o) to make or cause to be made such appraisal and investigation of the Real Property as to enable the Receiver to examine any disposition or transfer of the Real Property prior to the date hereof; and

- (p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that: (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on the Debtors behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall grant immediate and continued access to the Real Property to the Receiver.

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

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto

paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from the Real 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 relating to the Real Property, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. THIS COURT ORDERS that the Receiver may, but is not obligated to, enter into one or more agreements with any entity that employs individuals who provide services in respect of the

Real Property. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Real 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 Real Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser the Real Property shall be entitled to continue to use the personal information provided to it, and related to the Real Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed. No information regarding the Real Property shall be disclosed by the Receiver to any prospective purchaser or bidder until and unless this Court has first approved of a sales process with respect to the Real Property.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of the Real Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the Ontario *Water Resources Act*, or the Ontario

Occupational Health and Safety Act and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of the Real Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

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

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ 175,000 (or such greater amount as this Court may by further Order authorize or the parties agree otherwise) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Real Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

22. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed not exceeding \$ 175,000 by it pursuant to this Order.

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

SERVICE AND NOTICE

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

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

GENERAL

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

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

28. THIS COURT ORDERS that the Debtor may obtain replacement financing required to pay out the indebtedness due and owing to the Applicants before a sales process of the Real Property is approved by this Court.

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

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

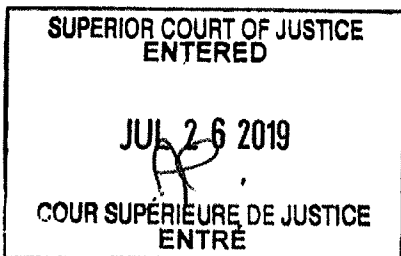
31. THIS COURT ORDERS that the Applicants shall have their costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a partial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

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

CM Chiba

CM CHIBA, Registrar
Superior Court of Justice

393 UNIVERSITY AVE. 393 AVE. UNIVERSITY
 6TH FLOOR 6E ÉTAGE
 TORONTO, ONTARIO TORONTO, ONTARIO
 M5G 1E6 M5G 1E6



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Kofman Inc., the receiver (the "**Receiver**") of the real property of the respondents Ideal (BC) Development Inc., Ideal (BC2) Development Inc., 2490564 Ontario Inc., and 2490568 Ontario Inc., (the "**Debtors**"), known municipally as 8, 10, 12, 14, 16 and 18 Bostwick Crescent, and 2, 6 and 8 Bond Crescent, in the Town of Richmond Hill, Ontario and legally described within PINs 03196-0072 (LT), 03196-0073 (LT), 03196-0074 (LT), 03196-0075 (LT), 03196-0076 (LT), 03196-0077 (LT), 03196-0078 (LT), 03196-0079 (LT), 03196-0080 (LT) (the "**Real Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 27th day of July 2019 (the "Order") made in an action having Court file number CL-19-00622054-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

KSV Kofman Inc., solely in its capacity
as Receiver of the Real Property, and not in its
personal capacity

Per: _____
Name:
Title:

FIRST SOURCE FINANCIAL MANAGEMENT INC. et al.
Applicants

-and- IDEAL (BC) DEVELOPMENTS INC. et al.
Respondents

Court File No. CV-19-00622054-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**ORDER
(APPOINTING RECEIVER)**

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Lawyers for the Applicants

Appendix “B”

**Listing Agreement
Authority to Offer for Sale**



EXCLUSIVE

This is a Multiple Listing Service® Agreement

OR Exclusive Listing Agreement

BETWEEN:

BROKERAGE: See "Rider to Listing Agreement"

(the "Listing Brokerage") Tel.No. (.....)

SELLER(S): (the "Seller")

In consideration of the Listing Brokerage listing the real property for sale known as

..... (the "Property")

the Seller hereby gives the Listing Brokerage the exclusive and irrevocable right to act as the Seller's agent,

commencing at 12:01 a.m. on the See "Rider to Listing Agreement" day of August, 20.....
until 11:59 p.m. on the day of 20..... (the "Listing Period").

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

..... (Seller's Initials)

to offer the property for sale at a price of:

Dollars (CAD\$) 1000

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

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

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

2. COMMISSION: In consideration of the Listing Brokerage listing the Property, the Seller agrees to pay the Listing Brokerage a commission of% of the sale price of the Property or See "Rider to Listing Agreement"

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement ~~or such other terms and conditions as the Seller may accept~~ subject to the terms and conditions set out in the Listing Agreement

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

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

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

3 REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage) and to offer to pay

the co-operating brokerage a commission of% of the sale price of the Property or See "Rider to Listing Agreement"

..... out of the commission the Seller pays the Listing Brokerage.

INITIALS OF LISTING BROKERAGE:

INITIALS OF SELLER(S):

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11. USE AND DISTRIBUTION OF INFORMATION: The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the

INITIALS OF LISTING BROKERAGE: 

INITIALS OF SELLER(S): 

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

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

Does Does Not

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

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

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

DATE: 09/8/19 *ADRIAN C. G.*
(Authorized to bring the Listing Brokerage) (Name of Person Signing)

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

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal
MARGARET ADRIAN DATE: 09/06/19 416 932 6228
(Signature of Seller) (Seal) (Tel. No.)

(Signature of Seller) (Seal) DATE: _____

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

(Spouse) DATE: _____ (Seal)

DECLARATION OF INSURANCE

The broker/salesperson _____
(Name of Broker/Salesperson)
hereby declares that he/she is insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.

(Signature(s) of Broker/Salesperson)

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a true copy of this Agreement on the _____ day of _____, 20_____

(Signature of Seller) Date: _____

(Signature of Seller) Date: _____

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Schedule "A"

Re: Listing Agreement (the "Agreement") for 8, 10, 12, 14, 16 and 18 Bostwick Crescent, and 2, 6 and 8 Bond Crescent, in the Town of Richmond Hill, Ontario (the "Real Property") between CBRE Limited (the "Listing Brokerage") and KSV Kofman Inc. (the "Seller"), without personal or corporate liability and solely in its capacity as Court-appointed receiver and manager of the Real Property owned by Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc., Ideal Developments Inc., 2490564 Ontario Inc. and 2490568 Ontario Inc. (collectively, the "Companies").

Notwithstanding anything contained in the Agreement, each of the Listing Brokerage and the Seller acknowledges and agrees as follows:

1. **Termination Rights.** The Seller may without penalty or cost to the Seller terminate the Agreement at any time, if the Listing Brokerage is in default hereunder or under any other agreement with the Seller. In addition, this Agreement shall automatically terminate if: (a) the Court order appointing the Seller and/or the Seller's appointment as Receiver of the Real Property is revoked, overturned on appeal, suspended or terminated; and/or (b) the Seller is restricted in or enjoined from dealing with the Real Property by a court of competent jurisdiction; (c) any of the mortgagees of the Real Property or any other future lenders are permitted by Court order to enforce their rights and/or remedies against the Real Property; and/or (d) the Court does not make the order approving the sale process;

2. **Price.** While it is the Seller's intention to obtain the highest and best offer for the Real Property, the Listing Brokerage acknowledges and agrees that the Seller need not accept the highest offers and/or the best offers or any offer, and that acceptance by the Seller of any offers for the Real Property are subject at all times to the Seller's approval in its sole and absolute discretion and as well as approval by the Court. No fee, commission or other compensation is payable to the Listing Brokerage in respect of the Real Property unless and until the sale of the Real Property has been completed and the Seller is paid in its entirety.

3. **Holdover Period Commission.** Any fee, commission or other compensation payable to the Listing Brokerage in connection with a holdover period, being six (6) months from the termination of the Listing Agreement ("Holdover Period"), shall: (a) only apply to those purchasers who were introduced to the Seller or to the Real Property by the Listing Brokerage during the Listing Period and who the Listing Brokerage has previously disclosed in writing to the Seller no later than three (3) days following the earlier of the expiration or termination of the Agreement; and (b) be reduced by any fee, commission and/or other compensation paid to another broker or agent for the sale of the Real Property as the new Listing Brokerage (the "New Agent") on the basis of an agreement with the New Agent entered into with respect to the Holdover Period.

If the Listing Brokerage had introduced up to a maximum of two (2) different prospective *bona fide* purchasers to the Seller during the Listing Period (each being a "Serious Prospect") and said Serious Prospect had entered into material negotiations with the Seller to purchase the Real Property, but said material negotiations had not resulted in a binding agreement of purchase and sale, to the extent that each of the Listing Brokerage and the Seller agree in writing to designate said prospective purchaser as a Serious Prospect prior to the expiration of the Listing Period, and so long as the Seller is not prohibited from doing so, and provided that the New Agent has agreed to forego its fee should a sale to a Serious Prospect be completed, the Listing Brokerage shall be entitled to its commission in connection with the transaction being completed with the Serious Prospect upon terms and conditions acceptable to the Seller in their sole and absolute discretion, which transaction must be subject to Court approval and a binding and unconditional agreement of purchase and sale executed by each of the parties thereto prior to the expiration of the Holdover Period.

During the Holdover Period, the Listing Brokerage will not be entitled to any commission, payment or fee as the Seller's agent if the Listing Team represents the purchaser.

4. **Listing Brokerage's Duties.** The Listing Brokerage covenants and agrees with the Seller to:
(a) pursuant to the Seller's instructions as outlined below, list the Real Property for sale on an un-priced basis (save and except as described in (b) below with respect to the Multiple

Listings Service ("MLS")):

- (b) if instructed by the Seller, offer the Real Property for sale on MLS, for which the listed price shall be \$1.00 (as a price is required) and the Commissions to Co-operating Brokerage shall be \$1.00 (it being the intention that the buyer(s) shall be responsible for any commissions to any Cooperating Agents (as defined below) or that the Listing Brokerage shall pay the Cooperating Agent from the Listing Fee (as defined below));
- (c) unless otherwise agreed by the Seller, diligently market the Real Property for sale and use commercially reasonable efforts to sell the Real Property pursuant to the following process:

Summary of Sale Process		
Milestone	Description of Activities	Timeline
<i>Phase 1 – Underwriting</i>		
Due Diligence	<ul style="list-style-type: none"> ➤ Listing brokerage to review all available documents concerning the Real Property, including environmental report and planning and development reports. 	To be completed before sale process commences
Finalize marketing materials	<ul style="list-style-type: none"> ➤ Listing Brokerage and the Seller to: <ul style="list-style-type: none"> ○ prepare a summary of the project and the opportunities; ○ populate an online data room; ○ prepare a confidentiality agreement ("CA"); ○ prepare a separate Confidential Information Memorandum ("CIM"), and ○ Assist the Receiver and its legal counsel in the preparation of a vendor's form of Purchase and Sale Agreement (the "PSA"). 	
Prospect identification	<ul style="list-style-type: none"> ➤ Listing Brokerage to develop a master prospect list. Listing Brokerage will qualify and prioritize prospects. ➤ Listing Brokerage will also have pre-marketing discussions with targeted developers. 	
<i>Phase 2 – Marketing</i>		
Stage 1	<ul style="list-style-type: none"> ➤ Mass market introduction, including: <ul style="list-style-type: none"> ○ offering summary and marketing materials printed; ○ publication of the acquisition opportunity in <i>The Globe and Mail</i> (National Edition); ○ telephone and email canvassing of leading prospects; and ○ meet with and interview prospective bidders. 	Weeks 1 to 2 from launch dates
Stage 2	<ul style="list-style-type: none"> ➤ Listing Brokerage to provide detailed information to qualified prospects which sign the CA, including the CIM, access to the data room and a form PSA. ➤ Listing Brokerage to facilitate all diligence by interested parties. 	Weeks 3-4 from launch dates
Stage 3	<ul style="list-style-type: none"> ➤ Prospective purchasers to submit PSAs or other 	End of fifth week after sale

Summary of Sale Process		
Milestone	Description of Activities	Timeline
	proposals, including development proposals.	process launches
<i>Phase 3 – Offer Review and Negotiations</i>		
Short-listing of Offers	<ul style="list-style-type: none"> ➤ Short listing of bidders. ➤ Further bidding - Interested bidders may be asked to improve their offers. 	ASAP
Selection of Successful Bids	<ul style="list-style-type: none"> ➤ Select successful bidder and finalize definitive documents. 	ASAP
Transaction Approval Motion and Closing	<ul style="list-style-type: none"> ➤ Motion for transaction approval and close transaction. 	ASAP

- (d) co-operate with all licensed real estate brokers and agents in the sale of the Real Property (collectively the “Cooperating Agents” and each a “Cooperating Agent”), with any commissions or fees of such Cooperating Agents to be paid by the purchasers or by the Listing Brokerage out of the Listing Fee;
- (e) ensure that there is continuity in the assignment of individual staff members and partners to the work performed by the Listing Brokerage under the terms of this engagement. In particular, the Listing Brokerage agrees to ensure that individual staff members originally assigned, including Mike Czeszochowski (collectively the “Listing Team”), perform work in connection with the Listing Brokerage’s engagement, will each be available and will devote the time required to undertake the assignment contemplated herein;
- (f) subject to the instructions of the Seller, to assist the Seller in negotiating binding agreements of purchase and sale subject to Court approval with those parties identified by the Seller. Only the Seller shall have authority to accept offers and the Listing Brokerage shall not have any authority whatsoever to enter into any sale, financing or other contract on behalf of the Seller and/or to otherwise bind the Seller in any manner whatsoever;
- (g) continue to assist the Seller in connection with the sale of the Real Property and seeking Court approval after the execution of a binding agreement of purchase and sale with respect to the same until such sale has been successfully concluded; and
- (h) unless the Seller’s written consent is provided in advance, to act solely for the benefit of the Seller in connection with the marketing and sale of the Real Property and not to have any direct or indirect interest in any entity purchasing or proposing to purchase the Real Property and not to receive any payments or other benefits from said purchasers or potential purchasers.

5. **Commission Payable to the Listing Brokerage.** The Seller shall pay to the Listing Brokerage upon the successful completion of sale of the Real Property, the commission (the "Listing Fee") as set out in Schedule "B". Any commission or fee payable to a Cooperating Agent shall be paid either by the purchaser or the Listing Brokerage out of the Listing Fee, in accordance with Section 4(b) above. A Cooperating Agent may be employed at the Listing Brokerage so long that they are not a member of the Listing Team. For greater certainty, other than the Listing Team, all other agents shall be treated as third party Cooperating Agents, shall not be provided with any confidential information and shall be compensated pursuant to this Agreement as a Cooperating Agent. The Seller acknowledges that payment of HST applies on all commissions payable. As it relates to the commission payable, a sale constitutes a court approved sale of the Real Property, share transaction, option or other form of sale or transfer of the rights of the Real Property. The Seller agrees to notify the Listing Brokerage of the successful completion or closing. The Seller hereby instructs its solicitors and agrees to advise the Court to pay the Listing Brokerage in the amount noted above directly out of the proceeds of sale in accordance with an accepted agreement of purchase and sale and to have same addressed as a closing cost to the transaction.

6. **Acknowledgments.** The Listing Brokerage acknowledges and agrees in favour of the Seller that:

- (a) the Real Property is to be marketed and sold on an "as is, where is" basis and, accordingly, any agreement of purchase and sale shall provide for an acknowledgment by such purchaser that the Real Property is being sold by the Seller on an "as is, where is" basis, and that no representations or warranties have been or will be made by the Seller or anyone acting on its behalf, to the Listing Brokerage or such purchaser as to the condition of the Real Property or any buildings located thereon;
- (b) the Seller may annex a schedule to the transfer/deed of land (or other registrable document with respect to the sale) expressly excluding any covenants deemed to be included pursuant to the *Land Registration Reform Act* of Ontario, other than one to the effect that the Seller has the right to convey the Real Property;
- (c) in lieu of a transfer/deed of land for the Real Property, the Seller will vest title to the Real Property by way of a vesting order; and
- (d) the sale of the Real Property requires the prior approval of the Ontario Superior Court of Justice (Commercial List) in said Court's sole and absolute discretion.

7. **Advertisement Expenses & Third-Party Consultants.** All advertising and sales promotion shall be subject to the approval of the Seller and all such advertisement and promotional material shall be prepared, published and distributed by the Listing Brokerage and shall be at the expense of the Listing Brokerage. All third-party reports and legal service fees requested and/or approved by the Seller shall be at the expense of the Seller.

8. **Indemnity.** The Listing Brokerage confirms that it owes an obligation to the Seller and its officers, employees and agents (collectively, the "Indemnified Parties") to carry out its activities in a competent and professional manner acting reasonably and in good faith. As such, the Listing Brokerage confirms that it owes an obligation to the Indemnified Parties with respect to claims made by third parties against the Indemnified Parties arising out of work performed by the Listing Brokerage or the Listing Brokerage's failure to comply with its obligations hereunder. This indemnity shall survive the expiration or termination of the Agreement.

9. **Confidentiality.** The Listing Brokerage shall treat and shall cause its agents to treat as confidential and shall not disclose, during as well as after the rendering of the service contracted herein, any confidential information, records or documents to which the Listing Brokerage becomes privy as a result of its performance of the Agreement and shall take all necessary steps to ensure the confidentiality of information in the Listing Brokerage's possession or control except for disclosure that may be required for the reasonable performance by the Listing Brokerage of its responsibilities hereunder.

10. **Assignment.** This Agreement shall not be assigned in whole or in part by the Listing Brokerage without the prior written consent of the Seller which consent may be unreasonably and/or arbitrarily withheld and any assignment made without that consent is void and of no effect.

11. **Seller's Capacity.** Notwithstanding the foregoing or anything else contained herein or elsewhere, the Listing Brokerage acknowledges and agrees that both the execution of this Agreement and any transaction or transactions involving a sale of the Real Property requires the prior approval of the Ontario Superior Court of Justice (Commercial List) in said Court's sole and absolute discretion.

12. **Warranty.** Subject to Section 11 above and the remainder of this Section 12, the Seller represents and warrants that the Seller has the exclusive authority and power to execute this Agreement and to authorize the Listing Brokerage to offer the Real Property for sale. Notwithstanding the foregoing and Section 7 of the pre-printed portion of this Agreement, the Listing Brokerage acknowledges and agrees that the Seller has only limited knowledge about the Real Property and cannot confirm any third party interests or claims with respect to the Real Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Real Property, which may affect the sale of the Real Property. Section 7 of the pre-printed portion of this Agreement is qualified by the previous sentence.

13. **Facsimile & Counterparts.** This Agreement and any other agreement delivered in connection therewith, and any amendments thereto, may be executed by facsimile transmittal facilities, or electronic copy in a portable document format or such similar format and if so executed and transmitted, will be for all purposes as effective as if the parties had delivered an executed original of this Agreement, or such other agreement or amendment, as the case may be, and shall be deemed to be made when the receiving party confirms this Agreement, or such agreement or amendment, as the case may be, to the requesting party by facsimile or by electronic copy in a portable document format or such similar format. This Agreement may be executed in several counterparts, and each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and, notwithstanding their date of execution, shall be deemed to bear date as of the date first written above.

14. **Jurisdiction.** This Agreement shall be governed and construed in accordance with the laws of the Province of Ontario. If any provision hereof is invalid or unenforceable in any jurisdiction where this Agreement is to be performed, such provision shall be deemed to be deleted and the remaining portions of this Agreement shall remain valid and binding on the parties hereto.

15. **Finder's Fees.** The Seller does not consent to the Listing Brokerage or any Cooperating Agents (or their respective affiliates) receiving and retaining, in addition to the commission provided for or otherwise contemplated in this Agreement, a finder's fee for any financing of the Real Property. Section 9 of the pre-printed portion of this Agreement is amended accordingly.


16. **Verification of Information.** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Real Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. For greater certainty, none of the Listing Brokerage or the Listing Brokerage's representatives may bind the Seller or execute any documentation on behalf of the Seller. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage. Section 10 of the pre-printed portion of this Agreement is amended accordingly.

17. **Listing Period.** The term of this Agreement shall begin upon acceptance of this Agreement (the "Commencement Date") and shall expire one minute before midnight on the sixth month anniversary following the Commencement Date or upon earlier termination as otherwise prescribed herein (the "Listing Period"). Notwithstanding any other provision in this Agreement, the Listing Brokerage shall not advertise the Real Property on MLS until the Seller provides expressed authority to do so and all marketing materials have been approved. The Listing Brokerage shall have five (5) days following said approval to post the Real Property on the MLS.

18. **Paramountcy.** In the event of any conflict or inconsistency between the provisions of the pre-printed portion of this Agreement and the provisions of this Schedule "A", the provisions of this Schedule

"A" shall prevail and govern.

CBRE LIMITED

Per: 
Name: ~~Adrian Lee~~
Title: Executive Vice President, Managing Director

**KSV KOEMAN INC. SOLELY IN ITS CAPACITY
AS COURT APPOINTED RECEIVER AND
MANAGER OF THE REAL PROEPRTY OF IDEAL
(BC) DEVELOPMENTS INC., IDEAL (BC2)
DEVELOPMENTS INC., IDEAL DEVELOPMENTS
INC., 2490564 ONTARIO INC. AND 2490568
ONTARIO INC. AND NOT IN ITS PERSONAL
CAPACITY**

Per:  **ROBERT KOEMAN**
Name: ~~Neah Goldstein~~
Title: Managing Director

Schedule "B"

The Listing Brokerage is entitled to a Listing Fee equal to 2.0% (plus HST) of the purchase price of the Real Property; however, if any of the Real Property are sold with the assistance of a Cooperating Agent, the total Listing Fee will be 2.75% of the sale price of that property, of which the Cooperating Agent will be entitled to a commission of 0.75% (plus HST) of the sale price of the property and the Listing Agent will be entitled to a commission of 2.0% (plus HST).

Appendix “C”

Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc., Ideal Developments Inc., 2490564 Ontario Inc. and 2490568 Ontario Inc.

Broker Commission Schedule

Matter	Listing Agreement Date		Location of Property	Realtor	Commission (%)
1033803 Ontario Inc. and 1087507 Ontario Ltd.	February	2019	Concord, Stouffville, Vaughan	CBRE Group Inc.	2.25% if sold through a co-operating broker, 1.75% otherwise
Forme Development Group Inc. and Related Companies	November	2018	Greater Toronto Area, Waterloo, Niagara	TD Cornerstone Commercial Realty Inc.	1.1%. No additional commission payable if transaction is completed through a co-operating broker
2332361 Ontario Ltd.	October	2018	Brockville	Jones Lang Lasalle Incorporated	5% if sold through co-operating brokerage, 4% otherwise
2301132 Ontario Inc.; and 2309840 Ontario Inc.	October	2018	Halton Hills	Colliers Macaulay Nicolls Inc.	1.5%
JD Development Group	July	2018	Waterloo	TD Cornerstone Commercial Realty Inc.	0.85%
Seaway Travel Centre Ltd.	July	2018	Cornwall	Colliers International	4%
3291735 Nova Scotia Limited	April	2018	Halifax	Keller Williams	5% if sold through co-operating brokerage, 4% otherwise
Textbook (445 Princess Street) Inc.	January	2018	Kingston	Jones Lang Lasalle Incorporated	3%
M.Y. Residential Inc.	August	2017	Kingston	Jones Lang Lasalle Incorporated	3% if sold through co-operating broker, 2.5% otherwise
1703858 Ontario Inc.	June	2017	Burlington	Colliers Macaulay Nicolls Inc.	3.25% if sold through co-operating broker, 2.25% otherwise
Legacy Lane Investments Ltd.	June	2017	Huntsville	Royal LePage	5%
Memory Care Investments Kitchener Ltd.	June	2017	Kitchener	Colliers Macaulay Nicolls Inc.	3.25% if sold through co-operating broker, 2.25% otherwise
Memory Care Investments Oakville Ltd.	June	2017	Oakville	Colliers Macaulay Nicolls Inc.	3.25% if sold through co-operating broker, 2.25% otherwise
Textbook (525 Princess Street) Inc.	June	2017	Kingston	SVN Rock Advisors Inc.	3%
Textbook (555 Princess Street) Inc.	June	2017	Kingston	SVN Rock Advisors Inc.	3%
Genrex Byward Hall Inc.	June	2017	Ottawa	SVN Rock Advisors Inc.	3% on first \$9,000,000; 4.5% on next \$1,500,000; and 5% on balance thereafter.
Scollard Development Corporation	April	2017	Whitby	TD Cornerstone Commercial Realty Inc.	1.5% on first \$6,000,000; 2.5% on next \$4,000,000; 3.50% on next \$2,500,000; 5% on next \$2,500,000; and 5.50% on balance thereafter.
Confidential mandate	March	2017	Toronto, Scarborough, Pickering	Jones Lang Lasalle Incorporated	(i) 0.70% - 0.85% on income properties (plus 0.50% - 0.85% if sold through co-operating broker); (ii) 1.5% - 2.5% on land parcels (plus 1.20% - 1.70% if sold through co-operating broker); (iii) 1.75% - 2.5% on commercial condos (plus 2.5% if sold through co-operating broker); and (iv) bonus fee of 2% for proceeds above \$110,000,000
Urbancorp (Bridlepath) Inc.	June	2016	Toronto	TD Cornerstone Commercial Realty Inc.	1% on first \$16,900,000; 3% on next \$900,000; and 5% on balance thereafter.
Urbancorp (Mallow) Inc.; Urbancorp (Patricia) Inc.; Urbancorp (St. Clair Village) Inc.; and Urbancorp (Lawrence) Inc.	June	2016	Toronto	Colliers Macaulay Nicolls Inc.	0.90% on first \$50,000,000; 1.15% on next \$10,000,000; 1.50% on next \$10,000,000; 1.75% on next \$10,000,000; and 2.50% on balance thereafter.
Urbancorp (Woodbine) Inc.	June	2016	Toronto	TD Cornerstone Commercial Realty Inc.	1% on first \$7,800,000; 3% on next \$400,000; and 5% on balance thereafter.
Mady Steeles 2011 Ltd.	July	2015	Toronto	Cushman & Wakefield Ltd.	0.85%

TAB 3

counsel as were present as indicated on the Counsel Slip, no one appearing for any other person on the Service List, although properly served as appears from the Affidavit of Michelle Jackson sworn August 12, 2019, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is abridged and validated such that this Motion is properly returnable today, and further service of the Notice of Motion and the Motion Record is hereby dispensed with.

APPROVAL OF SALE PROCESS AND CBRE LISTING AGREEMENT

2. **THIS COURT ORDERS** that the retention of CBRE Ltd. as the listing agent for the real property of the Company (the "**Property**") and the listing agreement substantially in the form attached as Appendix "B" to the First Report (the "**CBRE Listing Agreement**") be and is hereby approved.

3. **THIS COURT ORDERS** that the sale process (the "**Sale Process**"), as described in the First Report, be and hereby is approved.

4. **THIS COURT ORDERS** that the Receiver is hereby authorized to commence and carry out the Sale Process and to take such further steps as are considered necessary or desirable in carrying out the terms of the Sale Process, subject to prior approval of this Court being obtained before completion of any transactions under the Sale Process.

5. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver may 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 a sale of the Property (the "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and

protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of the Property shall be entitled to continue to use the personal information provided to it, and in a manner which is in all material respects identical to the prior use of such information by the Receiver and/or the Company, and shall return all other personal information.

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

APPROVAL OF RECEIVER'S FIRST REPORT AND CONDUCT

7. **THIS COURT ORDERS** that the First Report, and the conduct and activities of the Receiver, as described therein, be and hereby are approved.

GENERAL

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

FIRST SOURCE FINANCIAL MANAGEMENT INC. et al. **-and-**

Court File No. CV-19-00622054-00CL
IDEAL (BC) DEVELOPMENTS INC. et al.

Applicants

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**SALE PROCESS ORDER
(August 19, 2019)**

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Lawyers for the Receiver KSV Kofman Inc.

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MOTION RECORD

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