

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

KRASHNIK INVESTMENTS LIMITED
and GABEL INVESTMENTS LIMITED

Applicants

and

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

MOTION RECORD OF THE RECEIVER
(Fee Approval hearing September 18, 2020)

September 14, 2020

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TO: **SERVICE LIST**

#4353912 | 4115677

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Previously Filed Material:

- * First Report of the Receiver dated May 25, 2020 (previously filed)

Court File No. CV-19-627410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

KRASHNIK INVESTMENTS LIMITED
and GABEL INVESTMENTS LIMITED

Applicants

and

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

NOTICE OF MOTION
(hearing – September 18, 2020)

POLLARD & ASSOCIATES INC., in its capacity as receiver and manager (in such capacities, the “**Receiver**”), without security, of all of the assets, undertakings and properties of 186 Old Kennedy Development Inc. (the “**Debtor**”), appointed pursuant to the Order of the Honourable Justice C.A. Gilmore dated January 31, 2020 (the “**Appointment Order**”) will make a Motion to a Judge presiding over the Commercial List on Friday, September 18, 2020 at 11:00 a.m. by way of video conference due to the COVID-19 pandemic.

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

in writing under subrule 37.12.1(1);

in writing as an opposed motion under subrule 37.12.1(4);

orally.

THE MOTION IS FOR

1. An Order abridging the time for service of this Notice of Motion and Motion Record and dispensing with further service of this Notice of Motion and Motion Record such that this Motion is properly returnable on the date that it is heard.
2. An Order:
 - (a) Approving the Second Report of the Receiver, dated September 14, 2020 (the “**Second Report**”), and the conduct and activities of the Receiver since the First Report as outlined in the Second Report;
 - (b) Authorizing the distribution of the sale proceeds to Krashnik Investments Limited (“**Krashnik**”), the first ranking mortgagee in respect of the lands municipally described as 186 Old Kennedy Road, Markham, Ontario and 51 Victory Avenue, Markham, Ontario (collectively, the “**Real Property**”), as more particularly described in Section N of the Second Report; and
 - (c) Approval of the Interim Statement of Receipts and Disbursements as at September 14, 2020;

- (d) Approval of the ProForma Statement of Receipts and Disbursements as at September 14, 2020; and
- (e) Such further and other relief as counsel may advise and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE

The Debtor

1. The Debtor acquired and assembled underdeveloped real property for the purpose of building medium-density residential units. The Debtor's principal asset is the Real Property. The Real Property consists of 8.958 acres of land fronting on Old Kennedy Road, Markham, Ontario.

The Appointment Order

- 2. The Receiver was appointed pursuant to the Appointment Order.
- 3. The Appointment Order granted the Receiver the power and authority to, among other things:
 - (a) take possession of an exercise control over all of the assets, undertakings, and properties of the Debtor acquired for, or use in relation to a business carried on by the Debtor and all proceeds thereof (collectively, the "**Property**"); and
 - (b) sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) Without the approval of the Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000.00; and
- (ii) With the approval of the Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause.

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

The Sale Approval Order

4. Pursuant to an order of the Honourable Justice Conway dated June 10, 2020, the Court approved, among other things, the following:

- (a) Approved the sale transaction (the “**Sale Transaction**”) contemplated by an Agreement of Purchase and Sale dated May 8, 2020 (the “**Old Kennedy APS**”), between the Receiver and Chengyi Wei (“**Wei**”), in trust for a company to be incorporated, as purchaser, and as assigned by Wei to W. Garden Corporation, as assignee (the “**Purchaser**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets as described in the Old Kennedy APS.

5. Upon receipt of the Approval and Vesting Order (the “**Approval Order**”), the Receiver notified the Service List of the Approval Order authorizing the Receiver to complete the Sale Transaction.

6. The terms of the Old Kennedy APS had been outlined in the First Report except for the purchase price which had been redacted. The purchase price as outlined in the Old Kennedy APS was \$47,800,000. The closing date in respect of the Sale Transaction was September 11, 2020.

Security Review

7. Minden Gross completed a review of the security delivered by the Debtor in favour of Krashnik, which included a charge/mortgage of land registered against title to the Real Property. The security review indicates that Krashnik has valid and enforceable security, including a first ranking mortgage, against the Real Property, subject to the usual limitations, qualifications and exceptions.

8. The Receiver requests that the distribution be made to Krashnik in respect of its first ranking mortgage against the Real Property.

9. As more particularly described in the Second Report, there is dispute among the second and third ranking mortgagees of the Real Property. Accordingly, the Receiver is unable to recommend distribution of further funds until such time as a determination is made as to the priority of the subsequent mortgagees.

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

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

- (a) The First Report of the Receiver dated May 25, 2020;
- (b) The Second Report of the Receiver dated September 14, 2020;
- (c) Such further and other evidence as the lawyers may advise and this Honourable Court permit.

September 14, 2020

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TO: **SERVICE LIST**

#4350518 v3 | 4115677

BETWEEN

KRASHNIK INVESTMENTS LIMITED et al.

-and-

186 OLD KENNEDY DEVELOPMENT INC.

Applicants

Respondent

Court File No. CV-19-627410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF MOTION

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Court File No. CV-19-627410-00CL
Estate File No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

KRASHNIK INVESTMENTS LIMITED and
GABEL INVESTMENTS LIMITED

Applicant

and

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

**SECOND REPORT OF THE COURT APPOINTED RECEIVER OF
186 OLD KENNEDY DEVELOPMENT INC. ("Second Report")**

September 14, 2020

A. INTRODUCTION

1. On March 3, 2020, pursuant to a motion brought by the secured creditors, Krashnik Investments Limited and Gabel Investments Limited. (collectively "**Krashnik**"), Pollard & Associates Inc., (the "**Receiver**") was appointed as receiver and manager of 186 Old Kennedy Development Inc., (the "**Company**") by Order of the Honourable Justice C.A. Gilmore dated January 31, 2020 (the "**Appointment Order**") made pursuant to subsection 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**"). A copy of the Appointment Order is attached to this report as **Schedule "A"**.

2. The Appointment Order appointed the Receiver, without security, over all of the Company's assets, undertaking and properties acquired for, or used in relation to business carried on by the Company, including all proceeds thereof (the "**Property**").

3. The Company was part of a group of companies which were part of the Forme Development Group ("**Forme Group**"). Forme Group had assembled various properties for redevelopment, including, the lands known municipally as 186 Old Kennedy Road ("**186 Old Kennedy Lands**") and 51 Victory Avenue ("**51 Victory Lands**"), Markham (collectively, the "**Real Property**") and the adjoining lands known municipally as 31 Victory Avenue, Markham (the "**31 Victory Lands**"). Forme Group brought an application for protection from its creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 as amended ("**CCAA**") in November of 2018. The mortgage holders on several of the Forme Group projects opposed the CCAA filing. This opposition resulted in a bifurcated process whereby only part of the Forme Group was granted CCAA protection. The balance of the group (collectively referred herein as the "**Non-Applicant Companies**" and, individually as a "**Non-Applicant Company**") remain outside of CCAA protection. The Company is a Non-Applicant Company. A copy of the endorsement of the Honourable Justice Hainey in respect of the CCAA Termination Order is attached to this report as **Schedule "B"**.

4. On January 29, 2020, pursuant to a motion brought by Vector Financial Services Limited ("**Vector**"), Pollard & Associates Inc., was also appointed receiver and manager over the assets, undertaking and properties of 31 Victory Development Inc. ("**Victory**") by Order of the Honourable Justice Penny dated November 5, 2019. The Victory assets consist primarily of the 31 Victory Lands, which adjoin the Real Property.

5. On June 10, 2020, the Receiver brought a motion (the "**June 10 Motion**") for the purpose of:

- (a) obtaining approval of the sale transaction contemplated by an Agreement of Purchase and Sale dated May 8, 2020 (the "**Old Kennedy APS**") between the Receiver and Chengyi Wei, ("**Wei**") in trust for a company to be incorporated, as purchaser, and as assigned by Wei, to W Garden Corporation, as assignee (the "**Purchaser**") and vesting in the Purchaser the Company's right, title and interest in and to the assets described in the Old Kennedy APS. By Order of the Honourable Justice Conway the Court approved the purchase and sale transaction contemplated in the Old Kennedy APS (the "**Old Kennedy Sale Transaction**"),

the execution of the Old Kennedy APS by the Receiver and the vesting in the Purchaser the Debtor's right, title and interest in the assets described in the Old Kennedy APS free and clear of and from any and all security interests (the "**Approval and Vesting Order**"). A copy of the Approval and Vesting Order dated June 10, 2020 is attached to this report as **Schedule "C"**; and

- (b) approving the Receiver's conduct and activities as described in the first report to Court dated May 25, 2020 (the "**First Report**") and requesting a sealing order to kept confidential appendices "1", "2", and "3" to the First Report confidential and not part of the public report pending further Order of the Court. The Honourable Justice Conway approved the activities and conduct of the Receiver as described in the First Report and the sealing of the confidential appendices pending further Order of the Court (the "**Sealing Order**"). A copy of the Sealing Order dated June 10, 2020 is attached to this report as **Schedule "D"**.

6. The purpose of this Second Report is to update the Court on the Receiver's conduct and activities since the First Report to advise the court of the completion of the Old Kennedy Sale Transaction, and to outline the proposed distribution of the sale proceeds received by the Receiver from the completion of the Old Kennedy Sale Transaction. The Receiver seeks an order from the Court:

- (a) Approving the Receiver's conduct and activities since the First Report and as outlined in this Second Report;
- (b) Approval of the distribution to Krashnik, as the first ranking mortgagee of the Company as more particularly described in Section N of this Second Report;
- (c) Approval of the Interim Statement of Receipts and Disbursements as at September 14, 2020; and
- (d) Approval of the Proforma Statement of Receipts and Disbursements as at September 14, 2020.

B. TERMS OF REFERENCE

7. The information contained in this Second Report is based on unaudited financial information as well as discussions with representatives of the Company and its advisors. The Receiver has reviewed the information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards (“CAS”) pursuant to the *Chartered Professional Accountants Canada Handbook* (“CPA Canada Handbook”) and accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the information.

8. Future oriented financial information referred to in this Second Report was prepared based on discussions with representatives of the Company. Readers are cautioned that since forecasts are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the forecasts, even if the assumptions materialize, and variations could be significant.

9. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

C. COMPANY OPERATIONS

10. The Company acquired and assembled underdeveloped real property for the purpose of building medium-density residential units. The Company’s principal asset is the Real Property.

11. The Real Property currently has situate upon it a one-storey commercial/industrial building in average condition and two long narrow storage structures located to the west of the industrial building. The Real Property consists of 8.958 acres of land fronting on Old Kennedy Road, Markham.

D. COMPLETION OF THE OLD KENNEDY SALE TRANSACTION

12. Upon receipt of the Approval and Vesting Order the Receiver notified the Service List that it was authorized to complete the Old Kennedy Sale Transaction.

13. The terms of the Old Kennedy APS had been outlined in the First Report, except for the provisions dealing with the purchase price and the allocation of the purchase price which had been redacted. The purchase price for the Real Property in the Old Kennedy APS was \$47,800,000. A copy of the Old Kennedy APS is attached to this Second Report as **Schedule "E"**.

14. The Old Kennedy APS required the Purchaser to provide an initial deposit in the amount of \$250,000 and a subsequent deposit of \$1,000,000 on or before May 28, 2020. The Purchaser provided to the Receiver each of the deposits as contemplated in the Old Kennedy APS.

15. The Old Kennedy APS expressly contemplated and was conditional upon the completion of the purchase and sale transaction for the 31 Victory Lands (the "**31 Victory Sale Transaction**"). Similarly, the 31 Victory Sale Transaction was conditional upon the completion of the Old Kennedy Sale Transaction.

16. Following the issuance of the Approval and Vesting Order, the Receiver and its counsel maintained regular communication with the Purchaser and its counsel in order to facilitate the closing of each of the Old Kennedy Sale Transaction and the 31 Victory Sale Transaction.

17. As is common with sale transactions, various issues arose between the issuance of the Approval and Vesting Order and the closing of the Old Kennedy Sale Transaction that required the active involvement of the Receiver and its counsel.

18. One such issue involved the Purchaser's concerns with the quantum of debt that was purported to be owed by Kennedy to the second mortgagee of the Old Kennedy Lands.

19. The concern of the Purchaser appears to have been predicated upon a misunderstanding of the payment provisions contained in the Old Kennedy APS. Specifically, while the Old Kennedy APS clearly required payment of the purchase price in full on the closing date, it also made reference to a potential agreement between the purchaser and the third mortgagee that may result in the purchaser assuming any residual debt owing to the third mortgagee instead of the third mortgagee receiving a distribution payment. This misunderstanding appears to have resulted in a confusion respecting the amount that would be required to complete the Old Kennedy Sale Transaction and by extension the 31 Victory Sale Transaction.

20. After numerous protracted discussions among the Receiver, the Purchaser and their respective counsel, which stretched over several days, it became clear in the second week of August that the Purchaser had not arranged sufficient financing to be available at the contemplated closing date.

21. Given that the Old Kennedy Sale Transaction and the 31 Victory Sale Transaction represented the best opportunity for recovery for the stakeholders of the Company and Victory respectively, the Receiver agreed to extend the closing date of each of the Old Kennedy Road Transaction and the 31 Victory Sale Transaction to September 11, 2020, in order to permit the Purchaser the necessary time to arrange additional financing. An Amending Agreement was executed by the Receiver and the Purchaser on August 24, 2020, which amended the closing date under the Old Kennedy APS to be September 11, 2020 and provided for the delivery of a further deposit in the amount of \$100,000 (the "**Old Kennedy Extension Agreement**"). A copy of the Old Kennedy Extension Agreement is attached to this report as **Schedule "F"**.

22. A substantially similar Amending Agreement was also executed by the Receiver and the Purchaser on August 24, 2020 respecting the 31 Victory Sale Transaction (the "**Extension Agreement**"). A copy of the 31 Victory Extension Agreement is attached to this report as **Schedule "G"**.

23. Shortly after execution of the extension agreements, the Purchaser informed the Receiver that another issue had arisen that threatened the successful completion of both the Old Kennedy Sale Transaction and the 31 Victory Sale Transaction. Specifically, the Purchaser had been informed by the former principal of the Company, that a long term lease had been entered into respecting the Real Property that would hinder the Purchaser's ability to develop the subject lands.

24. Neither the Old Kennedy APS nor the 31 Victory APS contemplate an assignment of any lease interests as part of the respective sale transactions and neither agreement is conditional upon the same. However, to safeguard the successful completion of both transactions, the Receiver and its counsel engaged with counsel for the Purchaser to fully examine the expressed concerns and to provide whatever information that was available to the Receiver in an effort to provide comfort to the Purchaser. In this regard, the Receiver informed the Purchaser's counsel

of the following: (i) a review of the title for each of the Real Property and the 31 Victory Lands did not disclose a notice of lease registration; (ii) the purported tenant YIMA Investment Ltd., (“YIMA”) had not made any payments to the Receiver. YIMA had provided to the Receiver two rent cheques on or around March 22, 2020. A cheque in the amount of \$20,800 payable to the Company and a cheque in the amount of \$2,000 payable to the 31 Victory Development Inc.. Both cheques did not clear as “stop payments” were issued before the Receiver presented the cheques to its bank. (iii) YIMA had requested rent deferment during the pandemic and had provided to the Receiver a rent payment plan. The Receiver had requested financial information from YIMA and had not received any financial information. (iv) the lease being presented to the Purchaser by the former principal of the Company is in fact the same lease that the Receiver had attached to the First Report with the exception of a handwritten change referencing HST. (v) at the request of the Purchaser, the Receiver contacted Krashnik’s counsel and confirmed that Krashnik had not attorned the rents.

25. In short, no rents have been paid to the Receiver by YIMA during the receivership and no financial information has been provided by YIMA to the Receiver for it to consider any rent deferment or any government assistance in reference to rent relief.

26. The Purchaser’s counsel advised that he was satisfied that the purported lease interest could be satisfactorily addressed after completion of the sale transactions.

27. The Old Kennedy Sale Transaction and the 31 Victory Sale Transaction were both completed as contemplated on September 11, 2020 and the Receiver executed the requisite Receiver’s Certificate as contemplated in the Approval and Vesting Order and delivered the same to the Purchaser. A copy of the Receiver’s certificate is attached to this report as **Schedule “H”**.

E. PREMISES

28. The Receiver has attended on a regular basis to inspect the Real Property. On multiple occasions, it has been necessary for the Receiver to communicate with YIMA in reference to garbage accumulating on the Real Property and for the need to remove the same.

29. On September 2, 2020, YIMA advised the Receiver that the garbage had been removed from the Real Property and containers had been delivered to the property to be used to remove the garbage. YIMA provided pictures to the Receiver of the containers.

30. On September 3, 2020 the Receiver attended at the Real Property and noted that a garbage container had in fact been delivered and the garbage bags had been placed in the container. The Receiver noted that some of the garbage/refuse still remained on the Real Property.

31. The Receiver requested that YIMA ensure that the refuse/garbage is picked up from the front of the Real Property as well as along the driveway.

F. INSURANCE

32. As previously reported to the Court in the First Report, the current insurance coverage was set to expire on June 30, 2020. The Receiver engaged HUB International Ontario (“HUB”), insurance brokers, to obtain coverage for the Receiver for an additional year.

33. HUB was able to arrange for coverage with Totten Group Insurance with an annual premium of \$19,097.64. The premium was paid by the Receiver. HUB also assisted the Receiver to negotiate an arrangement whereby the Receiver is able to terminate the insurance coverage and receive a refund for the balance of the coverage period subject to a minimum insurance premium of \$4,627.00.

34. The Receiver has requested the necessary documents from HUB to terminate the insurance coverage effective September 12, 2020. The Receiver anticipates receiving a refund in the near future.

G. PROPERTY TAX

35. The Receiver contacted the City of Markham to obtain a current property tax statement for the Real Property.

36. The City of Markham provided to the Receiver the property tax statement dated August 17, 2020. The annual property taxes in 2020 were \$172,288.76 for the 186 Old Kennedy Lands

and \$69,554.91 for the 51 Victory Lands. The statement also indicates arrears owing in the amount of \$464,037.79 in reference to the 186 Old Kennedy Lands and \$189,277.01 in reference to 51 Victory Lands. Copies of the statements received from the City of Markham as at August 17, 2020 in reference to the 186 Old Kennedy Lands and the 51 Victory Lands are attached to this report as **Schedule "I"**.

37. Immediately upon completion of the Old Kennedy Sale Transaction, the Receiver directed its counsel to pay the property tax arrears including the per diem amount owing as per the statement of adjustments issued to the Purchaser and the tax certificates received from the City of Markham in the amount of \$696,788.02. The Receiver provided to the Purchaser as part of the closing adjustments \$36,218.47 credit in reference to the property taxes owing for the 186 Old Kennedy Lands. The Receiver received from the Purchaser as part of the closing adjustments \$21,284.75 in reference to the property taxes owing for the 51 Victory Lands. Copy of the statement of adjustments issued to the Purchaser and the solicitors undertaking is attached to this report as **Schedule "J"**.

H. NOTICES

38. As previously reported to the Court, the Receiver, upon its appointment, completed from the information available, the Notice of Receiver pursuant to subsection 245(1) of the BIA and the Statement of Receiver pursuant to subsection 246(1) of the BIA.

39. The Receiver issued the Statement of Receiver as required pursuant to subsection 246(2) of the BIA. A copy of the Statement of Receiver dated September 2, 2020, is attached to this report as **Schedule "K"**.

I. SECURITY REVIEW

40. Counsel for the Receiver completed a review of the security delivered by the Company in favour of Krashnik. This security includes a Charge/Mortgage of Land registered against title to the Real Property in the original principal amount of \$30,000,000. (the "Krashnik Mortgage"). The Receiver has reviewed the security opinion which indicates that Krashnik has valid and enforceable security, including a first ranking mortgage against the Real Property, subject to the

usual limitations, qualifications, reservations and assumptions. A copy of the security opinion issued by counsel for the Receiver is attached to this report as **Schedule "L"**.

41. Counsel for the Receiver completed a review of the security delivered by the Company in favour of 2592898 Ontario Inc. ("259 Ontario"). This security includes a Charge/Mortgage of Land registered against title to the Real Property in the original principal amount of \$20,000,000 (the "259 Mortgage"). Through a series of transfers of charge, the 259 Mortgage is now held by 2592898 Ontario, 260094 Ontario Inc., 2627235 Ontario Inc., 2638796 Ontario Inc. and 2646429 Ontario Inc. (collectively referred to as the "259 Group"). The Receiver has reviewed the security opinion which indicates that 259 Ontario has valid and enforceable security, subject to the usual limitations, qualifications, reservations and assumptions. A copy of the security opinion issued by counsel for the Receiver is attached to this report as **Schedule "M"**.

42. Counsel for the Receiver completed a review of the security delivered by the Company in favour of Yi Zhou ("Zhou"). This security comprises a Charge/Mortgage of Land registered against title to the Real Property in the original principal amount of \$10,000,000 (the "Zhou Mortgage"). The Receiver has reviewed the security opinion which indicates that the Zhou Mortgage is valid and enforceable security, subject to the usual limitations, qualifications, reservations and assumptions. A copy of the security opinion issued by counsel for the Receiver is attached to this report as **Schedule "N"**.

43. On a review of the parcel register for the Real Property and the documents registered on title, counsel for the Receiver is comfortable concluding that Krashnik has a first ranking mortgage. However, the state of the title register is such that counsel for the Receiver is unable to conclude based upon the current information available to it which of the 259 Mortgage or the Zhou Mortgage has priority.

44. While it may appear on a cursory review of the Parcel Registry that the Zhou Mortgage is postponed to the 259 Mortgage, there are a series of registrations prior to and subsequent to the original postponement registration which effect amendments to the 259 Mortgage and which were only executed by Mr. Zhou and not all of the parties who appear to have received a transfer of a registered percentage interest in the Zhou Mortgage. In short, it is unclear whether all of the

Zhou Mortgage syndicate members agreed to postpone their interests to the full \$20,000,000 amount of the 259 Mortgage.

45. Given this ambiguity, counsel for the Receiver is not able to provide a clear and definitive opinion respecting the second and third ranking priority as between the 259 Mortgage and the Zhou Mortgage. In this regard, counsel for the Receiver has engaged in discussions with counsel for the 259 Group with a view to better understanding its claim to second ranking priority behind the Krashnik Mortgage and such discussions have resulted in an off title document being produced by the 259 Group that may support the position of the 259 Group. Specifically, counsel for the 259 Group have now produced an Acknowledgment and Direction dated February 7, 2017, which is allegedly signed by the then members of the Zhou Mortgage syndicate and in which these signatories acknowledge postponing their interests to the 259 Mortgage in the principal amount of \$20,000,000. However, this off-title document is signed by Yi Zhou as agent for two of the named syndicate members subsequent to Yi Zhou having registered a Transfer of Charge on title to the Real Property in order to put the names of these very syndicate members on title and in addition this off title document is not signed by the names of the syndicate members which, although not appearing on the parcel register for the Real Property, are listed within the body of the various Transfers of Charge registered prior to the postponements of the Zhou Mortgage. The Receiver's counsel is concerned that members of the Zhou Mortgage syndicate were not provided with notice of the postponements of the Zhou Mortgage to the 259 Mortgage or effective notice of the postponement to the full \$20,000,000 mortgage debt and not the lesser amounts referenced in various transfers and postponements that were registered prior to and subsequent to the original postponement registration that did not include a specific reference to the \$20,000,000 amount that was to be postponed to. Accordingly, the Acknowledgement and Direction is not sufficient in itself to satisfy the Receiver's counsel

46. There is also another complicating factor. Counsel for the Receiver has been contacted by Ms Sandy Tong, counsel for six of the syndicated lenders under the Zhou Mortgage (collectively, the "Tong Group"). Ms Tong indicates that the Tong Group were unaware that their loan contributions would be subordinated to the 259 Mortgage. As Ms Tong is not a litigation or insolvency counsel, she has recently retained the services of Mr. Scott Rosen to assist her in

representing these clients in this matter. Mr. Rosen has informed counsel for the Receiver that the Tong Group is owed \$983,000 in respect of principal advanced and \$401,969.00 in accrued interest. No documents have been provided to the Receiver in connection with the claims of the Tong Group. Indeed, at this point, neither Ms. Tong nor Mr. Rosen has formally gone on the record. However, each has been served with copies of the Motion Record and may choose to appear and make submissions to the Court.

47. In view of the ambiguity surrounding the title record and the dispute as to priority raised by counsel for the Tong Group, the Receiver is only able to recommend a distribution to Krashnik at this time. In an attempt to address and possibly narrow the scope and quantum of the priority issue, the Receiver's counsel contacted each of Mr. Ho and Mr. Rosen to explore the possibility of having their respective clients obtain and executed Acknowledgement of Priority from each of the potentially affected parties. However, this approach did not gain any traction and there has not been any meaningful narrowing of the priority issue.

J. RECEIVER'S BORROWING

48. The Appointment Order authorized the Receiver to borrow a total principal sum of \$600,000. The Receiver has borrowed by way of Receiver's Certificate #1 \$20,000 from Krashnik on April 22, 2020, at an annual interest rate of 10%.

49. The Receiver has determined that the amount owing to Krashnik as at September 14, 2020 is \$20,794.52 and the Receiver has issued payment to Krashnik in reference to the Receivers borrowing.

K. MARKETING AND SALES PROCESS

50. The Receiver engaged the services of Cushman Wakefield Ltd., ("CW") to assist the Receiver with a sale of both the Real Property and the 31 Victory Lands.

51. The listing agreement with CW was executed by the Receiver on March 16, 2020. The terms of the listing agreement provide for a flat fee to be paid to CW in the amount of \$100,000 plus appropriate disbursements and HST in the event of a sale to a previously interested party, or,

in the case of a new party, 1.5% commission if CW is the sole agent involved, or 2% commission if another agent is involved in the sale.

52. The Purchaser was listed as a previously interested party in the listing agreement and, therefore the commission owing to CW is a flat fee of \$100,000 plus HST and appropriate disbursements. The listing agreement outlined that the commission is to be paid on a pro rata basis determined by the sale price as outline in the Old Kennedy APS and 31 Victory APS. Accordingly, the commission paid to CW including HST by the Receiver was \$108,028.00 in connection with the Old Kennedy Sale Transaction and \$4,972.00 in connection with the 31 Victory Sale Transaction.

53. CW arranged for advertisement re the sale of the Real Property to be placed in the Globe and Mail report on business section four times - April 21, 23, 28 and 30, 2020 for a total cost of \$4,116.72 and full page advertisement to be published in Nova Res Urbis on April 9 and 15, 2020 for a total cost of \$3,164.00. As previously reported to the court, the Receiver agreed to reimburse CW for reasonable expenses incurred.

54. The marketing and sale process was reviewed by the Court as part of the June 10 Motion respecting the issuance of the Approval and Vesting Order.

L. BANKRUPTCY FILINGS

55. On July 16, 2020 the Receiver executed an assignment in bankruptcy in reference to the Company. The Appointment Order under paragraph 28 provided the authority for the Receiver to file and assignment in bankruptcy for the Company. A copy of the notice of bankruptcy is attached to this report as **Schedule "O"**.

M. GOVERNMENT FILINGS

56. As noted in the First Report, Canada Revenue Agency ("CRA") had contacted the Receiver in reference to a request to complete an HST audit and in respect of the disallowance of various input tax creditors ("ITC's") claimed by the Company.

57. CRA has issued a Statement of Audit Adjustments in reference to the disallowance of various ITC's applied for by the Company. The indebtedness owing under the Statement of

Audit Adjustments is \$123,836.76. A copy of the Statement of Audit Adjustments is attached to this report as **Schedule "P"**.

58. The Trustee for the estate of the Company will continue to deal with the CRA in reference to the disallowance of various ITC and requests for audits.

59. The Receiver had been advised by Ms. Wang that in April 2020, the Company requested, in error, that a payroll account be opened with CRA. The purpose of the Company opening a payroll account was on the misunderstanding that the Company would qualify for the Canada Emergency Business Account ("CEBA") loan. The Company has advised the Receiver that no payroll was issued and that the Company has requested that the payroll account be closed.

N. SECURED CREDITOR DEBT

60. The Receiver has received and reviewed a discharge statement from Krashnik which indicates that the amount of the debt owing as of September 18, 2020 is \$25,490,122.44. The Krashnik discharge statement outlines in detail the interest charges, the principal outstanding and the professional fees incurred which all forms part of the terms of the indebtedness owing under its security. The Receiver and its counsel have reviewed the discharge statement provided by Krashnik and are content with the same. A copy of the discharge statement from Krashnik as at September 18, 2020 is attached to this report as **Schedule "Q"**.

61. The Receiver has received and reviewed a discharge statement from the 259 Group which indicates that the amount of debt owing as at September 9, 2020 is \$19,308,577.54. The Receiver's counsel has been informed by Mr. Ho, counsel for the non-Tong Group members of the Zhou mortgage syndicate, that his clients may take issue with the quantum of the indebtedness being claimed by the 259 Group. In this regard, the Receiver and its counsel have already required the 259 Group to amend its original discharge to delete the inclusion of a line item that was not properly part of the security indebtedness. A copy of the discharge statement from the 259 Group is attached to this report as **Schedule "R"**.

62. The Receiver has not received a discharge statement in respect of the Zhou Mortgage.

O. STATEMENT OF RECEIPTS AND DISBURSEMENTS

63. The Receiver's Interim Statement of Receipts and Disbursements indicates that the Receiver is presently holding \$46,925,330.58 in its trust account as at September 14, 2020. The Receiver's Interim Statement of Receipts and Disbursements as at September 14, 2020 is attached to this report as **Schedule "S"**.

64. The Receiver's Proforma Statement of Receipts and Disbursements outlines the proposed distribution of funds currently held in the Receiver's trust account to the first mortgagee. The Receiver's Proforma Statement of Receipts and Disbursements is attached to this Report as **Schedule "T"**.

P. CONCLUSION

65. For the reasons set out in this Second Report, the Receiver respectfully requests that this Court:

- (a) Approve the conduct and activities of the Receiver since the First Report and as set out in this Second Report;
- (b) Approve the distribution to Krashnik Investments Limited and Gabel Investments Limited in the amount of \$25,490,122.44;
- (c) Approve the Interim Statement of Receipts and Disbursements as at September 14, 2020; and
- (d) Approve the Pro Forma Statement of Receipts and Disbursements as at September 14, 2020.

All of which is respectively submitted.

Dated September 14, 2020

POLLARD & ASSOCIATES INC.,
in its capacity as the Court Appointed Receiver of
186 OLD KENNEDY DEVELOPMENT INC.
and not in its personal capacity
Per:



Angela K. Pollard - President

#4351625 v2 | 4115677

SCHEDULE "A"

Court File No. CV-19-627410-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE)	FRIDAY, THE 31st
)	
JUSTICE C.A. GILMORE)	DAY OF JANUARY, 2020



**KRASHNIK INVESTMENTS LIMITED
AND GABEL INVESTMENTS LIMITED**

Applicants

- and -

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION 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 Pollard & Associates Inc. as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of 186 Old Kennedy Development Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Doris Rosenberg sworn September 19, 2019, and the Exhibits thereto and on hearing the submissions of counsel for the Applicants, counsel for the Debtor, those other parties listed on the counsel slip, no one else appearing for any other party although duly served as appears from the affidavit of service of Catherine Blauer sworn

September 26, 2019 and on reading the consent of Pollard & Associates Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Pollard & Associates Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor and all proceeds thereof (collectively, the "**Property**"), including, but not limited to, the lands and premises listed in Schedule "**B**" hereto (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 Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

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

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
 - (k) to the extent that the Receiver believes it to be in the best interests of the stakeholders of the Debtor (solely, in their capacity as stakeholders of the Debtor), to market any or all of the Real Property with the lands and premises municipally known as 31 Victory Avenue, Markham, Ontario (the "**Companion Lands**"), provided that any such marketing is done with the consent of the owner of the Companion Lands or any receiver and / or manager appointed over the Companion Lands, including advertising and soliciting offers in respect of a joint sale of the Real Property and the Companion Lands together and negotiating such terms and conditions of sale as the Receiver in its discretion may deem to be in the best interests of the stakeholders of the Debtor (solely, in their capacity as stakeholders of the Debtor) provided that the Receiver may proceed with a sale of the Real Property alone if it deems that this is preferable;
 - (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$50,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;
- and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

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

which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated,

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$600,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

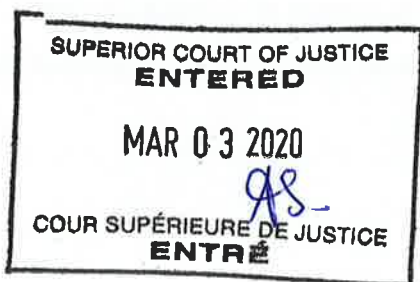
28. THIS COURT ORDERS that the Receiver is hereby authorized and empowered, but not obligated, to cause the Debtor to make an assignment in bankruptcy and nothing in this Order shall prevent the Receiver from acting as trustee in the Debtor's bankruptcy.

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 substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

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



C. [Signature]

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

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

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

DATED the _____ day of _____, 20__.

Pollard & Associates Inc., solely in its capacity
as Receiver and Manager of the Property, and
not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "B"**DESCRIPTION OF REAL PROPERTY**

The lands and premises municipally known as 186 Old Kennedy Road, Markham, Ontario and legally described as:

- **PIN 02953-0027 (LT):** PT E1/2 LT 2 CON 5 MARKHAM AS IN MA91925 EXCEPT PT 10 EXPROP PL MA66625; T/W MA91925; CITY OF MARKHAM

The lands and premises municipally known as 51 Victory Avenue, Markham, Ontario and legally described as:

- **PIN 02953-0028 (LT):** PT E1/2 LT 2 CON 5 MARKHAM AS IN MA97577; T/W MA97577; S/T MA97577; MARKHAM

**OKRASHNIK INVESTMENTS LIMITED
and GABEL INVESTMENTS LIMITED**

and

186 OLD KENNEDY DEVELOPMENT INC.

Court File No. CV-19-627410-00CL

Applicants

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**
Proceeding commenced at

TORONTO

APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1995, c. B-3,
AS AMENDED AND SECTION 101 OF THE COURTS OF
JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED

ORDER

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Lawyers for the Applicant

COUNSEL SLIP

COURT FILE NO CV-18-608313-00CL

DATE NOV 22, 2018

NO ON LIST 8

FORME DEVELOPMENT GROUP INC.

TITLE OF PROCEEDING

COUNSEL FOR:

MARCO Forte for the Applicant's Forme

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PLAINTIFF(S)

APPLICANT(S)

PETITIONER(S)

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and Proposed Monitor

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COUNSEL FOR:

DEFENDANT(S)

RESPONDENT(S)

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(OVER)

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Steve Weiss
for All Season Recycle Inc.
and Sasikala
Sithamparapillai

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November 22/18

My endorsement is attached.

I have hearing scheduled
for December 6/18

Valerie J

December 6
November 22, 2018

The interim stay of proceedings in these proceedings granted on November 6, 2018, as extended on November 8, 2018 and November 16, 2018, and continued to today, November 22, 2018, is further extended to ~~November 27~~, 2018.

The stay of proceedings is lifted and the CCAA proceedings are terminated with respect to all property, assets and undertaking of the following Applicants, and any guarantors of those Applicants; provided that the stay of proceedings with respect to any guarantees provided by any Applicants that are not listed below remains in place:

186 Old Kennedy Development Inc.

76 Old Kennedy Development Inc.

82 Old Kennedy Development Inc.

4550 Steeles Development Inc.

19 Turff Development Inc.

35 Thelma Development Inc.

22 Old Kennedy Development Inc.

31 Victory Development Inc.

Hainey J

SCHEDULE "C"

Court File No. CV-19-627410-00CL

Estate File No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	WEDNESDAY, THE 10 TH
)	DAY OF JUNE, 2020
JUSTICE CONWAY)	

B E T W E E N:

KRASHNIK INVESTMENTS LIMITED
AND GABEL INVESTMENTS LIMITED

Applicants

- and -

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by Pollard & Associates Inc. in its capacity as receiver and manager (in such capacities, the "**Receiver**"), without security, of the undertaking, property and assets of 186 Old Kennedy Development Inc. (the "**Debtor**") for an order, among other things, approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale dated May 8, 2020 (the "**Agreement**") and appended to the Report of the Receiver dated May 25, 2020 (the "**Report**") between the Receiver and Chengyi Wei, in trust for a company to be incorporated, and as assigned by Chengyi Wei, in trust for a company to be incorporated, as purchaser, to W Garden Corporation, as assignee (the "**Purchaser**") pursuant to an assignment and assumption agreement dated May 29, 2020 (hereinafter collectively with Agreement, the "**Sale Agreement**"), and vesting in the Purchaser the Debtor's right, title and interest in and to

the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day via video conference as a result of the COVID-19 pandemic.

ON READING the Report and on hearing the submissions of counsel for the Receiver, Vector Financial Services Limited, 10226190 Canada Ltd., Krashnik Investments Limited, Rick Liu, 2592898 Ontario Inc., 2620094 Ontario Inc., 2627235 Ontario Inc., 2638796 Ontario Inc., 2646429 Ontario Inc., KSV Advisory Inc., Yi Zhou, and Gabel Investments Limited, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Hayley Morgan sworn June 2, 2020 filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice C.A. Gilmore dated January 31, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are

collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division LRO #65, York Region, of an Application for Vesting Order in the form prescribed by the *Land Titles Act*, the Land Registrar is hereby directed to enter the W Garden Corporation as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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



Schedule A – Form of Receiver’s Certificate

Court File No. CV-19-627410-00CL

Estate File No. 31-458917

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**KRASHNIK INVESTMENTS LIMITED
AND GABEL INVESTMENTS LIMITED**

Applicants

- and -

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable C.A. Gilmore of the Ontario Superior Court of Justice, Commercial List, (the "Court") dated January 31, 2020, Pollard & Associates Inc. was appointed as the receiver and manager (in such capacities, the "Receiver") of the undertaking, property and assets of 186 Old Kennedy Development Inc. (the “Debtor”).

B. Pursuant to an Order of the Court dated June 10, 2020, the Court approved the agreement of purchase and sale made as of May 8, 2020 (the “Agreement”) between the Receiver and Chengyi Wei, in trust for a company to be incorporated and as assigned by Chengyi Wei, in trust for a company to be incorporated, as purchaser, to W Garden Corporation, as assignee (the "Purchaser") pursuant to an assignment and assumption agreement dated May 29, 2020 (hereinafter collectively with Agreement, the “Sale Agreement”), and provided for the vesting in the Purchaser, or as it may direct in writing, of the Debtor’s right, title and interest in and to the

Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver by email as a result of the COVID pandemic at _____ [TIME] on _____ [DATE].

POLLARD & ASSOCIATES INC., in its capacity as Receiver and Manager of the undertaking, property and assets of 186 Old Kennedy Development Inc., and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

PIN 02953 – 0027 LT

DESCRIPTION PT E1/2 LT 2 CON 5 MARKHAM AS IN MA91925 EXCEPT PT 10 EXPROP PL
MA66625; T/W MA91925; S/T MA91925; S/T MA91925; CITY OF MARKHAM

PIN 02953 – 0028 LT

DESCRIPTION PT E1/2 LT 2 CON 5 MARKHAM AS IN MA97577; T/W MA97577; S/T MA97577 ;
MARKHAM

Schedule C – Claims to be deleted and expunged from title to Real Property

1. Instrument No. YR2502470 registered 2016/07/07;
2. Instrument No. YR2502471 registered 2016/07/07;
3. Instrument No. YR2502472 registered 2016/07/07;
4. Instrument No. YR2519679 registered 2016/08/05;
5. Instrument No. YR2610952 registered 2017/01/17;
6. Instrument No. YR2634744 registered 2017/03/06;
7. Instrument No. YR2652437 registered 2017/04/11;
8. Instrument No. YR2677044 registered 2017/05/31;
9. Instrument No. YR2681040 registered 2017/06/07;
10. Instrument No. YR2696594 registered 2017/07/05;
11. Instrument No. YR2721004 registered 2017/08/22;
12. Instrument No. YR2739089 registered 2017/09/29;
13. Instrument No. YR2739090 registered 2017/09/29;
14. Instrument No. YR2739091 registered 2017/09/29;
15. Instrument No. YR2748892 registered 2017/10/23;
16. Instrument No. YR2757175 registered 2017/11/09;
17. Instrument No. YR2767494 registered 2017/11/30;
18. Instrument No. YR2776725 registered 2017/12/21;
19. Instrument No. YR2786487 registered 2018/01/22;
20. Instrument No. YR2789240 registered 2018/01/29;
21. Instrument No. YR2791970 registered 2018/02/02;
22. Instrument No. YR2798638 registered 2018/02/23;
23. Instrument No. YR2798639 registered 2018/02/23;
24. Instrument No. YR2798640 registered 2018/02/23;
25. Instrument No. YR2801248 registered 2018/03/01;

26. Instrument No. YR2804762 registered 2018/03/13;
27. Instrument No. ; R2805097 registered 2018/03/14
28. Instrument No. YR2811422 registered 2018/04/03;
29. Instrument No. YR2811423 registered 2018/04/03;
30. Instrument No. YR2811424 registered 2018/04/03;
31. Instrument No. YR2845658 registered 2018/07/04;
32. Instrument No. YR2845659 registered 2018/07/04;
33. Instrument No. YR2845660 registered 2018/07/04;
34. Instrument No. YR2862636 registered 2018/08/17;
35. Instrument No. YR2862637 registered 2018/08/17;
36. Instrument No. YR2862638 registered 2018/08/17;
37. Instrument No. YR2870816 registered 2018/09/07;
38. Instrument No. YR2870891 registered 2018/09/07;
39. Instrument No. YR3054277 registered 2020/01/09;

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

(unaffected by the Vesting Order)

1. Instrument No. R650335 registered 1994/11/15;
2. Instrument No. 65R30487 registered 2007/12/11;

B E T W E E N

KRASHNIK INVESTMENTS LIMITED et al.
Applicants

-and-

186 OLD KENNEDY DEVELOPMENT
Respondent

Court File No. CV-19-627410-00CL
Estate File No. 31-458917

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO

APPROVAL AND VESTING ORDER

MINDEN GROSS LLP
Barristers and Solicitors
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Toronto, ON M5H 4G2
Sepideh Nassabi (LSO# 60139B)
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Tel: 416-369-4323
Fax: 416-864-9223

Lawyers for the Receiver, Pollard & Associates Inc.

SCHEDULE "D"

Court File No. CV-19-627410-00CL
Estate File No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	WEDNESDAY, THE 10 TH
)	DAY OF JUNE, 2020
JUSTICE CONWAY)	

B E T W E E N:

KRASHNIK INVESTMENTS LIMITED
AND GABEL INVESTMENTS LIMITED

Applicants

- and -

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

ORDER

(Receiver's Conduct and Sealing)

THIS MOTION, made by Pollard & Associates in its capacity as receiver and manager (in such capacities, the "**Receiver**"), without security, of the undertaking, property and assets of 186 Old Kennedy Development Inc. (the "**Debtor**") for an order, among other things, approving the Report of the Receiver dated May 25, 2020 (the "**Report**") and sealing the Confidential Appendices, was heard this day via video conference as a result of the COVID-19 pandemic.

ON READING the Report and on hearing the submissions of counsel for the Receiver, Vector Financial Services Limited, 10226190 Canada Ltd., Krashnik Investments Limited, Rick Liu, 2592898 Ontario Inc., 2620094 Ontario Inc., 2627235 Ontario Inc., 2638796 Ontario Inc., 2646429 Ontario Inc., KSV Advisory Inc., Yi Zhou, and Gabel Investments Limited, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Hayley Morgan sworn June 2, 2020 filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. THIS COURT ORDERS that the Report and the conduct and activities of the Receiver as described in the Report are hereby approved.
3. THIS COURT ORDERS that Confidential Appendices “1”, “2”, and “3” to the Report be sealed, kept confidential and not form part of the public record, but rather shall be placed separate and apart from all other contents of the Court file, pending further Order of the Court.

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

B E T W E E N

KRASHNIK INVESTMENTS LIMITED et al.
Applicants

-and-

186 OLD KENNEDY DEVELOPMENT
Respondent

Court File No. CV-19-627410-00CL
Estate File No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at TORONTO

ORDER

MINDEN GROSS LLP
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Toronto, ON M5H 4G2

Sepideh Nassabi (LSO# 60139B)
snassabi@mindengross.com
Tel: 416-369-4323
Fax: 416-864-9223

Lawyers for the Receiver, Pollard & Associates Inc.

SCHEDULE "E"

POLLARD & ASSOCIATES INC.
solely in its capacity as Court-appointed receiver and manager
of 186 Old Kennedy Development Inc. (the "Debtor") and on behalf of the Debtor
and not in its personal capacity and without any personal or corporate liability

- and -

CHENGYI WEI, in trust for a company to be incorporated

AGREEMENT OF PURCHASE AND SALE

May 8, 2020

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE is made as of May 8, 2020

BETWEEN:

POLLARD & ASSOCIATES INC., solely in its capacity as Court-appointed receiver and manager of 186 Old Kennedy Development Inc. the "**Debtor**") and on behalf of the Debtor and not in its personal capacity and without any personal or corporate liability

(the "**Vendor**" or "**Receiver**")

- and -

CHENGYI WEI, in trust for a company to be incorporated,

(the "**Purchaser**")

RECITALS:

A. Pursuant to the Appointment Order (as defined herein), the Vendor has been appointed the receiver and manager of the current and future assets, undertaking and properties of the Debtor;

B. Pursuant to the Appointment Order and subject to the consent of the Debtor and approval of the Court (as defined herein), the Vendor has the power and authority to, *inter alia*, sell, convey and transfer the Debtor's assets, undertaking and properties;

C. The Vendor has agreed to sell and the Purchaser has agreed to purchase the Purchased Assets (as defined herein), subject to and in accordance with the terms and conditions contained herein and the approval of the Court.

NOW THEREFORE in consideration of the premises, the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the Parties (as defined herein) hereto covenant, agree and declare as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the following terms will have the following meanings:

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"Acceptance Date" means the date upon which this Agreement is executed and delivered by the Receiver and the Purchaser;

"Agreement" means this agreement, and all schedules attached to this agreement, in each case as they may be amended or supplemented from time to time, and the expressions **"hereof"**, **"herein"**, **"hereto"**, **"hereunder"**, **"hereby"** and similar expressions refer to this Agreement. Unless otherwise indicated, references to **"Articles"**, **"Sections"** and **"Schedules"** are to articles and sections and schedules of this agreement;

"Applicable Law" means collectively, (i) any applicable domestic or foreign law including any statute, subordinate legislation or treaty, and (ii) any applicable guideline, directive, rule, standard, requirement, policy, order, judgment, injunction, award or decree of a Governmental Authority having the force of law;

"Appointment Order" means the Order made by the Honourable Justice Gilmore of the Court on January 31, 2020 appointing the Vendor as the receiver and manager of the Debtor effective March 3, 2020;

"Approval and Vesting Order" means an order or orders to be made by the Court upon terms acceptable to the Parties, acting reasonably, that alone or in combination, among other things, (i) authorizes the Vendor to enter into this Agreement and sell the Purchased Assets pursuant to and in accordance with this Agreement and approves same, and (ii) provides that, upon Closing, all the Debtor's right, title and interest in the Purchased Assets sold pursuant to this Agreement shall irrevocably vest in the Purchaser or as the Purchaser may further direct, free and clear of all registered or unregistered liens, claims and encumbrances;

"Business Day" means any day, other than Saturday, Sunday or any statutory holiday in the Province of Ontario;

"Closing" means the completion of the Transaction;

"Closing Date" means August 31, 2020, or such other date after issuance of the Approval and Vesting Order as the Parties may agree, in writing, acting reasonably;

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

"Excluded Assets" means those assets identified in Schedule B" hereto;

"Governmental Authority" means any agency, board, bureau, court, commission, department, legislature, parliament or tribunal, or any federal, provincial, territorial, municipal, local or other governmental entity or authority;

"Liability" or "Liabilities" means any and all liabilities, obligations, charges, costs, debt and indebtedness, of any and every kind and nature whatsoever, absolute or contingent, liquidated or unliquidated;

"Parties" means the Vendor and the Purchaser;

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"Person" means any individual, partnership, limited partnership, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority, however designated or constituted;

"Property" means the lands and premises described in Schedule A hereto;

"Purchased Assets" has the meaning attributed to such term in Section 2.1;

"Purchase Price" means the aggregate of the amounts to be paid pursuant to Section 3.1;

"Tax" or "Taxes" means any federal, provincial, state, local, foreign or other income, gross receipts, profits, franchise, transfer, sales, use, customs, payroll, occupation, health, property, excise, valued added (including goods and services tax) or other taxes, fees, duties, assessments, withholdings or governmental charges of any nature (including interest, penalties and additions to such taxes or charges);

"Terms and Conditions of Sale" means the terms and conditions of sale of the Vendor pertaining to the tender of offers to be received in accordance with the Sale Process;

"Time of Closing" means 11 a.m. on the Closing Date or such other time on the Closing Date as agreed to by the Parties;

"Transaction" means the transaction of purchase and sale contemplated by this Agreement;

"Vendor's Solicitors" means Minden Gross LLP;

1.2 Schedules

The following schedules form part of this Agreement:

- (a) Schedule "A" - Description of Purchased Assets
- (b) Schedule "B" - Excluded Assets

1.3 Headings

The division of this Agreement into separate Articles, Sections and Schedules, the provision of a table of contents and the insertion of headings is for convenience of reference only and will not affect the construction or interpretation of this Agreement.

1.4 Gender and Number

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

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1.5 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and will be paid in Canadian currency.

1.6 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction will not affect the validity or enforceability of any other provision hereof. To the extent permitted by Applicable Law, the Parties waive any provision of law that renders any provision of this Agreement invalid or unenforceable in any respect. The Parties will engage in good faith negotiations to replace any provision that is declared invalid or unenforceable with a valid and enforceable provision, the economic effect of which comes as close as possible to that of the invalid or unenforceable provision that it replaces.

1.7 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

1.8 "Including"

All usage of the word "including" in this Agreement will mean "including without limitation" or "including but not limited to" throughout this Agreement.

1.9 Statutory References

Any reference to a statute will mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced, from time to time, and any successor statute thereto, unless otherwise expressly provided.

1.10 Date for Any Action

When calculating the period of time within which or following which any act is to be done or step taken, the date that is the reference day in calculating such period will be excluded. If the last day of such period is not a Business Day, the period will end on the next Business Day.

1.11 Recognized Meanings

Words or abbreviations that have well known or trade meanings are used herein in accordance with their recognized meanings.



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1.12 Arm's Length Negotiations

The Parties acknowledge that they are dealing with one another at arm's length. This Agreement will not be construed in favour of or against either Party by reason of the extent to which either Party or its professional advisors participated in the preparation of this Agreement.

**ARTICLE 2
PURCHASE AND SALE OF ASSETS****2.1 Purchased Assets**

Subject to the provisions of this Agreement and pursuant to the Approval and Vesting Order, the Vendor will sell, assign and transfer to the Purchaser and the Purchaser will purchase from the Vendor, effective as of the Time of Closing on the Closing Date, all of the right, title and interest of the Debtor, if any, in and to all of the Debtor's real property and assets further described in Schedule "A" hereto provided, however, that the above shall not include the Excluded Assets, which the Purchaser shall not acquire nor take title to or possession of. All of the foregoing excluding the Excluded Assets are hereinafter collectively called the "**Purchased Assets**").

2.2 Acknowledgments by Purchaser

The Purchaser acknowledges that:

- (a) the interest of the Debtor in the Purchased Assets may be limited and the Vendor will be obliged to convey to the Purchaser only such interest as the Debtor has therein and no interest of any third party, provided that nothing in this Section 2.2(a) shall be applied or construed so as to derogate from the title or interest acquired by the Purchaser pursuant to and in accordance with the Approval and Vesting Order. To the extent that any obligation of the Vendor requires the co-operation or assistance of any third party, the Vendor will not be required to compel any such co-operation or assistance for the purposes of making any conveyance to the Purchaser.
- (b) the Purchaser shall be solely responsible for obtaining all consents required by the Purchaser in accordance with the terms hereof to the assignment and transfer to the Purchaser of the Purchased Assets. The Vendor agrees that it will do or cause to be done such things as are reasonably requested by the Purchaser in order to assist the Purchaser to obtain required consents provided that the Vendor shall have no obligation to obtain any consents or to provide or pay any consideration or incur any costs to obtain such consents;
- (c) the Purchaser has inspected the Purchased Assets, has relied entirely upon its own inspection and investigation, and is purchasing the Debtor's right, title and interest, if any, in and to the Purchased Assets on an "as is, where is" basis as they exist at Closing with no recourse to the Vendor and that there is no representation, warranty or condition, express or implied, statutory or otherwise,

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as to the title, encumbrances, description, fitness for any purpose, merchantability, quality, quantity, state, condition (environmental or otherwise), defect (patent or latent), existence, location, value, the validity or enforceability of any rights (including intellectual property rights), any requirement to licences, permits, approvals, consents for transfer, ownership, occupation or use, compliance with any governmental laws, regulations, by-laws and orders or in respect of any other matter or thing whatsoever, except for the express warranties and representations contained in Article 4. Without limiting the generality of the foregoing, no condition, warranty or representation provided for or implied by any statute or regulation of the Province of Ontario has been or will be given by the Vendor, and the Purchaser expressly waives all express or implied conditions, warranties and representations by the Vendor;

- (d) Without limiting the generality of paragraph (c), the Purchaser acknowledges and agrees that the parties have expressly agreed to exclude from this Agreement all representations and warranties with respect to the following matters:
- (i) the description, title, condition, state of repair and fitness for any purpose of the Purchased Assets;
 - (ii) the compliance of the Property with: zoning by-laws and regulations; or applicable fire and building codes, including without limitation, the existence of any outstanding work orders, deficiency notices, orders to comply or the like;
 - (iii) any easements, rights of way or other registered or unregistered interest in the Property which impacts the plot use enjoyment or development opportunities connected with the Property;
 - (iv) that the present use or any future use of the Property intended by the Purchaser is or will be lawful or permitted;
 - (v) the execution, good standing, validity, binding effect or enforceability of the Permitted Encumbrances;
 - (vi) that the Receiver has any right, title or interest in any goodwill associated with the Property, or the use of any name associated with the operation of the Property;
 - (vii) the compliance of the Property with environmental laws or the existence or non-existence of hazardous materials, environmental, soil or water contamination or pollution on or about the Property, or otherwise with respect to the environmental condition of the Property; and
 - (viii) the existence of, or intention to commence, expropriation proceedings by a Governmental Authority in regard to any part or parts of the Purchased Assets (the Purchaser acknowledges having been advised that the Receiver has an indication that such proceedings have been commenced).

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- (e) any asset lists, information packages and other material concerning the Purchased Assets or the sale thereof provided by or on behalf of the Vendor have been prepared solely for the convenience of the Purchaser and are not warranted or represented to be complete or accurate and are not part of this Agreement (unless specifically provided in such material) and the descriptions of the Purchased Assets provided to the Purchaser are for the purposes of identification only, and no condition, warranty or representation has been or will be given by the Vendor concerning the accuracy, completeness or any other matter concerning such descriptions;
- (f) the Vendor is entering into this Agreement solely in its capacity as Court-appointed receiver and manager of the assets, undertakings and properties of the Debtor pursuant to the Appointment Order and not in its personal or other capacity and the Vendor and its agents (including the Vendor's Solicitors), officers, directors and employees will have no personal or corporate liability under or as a result of this Agreement, or otherwise in connection herewith;
- (g) save as to any valid objection to title made in respect of matters arising after the Acceptance Date, and save and except any objection going to the root of title which the law allows to be made and which is made after the Acceptance Date, the Purchaser shall be conclusively deemed to have accepted the title to the Property and to have accepted the Property subject to all applicable laws, by-laws and regulations affecting its use. If any such valid objection going to the root of title shall be made by the Purchaser prior to the Closing Date, which the Receiver is unable or unwilling to remove, remedy or satisfy and which the Purchaser will not waive or is not satisfied by title insurance, then the Receiver may terminate this Agreement by Notice to the Purchaser, whereupon, except as herein expressly set forth, the Deposit shall be forthwith returned to the Purchaser without deduction and each of the Purchaser and the Receiver shall be released from all obligations under this Agreement;
- (h) the Purchaser shall accept title to the Purchased Assets subject to the original Grant from the Crown, the exceptions and qualifications contained in paragraphs 7, 8, 9, 10, 12 and 14 of Subsection 44 (1) of the Land Titles Act; any liens, security interests, encumbrances, encroachments, easements, rights-of-way, restrictions, leases, agreements with Governmental Authorities, agreements with adjoining property owners, and any outstanding work orders, building permits, deficiency notices or orders to comply or the like issued by any Government Authority, and
- (i) the Purchaser shall not call for the production of any title deed, abstract, survey or other evidence of title except such of the foregoing as are in the possession or control of the Receiver.

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2.3 The Purchaser further acknowledges and agrees that:

- (a) there shall not be, surviving Closing, any express or implied representation or warranty by the Receiver or any condition as to title, merchantable quality, fitness for any purpose or otherwise, except to the extent expressly provided for in this Agreement;
- (b) the Approval and Vesting Order shall provide that the Receiver, upon the conditions to Closing, as set forth in Section 6.1 and Section 6.3 of this Agreement, having been satisfied or (subject to Section 6.3) waived by the Receiver and the Purchaser, respectively, in accordance with the terms of this Agreement, shall file a certificate with the Court substantially in the form attached to the Approval and Vesting Order (the "Receiver's Certificate") and that title to the Purchased Assets shall vest in the Purchaser (or a Permitted Assign and/or a nominee titleholder for the Purchaser or such Permitted Assign) effective immediately upon the execution of the Receiver's Certificate;
- (c) despite issuance of the Approval and Vesting Order, the Purchaser (or such Permitted Assign and/or nominee title holder for the Purchaser or such Permitted Assign) shall have no rights thereunder, nor any right, title or interest in the Purchased Assets until the Receiver's Certificate is executed by the Receiver, as aforesaid; and
- (d) at least ten (10) Business Days prior to the scheduled Closing Date, the Purchaser shall provide an assignment and assumption agreement along with a written direction to the Receiver setting forth the name in which title to the Property will be taken. The Purchaser shall cause any nominee title holder to execute and deliver any instruments to be registered on title under the terms of this Agreement;
- (e) the Receiver shall make available to the Purchaser at the office of the Receiver, immediately following Closing, copies of all correspondence, records, files, books of account, operating manuals, plans, surveys and other documents pertaining to the operation of the Property in the Receiver's possession, other than documents, books and records which the Receiver is required by law to retain or which the Receiver reasonably believes it has a duty to retain (and the Receiver shall make copies for the Purchaser of all such documents);
- (f) the Receiver shall make available to the Purchaser at the office of the Receiver, immediately following Closing, all duplicate keys and master keys for the Property that are within the Receiver's possession;
- (g) all other documents which are required and which the Purchaser has reasonably requested prior to Closing to give effect to this Transaction in accordance with the terms of this Agreement.

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All documentation referred to in this section, except as otherwise provided herein, shall be in form and substance acceptable to the Purchaser and the Receiver each acting reasonably.

ARTICLE 3
PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The purchase price to be paid by the Purchaser to the Vendor for the Purchased Assets shall be Forty-Seven Million Eight Hundred Thousand Dollars (\$47,800,000) (the "Purchase Price").

3.2 Deposit Price

- (a) **\$250,000.00** (the "**First Deposit**") has been paid by the Purchaser to the Vendor by bank draft drawn on a Canadian chartered bank payable to the Vendor, in trust;
- (b) A further sum of **\$1,000,000.00** (the "**Second Deposit**") shall be paid by wire transfer or cheque certified by a Canadian chartered bank or bank draft payable to the Vendor, in trust, five Business Days prior to the day on which the Application for the Approval and Vesting Order is scheduled to take place before the Court and in any event by no later than May 28, 2020;
- (c) The First Deposit and the Second Deposit are sometimes herein referred to as the "**Deposit**";
- (d) the Deposit will be held by the Vendor in a trust account as a deposit pending completion or other termination of this Agreement, with the Deposit to be credited on account of the Purchase Price on Closing;
- (e) the Parties agree that the Vendor will pay no interest on the Deposit;
- (f) if the Transaction is not closed by reason of the failure by the Purchaser to perform any of the covenants or agreements on the Purchaser's part to be performed hereunder, then the Deposit shall be forfeited to the Vendor on account of liquidated damages and the Vendor shall be entitled to pursue all of its rights and remedies against the Purchaser, including the resale of the Purchased Assets. Upon any such resale, the Purchaser shall pay to the Vendor: (i) an amount equal to the amount, if any, by which the Purchase Price under the Agreement exceeds the net purchase price received by the Vendor pursuant to such resale, and (ii) an amount equal to all costs and expenses incurred by the Vendor in respect of the Transaction or occasioned by the Purchaser's failure to comply with this Agreement; and
- (g) if the Transaction is not closed for any other reason, the Deposit shall be returned to the Purchaser without interest and no Party to this Agreement shall

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have a claim against any other Party hereto with respect to this Agreement other than the Purchaser's claim to the return of the Deposit as aforesaid.

This Transaction is part of and bundled to the successful closing of the purchase and sale transaction under an Agreement of Purchase and Sale of even date between the Purchaser and the Vendor (the "31 Victory Purchase Agreement") in respect of real property known municipally as 31 Victory Avenue, Markham and as more particularly described in Schedule "A" of the 31 Victory Purchase Agreement (the "31 Victory Transaction"). If the 31 Victory Transaction does not close, then this Transaction shall be terminated as well.


The Purchaser hereby confirms, acknowledges and agrees with the Vendor that should either the First Deposit or the Deposit be forfeited for any reason, the First Deposit or the Deposit (as may be applicable) shall be allocated on a pro rata basis between this Transaction and the 31 Victory Transaction.

3.3 Allocations re Purchase Price

On or before the Closing Date, the parties shall reasonably agree as to the manner in which the Purchase Price shall be allocated as between the Purchased Assets. The allocation between the Purchased Assets shall not be based upon or related to the amount used as a threshold for calculating any adjustments, as provided herein. In the event that the parties are unable to agree as to such allocation then each shall be free to make its own allocation of the Purchase Price acting reasonably.

3.4 Payment

The Parties agree that, at the Time of Closing, the Purchaser shall pay the balance of the Purchase Price by wire transfer from a Canadian chartered bank to the Vendor's Solicitor in the amount of the Purchase Price less the Deposit, and subject to an assumption of the residual third mortgage debt by the Purchaser as more particularly set out below. For greater certainty, payment of the balance of the Purchase Price net of the Deposit shall be paid in the following amounts and order of priority:

- (a) the Receiver's costs, and the Receiver's legal fees, disbursements, and closing costs;
 - (b) Crown deemed trust claims for HST and source deductions, in the approximate amount of \$150,000;
 - (c) an amount necessary to satisfy the outstanding indebtedness of the first mortgagee in the approximate amount of \$24,900,000;
 - (d) an amount necessary to satisfy the outstanding indebtedness of the second mortgagee in the approximate amount of \$17,500,000;
 - (e) the outstanding indebtedness owing to the third mortgagee shall either be the subject of a credit bid by the third mortgagee or the Purchaser shall assume such
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indebtedness pursuant to an Agreement between the Purchaser and the third mortgagee.

3.5 Taxes, Purchase Exemption Certificates and Elections

The Purchaser will be liable for and will pay at the Time of Closing all applicable retail sales taxes (including any harmonized sales taxes and goods and services taxes under the *Excise Tax Act* (Canada) (the "HST") and all other transfer taxes, duties or other like charges payable upon or in connection with the purchase of the Purchased Assets by the Purchaser, unless the Purchaser provides the Vendor with valid exemption certificates acceptable to the Vendor, acting reasonably. Regardless of whether or not the Purchaser provides the Vendor with any such exemption certificates, the Purchaser shall indemnify the Vendor from and against all claims, liabilities, costs and fees (including legal fees on a full indemnity basis) arising out of the Purchaser's failure to pay any such taxes. If available at law, the Vendor and the Purchaser will jointly execute on or prior to the Time of Closing an election under Section 167 of the *Excise Tax Act* (Canada) to permit the Purchased Assets to be transferred free of HST and the Vendor and the Purchaser will file such elections with the Canada Revenue Agency with their respective HST returns for the period in which the Closing Date occurs.

3.6 Realty Taxes

- (a) Notwithstanding any other provision of this Agreement, the Purchaser acknowledges and agrees that there shall be no adjustment in favour of the Purchaser for any increase in realty taxes for the Property resulting from changes in the assessed value of the Property in respect of any period prior to the Closing Date. Without limiting the foregoing, the Purchaser acknowledges and agrees that, notwithstanding any other provision of this Agreement, the Receiver shall have no obligation or liability of any kind whatsoever for payment of any additional or supplementary taxes that may become payable in respect of the year of Closing and/or prior taxation years as a result of Reassessments.
- (b) In the event that there are any realty tax appeals, reassessments or vacancy rebate applications for any year prior to and including 2020, the Receiver may, at its option, continue such appeals, reassessments and/or applications and shall be entitled to receive any refund, rebate, credit, reimbursement or payment ("Refund") resulting therefrom except to the extent that such Refund is properly payable to any tenants of the Property and shall make any payments in respect of realty taxes for the period prior to the Closing Date arising therefrom to the applicable Governmental Authority. Any Refund for the 2020 calendar year (after deduction of out-of-pocket expenses expended by the Purchaser and/or the Receiver in conducting any such appeal, reassessment or application, including any commissions payable to agents or consultants) shall, except to the extent that any portion of such Refund is properly paid to the tenants of the Property, be readjusted as of the Closing Date after the conclusion of any assessment appeal or application review. The Purchaser agrees to co-operate with the Receiver with respect to all such appeals, reassessments and applications and to provide the Receiver with reasonable access to any necessary documents or materials

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required to continue any such appeals, reassessments or applications. To the extent the Purchaser receives any Refund relating to realty taxes (whether in cash, by credit on its current tax bill or otherwise) for the period prior to the Closing Date, the Purchaser shall forthwith pay an amount equal to the Refund to the Receiver and/or endorse and deliver to the Receiver all such Refund payment cheques forthwith upon receipt; provided that in all cases, readjustments with the Tenants as the result of any Refunds may be effected by the Purchaser prior to the payment of any Refund to the Receiver or to the Purchaser (subject to the prior approval of the Vendor acting reasonably) and the amount otherwise owing to the Vendor in accordance with the foregoing shall be reduced by any amount paid to any tenants as a result of any such adjustments. To the extent the Receiver receives payment of any Refund relating to realty taxes for the period prior to the Closing Date which is properly payable to tenants of the Property, the Receiver shall hold such Refund in trust for the tenants entitled thereto and shall promptly pay the amounts owing to the Purchaser in trust, in order that the Purchaser may make such payments to such tenants on account of such Refund (which the Purchaser covenants to do).

- (c) The Purchaser further acknowledges and agrees that the Approval and Vesting Order to be requested by the Receiver shall provide that title to the Purchased Assets shall vest in the Purchaser subject to any potential liability for increased realty taxes (including, without limitation, any increases in taxes and/or supplementary taxes in respect of the current taxation year and taxation years *prior* to Closing) as a result of the Reassessments and that all such potential liability for increased and/or supplementary taxes will be a "permitted encumbrance" under the Approval and Vesting Order.

3.7 Registration and Other Costs

Except as otherwise provided herein, each of the Receiver and the Purchaser shall be responsible for its own costs (including without limitation costs of its solicitors) in respect of this Transaction. The Purchaser shall be responsible for the cost of registering notice of the Approval and Vesting Order, including all applicable land transfer taxes, and for any other sales and transfer taxes (including but not limited to Provincial Sales Tax and HST) payable in connection with the transfer of the Purchased Assets to the Purchaser pursuant hereto.

3.8 Electronic Registration

If the Transaction will be completed by electronic registration (through use of the "Teraview Electronic Registration System" or "TERS") the following provisions shall govern:

- (a) The Purchaser shall retain a solicitor who is authorized to use the Teraview Electronic Registration System and who is in good standing with the Law Society of Upper Canada. The Receiver and the Purchaser shall cause their respective solicitors to enter into a document registration agreement ("DRA") in the most recent form adopted by the Joint LSUC-CBAO Committee on Electronic Registration of Title Documents to govern the electronic registration

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of any documents intended to be registered in connection with the completion of this Transaction.

- (b) The delivery and exchange of the closing documents and money provided for in this Agreement and the release of them to the Purchaser and the Receiver, as the case may be: (i) shall not occur at the same time as registration of the Approval and Vesting Order (and any other documents intended to be registered in connection with the completion of this Transaction); and (ii) shall be governed by the DRA, pursuant to which the solicitor receiving the closing documents and/or funds will be required to hold them in escrow and will not be entitled to release them except in accordance with the terms of the DRA.
- (c) Any documents not intended for registration on title to the Property may be delivered to the other party's solicitor by facsimile transmission (or by a similar system reproducing the original), provided that all documents so transmitted have been duly and properly executed by the appropriate parties/signatories thereto. The party transmitting any such documents shall also deliver the original documents to the recipient party's solicitor within two (2) Business Days after the Closing Date, if the delivery of the original documents has been requested by the recipient party or its solicitor.
- (d) If the Purchaser is unable to register the Approval and Vesting Order electronically on the Closing Date as the result of any malfunction, delay or temporary unavailability of the Teraview Electronic Registration System, then the Closing Date shall be automatically extended until the next day on which such system is operating so as to permit electronic registrations in the Land Titles Office.
- (e) Notwithstanding anything contained in this Agreement or in the DRA to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been validly made by either party (in this paragraph called the "Tendering Party") upon the other party (in this paragraph called the "Receiving Party") when the solicitor for the Tendering Party has:
 - (i) delivered all applicable closing documents and funds to the Receiving Party's solicitor in accordance with the provisions of the DRA;
 - (ii) advised the solicitor for the Receiving Party in writing that the Tendering Party is ready, willing and able to complete the Transaction in accordance with the provisions of this Agreement;
 - (iii) completed all steps required by TERS to complete the Transaction that can be performed or undertaken by the Tendering Party's solicitor without the cooperation or participation of the Receiving Party's solicitor, and specifically when the Tendering Party's solicitor has electronically "signed" the Application to Register the Approval and

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Vesting Order (and any other registrable documents) for completeness and granted "access" to the Receiving Party's solicitor (but without the Tendering Party's solicitor releasing such documents for registration by the Receiving Party's solicitor);

without the necessity of personally attending upon the Receiving Party or the Receiving Party's solicitor with the documents and/or funds and without the requirement to have an independent witness evidencing the foregoing.

ARTICLE 4 REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 By Vendor

The Vendor represents, warrants and covenants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations, warranties and covenants in connection with the terms and conditions of this Agreement:

- (a) subject to obtaining the Approval and Vesting Order prior to Closing, on Closing the Vendor shall have the power and authority to sell the Purchased Assets to the Purchaser, in accordance with the terms and conditions of this Agreement and the Approval and Vesting Order;
- (b) the Vendor has done no act to encumber the Purchased Assets except in accordance with the Appointment Order and has not disposed of the Purchased Assets; and
- (c) the Vendor is not a non-resident of Canada within the meaning of that term as used in the *Income Tax Act* (Canada).

4.2 No Other Representations

Except as set forth in this Agreement, the Vendor makes no covenants, representations or warranties whatsoever, including with respect to the condition of the Purchased Assets and the sufficiency or condition of the Debtor's title thereto.

4.3 By Purchaser

The Purchaser represents, warrants and covenants to the Vendor that:

- (a) the Purchaser is duly incorporated, organized and a subsisting corporation under the laws of the Province of Ontario and the Purchaser has all necessary corporate power and authority to enter into this Agreement and carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder have been duly authorized by all necessary corporate action on the part of the Purchaser and this Agreement and the documents to be delivered pursuant hereto are valid and binding obligations

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of the Purchaser enforceable against the Purchaser in accordance with their respective terms;

- (b) the Purchaser is not a non-Canadian for the purposes of the *Investment Canada Act* (Canada) and at the Time of Closing will be a registrant for the purposes of the *Excise Tax Act* (Canada) with a valid HST number; and
- (c) until the completion of the Transaction at Time of Closing, all documents and information received by the Purchaser, its representatives, auditors or counsel, from the Vendor or the Debtor or their respective representatives, auditors or counsel, will be treated as strictly confidential and will not be disclosed to others by the Purchaser except to the Purchaser's agents, employees, professional advisors and bankers on a "need to know" basis for the purposes of the Transaction. The Purchaser further agrees that unless and until the terms of this Agreement become public knowledge in connection with the Approval and Vesting Order, the Purchaser shall keep such terms confidential and shall not disclose the same to anyone except the Purchaser's agents, employees, professional advisors or bankers on a "need to know" basis in connection herewith and then only on the basis that such persons also keep such terms confidential as aforesaid.

4.4 Representations and Warranties on Closing Date

All representations and warranties set forth in this Article 4 will be true and correct on and as of the Time of Closing with the same force and effect as if made on and as of such date.

4.5 No Finder's Fee

Each of the Parties represents and warrants to each other that such Party has not taken, and agrees that it will not take any action that would cause any other Party to become liable to any claim or demand for a brokerage, finder's fee or other similar payment in regard to the Transaction.

4.6 Survival of Covenants, Representations and Warranties

To the extent that they have not been fully performed at or prior to the Time of Closing, the covenants contained in this Agreement and in all certificates and documents delivered pursuant hereto will survive the Closing contemplated hereby.

ARTICLE 5 ASSUMPTION OF LIABILITIES

5.1 Assumed Obligations

The Purchaser shall not assume any Liabilities of the Debtor or the Vendor other than as expressly set out herein. The Purchaser agrees to assume each of the following on Closing:

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- (a) Subdivision, site-plan, development or other municipal agreements;
- (b) Minor encumbrances, including without limitation, servitudes, encroachments, easements, rights-of-way, restrictive covenants or other similar rights in land granted to or reserved by other persons, rights-of-way for sewers, electric lines, telegraphs and telephone lines and other similar purposes;
- (c) Instrument No. R650335 – AGREEMENT - The Corporation of the Town of Markham;
- (d) Reference Plan No. 65R30487;

5.2 Tenancies

(a) The Purchaser agrees to assume any existing tenancies in accordance with the terms of the tenancies. The Receiver makes no representations whatsoever with respect thereto and the Receiver shall provide to the Purchaser on closing only documentation relating to those tenancies which it has in its possession. The Receiver shall not be required to provide any documentation signed by the tenants confirming the status of the tenancies or provide a notification to the tenants regarding future rent payments. The Receiver shall further not be obliged to credit on closing any current or pre-paid rent, or other adjustments in favour of the Purchaser other than for rent actually received by the Receiver

(b) On Closing, the Receiver shall deliver to the Purchaser: (i) copies of all leases in its possession or control; and (ii) directions to tenants (which need not be individually addressed or individually signed) authorizing and directing the tenants to pay future rents to the Purchaser or its management agent if it so directs.

ARTICLE 6- CONDITIONS

6.1 Conditions in Favour of the Purchaser

The Purchaser's obligations under this Agreement are conditional upon the performance of or compliance with the following terms and conditions (which are included in this Agreement for the benefit of the Purchaser and where applicable, may be waived in writing in whole or in part by the Purchaser at any time):

- (a) the representations and warranties of the Vendor set forth in Article 4 hereof shall be true and correct as of the Time of Closing and have the same force and effect as if made at and as of such time;
- (b) at the Time of Closing, no order will have been issued by a court of competent jurisdiction which remains in effect, and no action or proceeding will have been instigated which remains pending before a court of competent jurisdiction, to

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prevent or otherwise adversely affect the purchase and sale of the Purchased Assets or any portion thereof pursuant to this Agreement, and;

- (c) the Vendor shall have executed and delivered all necessary agreements, instruments and documentation, and complied with all the terms, covenants and conditions of this Agreement to be performed or complied with by the Vendor to conclude the Transaction at or prior to the Time of Closing.

6.2 Purchaser's Right to Terminate

If any of the conditions contained in Section 6.1 are not performed or fulfilled at or prior to the Time of Closing to the reasonable satisfaction of the Purchaser or where applicable, waived by the Purchaser, the Purchaser may terminate this Agreement by notice to the Vendor, and in such event the Deposit shall be returned to the Purchaser without interest, and the Vendor and the Purchaser will be released from all obligations hereunder.

6.3 Conditions in Favour of the Vendor

The Vendor's obligations under this Agreement are conditional upon the performance of or compliance with the following terms and conditions (which are included in this Agreement for the benefit of the Vendor and where applicable, may be waived in writing in whole or in part by the Vendor at any time):

- (a) the representations and warranties of the Purchaser set forth in Article 4 hereof shall be true and correct as of the Time of Closing and have the same force and effect as if made at and as of such time;
- (b) the Purchaser shall have executed and delivered all necessary agreements, instruments and documentation and complied with all the terms, covenants and conditions of this Agreement to be performed or complied with by the Purchaser to conclude the Transaction at or prior to the Time of Closing;
- (c) at the Time of Closing, no order will have been issued by a court of competent jurisdiction which remains in effect, and no action or proceeding will have been instigated which remains pending before a court of competent jurisdiction, to prevent or otherwise adversely affect the purchase and sale of the Purchased Assets or any portion thereof pursuant to this Agreement;
- (d) the Purchaser shall have received any required consents to the assignment and its intended use of the Purchased Assets to the Purchaser from the applicable Governmental Authorities;
- (e) no legal or regulatory action or proceeding will be pending or threatened by any Person to enjoin, restrict or prohibit the purchase and sale of the Purchased Assets contemplated hereby.

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6.4 Vendor's Right to Terminate

If any of the conditions contained in Subsections 6.3(a) or 6.3(b) are not performed or fulfilled at or prior to the Time of Closing to the satisfaction of the Vendor or where applicable, waived by the Vendor, the Vendor may terminate this Agreement by notice to the Purchaser, and in such event the Vendor and the Purchaser will be released from all obligations hereunder other than in respect of the Deposit. If any of the conditions contained in Subsections 6.3(c), 6.3(d) or 6.3(e) are not performed or fulfilled at or prior to the Time of Closing to the satisfaction of the Vendor or where applicable, waived by the Vendor, the Vendor may terminate this Agreement by notice to the Purchaser, and in such event the Deposit shall be returned to the Purchaser without interest, and the Vendor and the Purchaser will be released from all obligations hereunder.

ARTICLE 7 -CLOSING**7.1 Closing Date**

The Closing of the Transaction will take place at the Time of Closing on the Closing Date at the offices of the Vendor's Solicitors, 145 King Street West, Suite 2200, Toronto, Ontario.

7.2 Deliveries at the Closing by the Vendor

At or prior to the Time of Closing, the Vendor shall execute and/or deliver to the Purchaser:

- (a) an issued or entered copy of the Approval and Vesting Order;
- (b) a statutory declaration or certificate of a senior officer of the Receiver (in either case without personal liability on the part of the individual making such certificate or declaration) regarding Section 116 of the *Income Tax Act* (Canada) to the effect that the Receiver is not a "non-resident" of Canada within the meaning of the Act;
- (c) a certificate of a senior officer of the Receiver (without personal liability on the part of the individual making such certificate) certifying that each of the representations and warranties of the Receiver set forth in Section 4.1 are true and accurate in all material respects on the Closing Date, except as disclosed therein;
- (d) such further and other documentation as is referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

7.3 Deliveries at the Closing by the Purchaser

At or prior to the Time of Closing, the Purchaser shall execute and/or deliver to the Vendor:

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- (a) payment of the balance of the Purchase Price required to be paid on Closing pursuant to Section 3.1, net of the Deposit in the manner described in Section 3.4;
- (b) evidence satisfactory to the Vendor of payment of all taxes required to be paid by the Purchaser pursuant to Section 3.5 or valid purchase exemption certificates pursuant to Section 3.5;
- (c) the indemnity of the Vendor by the Purchaser pursuant to Section 8.4;
- (d) such further and other documentation as is referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

ARTICLE 8 ADDITIONAL AGREEMENTS OF THE PARTIES

8.1 Proceedings for the Approval and Vesting Order

- (a) The Vendor shall provide the Purchaser and its counsel with a reasonable opportunity to comment upon the form of the Approval and Vesting Order and supporting material to be filed in Court by the Vendor relating to the Transaction. The Vendor agrees that all such documents shall be consistent with the terms and conditions of this Agreement. The Vendor shall immediately provide the Purchaser with copies of all motion materials served upon it relating to this Agreement and the Purchased Assets.
- (b) The Purchaser shall, at its own expense, promptly provide to the Vendor all information, documents and assistance within the Purchaser's possession or control as the Vendor may reasonably require to apply for the Approval and Vesting Order.

8.2 Co-operation and Transition

The Parties shall co-operate fully in good faith with each other and their respective legal advisors, accountants and other representatives in connection with any steps required to be taken as part of their respective obligations under this Agreement.

8.3 Possession of Assets

On the Closing Date, the Purchaser shall take possession of the Purchased Assets at the Time of Closing. Notwithstanding anything to the contrary contained in this Agreement, possession of the Property shall be given to the Purchaser (or Permitted Assign) in accordance with the terms of the Approval and Vesting Order

8.4 Tax Indemnity

The Purchaser shall indemnify and save the Vendor harmless for and from all losses, costs and damages suffered by the Vendor as a result of any tax, interest and/or penalty

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levied against the Vendor by Canada Revenue Agency or any other Governmental Authority in connection with the Transaction, including any requirement of the Vendor to remit to the Receiver General of Canada any HST, interest and/or penalties on the Purchase Price, including any adjustments thereto.

8.5 Change in Circumstances

Notwithstanding any other provision of this Agreement, no default by any person other than the Vendor under any lease, Permitted Encumbrances or contract (including, without limitation, any bankruptcy or event of insolvency) or repudiation or termination thereof other than as a result of the default of the Receiver or proceeding for relief therefrom, at any time after the Acceptance Date, and no other change, other than as a result of the default by the Receiver of any of its obligations under this Agreement, adverse to the Purchased Assets or the Property or their value at any time after the Acceptance Date (subject to the provisions of Section 9.10) shall entitle the Purchaser to terminate this Agreement or to an abatement of the Purchase Price or any other right or remedy whatsoever, the Purchaser agreeing to accept the risk of the foregoing.

ARTICLE 9 -GENERAL

9.1 Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by prepaid mail, by facsimile or other means of electronic communication or by hand-delivery as hereinafter provided. Any such notice or other communication, if mailed by prepaid mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, shall be deemed to have been received on the fourth Business Day after the post-marked date thereof, or if sent by facsimile or other means of electronic communication, shall be deemed to have been received on the Business Day following the sending, or if delivered by hand shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall also be governed by this section. In the event of a general discontinuance of postal service due to strike, lock-out or otherwise, notices or other communications shall be delivered by hand or sent by facsimile or other means of electronic communication and shall be deemed to have been received in accordance with this section. Notices and other communications shall be addressed as follows:

- (a) if to the Vendor:

Pollard & Associates Inc.
31 Wright Street
Richmond Hill, Ontario
L4C 4A2

Attention: Angela Pollard
E-mail: akpollard@pollardandassoc.ca
Fax: 905-884-4310

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with a copy to:

Minden Gross LLP
145 King Street West, Suite 2200
Toronto, Ontario
M5H 4G2

Attention: Timothy R. Dunn
E-mail : tdunn@mindengross.com
Fax: 416-864-9223

(b) if to the Purchaser at:

Henry K. Hui & Associates
Barristers, Solicitors & Notaries
350 Highway 7 East, Suite 301
Richmond Hill, Ontario
L4B 3N2

Attention: Henry K. Hui
E-mail : henryhui@hkhlawyers.com
Fax : 905-881-1222

with a copy c/o:

Laishley Reed LLP
3 Church Street, Suite 505
Toronto, Ontario

Attention: Calvin J. Ho
E-mail: cho@laishleyreed.com
Fax: 416-981-0060

9.2 Entire Agreement

Except as specifically set forth in this Agreement, there are no representations, warranties, agreements or covenants made by any of the Parties hereto and not contained herein and this Agreement supersedes any prior agreement, whether written or oral, between the Parties and constitutes the entire agreement of the Parties with respect to the purchase and sale of the Purchased Assets.

9.3 Further Assurances

Each of the Parties hereto will, from time to time and at all times hereafter upon every reasonable written request to do so, make, do, execute and deliver, or cause to be made, done, executed and delivered all such further acts, deeds, assurances and things as may be

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necessary in the opinion of any Party or counsel for any Party for more effectually implementing and carrying out the true intent and meaning of this Agreement.

9.4 Successors and Assigns

This Agreement will be binding upon the Parties hereto, their respective heirs, executors, administrators, successors or permitted assigns. The Purchaser shall not assign the Agreement without the Vendor's prior written approval, acting reasonably.

9.5 Counterparts

This Agreement may be executed in several counterparts, including by facsimile or other means of electronic communication and all such counterparts will constitute one agreement, binding on the Parties hereto, notwithstanding that all the Parties are not signatories to the original or the same counterpart.

9.6 No Waiver of Breach

No failure of any Party to this Agreement to pursue any remedy resulting from a breach of this Agreement by another Party will be construed as a waiver of that breach by that Party or any other Party or as a waiver of any subsequent or other breach.

9.7 Solicitors as Agents and Tender

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors on behalf of the Purchaser and by the Receiver's Solicitors on behalf of the Receiver and any tender of Closing Documents (other than documents required to be registered electronically) may be made upon the Receiver's Solicitors and the Purchaser's Solicitors, as the case may be, at their respective offices or in the relevant Land Registry Office.

9.8 Expenses and Legal Fees

Each of the Parties hereto will assume the payment of and be responsible for all expenses, costs and legal fees incurred by reason hereof by such Party whether incurred prior to or subsequent to the date hereof and neither Party will be obligated in any way whatsoever to pay or contribute to any such expenses or costs incurred by the other Party hereto.

9.9 Time of Essence

Time will be of the essence of this Agreement.

9.10 Risk

Up to the Time of Closing, all risk of loss or damage by fire or any other cause or hazard to the Purchased Assets will remain with the Vendor, which will hold all insurance policies and proceeds thereof in trust for the Debtor and the Purchaser. In the event of any

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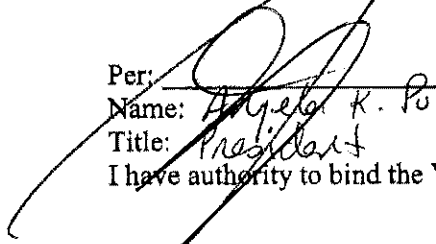
material destruction or damage by fire or any other cause or hazard to any of the Purchased Assets prior to the Time of Closing, which destruction or damage is of such a nature that the Purchaser determines that it no longer wishes to complete the Transaction, acting in its sole and unfettered discretion, then the Purchaser, at its sole option, may within five (5) days of receiving written notice of such destruction or damage, which written notice refers to this provision of this Agreement, terminate this Agreement without liability or obligation to the Vendor. Forthwith thereafter, the Deposit, without interest, shall be returned to the Purchaser.

9.11 Acceptance

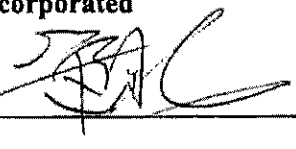
The offer represented by this Agreement shall be open for acceptance by the Vendor until 5:00 p.m. on May 12, 2020 subject to Court approval. Any such acceptance shall be effected by the Vendor delivering a fully executed copy or counterpart of this Agreement to the Purchaser. The Purchaser shall not be at liberty to retract, withdraw, vary or countermand an offer once this Agreement is delivered by the Purchaser to the Vendor.

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

POLLARD & ASSOCIATES INC., solely in its capacity as Court-appointed receiver and manager of 186 Old Kennedy Development Inc. and on behalf of the Debtor and not in its personal capacity and without any personal or corporate liability

Per: 
Name: Angela K. Pollard
Title: President
I have authority to bind the Vendor

CHENGYI WEI, in trust for a company to be incorporated

Per: 
Name: _____
Title: _____
I have authority to bind the Purchaser

SCHEDULE "A"
DESCRIPTION OF PURCHASED ASSETS

PIN 02953-0027 (LT)

PT E1/2 LT 2 CON 5 MARKHAM AS IN MA91925 EXCEPT PT 10 EXPROP PL MA66625;
T/W MA91925; S/T MA91925; CITY OF MARKHAM

PIN 02953-0028 (LT)

PT E1/2 LT 2 CON 5 MARKHAM AS IN MA97577; T/W MA97577; S/T MA97577;
MARKHAM

ce

SCHEDULE "B"
EXCLUDED ASSETS

NONE

cc

SCHEDULE "F"

THIS AMENDING AGREEMENT (the "Agreement") made as of the 24th day of August, 2020.

BETWEEN:

POLLARD & ASSOCIATES INC., solely in its capacity as Court-appointed receiver and manager of 186 Old Kennedy Development Inc. (the "Debtor") and on behalf of the Debtor and not in its personal capacity and without any personal or corporate liability

(collectively, the "Vendor")

- and -

W GARDEN CORPORATION

(the "Purchaser")

WHEREAS:

- A. The Vendor and Chengyi Wei, in trust for a company to be incorporated have entered into a purchase agreement dated May 8, 2020 whereby the Vendor agreed to sell and Chengyi Wei, in trust for a company to be incorporated agreed to purchase the property municipally known as 186 Old Kennedy Road, Markham, Ontario and 51 Victory Avenue, Markham, Ontario (the "Purchase Agreement").
- B. Pursuant to an Assignment and Assumption Agreement dated May 29, 2020 Chengyi Wei transferred, assigned and set over unto the Purchaser all of its rights, title, interest, obligations and liabilities in the Purchase Agreement to the Purchaser and the Purchaser accepted the foregoing transfer and assignment by Chengyi Wei.

NOW THEREFORE in consideration of the mutual covenants and agreements hereinafter contained and for other good and valuable consideration and the completion of the transactions provided for in the Purchase Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

1. Amendment to Purchase Agreement

The Vendor and the Purchaser hereby amend the Purchase Agreement as follows:

- (a) The definitions of "Closing Date" in Article 1 is deleted in its entirety and replaced with the following:

"Closing Date" means the 11th day of September, 2020; and,
- (b) Section 3.2 is amended by adding a new subsection (b1) which reads as follows:

ce am

“(b1) A further deposit in the sum of \$100,000.00 (the “**Third Deposit**”) shall be paid by wire transfer or certified cheque by a Canadian chartered bank payable to the Vendor, in trust, on or before August 25, 2020;” and

(c) Section 3.2 (c) is amended to read as follows:

“The First Deposit, the Second Deposit and the Third Deposit are sometimes herein referred to as the “Deposit”)”.

2. **Affirmation**

Each of the parties hereto hereby affirms the provisions in the Purchase Agreement (as amended by this Agreement) applicable to it, and confirms that it continues to be bound by same.

3. **Time of the Essence**

Time shall remain of the essence.

4. **Successors and Assigns**

This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns.

5. **Governing Law**

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

6. **Execution by Counterparts**

This Agreement may be executed in counterparts and delivered by facsimile or other electronic transmission and the counterparts delivered by facsimile or other electronic transmission together shall constitute one and the same instrument.

7. **Further Assurances**

Each of the parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement.

[Signature Pages Follow.]



IN WITNESS WHEREOF the parties have executed this Agreement as of the date first mentioned.

POLLARD & ASSOCIATES INC., solely in its capacity as Court-appointed receiver and manager of 186 Old Kennedy Development Inc. and on behalf of the Debtor and not in its personal capacity and without any personal or corporate liability

Per: _____

Name: *Angela K. Pollard*

Title: *President*

I have authority to bind the Vendor

W GARDEN CORPORATION

Per: _____

Name: Cheng Yi Wei

Title: President

I have authority to bind the Purchaser

41156771 #4327497

Attending Agreement signing page

SCHEDULE "G"

THIS AMENDING AGREEMENT (the "**Agreement**") made as of the 24th day of August, 2020.

BETWEEN:

POLLARD & ASSOCIATES INC., solely in its capacity as Court-appointed receiver and manager of 31 Victory Development Inc. (the "Debtor") and on behalf of the Debtor and not in its personal capacity and without any personal or corporate liability

(collectively, the "**Vendor**")

- and -

W GARDEN CORPORATION

(the "**Purchaser**")

RECITALS:

- A. The Vendor and Chengyi Wei, in trust for a company to be incorporated have entered into a purchase agreement dated May 8, 2020 whereby the Vendor agreed to sell and Chengyi Wei, in trust for a company to be incorporated agreed to purchase the property municipally known as 31 Victory Avenue, Markham, Ontario (the "**Purchase Agreement**").
- B. Pursuant to an Assignment and Assumption Agreement dated May 29, 2020 Chengyi Wei transferred, assigned and set over unto the Purchaser all of its rights, title, interest, obligations and liabilities in the Purchase Agreement to the Purchaser and the Purchaser accepted the foregoing transfer and assignment by Chengyi Wei.

NOW THEREFORE in consideration of the mutual covenants and agreements hereinafter contained and for other good and valuable consideration and the completion of the transactions provided for in the Purchase Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

1. Amendment to Purchase Agreement

The Vendor and the Purchaser hereby amend the Purchase Agreement as follows:

- (a) The definitions of "Closing Date" in Article 1 is deleted in its entirety and replaced with the following:

"Closing Date" means the 11th day of September, 2020.

2. Affirmation

Each of the parties hereto hereby affirms the provisions in the Purchase Agreement (as amended

by this Agreement) applicable to it, and confirms that it continues to be bound by same.

3. **Time of the Essence**

Time shall remain of the essence.

4. **Successors and Assigns**

This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns.

5. **Governing Law**

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

6. **Execution by Counterparts**

This Agreement may be executed in counterparts and delivered by facsimile or other electronic transmission and the counterparts delivered by facsimile or other electronic transmission together shall constitute one and the same instrument.

7. **Further Assurances**

Each of the parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement.

[Signature Pages Follow.]



IN WITNESS WHEREOF the parties have executed this Agreement as of the date first mentioned.

POLLARD & ASSOCIATES INC., solely
in its capacity as Court-appointed receiver
and manager of 31 Victory Development Inc.
and on behalf of the Debtor and not in its
personal capacity and without any personal
or corporate liability

Per: _____

Name: *Andrea K. Pollard*

Title: *President*

I have authority to bind the Vendor

W GARDEN CORPORATION

Per: _____

Name: Cheng Yi Wei

Title: President

I have authority to bind the Purchaser

4115376 | #4327446

Amending Agreement - signing page

[Handwritten initials]

SCHEDULE "H"

Schedule A – Form of Receiver’s Certificate

Court File No. CV-19-627410-00CL

Estate File No. 31-458917

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

KRASHNIK INVESTMENTS LIMITED
AND GABEL INVESTMENTS LIMITED

Applicants

- and -

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

RECEIVER’S CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable C.A. Gilmore of the Ontario Superior Court of Justice, Commercial List, (the "Court") dated January 31, 2020, Pollard & Associates Inc. was appointed as the receiver and manager (in such capacities, the "Receiver") of the undertaking, property and assets of 186 Old Kennedy Development Inc. (the "Debtor").

B. Pursuant to an Order of the Court dated June 10, 2020, the Court approved the agreement of purchase and sale made as of May 8, 2020 (the "Sale Agreement") between the Receiver and Chengyi Wei, in trust for a company to be incorporated (the "Purchaser") and provided for the vesting in the Purchaser, or as it may direct in writing, of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as

set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver by email as a result of the COVID pandemic at 3:14 pm[TIME] on September 11, 2020.

POLLARD & ASSOCIATES INC., in its capacity as Receiver and Manager of the undertaking, property and assets of 186 Old Kennedy Development Inc., and not in its personal capacity

Per:

Name: Angela K. Pollard

Title: President

SCHEDULE "I"

Statement of Taxes



City of Markham
 Corporate Services Commission
 Financial Services Department
 101 Town Centre Blvd.
 Markham, ON L3R 9W3
 Tel: (905) 475-4864
 Fax: (905) 415-7544

186 OLD KENNEDY DEVELOPMENT INC
 7100 WOODBINE AVE SUITE 206
 MARKHAM ON L3R 5J2

Issue Date: August 17, 2020
 Customer No: 3LEUW7MR
 Roll No: 36 02 0 126 19500 00000 05
 Location: 51 VICTORY AVE
 Legal Dscr: CON 5 PT LT2
 Agent: BELINDA CHING X6870
 Mortgage No: PA DEC 31 2018

Tax Levy Information							
Tax Year	Interim	Annual	Supplementaries	Appeals	Apportionment	Cap/Clawback	Total
2020		\$69,554.91					\$69,554.91

Summary of Taxes Owning				Future Due Instalments	
Tax Year	Tax/Charges	Penalty/Interest	Total Overdue	Due Date	Amount
2020	\$34,681.00	997.08	\$35,678.08	Oct 05, 2020	\$17,437.91
2019	\$70,532.48	8,833.51	\$79,365.99	Nov 05, 2020	\$17,436.00
2018	\$60,046.48	14,186.46	\$74,232.94		
2017 & Prior					
Total	\$165,259.96	\$24,017.05	\$189,277.01		

Current Account Balance	\$224,150.92
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Markham Council approved property tax and fee relief measures to help taxpayers experiencing financial hardship due to COVID-19 pandemic.

No late payment (penalty and interest) charges will be applied to unpaid amounts from April 1, 2020 to December 31, 2020. Taxpayers who can afford to pay their taxes on their scheduled due dates are strongly encouraged to do so.

Tax Roll Number
 36 02 0 126 19500 00000 05
 186 OLD KENNEDY DEVELOPMENT INC

Remittance Portion

Overdue Amount
\$189,277.01

Make cheques payable to City of Markham
 and return this portion with payment to:
 101 Town Centre Blvd.,
 Markham, Ontario L3R 9W3



Amount paid

\$ _____

360201261950000000050189277012



City of Markham
Corporate Services Commission
Financial Services Department
101 Town Centre Blvd.
Markham, ON L3R 9W3
Tel: (905) 475-4864
Fax: (905) 415-7544

Statement of Taxes

186 OLD KENNEDY DEVELOPMENT INC
7100 WOODBINE AVE SUITE 206
MARKHAM ON L3R 5J2

Issue Date: August 17, 2020
Customer No: VMGGJ54H
Roll No: 36 02 0 126 10000 00000 00
Location: 186 OLD KENNEDY RD
Legal Dscr: CON 5 PT LT2
Agent: BELINDA CHING X6870
Mortgage No: PA DEC 2018

Tax Levy Information							
Tax Year	Interim	Annual	Supplementaries	Appeals	Apportionment	Cap/Clawback	Total
2020		\$172,288.76					\$172,288.76

Summary of Taxes Owning				Future Due Instalments	
Tax Year	Tax/Charges	Penalty/Interest	Total Overdue	Due Date	Amount
2020	\$84,304.00	2,423.74	\$86,727.74	Oct 05, 2020	\$43,992.76
2019	\$173,770.75	21,828.74	\$195,599.49	Nov 05, 2020	\$43,992.00
2018	\$147,363.70	34,343.86	\$181,707.56		
2017 & Prior					
Total	\$405,438.45	\$58,596.34	\$464,034.79		

Current Account Balance	\$552,019.55
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Markham Council approved property tax and fee relief measures to help taxpayers experiencing financial hardship due to COVID-19 pandemic.

No late payment (penalty and interest) charges will be applied to unpaid amounts from April 1, 2020 to December 31, 2020. Taxpayers who can afford to pay their taxes on their scheduled due dates are strongly encouraged to do so.

Tax Roll Number

36 02 0 126 10000 00000 00

186 OLD KENNEDY DEVELOPMENT INC

Remittance Portion

Overdue Amount

\$464,034.79

Make cheques payable to City of Markham
and return this portion with payment to:
101 Town Centre Blvd.,
Markham, Ontario L3R 9W3



Amount paid

\$ _____

3602012610000000000000464034794

SCHEDULE "J"

AMENDED
STATEMENT OF ADJUSTMENTS

VENDOR: Pollard & Associates Inc.,
in its capacity as Receiver of the undertaking, property and assets of
186 Old Kennedy Development Inc., and not in its personal capacity

PURCHASER(S): W Garden Corporation

PROPERTY: 186 Old Kennedy Road, Markham, Ontario and
51 Victory Avenue, Markham, Ontario

CLOSING DATE: September 11, 2020

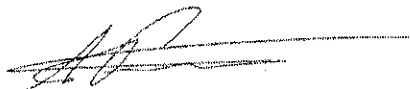
	<u>Credit Buyer</u>	<u>Credit Seller</u>
Sale Price		\$47,800,000.00
Deposits		
First Deposit	\$ 239,000.00	
Second Deposit	\$ 956,000.00	
Third Deposit	\$ 95,600.00	
 Realty Taxes (186 Old Kennedy Road)		
Interim2020 realty taxes	\$ 84,304.00	
Estimated 2020 taxes with 3% Increase	\$173,666.24	
Seller has paid	\$ 84,304.00	
Seller's share for 254 days	\$120,522.47	
Credit Purchaser:	\$ 36,218.47	
 Realty Taxes (51 Victory Avenue)		
2020 realty taxes	\$69,554.91	
Seller has paid	\$69,554.91	
Seller's share for 254 days	\$48,270.16	
Credit Seller		\$ 21,284.75
 BALANCE DUE ON CLOSING	\$46,494,466.28	_____
	\$47,821,284.75	\$ 47,821,284.75
	=====	=====

E. & O. E.

SOLICITOR'S UNDERTAKING**TO: W Garden Corporation****AND TO: Henry K. Hui & Associates
Their Solicitors Herein****RE: Pollard & Associates Inc., in its capacity as Receiver and Manager of the undertaking, property and assets of 186 Old Kennedy Development Inc., and not in its personal capacity, sale to W Garden Corporation, 186 Old Kennedy Road, Markham Ontario and 51 Victory Avenue, Markham, Ontario**

IN CONSIDERATION OF the closing of the above-noted sale transaction, we hereby undertake to pay, from the Balance Due on Closing, to the City of Markham the total sum of \$696,788.02, on account of outstanding realty taxes (including arrears, penalties and interest) for the above referenced properties outlined as follows:

186 Old Kennedy Road:	2018: \$183,978.90 (includes 1.25% penalty for September)
	2019: \$198,044.48 (includes 1.25% penalty for September)
	2020: \$ 87,811.84 (includes 1.25% penalty for September)
51 Victory Avenue:	2018: \$ 75,160.85 (includes 1.25% penalty for September)
	2019: \$ 80,358.06 (includes 1.25% penalty for September)
	2020: \$ 71,433.89 (includes 1.25% penalty for September)

TOTAL: \$696,788.02**DATED** this 11th day of September, 2020.**Minden Gross LLP**


Per: Steven I. Pearlstein

SCHEDULE "K"

POLLARD & ASSOCIATES INC.
31 Wright Street
Richmond Hill, Ontario, L4C 4A2

Statement of the Receiver (Section 246(2))

In the matter of the receivership of the property of 186 Old Kennedy Development Inc.

Take notice that:

1. On the 3rd day of March 2020, the undersigned became the Court Appointed Receiver of all of the assets, undertakings and properties of 186 Old Kennedy Development Inc., (the "Debtor" or "186 Old Kennedy") acquired for, or in relation to the business carried on by the Debtor, including all proceeds thereof (the "Property").
2. The Receiver engaged the services of Cushman Wakefield to assist the Receiver with the sale of the property located at 186 Old Kennedy Road, Markham and 51 Victory Avenue, Markham (the "Real Property").
3. The Receiver negotiated an agreement of purchase and sale for the Real Property and on June 10, 2020 the Receiver brought a motion to obtain an order approving the agreement of purchase and sale dated May 8, 2020 (the "APS") and providing for the vesting of all purchased assets free and clear as contemplated by the APS. The Receiver also requested a sealing order in reference to the APS and the appraisal. A copy of the Approval and Vesting Order of the Honourable Justice Conway dated June 10, 2020 is attached as Schedule A, hereto.
4. On July 17, 2020, the Receiver filed an assignment in bankruptcy on behalf of the Debtor as authorized by the Appointment Order.

DATED at Richmond Hill this 2nd day of September, 2020

POLLARD & ASSOCIATES INC.

Per:

Angela K. Pollard, CFA, CMA, FCIRP, CFE, ICD.D



Court File No. CV-19-627410-00CL

Estate File No. 31-458917

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	WEDNESDAY, THE 10 TH
)	DAY OF JUNE, 2020
JUSTICE CONWAY)	

B E T W E E N:

KRASHNIK INVESTMENTS LIMITED
AND GABEL INVESTMENTS LIMITED

Applicants

- and -

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by Pollard & Associates Inc. in its capacity as receiver and manager (in such capacities, the "**Receiver**"), without security, of the undertaking, property and assets of 186 Old Kennedy Development Inc. (the "**Debtor**") for an order, among other things, approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale dated May 8, 2020 (the "**Agreement**") and appended to the Report of the Receiver dated May 25, 2020 (the "**Report**") between the Receiver and Chengyi Wei, in trust for a company to be incorporated, and as assigned by Chengyi Wei, in trust for a company to be incorporated, as purchaser, to W Garden Corporation, as assignee (the "**Purchaser**") pursuant to an assignment and assumption agreement dated May 29, 2020 (hereinafter collectively with Agreement, the "**Sale Agreement**"), and vesting in the Purchaser the Debtor's right, title and interest in and to

the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day via video conference as a result of the COVID-19 pandemic.

ON READING the Report and on hearing the submissions of counsel for the Receiver, Vector Financial Services Limited, 10226190 Canada Ltd., Krashnik Investments Limited, Rick Liu, 2592898 Ontario Inc., 2620094 Ontario Inc., 2627235 Ontario Inc., 2638796 Ontario Inc., 2646429 Ontario Inc., KSV Advisory Inc., Yi Zhou, and Gabel Investments Limited, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Hayley Morgan sworn June 2, 2020 filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice C.A. Gilmore dated January 31, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are

collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division LRO #65, York Region, of an Application for Vesting Order in the form prescribed by the *Land Titles Act*, the Land Registrar is hereby directed to enter the W Garden Corporation as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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



Schedule A – Form of Receiver’s Certificate

Court File No. CV-19-627410-00CL

Estate File No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

KRASHNIK INVESTMENTS LIMITED
AND GABEL INVESTMENTS LIMITED

Applicants

- and -

186 OLD KENNEDY DEVELOPMENT INC.

Respondent

RECEIVER’S CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable C.A. Gilmore of the Ontario Superior Court of Justice, Commercial List, (the "Court") dated January 31, 2020, Pollard & Associates Inc. was appointed as the receiver and manager (in such capacities, the "Receiver") of the undertaking, property and assets of 186 Old Kennedy Development Inc. (the "Debtor").

B. Pursuant to an Order of the Court dated June 10, 2020, the Court approved the agreement of purchase and sale made as of May 8, 2020 (the "Agreement") between the Receiver and Chengyi Wei, in trust for a company to be incorporated and as assigned by Chengyi Wei, in trust for a company to be incorporated, as purchaser, to W Garden Corporation, as assignee (the "Purchaser") pursuant to an assignment and assumption agreement dated May 29, 2020 (hereinafter collectively with Agreement, the "Sale Agreement"), and provided for the vesting in the Purchaser, or as it may direct in writing, of the Debtor’s right, title and interest in and to the

Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver by email as a result of the COVID pandemic at _____ [TIME] on _____ [DATE].

POLLARD & ASSOCIATES INC., in its capacity as Receiver and Manager of the undertaking, property and assets of 186 Old Kennedy Development Inc., and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

PIN	02953 – 0027 LT
DESCRIPTION	PT E1/2 LT 2 CON 5 MARKHAM AS IN MA91925 EXCEPT PT 10 EXPROP PL MA66625; T/W MA91925; S/T MA91925; S/T MA91925; CITY OF MARKHAM
PIN	02953 – 0028 LT
DESCRIPTION	PT E1/2 LT 2 CON 5 MARKHAM AS IN MA97577; T/W MA97577; S/T MA97577 ; MARKHAM

Schedule C – Claims to be deleted and expunged from title to Real Property

1. Instrument No. YR2502470 registered 2016/07/07;
2. Instrument No. YR2502471 registered 2016/07/07;
3. Instrument No. YR2502472 registered 2016/07/07;
4. Instrument No. YR2519679 registered 2016/08/05;
5. Instrument No. YR2610952 registered 2017/01/17;
6. Instrument No. YR2634744 registered 2017/03/06;
7. Instrument No. YR2652437 registered 2017/04/11;
8. Instrument No. YR2677044 registered 2017/05/31;
9. Instrument No. YR2681040 registered 2017/06/07;
10. Instrument No. YR2696594 registered 2017/07/05;
11. Instrument No. YR2721004 registered 2017/08/22;
12. Instrument No. YR2739089 registered 2017/09/29;
13. Instrument No. YR2739090 registered 2017/09/29;
14. Instrument No. YR2739091 registered 2017/09/29;
15. Instrument No. YR2748892 registered 2017/10/23;
16. Instrument No. YR2757175 registered 2017/11/09;
17. Instrument No. YR2767494 registered 2017/11/30;
18. Instrument No. YR2776725 registered 2017/12/21;
19. Instrument No. YR2786487 registered 2018/01/22;
20. Instrument No. YR2789240 registered 2018/01/29;
21. Instrument No. YR2791970 registered 2018/02/02;
22. Instrument No. YR2798638 registered 2018/02/23;
23. Instrument No. YR2798639 registered 2018/02/23;
24. Instrument No. YR2798640 registered 2018/02/23;
25. Instrument No. YR2801248 registered 2018/03/01;

26. Instrument No. YR2804762 registered 2018/03/13;
27. Instrument No. ; R2805097 registered 2018/03/14
28. Instrument No. YR2811422 registered 2018/04/03;
29. Instrument No. YR2811423 registered 2018/04/03;
30. Instrument No. YR2811424 registered 2018/04/03;
31. Instrument No. YR2845658 registered 2018/07/04;
32. Instrument No. YR2845659 registered 2018/07/04;
33. Instrument No. YR2845660 registered 2018/07/04;
34. Instrument No. YR2862636 registered 2018/08/17;
35. Instrument No. YR2862637 registered 2018/08/17;
36. Instrument No. YR2862638 registered 2018/08/17;
37. Instrument No. YR2870816 registered 2018/09/07;
38. Instrument No. YR2870891 registered 2018/09/07;
39. Instrument No. YR3054277 registered 2020/01/09;

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

(unaffected by the Vesting Order)

1. Instrument No. R650335 registered 1994/11/15;
2. Instrument No. 65R30487 registered 2007/12/11;

B E T W E E N

KRASHNIK INVESTMENTS LIMITED et al.
Applicants

-and-

186 OLD KENNEDY DEVELOPMENT
Respondent

Court File No. CV-19-627410-00CL
Estate File No. 31-458917

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO

APPROVAL AND VESTING ORDER

MINDEN GROSS LLP

Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Sepideh Nassabi (LSO# 60139B)

snassabi@mindengross.com

Tel: 416-369-4323

Fax: 416-864-9223

Lawyers for the Receiver, Pollard & Associates Inc.

SCHEDULE "L"



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

FILE NUMBER 4115677

March 10, 2020

VIA E-MAIL

POLLARD & ASSOCIATES INC.

31 Wright Street
Richmond Hill, Ontario
L4C 4A2

Attention: Angela Pollard

Dear Sirs:

**Re: Security delivered by 186 Old Kennedy Development Inc. (OKDI) to
Krashnik Investments Limited and Gabel Investments Limited
(collectively, the "Secured Party")**

In accordance with your instructions, we have now completed our review of the Security (as hereinafter defined) delivered to the Secured Party by OKDI in connection with credit facilities extended to OKDI by the Secured Party.

By this letter, we wish to provide to you our opinion as to the validity and enforceability of the security interests granted by OKDI to and in favour of the Secured Party pursuant to the Security (as hereinafter defined) (collectively, the "**Security Interests**" and individually, the "**Security Interest**") to secure the indebtedness owing by OKDI to the Secured Party.

Our opinions, findings and conclusions are based upon and subject to the assumptions and specific qualifications as hereinafter expressed, including, but not limited to, those expressed in Article D of this letter.

A. SECURITY

In connection with this opinion, we have reviewed a Charge/Mortgage of Land in the original principal amount of \$30,000,000 registered on July 7, 2016, as Instrument No. YR2502472 (the "**Mortgage**") by the Secured Party against title to the real property owned by OKDI and known

- 2 -

municipally as 186 Old Kennedy Road, Markham, Ontario and 51 Victory Avenue, Markham, Ontario (collectively, the “**Real Property**”) (hereinafter collectively referred to as the “**Security**”).

B. SEARCHES

We have performed the usual searches, particulars of which are detailed below:

1. Corporate and Other Searches

Attached as **Schedule “A”** is a summary of the corporate and other searches conducted by our firm against OKDI as at the dates set out therein. Such schedule indicates, among other things: (i) the proper legal name; (ii) the corporate status; (iv) the directors and officers; (v) the registered office and mailing address; and (vi) the date and jurisdiction of incorporation of OKDI.

2. Searches Pursuant to the *Personal Property Security Act (Ontario)* (the “PPSA”)

We obtained a certified print-out pursuant to the provisions of the PPSA against OKDI effective as at March 5, 2020. Attached as **Schedule “B”** is a summary of the print-out. Such summary describes, among other things, the file currency date of the search, particulars of each registration and, in the columns marked “**Collateral Description**” and “**Miscellaneous**”, we have noted any other information apparent from the financing statements and financing change statements registered.

Our PPSA search against OKDI indicates that no registrations were made under the PPSA by the Secured Party against OKDI.

3. Title Search

We have obtained a copy of the Parcel Register for the Real Property as at March 6, 2020 (the “**Parcel Register**”).

The Parcel Register indicates that the Mortgage was registered against the Real Property in favour of the Secured Party in first position and that OKDI is the registered owner of the Real Property.

Attached as **Schedule “C”** is a copy of the Parcel Register.

C. OPINIONS

Based solely on the foregoing, and subject to the limitations and qualifications as set out in this letter, we are of the opinion that the Security Interests created by the Security constitute legal, valid and binding obligations of OKDI in favour of the Secured Party, enforceable by the Secured Party in accordance with its terms.

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D. LIMITATIONS AND QUALIFICATIONS OF OPINION

The foregoing opinions are subject to the following limitations, qualifications, reservations and assumptions:

1. the foregoing opinions are confined to statements of fact or matters set forth herein as existing as of the date of this opinion letter;
2. in examining and reviewing the Security, and to the extent applicable, we have assumed the genuineness of the signatures and the conformity to the original of the document submitted to us as a photocopy or electronic copy and that all documents were fully completed prior to signature. To the extent that any of the Security does not require signatures, we assume that the electronic registration of such documents against title to the Real Property was effected in accordance with the instructions and to the knowledge of each of the parties affected by each such registration;
3. we have relied upon certificates of public officers as to matters of fact not stated herein to have been assumed or independently verified or established by us;
4. we have assumed the completeness, accuracy and currency of the indexes and filing systems maintained at the public offices where we have searched or enquired or have caused such searches or enquiries to be conducted and that the results of our searches and enquiries continue to be complete, accurate and current as of the date hereof;
5. we have not been provided with the Minute Book, Records, or By-laws of OKDI nor any documentation with respect thereto. Accordingly, we have assumed that OKDI was a corporation duly incorporated and organized and valid and subsisting under the laws of the Province of Ontario at the time that the Security was executed and that OKDI had all necessary corporate power and authority to execute and deliver the Security;
6. we have assumed that the Security was executed and delivered in accordance with corporate authorizations current at the time of execution of same and the execution and delivery of the Security on behalf of OKDI was authorized by all necessary resolutions and other corporate actions;
7. we have assumed that the Security was executed on the dates indicated therein;
8. we have assumed that monies or other valuable consideration was advanced or given by the Secured Party to OKDI and that monies are, in fact, still owing by OKDI to the Secured Party with respect to such advances;
9. we have assumed that the Security Interests were intended by OKDI and the Secured Party to attach and have attached in accordance with the provisions of the PPSA;
10. we have assumed that the Security was unconditionally delivered by OKDI to the Secured Party;

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11. we have assumed that the Security has not been assigned, released, discharged or otherwise impaired, either in whole or in part;
12. we have assumed that any financing statements and financing change statements registered respecting the Security were completed in compliance with the PPSA and the Regulations with respect thereto and copies thereof were delivered to OKDI in accordance with the provisions of the PPSA;
13. we express no opinion as to the right, title or interest of OKDI in any real or personal property including the Real Property;
14. we have assumed that OKDI does not have a legal defence for, without limitation, absence of legal capacity, fraud by or to the knowledge of the Secured Party, misrepresentation, undue influence or duress;
15. to the extent that the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) applies to the Security, and notwithstanding any other federal and/or provincial law, the rights of unpaid suppliers and their interest in certain goods supplied by them to a person prior to bankruptcy may rank ahead of the Security Interests in the goods supplied;
16. the binding effect and the enforceability of the Security Interests or any judgment arising out of or in connection therewith (and the priority of any rights arising thereunder) may be limited by any applicable bankruptcy, re-organization, winding up, insolvency, moratorium or other laws of general application affecting the enforcement of creditors’ rights generally (including, without limitation, the *Assignments and Preferences Act* (Ontario), the *Fraudulent Conveyances Act* (Ontario) and the BIA), and is subject to general principles of equity, including the equitable or statutory powers of the Courts of Ontario and Canada to stay proceedings before them, to stay the execution of judgments and to grant relief against forfeiture;
17. no opinion is expressed with respect to the priority of the Security Interests as against any other security interests granted by OKDI to other secured parties (including, without limitation, purchase money security interests), liens (including, without limitation, construction liens and any holdbacks required to be maintained pursuant to the *Construction Lien Act* (Ontario)) or trust claims of any other creditors of OKDI and, in particular, to the existence or priority of any interest not registered or not required to be registered under any applicable legislation, whether or not referred to herein (e.g. Crown claims);
18. we express no opinion as to zoning, nor as to any title defects, irregularities, easements, encroachments, rights of way and the like as would be revealed by an up-to-date plan of survey of the Real Property;
19. title of OKDI to the Real Property is subject to, among other things:

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- (a) all reservations, limitations, provisos and conditions expressed in any original grant from the Crown;
 - (b) any rights of expropriation, access or use, or any other similar right, conferred to or reserved by any statute of Canada or Ontario;
 - (c) the right of any person to possession of any part of the Real Property;
 - (d) any statutory liens or levies;
 - (e) any governmental, provincial or municipal by-laws, laws, regulations or ordinances;
 - (f) any undetermined or inchoate liens and charges incidental to current construction or current operations which have not been filed or registered in accordance with applicable law or of which written notice has not at the time been duly given in accordance with applicable law or which relate to obligations not yet due or delinquent;
 - (g) any unregistered easements, rights of way or other unregistered interests or claims not disclosed by registered title; and
 - (h) any unregistered leases of the Real Property which do not require registration;
20. the enforceability of the Mortgage may be subject to the terms of any instruments or encumbrances registered on title to the Real Property in priority to the Mortgage;
21. no opinion is expressed as to whether a security interest was created in the following property:
- (a) property consisting of a receivable, license, approval, privilege, franchise, permit, lease or agreement to the extent that the terms of such property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given;
 - (b) permits, quotas or licenses which are held by or issued to OKDI; and
 - (c) federal crown debts.
22. no opinion is expressed regarding any provision in the Security which purports to relieve a person from a liability or duty otherwise owed or to require compliance regardless of law;

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23. no opinion is expressed as to the effect of those provisions of the Security which purport to allow the severance of invalid, illegal or unenforceable provisions or restricting their effect;
24. enforcement of the rights to indemnity, contribution and waiver of contribution may be limited or voided by applicable law and may not be ordered by a court on grounds of public policy;
25. the enforceability of the Security is subject to the *Limitations Act, 2002* (Ontario), and we express no opinion as to whether a court may find that any provision of the Security will be unenforceable as an attempt to vary or exclude a limitation period under that statute;
26. we express no opinion as to the enforceability of any provision of the Security:
 - (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of the Company;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Secured Party, its agents or any receiver or receiver - manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve wilful misconduct; or
 - (c) which states that amendments or waivers of or with respect to the Security that are not in writing will not be effective;
27. to the extent that the Security purports to extend the benefit thereof to persons who are not parties to the Security, those persons may be unable to enforce that benefit;
28. we have made no searches under various applicable statutes, including the *Copyright Act* (Canada), the *Patent Act* (Canada) and the *Trade-marks Act* (Canada), to confirm whether the Secured Party has made registrations that may be necessary to perfect its security interests, if any, in intellectual property of OKDI;
29. we are qualified to practice law in the Province of Ontario only and, accordingly, express no opinion herein as to the laws of any jurisdiction other than the Province of Ontario and the laws of Canada applicable herein.

With respect to our assumptions referred to above, we would suggest that, at the very least, you: (i) satisfy yourself that all monies or other valuable consideration referred to in paragraph 8 above were actually advanced or given by the Secured Party to OKDI; and (ii) satisfy yourself that OKDI is still indebted to the Secured Party and the amount of such indebtedness.

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E. MISCELLANEOUS

The opinions expressed herein are provided solely for the benefit of Pollard & Associates Inc., in its capacity as court-appointed receiver and manager of the assets, properties and undertakings of OKDI and may not be used or relied upon by any other person in connection with this or any other matter.

We appreciate the opportunity to be of service to you with respect to this matter and would be pleased to answer any questions or address any concerns which you may have in relation thereto.

Yours truly,

MINDEN GROSS LLP

SCHEDULE "A"
Corporate Search Summary

Corporate Profile Report	Corporate Name:	186 Old Kennedy Development Inc.
(as of March 6, 2020)	Former Corporate Name:	N/A
	Current Business Name(s):	N/A
	Expired Business Name(s):	N/A
	Jurisdiction:	Ontario
	Date of Incorporation:	December 3, 2015
	Corporate Status:	Active
	Directors:	Yuan Hua Wang
	Officers:	Yuan Hua Wang (President, Secretary, Treasurer)
	Registered Office Address:	7100 Woodbine Avenue, Suite 206 Markham, ON L3R 5J2
	Mailing Address:	Same as Registered Office Address
Bankruptcy/Insolvency Searches	As of March 9, 2020	
	Case Number: CV190062741000CL	
	Krashnik Investments Limited et al v. 186 Old Kennedy Development Inc. et al (Case Opened Date: September 16, 2019)	
Bank Act Search (s.427)	Clear (as of March 6, 2020)	
Federal Court of Canada – Tax Liens	Clear (as of March 6, 2020)	
Sheriff Execution Search	Clear (as of March 6, 2020)	
PPSA	See Attached	

SCHEDULE "B"
Personal Property Security Act (Ontario)
Search Summary

Business Debtor: 186 Old Kennedy Development Inc.

File Currency Date: March 5, 2020

Secured Party	Secured Party Address	Business Debtor	File No.	Registration No.	Registration Period	Collateral Classification	Collateral Description	Miscellaneous
Gardiner Roberts LLP	22 Adelaide Street West, Suite 3600 Toronto, ON M5H 4E3	186 Old Kennedy Development Inc.	758394342	20191209 1431 1590 2386	5	I,E,A,O,MVI		
2592898 Ontario Inc.	1000 – 120 Adelaide St. W. Toronto, ON M5H 3V1	186 Old Kennedy Development Inc.	732457971	20170929 1615 1862 5793	5	I,E,A,O,MVI	General Security Agreement, Assignment of Rents and Leases, Assignment of Plans and Contracts and all related security documentation with respect to the obligations of the debtor to the secured party.	

*Collateral: CG - Consumer Goods, I - Inventory, E - Equipment, A - Accounts, O - Other, MVI - Motor Vehicle Included

SCHEDULE "C"
Parcel Register

See attached 12 pages



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #65

02953-0027 (LF)

PAGE 1 OF 6
PREPARED FOR Valerie01
ON 2020/03/06 AT 11:50:40

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

PROPERTY DESCRIPTION: PT E1/2 LT 2 CON 5 MARKHAM AS IN MA91925 EXCEPT PT 10 EXPROP PL MA66625; T/W MA91925; S/T MA91925; CITY OF MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 02953-0095

PIN CREATION DATE:
1999/09/24

OWNERS' NAMES
186 OLD KENNEDY DEVELOPMENT INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/01/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/01/27 ON THIS PIN** **WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/09/24** ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 ** **SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO SUBSECTION 4(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN. THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION. ANY LEASE TO WHICH THE SUBSECTION 10(2) OF THE REGISTRY ACT APPLIES. **DATE OF CONVERSION TO LAND TITLES: 1999/09/27**</p>						
MA91925	1975/10/20	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	KRASHNIK INVESTMENTS LIMITED	
R450335	1994/11/15	AGREEMENT			THE CORPORATION OF THE TOWN OF MARKHAM	C
65R30487	2007/12/11	PLAN REFERENCE				C
YR2172771	2014/08/18	APL COURT ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	8180792 CANADA INC.	
YR2265407	2015/03/11	APL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	8180792 CANADA INC.	
REMARKS: DELETING YR2172771						
YR2502470	2016/07/07	TRANSFER	\$22,080,000	KRASHNIK INVESTMENTS LIMITED	186 OLD KENNEDY DEVELOPMENT INC.	C
REMARKS: PLANNING ACT STATEMENTS.						

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



LAND
REGISTRY
OFFICE #65

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

02953-0027 (LT)

PAGE 2 OF 6
PREPARED FOR Valeric01
ON 2020/03/06 AT 11:50:40

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2502472	2016/07/07	CHARGE	\$30,000,000	186 OLD KENNEDY DEVELOPMENT INC.	KRASHNIK INVESTMENTS LIMITED GABEL INVESTMENTS LIMITED	C
YR2519667	2016/08/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	YU, KUANMING WU, NAIXI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO	
YR2519679	2016/08/05	CHARGE	\$10,000,000	186 OLD KENNEDY DEVELOPMENT INC.	ZHOU, YI	C
YR2610952	2017/01/17	TRANSFER OF CHARGE		ZHOU, YI	ZHENG, JIN FENG ZHENG, XIANG HONG	C
		REMARKS: YR2519679.				
YR2644744	2017/03/06	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2652437	2017/04/11	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2677044	2017/05/31	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2681040	2017/06/07	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2696594	2017/07/05	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2721004	2017/08/22	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

02953-0027 (LT)

PAGE 3 OF 6
PREPARED FOR Valeric01
ON 2020/03/06 AT 11:50:40

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2739089	2017/09/29	CHARGE	\$20,000,000	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2739090	2017/09/29	POSTPONEMENT		COMMUNITY TRUST COMPANY ZHOU, YI ZHENG, JIN FENG ZHENG, XIANG HONG	2592898 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2739089				
YR2739091	2017/09/29	NO ASSGN RENT GEN		186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
		REMARKS: YR2739089				
YR2739213	2017/09/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** YU, KUANGMING WU, NAIXI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO		
		REMARKS: YR2519667.				
YR2748892	2017/10/23	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2757175	2017/11/09	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2767494	2017/11/30	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2776725	2017/12/21	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679, YR2519679				

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

02953-0027 (LT)

PAGE 4 OF 6
PREPARED FOR Valerie01
ON 2020/03/06 AT 11:50:40

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YK2786487	2018/01/22	TRANSFER OF CHARGE REMARKS: YR2519679.		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YK2789240	2018/01/29	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	ZHOU, YI	C
YK2791970	2018/02/02	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	BA1 (BILD ALTERNATIVE INVESTMENT) CORPORATION	C
YK2798638	2018/02/23	NOTICE REMARKS: AMENDING CHARGE YR2739089	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YK2798639	2018/02/23	TRANSFER OF CHARGE REMARKS: YR2739089.		2592898 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
YK2798640	2018/02/23	POSTPONEMENT REMARKS: YR2519679 TO YK2798638		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
YK2801268	2018/03/01	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	COMMUNITY TRUST COMPANY	C
YK2804762	2018/03/13	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	WANG, DONG HUI	C
YK2805097	2018/03/14	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	COMMUNITY TRUST COMPANY	C
YK2811422	2018/04/03	NOTICE REMARKS: YR2739089	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
YK2811423	2018/04/03	TRANSFER OF CHARGE REMARKS: YR2739089.		2592898 ONTARIO INC. 2620094 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
YK2811424	2018/04/03	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C

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PREPARED FOR Valerie01
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* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
REMARKS: YR2519679 TO YR2798638						
YR2845658	2018/07/04	NOTICE	52	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
YR2845659	2018/07/04	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
REMARKS: YR2739089.						
YR2845660	2018/07/04	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
REMARKS: YR2519679 TO YR2739089						
YR2862636	2018/08/17	NOTICE	52	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
REMARKS: YR2739089						
YR2862637	2018/08/17	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
REMARKS: YR2845659, YR2845659						
YR2862638	2018/08/17	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
REMARKS: YR2519679 TO YR2862636						
YR2870816	2018/09/07	TRANSFER OF CHARGE		ZHOU, YI	WANG, GUIFANG	C
REMARKS: YR2519679.						
YR2870891	2018/09/07	CHARGE	\$150,000	186 OLD KENNEDY DEVELOPMENT INC.	SANTISO, MATTHEW FRANKLIN	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2893752	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 4550 STEELES DEVELOPMENT INC. 22 OLD KENNEDY DEVELOPMENT INC. 35 THELMA DEVELOPMENT INC. 186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 19 TURFF DEVELOPMENT INC.	KSV KOFFMAN INC.	
YR2894131	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	GOLDMAN SLOAN NASH AND HABER LLP	
YR2942700	2019/03/26	DISCH OF CHARGE		*** COMPLETELY DELETED *** KSV KOFFMAN INC.		
		REMARKS: YR2893752.				
YR2943017	2019/03/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** GOLDMAN SLOAN NASH AND HABER LLP		
		REMARKS: YR2894131.				
YR3054277	2020/01/09	CHARGE	\$500,000	186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 4 DON HILLOCK DEVELOPMENT INC.	GR MORTGAGE HOLDINGS INC.	C

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PROPERTY DESCRIPTION: PT E1/2 LT 2 CON 5 MARKHAM AS IN MA97577; T/W MA97577; S/T MA97577 ; MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 02953-0096

PIN CREATION DATE:
1999/09/24

OWNERS' NAMES
186 OLD KENNEDY DEVELOPMENT INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/01/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/01/27 ON THIS PIN**</p> <p>** WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/09/24**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1999/09/27 **</p>						
MA97577	1977/03/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	GABEL INVESTMENTS LIMITED	
65H30487	2007/12/11	PLAN REFERENCE				C
YK2502471	2016/07/07	TRANSFER	\$9,920,000	GABEL INVESTMENTS LIMITED	186 OLD KENNEDY DEVELOPMENT INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
YK2502472	2016/07/07	CHARGE	\$30,000,000	186 OLD KENNEDY DEVELOPMENT INC.	KKASHNIK INVESTMENTS LIMITED GABEL INVESTMENTS LIMITED	C
YK2519667	2016/08/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	YU, KUANMING WU, NAIXI XU, YONGRUI YU, CHUNYAN	

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CRKD
					AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO	
YR2519679	2016/08/05	CHARGE	\$10,000,000	186 OLD KENNEDY DEVELOPMENT INC.	ZHOU, YI	C
YR2610952	2017/01/17	TRANSFER OF CHARGE		ZHOU, YI	ZHENG, JIN FENG ZHENG, XIANG HONG	C
		REMARKS: YR2519679.				
YR2634744	2017/03/06	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2652437	2017/04/11	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2677044	2017/05/31	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2681040	2017/06/07	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2696594	2017/07/05	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2721004	2017/08/22	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2749089	2017/09/29	CHARGE	\$20,000,000	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2739090	2017/09/29	POSTPONEMENT		COMMUNITY TRUST COMPANY ZHOU, YI ZHENG, JIN FENG ZHENG, XIANG HONG	2592898 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2739089				

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2739091	2017/09/29	NO ASSGN RENT GEN		186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
		REMARKS: YR2739089				
YR2739213	2017/09/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** YU, KUANMING WU, NAIXI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAJ MING HEI, XIAOHAN MATHEN, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO		
		REMARKS: YR2519667.				
YR2748892	2017/10/23	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2757175	2017/11/09	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2767494	2017/11/30	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2776725	2017/12/21	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679. YR2519679				
YR2786487	2018/01/22	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2789240	2018/01/29	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2791970	2018/02/02	TRANSFER OF CHARGE		ZHOU, YI	BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
		REMARKS: YR2519679.				
YK2798638	2018/02/23	NOTICE	52	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
		REMARKS: AMENDING CHARGE YR2739089				
YK2798639	2018/02/23	TRANSFER OF CHARGE		2592898 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2739089.				
YK2798640	2018/02/23	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2798638				
YK2801248	2018/03/01	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YK2804762	2018/03/13	TRANSFER OF CHARGE		ZHOU, YI	WANG, DONG HUI	C
		REMARKS: YR2519679.				
YK2805097	2018/03/14	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YK2811422	2018/04/03	NOTICE	52	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2739089				
YK2811423	2018/04/03	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
		REMARKS: YR2739089.				
YK2811424	2018/04/03	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2798638				
YK2845658	2018/07/04	NOTICE	52	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
YK2845659	2018/07/04	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2845660	2018/07/04	POSTPONEMENT		ZHOU, YI	2638796 ONTARIO INC. 2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2862636	2018/08/17	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2862637	2018/08/17	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2862638	2018/08/17	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2870816	2018/09/07	TRANSFER OF CHARGE		ZHOU, YI	WANG, GUIFANG	C
YR2870891	2018/09/07	CHARGE	\$150,000	186 OLD KENNEDY DEVELOPMENT INC.	SANTISO, MATTHEW FRANKLIN	C
YR2893752	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 4550 STEELES DEVELOPMENT INC. 22 OLD KENNEDY DEVELOPMENT INC. 35 THELMA DEVELOPMENT INC. 186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 19 TURFF DEVELOPMENT INC.	KSV KOFFMAN INC.	
YR2894131	2018/11/05	CHARGE		*** COMPLETELY DELETED ***		

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YR2942700	2019/03/26	DISCH OF CHARGE		186 OLD KENNEDY DEVELOPMENT INC. *** COMPLETELY DELETED *** KSV KOJMAN INC.	GOLDMAN SLOAN NASH AND HABER LLP	
		REMARKS: YR2893752.				
YR2943017	2019/03/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** GOLDMAN SLOAN NASH AND HABER LLP		
		REMARKS: YR2894131.				
YR3054277	2020/01/09	CHARGE	\$500,000	186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 4 DON HILLOCK DEVELOPMENT INC.	GR MORTGAGE HOLDINGS INC.	C

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SCHEDULE "M"



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
 145 KING STREET WEST, SUITE 2200
 TORONTO, ON, CANADA M5H 4G2
 TEL 416.362.3711 FAX 416.864.9223
 www.mindengross.com

FILE NUMBER 4115677

September 11, 2020

VIA E-MAIL

POLLARD & ASSOCIATES INC.

31 Wright Street
 Richmond Hill, Ontario
 L4C 4A2

Attention: Angela Pollard

Dear Sirs:

**Re: Security delivered by 186 Old Kennedy Development Inc. (OKDI) to
 2592898 Ontario Inc. (the "Secured Party")**

In accordance with your instructions, we have now completed our review of the Security (as hereinafter defined) delivered to the Secured Party by OKDI in connection with credit facilities extended to OKDI by the Secured Party.

By this letter, we wish to provide to you our opinion as to the validity and enforceability of the security interests granted by OKDI to and in favour of the Secured Party pursuant to the Security (as hereinafter defined) (collectively, the "**Security Interests**" and individually, the "**Security Interest**") to secure the indebtedness owing by OKDI to the Secured Party.

Our opinions, findings and conclusions are based upon and subject to the assumptions and specific qualifications as hereinafter expressed, including, but not limited to, those expressed in Article D of this letter.

A. SECURITY

In connection with this opinion, we have reviewed:

1. a Charge/Mortgage of Land in the original principal amount of \$20,000,000 registered on September 29, 2017, as Instrument No. YR2739089 (the "**259 Mortgage**") by the Secured Party

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against title to the real property owned by OKDI and known municipally as 186 Old Kennedy Road, Markham, Ontario and 51 Victory Avenue, Markham, Ontario (collectively, the “**Real Property**”);

2. a photocopy of a General Assignment of Rents executed and delivered by OKDI to and in favour of the Secured Party on September 29, 2017, and in respect of which a Notice of Assignment of Rents was registered on title to the Real Property by the Secured Party on September 29, 2017, as Instrument No. YR2739091; and

3. a photocopy of a General Security Agreement dated September 29, 2017, executed and delivered by OKDI to and in favour of the Secured Party.

(hereinafter collectively referred to as the “**Security**”).

B. SEARCHES

We have performed the usual searches, particulars of which are detailed below:

1. Corporate and Other Searches

Attached as **Schedule “A”** is a summary of the corporate and other searches conducted by our firm against OKDI as at the dates set out therein. Such schedule indicates, among other things: (i) the proper legal name; (ii) the corporate status; (iv) the directors and officers; (v) the registered office and mailing address; and (vi) the date and jurisdiction of incorporation of OKDI.

2. Searches Pursuant to the *Personal Property Security Act (Ontario)* (the “PPSA”)

We obtained a certified print-out pursuant to the provisions of the PPSA against OKDI effective as at March 5, 2020. Attached as **Schedule “B”** is a summary of the print-out. Such summary describes, among other things, the file currency date of the search, particulars of each registration and, in the columns marked “**Collateral Description**” and “**Miscellaneous**”, we have noted any other information apparent from the financing statements and financing change statements registered.

Our PPSA search against OKDI indicates that a registration was made under the PPSA by the Secured Party against OKDI on September 29, 2017, under Reference File Number 732457971 (the “**Registration**”). The Registration is in respect of collateral classifications noted as “Inventory”, “Equipment”, “Accounts”, “Motor Vehicle” and “Other” with a general collateral description that reads “General Security Agreement, Assignment of Rents and Leases, Assignment of Plans and Contracts and all related security documentation with respect to the obligations of the debtor to the secured party.”.

3. Title Search

We have obtained a copy of the Parcel Register for the Real Property as at May 19, 2020 (the “**Parcel Register**”).

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The Parcel Register indicates that:

- (a) OKDI is the registered owner or the Real Property;
- (b) the 259 Mortgage was initially registered against the Real Property in favour of the Secured Party with a stated Principal amount of \$20,000,000.00 and in third position behind both a first mortgage registered in favour of Krashnick Investments Limited and Gavel Investments Limited (YR2502472) and a second mortgage registered as Instrument No. YR2519679 (the “**Zhou Mortgage**”)
- (c) the Zhou Mortgage was originally made in favour of Yi Zhou, however between January 2017 and September 2017, when the 259 Mortgage was registered, percentage interests in the Zhou mortgage had been transferred by each of the following Transfers of Charge:
- (i) Instrument No. YR2610952 in favour of Jin Feng Zeng and Xiang Hong Zheng; this Instrument also contained the statement that:

The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%

- (ii) Instrument No. YR2634744 in favour of Community Trust Company; this Instrument also contained the statements that:
- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	

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Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
Yi Zhou	\$8,065,402.00	80.16%

- (iii) Instrument No. YR2652437 in favour of Community Trust Company; this Instrument also contained the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%

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Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
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- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name		Amount	Percentage
Hai Shi		\$150,000.00	1.50%
Yiwang Chen		\$150,000.00	1.50%
2526217 Ontario Inc.		\$200,000.00	2.00%
Zhi Hui Chen		\$200,000.00	2.00%
Biye Weng		\$200,000.00	2.00%
Xixi Liu		\$100,000.00	1.00%
Jin Feng Zheng		\$200,000.00	2.00%
Ken Qin		\$ 50,000.00	0.50%
Ming Li		\$ 80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$ 80,000.00	0.80%
Yi Zhou		\$8,01 Guifang Wang 5,402.00	80.16%

- (iv) Instrument No. YR2677044 in favour of Yi Zhou; this Instrument also contained the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%

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- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
2055166 Ontario Inc.	\$ 200,000.00	2.00%
Yi Zhou	\$7,815,402.99	78.16%

- (v) Instrument No. YR2681040 in favour of Yi Zhou; this Instrument also contained the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%

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- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$80,000.00	0.80%
2055166 Ontario Inc.	\$200,000.00	2.00%
Huai Yu Wang	\$30,000.00	0.30%
Yi Zhou	\$7,785,402.99	77.86%

- (vi) Instrument No. YR2696594 in favour of Community Trust Company and Yi Zhou; this Instrument also contained the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28

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- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
2055166 Ontario Inc.	\$ 200,000.00	2.00%
Huai Yu Wang	\$ 30,000.00	0.30%
Hsing Ching Fan	\$ 100,000.00	1.00%
Kung Chan Fan	\$ 100,000.00	1.00%
Yi Zhou	\$7,407,220.56	74.08%

and

- (vii) Instrument No. YR2721004 in favour of Yi Zhou; this Instrument also contained the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%

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Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
2055166 Ontario Inc.	\$ 200,000.00	2.00%
Huai Yu Wang	\$ 30,000.00	0.30%
Hsing Ching Fan	\$ 100,000.00	1.00%
Kung Chan Fan	\$ 100,000.00	1.00%
Yuk Yin Ho Leung	\$ 300,000.00	3.00%
Huai Yu Wang	\$ 30,000.00	0.30%
Yi Zhou	\$7,077,220.56	77.86%

- (d) Immediately after registration of the 259 Mortgage a Postponement of the Zhou Mortgage was registered as Instrument No. YR2739090 and signed by each of the aforesaid Transferees of the Zhou Mortgage (Community Trust Company, Yi Zhou, Jin Feng Zheng and Xiang Hong Zheng) which at that point changed the priority of the 259 Mortgage such that it would then rank in second place in priority to the Zhou Mortgage.
- (e) Subsequent to the registration of the 259 Mortgage and the aforesaid postponement of the Zhou Mortgage to the 259 Mortgage, between October 2017 and February 2018, additional percentage interests in the Zhou mortgage had been transferred by each of the following Transfers of Charge:

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(i) Instrument No. YR2748892 in favour of Community Trust Company and Yi Zhou; this Instrument also contained the statements that:

a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737	\$13,393.18	0.19%
	TFSA: 1004602	\$6,003.07	
Chu Eng Leung	RRSP: 1005319	\$7,070.48	1.38%
	RRSP: 1005326	\$131,141.13	
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106	\$34,991.52	0.79%
	TFSA : 1004604	\$43,867.41	
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%

b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%

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Biye Weng		\$ 200,000.00	2.00%
Xixi Liu		\$ 100,000.00	1.00%
Jin Feng Zheng		\$ 200,000.00	2.00%
Ken Qin		\$ 50,000.00	0.50%
Ming Li		\$ 80,000.00	0.80%
Hai Ming Long		\$ 300,000.00	3.00%
Xiang Hong Zheng		\$ 80,000.00	0.80%
2055166 Ontario Inc.		\$ 200,000.00	2.00%
Huai Yu Wang		\$ 30,000.00	0.30%
Hsing Ching Fan		\$ 100,000.00	1.00%
Kung Chan Fan		\$ 100,000.00	1.00%
Yuk Yin Ho Leung		\$ 300,000.00	3.00%
Huai Yu Wang		\$ 30,000.00	0.30%
Yingguo Ai		\$ 180,000.00	1.80%
Bao Xing Wang		\$ 100,000.00	1.00%
Liu Ling Yang		\$ 100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$ 80,000.00	0.80%
Ken Qin		\$ 200,000.00	2.00%
Yi Zhou		\$5,832,465.91	58.34%

(ii) Instrument No. YR2757175 in favour of Community Trust Company and Yi Zhou; this instrument also contains the statements that:

a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28

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Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujian Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
2055166 Ontario Inc.	\$ 200,000.00	2.00%
Huai Yu Wang	\$ 30,000.00	0.30%
Hsing Ching Fan	\$ 100,000.00	1.00%
Kung Chan Fan	\$ 100,000.00	1.00%
Yuk Yin Ho Leung	\$ 300,000.00	3.00%
Huai Yu Wang	\$ 30,000.00	0.30%
Yingguo Ai	\$ 180,000.00	1.80%
Bao Xing Wang	\$ 100,000.00	1.00%
Liu Ling Yang	\$ 100,000.00	1.00%
Kuanming Yu & Naixi Wu	\$ 80,000.00	0.80%
Ken Qin	\$ 200,000.00	2.00%

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Guifang Wang		\$ 100,000.00	1.00%
Yi Zhou		\$5,628,225.11	58.34%

(iii) Instrument No. YR2767494 in favour of Community Trust Company and Yi Zhou; this instrument also contains the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737	\$13,393.18	0.19%
	TFSA: 1004602	\$6,003.07	
Chu Eng Leung	RRSP: 1005319	\$7,070.48	1.38%
	RRSP: 1005326	\$131,141.13	
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106	\$34,991.52	0.79%
	TFSA : 1004604	\$43,867.41	
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

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Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$50,000.00	0.50%
Ming Li	\$80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$80,000.00	0.80%
2055166 Ontario Inc.	\$200,000.00	2.00%
Huai Yu Wang	\$30,000.00	0.30%
Hsing Ching Fan	\$100,000.00	1.00%
Kung Chan Fan	\$100,000.00	1.00%
Yuk Yin Ho Leung	\$300,000.00	3.00%
Huai Yu Wang	\$30,000.00	0.30%
Yingguo Ai	\$180,000.00	1.80%
Bao Xing Wang	\$100,000.00	1.00%
Liu Ling Yang	\$100,000.00	1.00%
Kuanming Yu & Naixi Wu	\$80,000.00	0.80%
Ken Qin	\$200,000.00	2.00%
Guifang Wang	\$100,000.00	1.00%
2562798 Ontario Inc	\$250,000.00	2.50%
Elena Su	\$150,000.00	1.50%
Sze Yip Chan	\$200,000.00	2.00%
Nan Lin	\$100,000.00	1.00%
Dan Ye	\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION	\$300,000.00	300.00
Yi Zhou	\$4,528,225.11	43.30%

- (iv) Instrument No. YR2776725 in favour of Community Trust Company and Yi Zhou; this instrument also contains the statements that:
- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

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Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%

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Jin Feng Zheng		\$200,000.00	2.00%
Ken Qin		\$50,000.00	0.50%
Ming Li		\$80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$80,000.00	0.80%
2055166 Ontario Inc.		\$200,000.00	2.00%
Huai Yu Wang		\$30,000.00	0.30%
Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Yi Zhou		\$4,328,225.11	43.30%

(v) Instrument No. YR2786487 in favour of Community Trust Company and Yi Zhou; this instrument also contains the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
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Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$50,000.00	0.50%
Ming Li	\$80,000.00	0.80%

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Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$80,000.00	0.80%
2055166 Ontario Inc.		\$200,000.00	2.00%
Huai Yu Wang		\$30,000.00	0.30%
Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Yi Zhou		\$4,246,334.71	42.75%

- (vi) Instrument No. YR2789240 in favour of Yi Zhou; and
- (vii) Instrument No. YR2791970 in favour of BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION; this instrument also contains the statements that:
- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

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Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$50,000.00	0.50%

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Ming Li		\$80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$80,000.00	0.80%
2055166 Ontario Inc.		\$200,000.00	2.00%
Huai Yu Wang		\$30,000.00	0.30%
Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Ge, Weiju		\$150,000.00	1.50%
Zhuang, Wensheng		\$150,000.00	1.50%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Yi Zhou		\$3,946,334.71	39.48%

- (f) On February 23, 2018, a Notice of Amending Agreement was registered as Instrument No. YR2798638 (the “**First Amendment**”) which recited that the 259 Mortgage as registered secured only the principal sum of \$5,000,000 and purported to amend the 259 Mortgage by advancing another \$3,099,960.00

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- (g) Also on February 23, 2018, a Postponement of the Zhou Mortgage in favour of the 259 Mortgage as amended by the First Amendment, was registered as Instrument No. YR2798640, however this Postponement was only signed by Yi Zhou and not the other parties whom had received a percentage interest in the Zhou Mortgage by reason of the aforesaid Transfers of Charge: This Postponement acknowledges the priority of all prior and subsequent advances up to and including \$20,000,000.00 under the 259 Mortgage.
- (h) Subsequent to the registration of the First Amendment, between February 2018 and March 2018, additional percentage interests in the Zhou mortgage had been transferred by each of the following Transfers of Charge:
- (i) Instrument No. YR2801248 in favour of Community Trust Company; this instrument also contains the statements that:
- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737	\$13,393.18	0.19%
	TFSA: 1004602	\$6,003.07	
Chu Eng Leung	RRSP: 1005319	\$7,070.48	1.38%
	RRSP: 1005326	\$131,141.13	
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106	\$34,991.52	0.79%
	TFSA : 1004604	\$43,867.41	
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%

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Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%
Kung Chan Fan	RRSP: 1003358	\$33,613.04	0.35%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name		Amount	Percentage
Hai Shi		\$150,000.00	1.50%
Yiwang Chen		\$150,000.00	1.50%
2526217 Ontario Inc.		\$200,000.00	2.00%
Zhi Hui Chen		\$200,000.00	2.00%
Biye Weng		\$200,000.00	2.00%
Xixi Liu		\$100,000.00	1.00%
Jin Feng Zheng		\$200,000.00	2.00%
Ken Qin		\$50,000.00	0.50%
Ming Li		\$80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$80,000.00	0.80%
2055166 Ontario Inc.		\$200,000.00	2.00%
Huai Yu Wang		\$30,000.00	0.30%
Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD		\$300,000.00	300.00

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ALTERNATIVE INVESTMENT CORPORATION			
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Ge, Weiju		\$150,000.00	1.50%
Zhuang, Wensheng		\$150,000.00	1.50%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Yi Zhou		\$3,942,721.67	39.43%

- (ii) Instrument No. YR2804762 in favour of Dong Hui Wang; this instrument also contains the statements that:
- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737	\$13,393.18	0.19%
	TFSA: 1004602	\$6,003.07	
Chu Eng Leung	RRSP: 1005319	\$7,070.48	1.38%
	RRSP: 1005326	\$131,141.13	
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%

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Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%
Kung Chan Fan	RRSP: 1003358	\$33,613.04	0.35%

b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$50,000.00	0.50%
Ming Li	\$80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$80,000.00	0.80%
2055166 Ontario Inc.	\$200,000.00	2.00%
Huai Yu Wang	\$30,000.00	0.30%
Hsing Ching Fan	\$100,000.00	1.00%
Kung Chan Fan	\$100,000.00	1.00%
Yuk Yin Ho Leung	\$300,000.00	3.00%
Huai Yu Wang	\$30,000.00	0.30%
Yingguo Ai	\$180,000.00	1.80%
Bao Xing Wang	\$100,000.00	1.00%
Liu Ling Yang	\$100,000.00	1.00%
Kuanming Yu & Naixi Wu	\$80,000.00	0.80%
Ken Qin	\$200,000.00	2.00%
Guifang Wang	\$100,000.00	1.00%

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2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Ge, Weiju		\$150,000.00	1.50%
Zhuang, Wensheng		\$150,000.00	1.50%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Sze Yip Chan		\$150,000.00	1.50%
Dong Hui Wang		\$71,141.07	0.71%
Yi Zhou		\$3,871,580.60	38.72%

and

(iii) Instrument No. YR2805097 in favour of Community Trust Company; this instrument also contains the statements that:

a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%

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Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%
Kung Chan Fan	RRSP: 1003358	\$33,613.04	0.35%
Bing Xu	RRSP: 1006443	\$90,003.22	0.90%
Qing Shao	RRSP: 100444	\$40,001.11	0.40%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$50,000.00	0.50%
Ming Li	\$80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$80,000.00	0.80%
2055166 Ontario Inc.	\$200,000.00	2.00%
Huai Yu Wang	\$30,000.00	0.30%

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Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Ge, Weiju		\$150,000.00	1.50%
Zhuang, Wensheng		\$150,000.00	1.50%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Sze Yip Chan		\$150,000.00	1.50%
Dong Hui Wang		\$71,141.07	0.71%
Yi Zhou		\$3,741,576.27	37.42%

- (i) On April 3, 2018, a Notice of Amending Agreement was registered as Instrument No. YR2811422 (the “**Second Amendment**”) which recited that the 259 Mortgage as registered and amended by the First Amendment secured only the principal sum of \$8,099,960.00 and purported to amend the 259 Mortgage by advancing another \$2,000,000.00.
- (j) Also on April 3, 2018, a Postponement of the Zhou Mortgage in favour of the 259 Mortgage as amended by the First Amendment and the Second Amendment, was registered as Instrument No. YR2811424, however this Postponement was only signed by

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Yi Zhou and not the other parties whom had received a percentage interest in the Zhou Mortgage by reason of the aforesaid Transfers of Charge: This Postponement acknowledges the priority of all prior and subsequent advances up to and including \$20,000,000.00 under the 259 Mortgage.

- (k) On July 4, 2018, a Notice of Amending Agreement was registered as Instrument No. YR2845658 (the “**Third Amendment**”) which recited that the 259 Mortgage as registered and amended by the First Amendment and the Second Amendment secured only the principal sum of \$10,099,960.00 and purported to amend the 259 Mortgage by advancing another \$3,000,000.00.
- (l) Also on July 4, 2018, a Postponement of the Zhou Mortgage in favour of the 259 Mortgage as amended by the First Amendment, the Second Amendment and the Third Amendment, was registered as Instrument No. YR2845660, however this Postponement was only signed by Yi Zhou and not the other parties whom had received a percentage interest in the Zhou Mortgage by reason of the aforesaid Transfers of Charge: This Postponement acknowledges the priority of all prior and subsequent advances up to and including \$20,000,000.00 under the 259 Mortgage.
- (m) On August 17, 2018, a Notice of Amending Agreement was registered as Instrument No. YR2862636 (the “**Fourth Amendment**”) which recited that the 259 Mortgage as registered and amended by the First Amendment and the Second Amendment secured only the principal sum of \$13,099,960.00 and purported to amend the 259 Mortgage by advancing another \$2,000,000.00.
- (n) Also on July 4, 2018, a Postponement of the Zhou Mortgage in favour of the 259 Mortgage as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment, was registered as Instrument No. YR2862628, however this Postponement was only signed by Yi Zhou and not the other parties whom had received a percentage interest in the Zhou Mortgage by reason of the aforesaid Transfers of Charge: This Postponement acknowledges the priority of all prior and subsequent advances up to and including \$20,000,000.00 under the 259 Mortgage.
- (o) Subsequent to the registration of the Fourth Amendment, on September 7, 2018, an additional percentage interest in the Zhou mortgage had been transferred a Transfer of Charge registered as Instrument No. YR2870816 in favour of Guifang Wang:
- (p) As a result of the various Transfers of Charge noted above, the parcel register indicates that the Zhou Mortgage is now held by Yi Zhou, Jin Feng Zheng, Xiang Hong Zheng, Community Trust Company, Bai (Bild Alternative Investment) Corporation, Dong Hui Wang and Guifang Wang
- (q) By a series of Transfers of Charge registered as Instrument No. YR2798639, YR2811423, YR2845659 and YR2862637, percentage interests in the 259 Mortgage were transferred so that the 259 Mortgage is now held by 2592898 Ontario Inc., 2620094 Ontario Inc., 2627235 Ontario Inc., 2638796 Ontario Inc. and 2646429 Ontario Inc.

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Attached as **Schedule “C”** is a copy of the Parcel Register.

C. OPINIONS

Based solely on the foregoing, and subject to the limitations and qualifications as set out in this letter, we are of the opinion that the Security Interests created by the Security constitute legal, valid and binding obligations of OKDI in favour of the Secured Party, enforceable by the Secured Party in accordance with its terms.

However, due to the fact that the aforesaid Postponements of the Zhou Mortgage in favour of the 259 Mortgage, as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment, were only signed by Yi Zhou and not all of the parties who appear to have a registered percentage interest in the Zhou Mortgage we are not able to render an opinion as to the relative priority of the 259 Mortgage in relation to the Zhou Mortgage.

D. LIMITATIONS AND QUALIFICATIONS OF OPINION

The foregoing opinions are subject to the following limitations, qualifications, reservations and assumptions:

1. the foregoing opinions are confined to statements of fact or matters set forth herein as existing as of the date of this opinion letter;
2. in examining and reviewing the Security, and to the extent applicable, we have assumed the genuineness of the signatures and the conformity to the original of the document submitted to us as a photocopy or electronic copy and that all documents were fully completed prior to signature. To the extent that any of the Security does not require signatures, we assume that the electronic registration of such documents against title to the Real Property was effected in accordance with the instructions and to the knowledge of each of the parties affected by each such registration;
3. we have relied upon certificates of public officers as to matters of fact not stated herein to have been assumed or independently verified or established by us;
4. we have assumed the completeness, accuracy and currency of the indexes and filing systems maintained at the public offices where we have searched or enquired or have caused such searches or enquiries to be conducted and that the results of our searches and enquiries continue to be complete, accurate and current as of the date hereof;
5. we have not been provided with the Minute Book, Records, or By-laws of OKDI nor any documentation with respect thereto. Accordingly, we have assumed that OKDI was a corporation duly incorporated and organized and valid and subsisting under the laws of

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- the Province of Ontario at the time that the Security was executed and that OKDI had all necessary corporate power and authority to execute and deliver the Security;
6. we have assumed that the Security was executed and delivered in accordance with corporate authorizations current at the time of execution of same and the execution and delivery of the Security on behalf of OKDI was authorized by all necessary resolutions and other corporate actions;
 7. we have assumed that the Security was executed on the dates indicated therein;
 8. we have assumed that monies or other valuable consideration was advanced or given by the Secured Party to OKDI and that monies are, in fact, still owing by OKDI to the Secured Party with respect to such advances;
 9. we have assumed that the Security Interests were intended by OKDI and the Secured Party to attach and have attached in accordance with the provisions of the PPSA;
 10. we have assumed that the Security was unconditionally delivered by OKDI to the Secured Party;
 11. we have assumed that the Security has not been assigned, released, discharged or otherwise impaired, either in whole or in part;
 12. we have assumed that any financing statements and financing change statements registered respecting the Security were completed in compliance with the PPSA and the Regulations with respect thereto and copies thereof were delivered to OKDI in accordance with the provisions of the PPSA;
 13. we express no opinion as to the right, title or interest of OKDI in any real or personal property including the Real Property;
 14. we have assumed that OKDI does not have a legal defence for, without limitation, absence of legal capacity, fraud by or to the knowledge of the Secured Party, misrepresentation, undue influence or duress;
 15. to the extent that the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) applies to the Security, and notwithstanding any other federal and/or provincial law, the rights of unpaid suppliers and their interest in certain goods supplied by them to a person prior to bankruptcy may rank ahead of the Security Interests in the goods supplied;
 16. the binding effect and the enforceability of the Security Interests or any judgment arising out of or in connection therewith (and the priority of any rights arising thereunder) may be limited by any applicable bankruptcy, re-organization, winding up, insolvency, moratorium or other laws of general application affecting the enforcement of creditors’ rights generally (including, without limitation, the *Assignments and Preferences Act* (Ontario), the *Fraudulent Conveyances Act* (Ontario) and the BIA), and is subject to

- 31 -

general principles of equity, including the equitable or statutory powers of the Courts of Ontario and Canada to stay proceedings before them, to stay the execution of judgments and to grant relief against forfeiture;

17. no opinion is expressed with respect to the priority of the Security Interests as against any other security interests granted by OKDI to other secured parties (including, without limitation, purchase money security interests), liens (including, without limitation, construction liens and any holdbacks required to be maintained pursuant to the *Construction Lien Act* (Ontario)) or trust claims of any other creditors of OKDI and, in particular, to the existence or priority of any interest not registered or not required to be registered under any applicable legislation, whether or not referred to herein (e.g. Crown claims);
18. we express no opinion as to zoning, nor as to any title defects, irregularities, easements, encroachments, rights of way and the like as would be revealed by an up-to-date plan of survey of the Real Property;
19. title of OKDI to the Real Property is subject to, among other things:
 - (a) all reservations, limitations, provisos and conditions expressed in any original grant from the Crown;
 - (b) any rights of expropriation, access or use, or any other similar right, conferred to or reserved by any statute of Canada or Ontario;
 - (c) the right of any person to possession of any part of the Real Property;
 - (d) any statutory liens or levies;
 - (e) any governmental, provincial or municipal by-laws, laws, regulations or ordinances;
 - (f) any undetermined or inchoate liens and charges incidental to current construction or current operations which have not been filed or registered in accordance with applicable law or of which written notice has not at the time been duly given in accordance with applicable law or which relate to obligations not yet due or delinquent;
 - (g) any unregistered easements, rights of way or other unregistered interests or claims not disclosed by registered title; and
 - (h) any unregistered leases of the Real Property which do not require registration;
20. the enforceability of the 259 Mortgage may be subject to the terms of any instruments or encumbrances registered on title to the Real Property in priority to the 259 Mortgage;

- 32 -

21. no opinion is expressed as to whether a security interest was created in the following property:
 - (a) property consisting of a receivable, license, approval, privilege, franchise, permit, lease or agreement to the extent that the terms of such property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given;
 - (b) permits, quotas or licenses which are held by or issued to OKDI; and
 - (c) federal crown debts.
22. no opinion is expressed regarding any provision in the Security which purports to relieve a person from a liability or duty otherwise owed or to require compliance regardless of law;
23. no opinion is expressed as to the effect of those provisions of the Security which purport to allow the severance of invalid, illegal or unenforceable provisions or restricting their effect;
24. enforcement of the rights to indemnity, contribution and waiver of contribution may be limited or voided by applicable law and may not be ordered by a court on grounds of public policy;
25. the enforceability of the Security is subject to the *Limitations Act, 2002* (Ontario), and we express no opinion as to whether a court may find that any provision of the Security will be unenforceable as an attempt to vary or exclude a limitation period under that statute;
26. we express no opinion as to the enforceability of any provision of the Security:
 - (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of the Company;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Secured Party, its agents or any receiver or receiver - manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve wilful misconduct; or
 - (c) which states that amendments or waivers of or with respect to the Security that are not in writing will not be effective;
27. to the extent that the Security purports to extend the benefit thereof to persons who are not parties to the Security, those persons may be unable to enforce that benefit;

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28. we have made no searches under various applicable statutes, including the *Copyright Act* (Canada), the *Patent Act* (Canada) and the *Trade-marks Act* (Canada), to confirm whether the Secured Party has made registrations that may be necessary to perfect its security interests, if any, in intellectual property of OKDI;
29. we are qualified to practice law in the Province of Ontario only and, accordingly, express no opinion herein as to the laws of any jurisdiction other than the Province of Ontario and the laws of Canada applicable herein.

With respect to our assumptions referred to above, we would suggest that, at the very least, you: (i) satisfy yourself that all monies or other valuable consideration referred to in paragraph 8 above were actually advanced or given by the Secured Party to OKDI; and (ii) satisfy yourself that OKDI is still indebted to the Secured Party and the amount of such indebtedness.

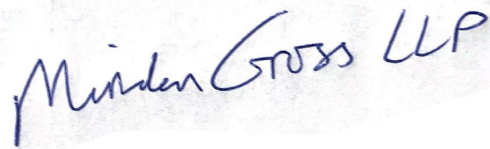
E. MISCELLANEOUS

The opinions expressed herein are provided solely for the benefit of Pollard & Associates Inc., in its capacity as court-appointed receiver and manager of the assets, properties and undertakings of OKDI and may not be used or relied upon by any other person in connection with this or any other matter.

We appreciate the opportunity to be of service to you with respect to this matter and would be pleased to answer any questions or address any concerns which you may have in relation thereto.

Yours truly,

MINDEN GROSS LLP

A handwritten signature in blue ink that reads "Minden Gross LLP". The signature is written in a cursive, slightly slanted style.

SCHEDULE "A"
Corporate Search Summary

Corporate Profile Report (as of March 6, 2020)	Corporate Name: 186 Old Kennedy Development Inc. Former Corporate Name: N/A Current Business Name(s): N/A Expired Business Name(s): N/A Jurisdiction: Ontario Date of Incorporation: December 3, 2015 Corporate Status: Active Directors: Yuan Hua Wang Officers: Yuan Hua Wang (President, Secretary, Treasurer) Registered Office Address: 7100 Woodbine Avenue, Suite 206 Markham, ON L3R 5J2 Mailing Address: Same as Registered Office Address
Bankruptcy/Insolvency Searches	As of March 9, 2020 Case Number: CV190062741000CL Krushnik Investments Limited et al v. 186 Old Kennedy Development Inc. et al (Case Opened Date: September 16, 2019)
Bank Act Search (s.427)	Clear (as of March 6, 2020)
Federal Court of Canada – Tax Liens	Clear (as of March 6, 2020)
Sheriff Execution Search	Clear (as of March 6, 2020)
PPSA	See Attached

SCHEDULE "B"
Personal Property Security Act (Ontario)
Search Summary

Business Debtor: 186 Old Kennedy Development Inc.

File Currency Date: March 5, 2020

Secured Party	Secured Party Address	Business Debtor	File No.	Registration No.	Registration Period	Collateral Classification	Collateral Description	Miscellaneous
Gardiner Roberts LLP	22 Adelaide Street West, Suite 3600 Toronto, ON M5H 4E3	186 Old Kennedy Development Inc.	758394342	20191209 1431 1590 2386	5	I,E,A,O,MVI		
2592898 Ontario Inc.	1000 – 120 Adelaide St. W. Toronto, ON M5H 3V1	186 Old Kennedy Development Inc.	732457971	20170929 1615 1862 5793	5	I,E,A,O,MVI	General Security Agreement, Assignment of Rents and Leases, Assignment of Plans and Contracts and all related security documentation with respect to the obligations of the debtor to the secured party.	

*Collateral: CG - Consumer Goods, I - Inventory, E - Equipment, A - Accounts, O - Other, MVI - Motor Vehicle Included

SCHEDULE "C"
Parcel Register

See attached 12 pages

#4236993 v3 | 4115677



Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 1 OF 6
PREPARED FOR smsstober1
ON 2020/05/19 AT 13:50:44

LAND
REGISTRY
OFFICE #65

02953-0027 (LT)

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

PROPERTY DESCRIPTION: PT E1/2 LT 2 CON 5 MARKHAM AS IN MA91925 EXCEPT PT 10 EXPROP PL MA66625; T/W MA91925; S/T MA91925; CITY OF MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

OWNERS' NAMES
186 OLD KENNEDY DEVELOPMENT INC.

PIN CREATION DATE:
1999/09/24

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/01/27 ON THIS PIN				
WAS REPLACED WITH THE	"PIN CREATION DATE" OF 1999/09/24					
** PRINTOUT	INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **					
**SUBJECT,	ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:					
**	SUBSECTION 44 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *					
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES: 1999/09/27 **					
MA91925	TRANSFER			*** DELETED AGAINST THIS PROPERTY ***	KRASHNIK INVESTMENTS LIMITED	
R650335	1994/11/15 AGREEMENT				THE CORPORATION OF THE TOWN OF MARKHAM	C
65R30487	2007/12/11 PLAN REFERENCE					C
YR2172771	2014/08/18 APL COURT ORDER					
YR2265407	2015/03/11 APL AMEND ORDER			*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	8180792 CANADA INC.	
	REMARKS: DELETING YR2172771			*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	8180792 CANADA INC.	
YR2502470	2016/07/07 TRANSFER		\$22,080,000	KRASHNIK INVESTMENTS LIMITED	186 OLD KENNEDY DEVELOPMENT INC.	C
	REMARKS: PLANNING ACT STATEMENTS.					

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



02953-0027 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2502472	2016/07/07	CHARGE	\$30,000,000	186 OLD KENNEDY DEVELOPMENT INC.	KRASHNIK INVESTMENTS LIMITED GABEL INVESTMENTS LIMITED	C
YR2519667	2016/08/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	YU, KUANNING WU, NAI XI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO	
YR2519679	2016/08/05	CHARGE	\$10,000,000	186 OLD KENNEDY DEVELOPMENT INC.	ZHOU, YI	C
YR2610952	2017/01/17	TRANSFER OF CHARGE		ZHOU, YI	ZHENG, JIN FENG ZHENG, XIANG HONG	C
YR2634744	2017/03/06	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
YR2652437	2017/04/11	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
YR2677044	2017/05/31	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
YR2681040	2017/06/07	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
YR2696594	2017/07/05	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2721004	2017/08/22	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C

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02953-0027 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2739089	2017/09/29	CHARGE	\$20,000,000	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2739090	2017/09/29	POSTPONEMENT		COMMUNITY TRUST COMPANY ZHOU, YI ZHENG, JIN FENG ZHENG, XIANG HONG	2592898 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2739089				
YR2739091	2017/09/29	NO ASSGN RENT GEN		186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
		REMARKS: YR2739089				
YR2739213	2017/09/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** YU, KUANMING WU, NAI XI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO		
		REMARKS: YR2519667.				
YR2748892	2017/10/23	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2757175	2017/11/09	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2767494	2017/11/30	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2776725	2017/12/21	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679. YR2519679				

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02953-0027 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2786487	2018/01/22	TRANSFER OF CHARGE REMARKS: YR2519679.		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2789240	2018/01/29	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	ZHOU, YI	C
YR2791970	2018/02/02	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	BAI (BILL ALTERNATIVE INVESTMENT) CORPORATION	C
YR2798638	2018/02/23	NOTICE REMARKS: AMENDING CHARGE YR2739089	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2798639	2018/02/23	TRANSFER OF CHARGE REMARKS: YR2739089.		2592898 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
YR2798640	2018/02/23	POSTPONEMENT REMARKS: YR2519679 TO YR2798638		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
YR2801248	2018/03/01	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	COMMUNITY TRUST COMPANY	C
YR2804762	2018/03/13	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	WANG, DONG HUI	C
YR2805097	2018/03/14	TRANSFER OF CHARGE REMARKS: YR2519679.		ZHOU, YI	COMMUNITY TRUST COMPANY	C
YR2811422	2018/04/03	NOTICE REMARKS: YR2739089	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
YR2811423	2018/04/03	TRANSFER OF CHARGE REMARKS: YR2739089.		2592898 ONTARIO INC. 2620094 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
YR2811424	2018/04/03	POSTPONEMENT REMARKS: YR2739089.		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C

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02953-0027 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2845658	2018/07/04	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
YR2845659	2018/07/04	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2845660	2018/07/04	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2862636	2018/08/17	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2862637	2018/08/17	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2862638	2018/08/17	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2870816	2018/09/07	TRANSFER OF CHARGE		ZHOU, YI	WANG, GUIFANG	C
YR2870891	2018/09/07	CHARGE	\$150,000	186 OLD KENNEDY DEVELOPMENT INC.	SANTISO, MATTHEW FRANKLIN	C

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02953-0027 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2893752	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 4550 STEELES DEVELOPMENT INC. 22 OLD KENNEDY DEVELOPMENT INC. 35 THELMA DEVELOPMENT INC. 186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 19 TURFF DEVELOPMENT INC.	KSV KOFMAN INC.	
YR2894131	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	GOLDMAN SLOAN NASH AND HABER LLP	
YR2942700	2019/03/26	DISCH OF CHARGE		*** COMPLETELY DELETED *** KSV KOFMAN INC.		
YR2943017	2019/03/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** GOLDMAN SLOAN NASH AND HABER LLP		
YR3054277	2020/01/09	CHARGE	\$500,000	186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 4 DON HILLOCK DEVELOPMENT INC.	GR MORTGAGE HOLDINGS INC.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT E1/2 LT 2 CON 5 MARKHAM AS IN MA97577; T/W MA97577; S/T MA97577 ; MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

OWNERS' NAMES
186 OLD KENNEDY DEVELOPMENT INC.

RECENTLY:
RE-ENTRY FROM 02953-0096

CAPACITY SHARE
ROWN

PIN CREATION DATE:
1999/09/24

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/01/27 ON THIS PIN				
WAS REPLACED WITH THE	"PIN CREATION DATE" OF 1999/09/24					
** PRINTOUT	INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **					
**SUBJECT,	ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:					
**	SUBSECTION 44 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *					
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES: 1999/09/27 **					
MA97577	1977/03/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	GABEL INVESTMENTS LIMITED	C
65R30487	2007/12/11	PLAN REFERENCE				C
YR2502471	2016/07/07	TRANSFER	\$9,920,000	GABEL INVESTMENTS LIMITED	186 OLD KENNEDY DEVELOPMENT INC.	C
		REMARKS: PLANNING ACT STATEMENTS.				
YR2502472	2016/07/07	CHARGE	\$30,000,000	186 OLD KENNEDY DEVELOPMENT INC.	KRASHNIK INVESTMENTS LIMITED GABEL INVESTMENTS LIMITED	C
YR2519667	2016/08/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	YU, KUANNING WU, NAI XI XU, YONGRUI YU, CHUNYAN	

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



02953-0028 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2519679	2016/08/05	CHARGE	\$10,000,000	186 OLD KENNEDY DEVELOPMENT INC.	AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO	C
YR2610952	2017/01/17	TRANSFER OF CHARGE		ZHOU, YI	ZHENG, JIN FENG ZHENG, XIANG HONG	C
		REMARKS: YR2519679.				
YR2634744	2017/03/06	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2652437	2017/04/11	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2677044	2017/05/31	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2681040	2017/06/07	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2696594	2017/07/05	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2721004	2017/08/22	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2739089	2017/09/29	CHARGE	\$20,000,000	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2739090	2017/09/29	POSTPONEMENT		COMMUNITY TRUST COMPANY ZHOU, YI ZHENG, JIN FENG ZHENG, XIANG HONG	2592898 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2739089				

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02953-0028 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2739091	2017/09/29	NO ASSGN RENT GEN REMARKS: YR2739089		186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2739213	2017/09/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** YU, KUANMING WU, NAI XI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO		
YR2748892	2017/10/23	TRANSFER OF CHARGE REMARKS: YR2519679.		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2757175	2017/11/09	TRANSFER OF CHARGE REMARKS: YR2519679.		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2767494	2017/11/30	TRANSFER OF CHARGE REMARKS: YR2519679.		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2776725	2017/12/21	TRANSFER OF CHARGE REMARKS: YR2519679.		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2786487	2018/01/22	TRANSFER OF CHARGE REMARKS: YR2519679.		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2789240	2018/01/29	TRANSFER OF CHARGE REMARKS: YR2519679.		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2791970	2018/02/02	TRANSFER OF CHARGE		ZHOU, YI	BAI (BILL ALTERNATIVE INVESTMENT) CORPORATION	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2798638	2018/02/23	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
		REMARKS: AMENDING CHARGE YR2739089				
YR2798639	2018/02/23	TRANSFER OF CHARGE		2592898 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2739089.				
YR2798640	2018/02/23	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2798638				
YR2801248	2018/03/01	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2804762	2018/03/13	TRANSFER OF CHARGE		ZHOU, YI	WANG, DONG HUI	C
		REMARKS: YR2519679.				
YR2805097	2018/03/14	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2811422	2018/04/03	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2739089				
YR2811423	2018/04/03	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
		REMARKS: YR2739089.				
YR2811424	2018/04/03	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2798638				
YR2845658	2018/07/04	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
YR2845659	2018/07/04	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2845660	2018/07/04	POSTPONEMENT		ZHOU, YI	2638796 ONTARIO INC.	C
YR2862636	2018/08/17	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2862637	2018/08/17	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2862638	2018/08/17	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2870816	2018/09/07	TRANSFER OF CHARGE		ZHOU, YI	WANG, GUIFANG	C
YR2870891	2018/09/07	CHARGE	\$150,000	186 OLD KENNEDY DEVELOPMENT INC.	SANTISO, MATTHEW FRANKLIN	C
YR2893752	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 4550 STEELES DEVELOPMENT INC. 22 OLD KENNEDY DEVELOPMENT INC. 35 THELMA DEVELOPMENT INC. 186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 19 TUREFF DEVELOPMENT INC.	KSV KOFFMAN INC.	C
YR2894131	2018/11/05	CHARGE		*** COMPLETELY DELETED ***		

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02953-0028 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2942700	2019/03/26	DISCH OF CHARGE		186 OLD KENNEDY DEVELOPMENT INC. *** COMPLETELY DELETED *** KSV KOFMAN INC.	GOLDMAN SLOAN NASH AND HABER LLP	
YR2943017	2019/03/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** GOLDMAN SLOAN NASH AND HABER LLP		
YR3054277	2020/01/09	CHARGE	\$500,000	186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 4 DON HILLOCK DEVELOPMENT INC.	GR MORTGAGE HOLDINGS INC.	C

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SCHEDULE "N"



MINDEN GROSS LLP
BARRISTERS & SOLICITORS
 145 KING STREET WEST, SUITE 2200
 TORONTO, ON, CANADA M5H 4G2
 TEL 416.362.3711 FAX 416.864.9223
 www.mindengross.com

FILE NUMBER 4115677

September 11, 2020

VIA E-MAIL

POLLARD & ASSOCIATES INC.

31 Wright Street
 Richmond Hill, Ontario
 L4C 4A2

Attention: Angela Pollard

Dear Sirs:

**Re: Security delivered by 186 Old Kennedy Development Inc. (OKDI) to
 Yi Zhou (the "Secured Party")**

In accordance with your instructions, we have now completed our review of the Security (as hereinafter defined) delivered to the Secured Party by OKDI in connection with credit facilities extended to OKDI by the Secured Party.

By this letter, we wish to provide to you our opinion as to the validity and enforceability of the security interests granted by OKDI to and in favour of the Secured Party pursuant to the Security (as hereinafter defined) (collectively, the "**Security Interests**" and individually, the "**Security Interest**") to secure the indebtedness owing by OKDI to the Secured Party.

Our opinions, findings and conclusions are based upon and subject to the assumptions and specific qualifications as hereinafter expressed, including, but not limited to, those expressed in Article D of this letter.

A. SECURITY

In connection with this opinion, we have reviewed a Charge/Mortgage of Land in the original principal amount of \$10,000,000 registered on August 5, 2016, as Instrument No. YR2519679 (the "**Zhou Mortgage**") by the Secured Party against title to the real property owned by OKDI and known municipally as 186 Old Kennedy Road, Markham, Ontario and 51 Victory Avenue, Markham, Ontario (collectively, the "**Real Property**");

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(hereinafter referred to as the “**Security**”).

B. SEARCHES

We have performed the usual searches, particulars of which are detailed below:

1. Corporate and Other Searches

Attached as **Schedule “A”** is a summary of the corporate and other searches conducted by our firm against OKDI as at the dates set out therein. Such schedule indicates, among other things: (i) the proper legal name; (ii) the corporate status; (iv) the directors and officers; (v) the registered office and mailing address; and (vi) the date and jurisdiction of incorporation of OKDI.

2. Title Search

We have obtained a copy of the Parcel Register for the Real Property as at May 19, 2020 (the “**Parcel Register**”). A copy of the Parcel Register is attached as Schedule “B”.

The Parcel Register indicates that:

- (a) OKDI is the registered owner of the Real Property;
- (b) the Zhou Mortgage was initially registered against the Real Property in favour of the Secured Party with a stated principal amount of \$10,000,000.00 and in second position behind a first mortgage registered in favour of Krashnick Investments Limited and Gavel Investments Limited (YR2502472) having a stated principal amount of \$30,000,000. A third mortgage was registered as Instrument No. YR2739089 by 2592898 Ontario Inc. in the stated principal amount of \$20,000,000 (the “**259 Mortgage**”)
- (c) the Zhou Mortgage was originally made in favour of Yi Zhou. However, between January 2017 and September 2017, when the 259 Mortgage was registered, percentage interests in the Zhou mortgage had been transferred by each of the following Transfers of Charge:
 - (i) Instrument No. YR2610952 in favour of Jin Feng Zeng and Xiang Hong Zheng; this Instrument also contained the statement that:

The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%

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Biye Weng		\$200,000.00	2.00%
Xixi Liu		\$100,000.00	1.00%
Jin Feng Zheng		\$200,000.00	2.00%
Ken Qin		\$ 50,000.00	0.50%
Ming Li		\$ 80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$ 80,000.00	0.80%

(ii) Instrument No. YR2634744 in favour of Community Trust Company; this Instrument also contained the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%

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Xiang Hong Zheng		\$ 80,000.00	0.80%
Yi Zhou		\$8,065,402.00	80.16%

(iii) Instrument No. YR2652437 in favour of Community Trust Company; this Instrument also contained the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
Yi Zhou	\$8,01 Guifang Wang 5,402.00	80.16%

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(iv) Instrument No. YR2677044 in favour of Yi Zhou; this Instrument also contained the statements that:

a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%

b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
2055166 Ontario Inc.	\$ 200,000.00	2.00%
Yi Zhou	\$7,815,402.99	78.16%

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(v) Instrument No. YR2681040 in favour of Yi Zhou; this Instrument also contained the statements that:

a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%

b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$80,000.00	0.80%
2055166 Ontario Inc.	\$200,000.00	2.00%
Huai Yu Wang	\$30,000.00	0.30%
Yi Zhou	\$7,785,402.99	77.86%

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(vi) Instrument No. YR2696594 in favour of Community Trust Company and Yi Zhou; this Instrument also contained the statements that:

a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28

b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
2055166 Ontario Inc.	\$ 200,000.00	2.00%
Huai Yu Wang	\$ 30,000.00	0.30%
Hsing Ching Fan	\$ 100,000.00	1.00%

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Kung Chan Fan		\$ 100,000.00	1.00%
Yi Zhou		\$7,407,220.56	74.08%

and

(vii) Instrument No. YR2721004 in favour of Yi Zhou; this Instrument also contained the statements that:

a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28

b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%

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Ming Li		\$ 80,000.00	0.80%
Hai Ming Long		\$ 300,000.00	3.00%
Xiang Hong Zheng		\$ 80,000.00	0.80%
2055166 Ontario Inc.		\$ 200,000.00	2.00%
Huai Yu Wang		\$ 30,000.00	0.30%
Hsing Ching Fan		\$ 100,000.00	1.00%
Kung Chan Fan		\$ 100,000.00	1.00%
Yuk Yin Ho Leung		\$ 300,000.00	3.00%
Huai Yu Wang		\$ 30,000.00	0.30%
Yi Zhou		\$7,077,220.56	77.86%

- (d) Immediately after registration of the 259 Mortgage a Postponement of the Zhou Mortgage was registered as Instrument No. YR2739090 and signed by each of the aforesaid Transferees of the Zhou Mortgage (Community Trust Company, Yi Zhou, Jin Feng Zheng and Xiang Hong Zheng) which at that point changed the priority of the 259 Mortgage such that it would then rank in second place in priority to the Zhou Mortgage.
- (e) Subsequent to the registration of the 259 Mortgage and the aforesaid postponement of the Zhou Mortgage to the 259 Mortgage, between October 2017 and February 2018, additional percentage interests in the Zhou mortgage had been transferred by each of the following Transfers of Charge:
- (i) Instrument No. YR2748892 in favour of Community Trust Company and Yi Zhou; this Instrument also contained the statements that:
- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28

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Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%
Yiwang Chen	\$ 150,000.00	1.50%
2526217 Ontario Inc.	\$ 200,000.00	2.00%
Zhi Hui Chen	\$ 200,000.00	2.00%
Biye Weng	\$ 200,000.00	2.00%
Xixi Liu	\$ 100,000.00	1.00%
Jin Feng Zheng	\$ 200,000.00	2.00%
Ken Qin	\$ 50,000.00	0.50%
Ming Li	\$ 80,000.00	0.80%
Hai Ming Long	\$ 300,000.00	3.00%
Xiang Hong Zheng	\$ 80,000.00	0.80%
2055166 Ontario Inc.	\$ 200,000.00	2.00%
Huai Yu Wang	\$ 30,000.00	0.30%
Hsing Ching Fan	\$ 100,000.00	1.00%
Kung Chan Fan	\$ 100,000.00	1.00%
Yuk Yin Ho Leung	\$ 300,000.00	3.00%
Huai Yu Wang	\$ 30,000.00	0.30%
Yingguo Ai	\$ 180,000.00	1.80%
Bao Xing Wang	\$ 100,000.00	1.00%
Liu Ling Yang	\$ 100,000.00	1.00%
Kuanming Yu & Naixi Wu	\$ 80,000.00	0.80%
Ken Qin	\$ 200,000.00	2.00%
Yi Zhou	\$5,832,465.91	58.34%

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(ii) Instrument No. YR2757175 in favour of Community Trust Company and Yi Zhou; this instrument also contains the statements that:

a) The charges hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737	\$13,393.18	0.19%
	TFSA: 1004602	\$6,003.07	
Chu Eng Leung	RRSP: 1005319	\$7,070.48	1.38%
	RRSP: 1005326	\$131,141.13	
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106	\$34,991.52	0.79%
	TFSA : 1004604	\$43,867.41	
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujian Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%

b) The charges hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$ 150,000.00	1.50%

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Yiwang Chen		\$ 150,000.00	1.50%
2526217 Ontario Inc.		\$ 200,000.00	2.00%
Zhi Hui Chen		\$ 200,000.00	2.00%
Biye Weng		\$ 200,000.00	2.00%
Xixi Liu		\$ 100,000.00	1.00%
Jin Feng Zheng		\$ 200,000.00	2.00%
Ken Qin		\$ 50,000.00	0.50%
Ming Li		\$ 80,000.00	0.80%
Hai Ming Long		\$ 300,000.00	3.00%
Xiang Hong Zheng		\$ 80,000.00	0.80%
2055166 Ontario Inc.		\$ 200,000.00	2.00%
Huai Yu Wang		\$ 30,000.00	0.30%
Hsing Ching Fan		\$ 100,000.00	1.00%
Kung Chan Fan		\$ 100,000.00	1.00%
Yuk Yin Ho Leung		\$ 300,000.00	3.00%
Huai Yu Wang		\$ 30,000.00	0.30%
Yingguo Ai		\$ 180,000.00	1.80%
Bao Xing Wang		\$ 100,000.00	1.00%
Liu Ling Yang		\$ 100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$ 80,000.00	0.80%
Ken Qin		\$ 200,000.00	2.00%
Guifang Wang		\$ 100,000.00	1.00%
Yi Zhou		\$5,628,225.11	58.34%

(iii) Instrument No. YR2767494 in favour of Community Trust Company and Yi Zhou; this instrument also contains the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%

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Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$50,000.00	0.50%
Ming Li	\$80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$80,000.00	0.80%
2055166 Ontario Inc.	\$200,000.00	2.00%
Huai Yu Wang	\$30,000.00	0.30%
Hsing Ching Fan	\$100,000.00	1.00%
Kung Chan Fan	\$100,000.00	1.00%
Yuk Yin Ho Leung	\$300,000.00	3.00%
Huai Yu Wang	\$30,000.00	0.30%
Yingguo Ai	\$180,000.00	1.80%

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Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
Yi Zhou		\$4,528,225.11	43.30%

(iv) Instrument No. YR2776725 in favour of Community Trust Company and Yi Zhou; this instrument also contains the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737	\$13,393.18	0.19%
	TFSA: 1004602	\$6,003.07	
Chu Eng Leung	RRSP: 1005319	\$7,070.48	1.38%
	RRSP: 1005326	\$131,141.13	

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Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$50,000.00	0.50%
Ming Li	\$80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$80,000.00	0.80%
2055166 Ontario Inc.	\$200,000.00	2.00%
Huai Yu Wang	\$30,000.00	0.30%
Hsing Ching Fan	\$100,000.00	1.00%
Kung Chan Fan	\$100,000.00	1.00%
Yuk Yin Ho Leung	\$300,000.00	3.00%
Huai Yu Wang	\$30,000.00	0.30%
Yingguo Ai	\$180,000.00	1.80%
Bao Xing Wang	\$100,000.00	1.00%
Liu Ling Yang	\$100,000.00	1.00%
Kuanming Yu & Naixi Wu	\$80,000.00	0.80%
Ken Qin	\$200,000.00	2.00%
Guifang Wang	\$100,000.00	1.00%
2562798 Ontario Inc	\$250,000.00	2.50%
Elena Su	\$150,000.00	1.50%
Sze Yip Chan	\$200,000.00	2.00%

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Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Yi Zhou		\$4,328,225.11	43.30%

(v) Instrument No. YR2786487 in favour of Community Trust Company and Yi Zhou; this instrument also contains the statements that:

- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%

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Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name		Amount	Percentage
Hai Shi		\$150,000.00	1.50%
Yiwang Chen		\$150,000.00	1.50%
2526217 Ontario Inc.		\$200,000.00	2.00%
Zhi Hui Chen		\$200,000.00	2.00%
Biye Weng		\$200,000.00	2.00%
Xixi Liu		\$100,000.00	1.00%
Jin Feng Zheng		\$200,000.00	2.00%
Ken Qin		\$50,000.00	0.50%
Ming Li		\$80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$80,000.00	0.80%
2055166 Ontario Inc.		\$200,000.00	2.00%
Huai Yu Wang		\$30,000.00	0.30%
Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%

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BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Yi Zhou		\$4,246,334.71	42.75%

- (vi) Instrument No. YR2789240 in favour of Yi Zhou; and
- (vii) Instrument No. YR2791970 in favour of BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION; this instrument also contains the statements that:
- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629	\$38,044.31	0.83%
	TFSA: 1003621	\$44,660.66	
Matthew Santiso	RRSP: 1003628	\$22,725.34	0.68%
	TFSA: 1003627	\$45,611.15	
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737	\$13,393.18	0.19%
	TFSA: 1004602	\$6,003.07	
Chu Eng Leung	RRSP: 1005319	\$7,070.48	1.38%
	RRSP: 1005326	\$131,141.13	
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106	\$34,991.52	0.79%
	TFSA : 1004604	\$43,867.41	

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Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%
Jin Feng Zheng	\$200,000.00	2.00%
Ken Qin	\$50,000.00	0.50%
Ming Li	\$80,000.00	0.80%
Hai Ming Long	\$300,000.00	3.00%
Xiang Hong Zheng	\$80,000.00	0.80%
2055166 Ontario Inc.	\$200,000.00	2.00%
Huai Yu Wang	\$30,000.00	0.30%
Hsing Ching Fan	\$100,000.00	1.00%
Kung Chan Fan	\$100,000.00	1.00%
Yuk Yin Ho Leung	\$300,000.00	3.00%
Huai Yu Wang	\$30,000.00	0.30%
Yingguo Ai	\$180,000.00	1.80%
Bao Xing Wang	\$100,000.00	1.00%
Liu Ling Yang	\$100,000.00	1.00%
Kuanming Yu & Naixi Wu	\$80,000.00	0.80%
Ken Qin	\$200,000.00	2.00%
Guifang Wang	\$100,000.00	1.00%
2562798 Ontario Inc	\$250,000.00	2.50%
Elena Su	\$150,000.00	1.50%
Sze Yip Chan	\$200,000.00	2.00%

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Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Ge, Weiju		\$150,000.00	1.50%
Zhuang, Wensheng		\$150,000.00	1.50%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Yi Zhou		\$3,946,334.71	39.48%

- (f) On February 23, 2018, a Notice of Amending Agreement was registered as Instrument No. YR2798638 (the “**First Amendment**”) which recited that the 259 Mortgage as registered secured only the principal sum of \$5,000,000 and purported to amend the 259 Mortgage by advancing another \$3,099,960.00
- (g) Also on February 23, 2018, a Postponement of the Zhou Mortgage in favour of the 259 Mortgage as amended by the First Amendment, was registered as Instrument No. YR2798640, however this Postponement was only signed by Yi Zhou and not the other parties whom had received a percentage interest in the Zhou Mortgage by reason of the aforesaid Transfers of Charge: This Postponement acknowledges the priority of all prior and subsequent advances up to and including \$20,000,000.00 under the 259 Mortgage.
- (h) Subsequent to the registration of the First Amendment, between February 2018 and March 2018, additional percentage interests in the Zhou mortgage had been transferred by each of the following Transfers of Charge:
- (i) Instrument No. YR2801248 in favour of Community Trust Company; this instrument also contains the statements that:
- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

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Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%
Kung Chan Fan	RRSP: 1003358	\$33,613.04	0.35%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name	Amount	Percentage
Hai Shi	\$150,000.00	1.50%
Yiwang Chen	\$150,000.00	1.50%
2526217 Ontario Inc.	\$200,000.00	2.00%
Zhi Hui Chen	\$200,000.00	2.00%
Biye Weng	\$200,000.00	2.00%
Xixi Liu	\$100,000.00	1.00%

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Jin Feng Zheng		\$200,000.00	2.00%
Ken Qin		\$50,000.00	0.50%
Ming Li		\$80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$80,000.00	0.80%
2055166 Ontario Inc.		\$200,000.00	2.00%
Huai Yu Wang		\$30,000.00	0.30%
Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Ge, Weiju		\$150,000.00	1.50%
Zhuang, Wensheng		\$150,000.00	1.50%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Yi Zhou		\$3,942,721.67	39.43%

- (i) Instrument No. YR2804762 in favour of Dong Hui Wang; this instrument also contains the statements that:

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- a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%
Kung Chan Fan	RRSP: 1003358	\$33,613.04	0.35%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name		Amount	Percentage
-------------	--	---------------	-------------------

- 24 -

Hai Shi		\$150,000.00	1.50%
Yiwang Chen		\$150,000.00	1.50%
2526217 Ontario Inc.		\$200,000.00	2.00%
Zhi Hui Chen		\$200,000.00	2.00%
Biye Weng		\$200,000.00	2.00%
Xixi Liu		\$100,000.00	1.00%
Jin Feng Zheng		\$200,000.00	2.00%
Ken Qin		\$50,000.00	0.50%
Ming Li		\$80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$80,000.00	0.80%
2055166 Ontario Inc.		\$200,000.00	2.00%
Huai Yu Wang		\$30,000.00	0.30%
Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$300,000.00	300.00
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Ge, Weiju		\$150,000.00	1.50%
Zhuang, Wensheng		\$150,000.00	1.50%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%

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Sze Yip Chan		\$150,000.00	1.50%
Dong Hui Wang		\$71,141.07	0.71%
Yi Zhou		\$3,871,580.60	38.72%

and

(ii) Instrument No. YR2805097 in favour of Community Trust Company; this instrument also contains the statements that:

a) The chargees hereby acknowledge that Community Trust Company holds this mortgage in trust for:

Registered Funds

Name	Plan No.	Amount	Percentage
Carmen Su-Santiso	RRSP: 1003629 TFSA: 1003621	\$38,044.31 \$44,660.66	0.83%
Matthew Santiso	RRSP: 1003628 TFSA: 1003627	\$22,725.34 \$45,611.15	0.68%
Jack Ya Jyue Chen	RRSP: 1003620	\$29,267.15	0.29%
Susana Su-Chen	RRSP: 1003619	\$44,288.40	0.44%
Chen Biao Yang	TFSA: 1004185	\$50,000.00	0.50%
Cecilia Ah Yun Chow	RRSP: 1004394	\$149,886.00	1.50%
Shu Duan He	RRSP: 1004600	\$28,296.43	0.28
Jiabi Yang	RRSP: 1004737 TFSA: 1004602	\$13,393.18 \$6,003.07	0.19%
Chu Eng Leung	RRSP: 1005319 RRSP: 1005326	\$7,070.48 \$131,141.13	1.38%
Hing Lun Leung	RRSP: 1005320	\$308,287.85	3.08%
Dong Hui Wang	RRSP: 1005106 TFSA : 1004604	\$34,991.52 \$43,867.41	0.79%
Huai Yu Wang	RRSP: 1004735	\$40,000.01	0.40%
Zhujuan Qiu	RRSP: 1004736	\$54,270.01	0.54%
Lin Xing	TFSA: 1004698	\$49,970.79	0.50%
Jiabi Yang	RRSP:1005398	\$25,518.41	0.26%
Babak Samadi	RRSP:1005559	\$26,371.99	0.26%
Kung Chan Fan	RRSP: 1003358	\$33,613.04	0.35%

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Bing Xu	RRSP: 1006443	\$90,003.22	0.90%
Qing Shao	RRSP: 100444	\$40,001.11	0.40%

- b) The chargees hereby acknowledge that Yi Zhou holds this mortgage in trust for:

Non-Registered Funds

Name		Amount	Percentage
Hai Shi		\$150,000.00	1.50%
Yiwang Chen		\$150,000.00	1.50%
2526217 Ontario Inc.		\$200,000.00	2.00%
Zhi Hui Chen		\$200,000.00	2.00%
Biye Weng		\$200,000.00	2.00%
Xixi Liu		\$100,000.00	1.00%
Jin Feng Zheng		\$200,000.00	2.00%
Ken Qin		\$50,000.00	0.50%
Ming Li		\$80,000.00	0.80%
Hai Ming Long		\$300,000.00	3.00%
Xiang Hong Zheng		\$80,000.00	0.80%
2055166 Ontario Inc.		\$200,000.00	2.00%
Huai Yu Wang		\$30,000.00	0.30%
Hsing Ching Fan		\$100,000.00	1.00%
Kung Chan Fan		\$100,000.00	1.00%
Yuk Yin Ho Leung		\$300,000.00	3.00%
Huai Yu Wang		\$30,000.00	0.30%
Yingguo Ai		\$180,000.00	1.80%
Bao Xing Wang		\$100,000.00	1.00%
Liu Ling Yang		\$100,000.00	1.00%
Kuanming Yu & Naixi Wu		\$80,000.00	0.80%
Ken Qin		\$200,000.00	2.00%
Guifang Wang		\$100,000.00	1.00%
2562798 Ontario Inc		\$250,000.00	2.50%
Elena Su		\$150,000.00	1.50%
Sze Yip Chan		\$200,000.00	2.00%
Nan Lin		\$100,000.00	1.00%
Dan Ye		\$100,000.00	1.00%
BAI (BILD ALTERNATIVE INVESTMENT)		\$300,000.00	300.00

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CORPORATION			
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Fan, Kung Chan		\$30,000.00	0.30%
Ge, Weiju		\$150,000.00	1.50%
Zhuang, Wensheng		\$150,000.00	1.50%
BAI (BILD ALTERNATIVE INVESTMENT) CORPORATION		\$200,000.00	2.00%
Sze Yip Chan		\$150,000.00	1.50%
Dong Hui Wang		\$71,141.07	0.71%
Yi Zhou		\$3,741,576.27	37.42%

- (i) On April 3, 2018, a Notice of Amending Agreement was registered as Instrument No. YR2811422 (the “**Second Amendment**”) which recited that the 259 Mortgage as registered and amended by the First Amendment secured only the principal sum of \$8,099,960.00 and purported to amend the 259 Mortgage by advancing another \$2,000,000.00.
- (j) Also on April 3, 2018, a Postponement of the Zhou Mortgage in favour of the 259 Mortgage as amended by the First Amendment and the Second Amendment, was registered as Instrument No. YR2811424. However, this Postponement was only signed by Yi Zhou and not the other parties whom had received a percentage interest in the Zhou Mortgage by reason of the aforesaid Transfers of Charge. This Postponement acknowledges the priority of all prior and subsequent advances up to and including \$20,000,000.00 under the 259 Mortgage.
- (k) On July 4, 2018, a Notice of Amending Agreement was registered as Instrument No. YR2845658 (the “**Third Amendment**”) which recited that the 259 Mortgage as registered and amended by the First Amendment and the Second Amendment secured only the principal sum of \$10,099,960.00 and purported to amend the 259 Mortgage by advancing another \$3,000,000.00.
- (l) Also on July 4, 2018, a Postponement of the Zhou Mortgage in favour of the 259 Mortgage as amended by the First Amendment, the Second Amendment and the Third Amendment, was registered as Instrument No. YR2845660. However, this Postponement was only signed by Yi Zhou and not the other parties whom had received a percentage interest in the Zhou Mortgage by reason of the aforesaid Transfers of Charge. This Postponement acknowledges the priority of all prior and subsequent advances up to and including \$20,000,000.00 under the 259 Mortgage.

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- (m) On August 17, 2018, a Notice of Amending Agreement was registered as Instrument No. YR2862636 (the “**Fourth Amendment**”) which recited that the 259 Mortgage as registered and amended by the First Amendment and the Second Amendment secured only the principal sum of \$13,099,960.00 and purported to amend the 259 Mortgage by advancing another \$2,000,000.00.
- (n) Also on July 4, 2018, a Postponement of the Zhou Mortgage in favour of the 259 Mortgage as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment, was registered as Instrument No. YR2862628. However, this Postponement was only signed by Yi Zhou and not the other parties whom had received a percentage interest in the Zhou Mortgage by reason of the aforesaid Transfers of Charge. This Postponement acknowledges the priority of all prior and subsequent advances up to and including \$20,000,000.00 under the 259 Mortgage.
- (o) Subsequent to the registration of the Fourth Amendment, on September 7, 2018, an additional percentage interest in the Zhou mortgage had been transferred a Transfer of Charge registered as Instrument No. YR2870816 in favour of Guifang Wang:
- (p) As a result of the various Transfers of Charge noted above, the parcel register indicates that the Zhou Mortgage is now held by Yi Zhou, Jin Feng Zheng, Xiang Hong Zheng, Community Trust Company, Bai (Bild Alternative Investment) Corporation, Dong Hui Wang and Guifang Wang
- (q) By a series of Transfers of Charge registered as Instrument No. YR2798639, YR2811423, YR2845659 and YR2862637, percentage interests in the 259 Mortgage were transferred so that the 259 Mortgage is now held by 2592898 Ontario Inc., 2620094 Ontario Inc., 2627235 Ontario Inc., 2638796 Ontario Inc. and 2646429 Ontario Inc.

C. OPINIONS

Based solely on the foregoing, and subject to the limitations and qualifications as set out in this letter, we are of the opinion that the Security Interests created by the Security constitute legal, valid and binding obligations of OKDI in favour of the Secured Party, enforceable by the Secured Party in accordance with its terms.

However, due to the fact that the aforesaid Postponements of the Zhou Mortgage in favour of the 259 Mortgage, as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment, were only signed by Yi Zhou and not all of the parties who appear to have a registered percentage interest in the Zhou Mortgage we are not able to render an opinion as to the relative priority of the 259 Mortgage in relation to the Zhou Mortgage.

D. LIMITATIONS AND QUALIFICATIONS OF OPINION

The foregoing opinions are subject to the following limitations, qualifications, reservations and assumptions:

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1. the foregoing opinions are confined to statements of fact or matters set forth herein as existing as of the date of this opinion letter;
2. in examining and reviewing the Security, and to the extent applicable, we have assumed the genuineness of the signatures and the conformity to the original of the document submitted to us as a photocopy or electronic copy and that all documents were fully completed prior to signature. To the extent that any of the Security does not require signatures, we assume that the electronic registration of such documents against title to the Real Property was effected in accordance with the instructions and to the knowledge of each of the parties affected by each such registration;
3. we have relied upon certificates of public officers as to matters of fact not stated herein to have been assumed or independently verified or established by us;
4. we have assumed the completeness, accuracy and currency of the indexes and filing systems maintained at the public offices where we have searched or enquired or have caused such searches or enquiries to be conducted and that the results of our searches and enquiries continue to be complete, accurate and current as of the date hereof;
5. we have not been provided with the Minute Book, Records, or By-laws of OKDI nor any documentation with respect thereto. Accordingly, we have assumed that OKDI was a corporation duly incorporated and organized and valid and subsisting under the laws of the Province of Ontario at the time that the Security was executed and that OKDI had all necessary corporate power and authority to execute and deliver the Security;
6. we have assumed that the Security was executed and delivered in accordance with corporate authorizations current at the time of execution of same and the execution and delivery of the Security on behalf of OKDI was authorized by all necessary resolutions and other corporate actions;
7. we have assumed that the Security was executed on the dates indicated therein;
8. we have assumed that monies or other valuable consideration was advanced or given by the Secured Party to OKDI and that monies are, in fact, still owing by OKDI to the Secured Party with respect to such advances;
9. we have assumed that the Security Interests were intended by OKDI and the Secured Party to attach and have attached in accordance with the provisions of the PPSA;
10. we have assumed that the Security was unconditionally delivered by OKDI to the Secured Party;
11. we have assumed that the Security has not been assigned, released, discharged or otherwise impaired, either in whole or in part;

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12. we have assumed that any financing statements and financing change statements registered respecting the Security were completed in compliance with the PPSA and the Regulations with respect thereto and copies thereof were delivered to OKDI in accordance with the provisions of the PPSA;
13. we express no opinion as to the right, title or interest of OKDI in any real or personal property including the Real Property;
14. we have assumed that OKDI does not have a legal defence for, without limitation, absence of legal capacity, fraud by or to the knowledge of the Secured Party, misrepresentation, undue influence or duress;
15. to the extent that the *Bankruptcy and Insolvency Act* (Canada) (“BIA”) applies to the Security, and notwithstanding any other federal and/or provincial law, the rights of unpaid suppliers and their interest in certain goods supplied by them to a person prior to bankruptcy may rank ahead of the Security Interests in the goods supplied;
16. the binding effect and the enforceability of the Security Interests or any judgment arising out of or in connection therewith (and the priority of any rights arising thereunder) may be limited by any applicable bankruptcy, re-organization, winding up, insolvency, moratorium or other laws of general application affecting the enforcement of creditors’ rights generally (including, without limitation, the *Assignments and Preferences Act* (Ontario), the *Fraudulent Conveyances Act* (Ontario) and the BIA), and is subject to general principles of equity, including the equitable or statutory powers of the Courts of Ontario and Canada to stay proceedings before them, to stay the execution of judgments and to grant relief against forfeiture;
17. no opinion is expressed with respect to the priority of the Security Interests as against any other security interests granted by OKDI to other secured parties (including, without limitation, purchase money security interests), liens (including, without limitation, construction liens and any holdbacks required to be maintained pursuant to the *Construction Lien Act* (Ontario)) or trust claims of any other creditors of OKDI and, in particular, to the existence or priority of any interest not registered or not required to be registered under any applicable legislation, whether or not referred to herein (e.g. Crown claims);
18. we express no opinion as to zoning, nor as to any title defects, irregularities, easements, encroachments, rights of way and the like as would be revealed by an up-to-date plan of survey of the Real Property;
19. title of OKDI to the Real Property is subject to, among other things:
 - (a) all reservations, limitations, provisos and conditions expressed in any original grant from the Crown;

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- (b) any rights of expropriation, access or use, or any other similar right, conferred to or reserved by any statute of Canada or Ontario;
 - (c) the right of any person to possession of any part of the Real Property;
 - (d) any statutory liens or levies;
 - (e) any governmental, provincial or municipal by-laws, laws, regulations or ordinances;
 - (f) any undetermined or inchoate liens and charges incidental to current construction or current operations which have not been filed or registered in accordance with applicable law or of which written notice has not at the time been duly given in accordance with applicable law or which relate to obligations not yet due or delinquent;
 - (g) any unregistered easements, rights of way or other unregistered interests or claims not disclosed by registered title; and
 - (h) any unregistered leases of the Real Property which do not require registration;
20. the enforceability of the Zhou Mortgage may be subject to the terms of any instruments or encumbrances registered on title to the Real Property in priority to the Zhou Mortgage;
21. no opinion is expressed as to whether a security interest was created in the following property:
- (a) property consisting of a receivable, license, approval, privilege, franchise, permit, lease or agreement to the extent that the terms of such property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given;
 - (b) permits, quotas or licenses which are held by or issued to OKDI; and
 - (c) federal crown debts.
22. no opinion is expressed regarding any provision in the Security which purports to relieve a person from a liability or duty otherwise owed or to require compliance regardless of law;
23. no opinion is expressed as to the effect of those provisions of the Security which purport to allow the severance of invalid, illegal or unenforceable provisions or restricting their effect;

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24. enforcement of the rights to indemnity, contribution and waiver of contribution may be limited or voided by applicable law and may not be ordered by a court on grounds of public policy;
25. the enforceability of the Security is subject to the *Limitations Act, 2002* (Ontario), and we express no opinion as to whether a court may find that any provision of the Security will be unenforceable as an attempt to vary or exclude a limitation period under that statute;
26. we express no opinion as to the enforceability of any provision of the Security:
 - (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of the Company;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Secured Party, its agents or any receiver or receiver - manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve wilful misconduct; or
 - (c) which states that amendments or waivers of or with respect to the Security that are not in writing will not be effective;
27. to the extent that the Security purports to extend the benefit thereof to persons who are not parties to the Security, those persons may be unable to enforce that benefit;
28. we have made no searches under various applicable statutes, including the *Copyright Act* (Canada), the *Patent Act* (Canada) and the *Trade-marks Act* (Canada), to confirm whether the Secured Party has made registrations that may be necessary to perfect its security interests, if any, in intellectual property of OKDI;
29. we are qualified to practice law in the Province of Ontario only and, accordingly, express no opinion herein as to the laws of any jurisdiction other than the Province of Ontario and the laws of Canada applicable herein.

With respect to our assumptions referred to above, we would suggest that, at the very least, you: (i) satisfy yourself that all monies or other valuable consideration referred to in paragraph 8 above were actually advanced or given by the Secured Party to OKDI; and (ii) satisfy yourself that OKDI is still indebted to the Secured Party and the amount of such indebtedness.

E. MISCELLANEOUS

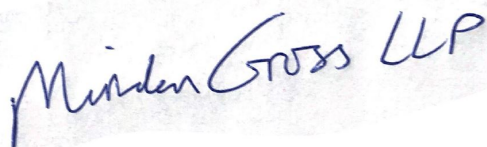
The opinions expressed herein are provided solely for the benefit of Pollard & Associates Inc., in its capacity as court-appointed receiver and manager of the assets, properties and undertakings of OKDI and may not be used or relied upon by any other person in connection with this or any other matter.

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We appreciate the opportunity to be of service to you with respect to this matter and would be pleased to answer any questions or address any concerns which you may have in relation thereto.

Yours truly,

MINDEN GROSS LLP

A handwritten signature in blue ink that reads "Minden Gross LLP". The signature is written in a cursive, slightly slanted style and is placed on a light-colored, textured rectangular background.

SCHEDULE "A"
Corporate Search Summary

Corporate Profile Report (as of March 6, 2020)	Corporate Name:	186 Old Kennedy Development Inc.
	Former Corporate Name:	N/A
	Current Business Name(s):	N/A
	Expired Business Name(s):	N/A
	Jurisdiction:	Ontario
	Date of Incorporation:	December 3, 2015
	Corporate Status:	Active
	Directors:	Yuan Hua Wang
	Officers:	Yuan Hua Wang (President, Secretary, Treasurer)
	Registered Office Address:	7100 Woodbine Avenue, Suite 206 Markham, ON L3R 5J2
Mailing Address:	Same as Registered Office Address	
Bankruptcy/Insolvency Searches	As of March 9, 2020	
	Case Number: CV190062741000CL Krushnik Investments Limited et al v. 186 Old Kennedy Development Inc. et al (Case Opened Date: September 16, 2019)	
Bank Act Search (s.427)	Clear (as of March 6, 2020)	
Federal Court of Canada – Tax Liens	Clear (as of March 6, 2020)	
Sheriff Execution Search	Clear (as of March 6, 2020)	
PPSA	See Attached	

SCHEDULE "B"
Parcel Register dated May 19, 2020

See attached 12 pages

#4342132 v4 | 4115677



Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #65

PAGE 1 OF 6
PREPARED FOR smsstober1
ON 2020/05/19 AT 13:50:44

02953-0027 (LT)

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

PROPERTY DESCRIPTION: PT E1/2 LT 2 CON 5 MARKHAM AS IN MA91925 EXCEPT PT 10 EXPROP PL MA66625; T/W MA91925; S/T MA91925; CITY OF MARKHAM

PROPERTY REMARKS:
ESTATE/QUALIFIER: RECENTLY:
FEE SIMPLE RE-ENTRY FROM 02953-0095
LT CONVERSION QUALIFIED CAPACITY SHARE
OWNERS' NAMES ROWN
186 OLD KENNEDY DEVELOPMENT INC.

PIN CREATION DATE:
1999/09/24

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/01/27 ON THIS PIN				
WAS REPLACED WITH THE	"PIN CREATION DATE" OF 1999/09/24					
** PRINTOUT	INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **					
**SUBJECT,	ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:					
**	SUBSECTION 44 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *					
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES: 1999/09/27 **					
MA91925	TRANSFER			*** DELETED AGAINST THIS PROPERTY ***	KRASHNIK INVESTMENTS LIMITED	
R650335	1994/11/15 AGREEMENT				THE CORPORATION OF THE TOWN OF MARKHAM	C
65R30487	2007/12/11 PLAN REFERENCE					C
YR2172771	2014/08/18 APL COURT ORDER					
YR2265407	2015/03/11 APL AMEND ORDER			*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	8180792 CANADA INC.	
	REMARKS: DELETING YR2172771			*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	8180792 CANADA INC.	
YR2502470	2016/07/07 TRANSFER		\$22,080,000	KRASHNIK INVESTMENTS LIMITED	186 OLD KENNEDY DEVELOPMENT INC.	C
	REMARKS: PLANNING ACT STATEMENTS.					

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



02953-0027 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2502472	2016/07/07	CHARGE	\$30,000,000	186 OLD KENNEDY DEVELOPMENT INC.	KRASHNIK INVESTMENTS LIMITED GABEL INVESTMENTS LIMITED	C
YR2519667	2016/08/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	YU, KUANNING WU, NAI XI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO	
YR2519679	2016/08/05	CHARGE	\$10,000,000	186 OLD KENNEDY DEVELOPMENT INC.	ZHOU, YI	C
YR2610952	2017/01/17	TRANSFER OF CHARGE		ZHOU, YI	ZHENG, JIN FENG ZHENG, XIANG HONG	C
YR2634744	2017/03/06	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
YR2652437	2017/04/11	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
YR2677044	2017/05/31	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
YR2681040	2017/06/07	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
YR2696594	2017/07/05	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2721004	2017/08/22	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C

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



02953-0027 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2739089	2017/09/29	CHARGE	\$20,000,000	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2739090	2017/09/29	POSTPONEMENT		COMMUNITY TRUST COMPANY ZHOU, YI ZHENG, JIN FENG ZHENG, XIANG HONG	2592898 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2739089				
YR2739091	2017/09/29	NO ASSGN RENT GEN		186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
		REMARKS: YR2739089				
YR2739213	2017/09/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** YU, KUANMING WU, NAI XI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO		
		REMARKS: YR2519667.				
YR2748892	2017/10/23	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2757175	2017/11/09	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2767494	2017/11/30	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2776725	2017/12/21	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679. YR2519679				

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02953-0027 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2786487	2018/01/22	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
	REMARKS: YR2519679.					
YR2789240	2018/01/29	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
	REMARKS: YR2519679.					
YR2791970	2018/02/02	TRANSFER OF CHARGE		ZHOU, YI	BAI (BILL ALTERNATIVE INVESTMENT) CORPORATION	C
	REMARKS: YR2519679.					
YR2798638	2018/02/23	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
	REMARKS: AMENDING CHARGE YR2739089					
YR2798639	2018/02/23	TRANSFER OF CHARGE		2592898 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
	REMARKS: YR2739089.					
YR2798640	2018/02/23	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
	REMARKS: YR2519679 TO YR2798638					
YR2801248	2018/03/01	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
	REMARKS: YR2519679.					
YR2804762	2018/03/13	TRANSFER OF CHARGE		ZHOU, YI	WANG, DONG HUI	C
	REMARKS: YR2519679.					
YR2805097	2018/03/14	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
	REMARKS: YR2519679.					
YR2811422	2018/04/03	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
	REMARKS: YR2739089					
YR2811423	2018/04/03	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
	REMARKS: YR2739089.					
YR2811424	2018/04/03	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
	REMARKS: YR2739089.					

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2845658	2018/07/04	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
YR2845659	2018/07/04	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2845660	2018/07/04	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2862636	2018/08/17	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2862637	2018/08/17	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2862638	2018/08/17	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2870816	2018/09/07	TRANSFER OF CHARGE		ZHOU, YI	WANG, GUIFANG	C
YR2870891	2018/09/07	CHARGE	\$150,000	186 OLD KENNEDY DEVELOPMENT INC.	SANTISO, MATTHEW FRANKLIN	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2893752	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 4550 STEELES DEVELOPMENT INC. 22 OLD KENNEDY DEVELOPMENT INC. 35 THELMA DEVELOPMENT INC. 186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 19 TURFF DEVELOPMENT INC.	KSV KOFMAN INC.	
YR2894131	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	GOLDMAN SLOAN NASH AND HABER LLP	
YR2942700	2019/03/26	DISCH OF CHARGE		*** COMPLETELY DELETED *** KSV KOFMAN INC.		
YR2943017	2019/03/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** GOLDMAN SLOAN NASH AND HABER LLP		
YR3054277	2020/01/09	CHARGE	\$500,000	186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 4 DON HILLOCK DEVELOPMENT INC.	GR MORTGAGE HOLDINGS INC.	C

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

PROPERTY DESCRIPTION: PT E1/2 LT 2 CON 5 MARKHAM AS IN MA97577; T/W MA97577; S/T MA97577 ; MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

OWNERS' NAMES
186 OLD KENNEDY DEVELOPMENT INC.

PIN CREATION DATE:
1999/09/24

RECENTLY:
RE-ENTRY FROM 02953-0096

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/01/27 ON THIS PIN				
WAS REPLACED WITH THE	"PIN CREATION DATE" OF 1999/09/24					
** PRINTOUT	INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **					
**SUBJECT,	ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:					
**	SUBSECTION 44 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *					
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES: 1999/09/27 **					
MA97577	1977/03/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	GABEL INVESTMENTS LIMITED	C
65R30487	2007/12/11	PLAN REFERENCE				C
YR2502471	2016/07/07	TRANSFER	\$9,920,000	GABEL INVESTMENTS LIMITED	186 OLD KENNEDY DEVELOPMENT INC.	C
		REMARKS: PLANNING ACT STATEMENTS.				
YR2502472	2016/07/07	CHARGE	\$30,000,000	186 OLD KENNEDY DEVELOPMENT INC.	KRASHNIK INVESTMENTS LIMITED GABEL INVESTMENTS LIMITED	C
YR2519667	2016/08/05	CHARGE		*** COMPLETELY DELETED *** 186 OLD KENNEDY DEVELOPMENT INC.	YU, KUANNING WU, NAI XI XU, YONGRUI YU, CHUNYAN	C

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02953-0028 (LT)

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2519679	2016/08/05	CHARGE	\$10,000,000	186 OLD KENNEDY DEVELOPMENT INC.	AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO	C
YR2610952	2017/01/17	TRANSFER OF CHARGE		ZHOU, YI	ZHENG, JIN FENG ZHENG, XIANG HONG	C
		REMARKS: YR2519679.				
YR2634744	2017/03/06	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2652437	2017/04/11	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2677044	2017/05/31	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2681040	2017/06/07	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2696594	2017/07/05	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
		REMARKS: YR2519679.				
YR2721004	2017/08/22	TRANSFER OF CHARGE		ZHOU, YI	ZHOU, YI	C
		REMARKS: YR2519679.				
YR2739089	2017/09/29	CHARGE	\$20,000,000	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2739090	2017/09/29	POSTPONEMENT		COMMUNITY TRUST COMPANY ZHOU, YI ZHENG, JIN FENG ZHENG, XIANG HONG	2592898 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2739089				

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2739091	2017/09/29 REMARKS: YR2739089	NO ASSGN RENT GEN		186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
YR2739213	2017/09/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** YU, KUANMING WU, NAI XI XU, YONGRUI YU, CHUNYAN AI, YINGGUO YANG, XIU LING KWAN, HOK SUM LONG, HAI MING HEI, XIAOHAN MATHEW, STEPHEN ZHANG, JIN DI QIN, KEN HAN, TAO		
YR2748892	2017/10/23 REMARKS: YR2519667.	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2757175	2017/11/09 REMARKS: YR2519679.	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2767494	2017/11/30 REMARKS: YR2519679.	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2776725	2017/12/21 REMARKS: YR2519679.	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2786487	2018/01/22 REMARKS: YR2519679.	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2789240	2018/01/29 REMARKS: YR2519679.	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	COMMUNITY TRUST COMPANY ZHOU, YI	C
YR2791970	2018/02/02	TRANSFER OF CHARGE		COMMUNITY TRUST COMPANY ZHOU, YI	BAI (BILL ALTERNATIVE INVESTMENT) CORPORATION	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2798638	2018/02/23	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC.	C
		REMARKS: AMENDING CHARGE YR2739089				
YR2798639	2018/02/23	TRANSFER OF CHARGE		2592898 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2739089.				
YR2798640	2018/02/23	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2798638				
YR2801248	2018/03/01	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2804762	2018/03/13	TRANSFER OF CHARGE		ZHOU, YI	WANG, DONG HUI	C
		REMARKS: YR2519679.				
YR2805097	2018/03/14	TRANSFER OF CHARGE		ZHOU, YI	COMMUNITY TRUST COMPANY	C
		REMARKS: YR2519679.				
YR2811422	2018/04/03	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC.	C
		REMARKS: YR2739089				
YR2811423	2018/04/03	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
		REMARKS: YR2739089.				
YR2811424	2018/04/03	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2798638				
YR2845658	2018/07/04	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C
		REMARKS: YR2519679 TO YR2798638				
YR2845659	2018/07/04	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC.	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2845660	2018/07/04	POSTPONEMENT		ZHOU, YI	2638796 ONTARIO INC.	C
YR2862636	2018/08/17	NOTICE	\$2	186 OLD KENNEDY DEVELOPMENT INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	C
YR2862637	2018/08/17	TRANSFER OF CHARGE		2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC.	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2862638	2018/08/17	POSTPONEMENT		ZHOU, YI	2592898 ONTARIO INC. 2620094 ONTARIO INC. 2627235 ONTARIO INC. 2638796 ONTARIO INC. 2646429 ONTARIO INC.	C
YR2870816	2018/09/07	TRANSFER OF CHARGE		ZHOU, YI	WANG, GUIFANG	C
YR2870891	2018/09/07	CHARGE	\$150,000	186 OLD KENNEDY DEVELOPMENT INC.	SANTISO, MATTHEW FRANKLIN	C
YR2893752	2018/11/05	CHARGE		*** COMPLETELY DELETED *** 4550 STEELES DEVELOPMENT INC. 22 OLD KENNEDY DEVELOPMENT INC. 35 THELMA DEVELOPMENT INC. 186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 19 TUREFF DEVELOPMENT INC.	KSV KOFFMAN INC.	C
YR2894131	2018/11/05	CHARGE		*** COMPLETELY DELETED ***		

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2942700	2019/03/26	DISCH OF CHARGE		186 OLD KENNEDY DEVELOPMENT INC.	GOLDMAN SLOAN NASH AND HABER LLP	
				*** COMPLETELY DELETED *** KSV KOFMAN INC.		
YR2943017	2019/03/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** GOLDMAN SLOAN NASH AND HABER LLP		
				*** COMPLETELY DELETED *** GOLDMAN SLOAN NASH AND HABER LLP		
YR3054277	2020/01/09	CHARGE	\$500,000	186 OLD KENNEDY DEVELOPMENT INC. 31 VICTORY DEVELOPMENT INC. 4 DON HILLOCK DEVELOPMENT INC.	GR MORTGAGE HOLDINGS INC.	C

Licensed Insolvency Trustee
Financial Restructuring Services
31 Wright Street
Richmond Hill Ontario, L4C 4A2
Tel: (905) 884-8191, Fax (905) 884-4310
Email: akpollard@pollardandassoc.ca

District of: Ontario
Division No: 09 - Toronto
Court No: 31-2658687
Estate No: 31-2658687

Form 68**Notice of Bankruptcy, First Meeting of Creditors**
(Subsection 102(1) of the Act)

In the Matter of Bankruptcy of 186 Old Kennedy Development Inc.
Of the City of Markham, in the Province of Ontario

Take notice that:

1. 186 Old Kennedy Development Inc., filed an assignment on the 17th day of July, 2020 and the undersigned, Pollard & Associates Inc., was appointed as Trustee of the estate of the bankrupt by the official receiver, subject to affirmation by the creditors of the Trustee's appointment or substitution of another trustee by the creditors.

2. The first meeting of creditors of the bankrupt will be held on the 4th day of August, 2020, at 11:30 o'clock a.m., at the office of Pollard & Associates Inc., via Zoom:

Join Zoom Meeting

<https://us02web.zoom.us/j/82800603971?pwd=bVc2Q0RoblNLRtFDMmpQY00yTUtjZz09>

Meeting ID: 828 0060 3971

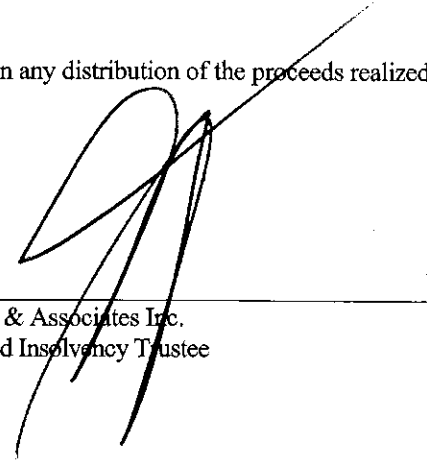
Password: 902260

3. To be entitled to vote at the meeting, a creditor must file with the trustee, before the meeting, a proof of claim, and where necessary, a proxy.

4. Enclosed with this notice are a form of proof of claim form, proxy form and a list of creditors with claims amounting to \$25 or more showing their claims.

5. Creditors must prove their claims against the estate of the bankrupt to share in any distribution of the proceeds realized from the estate.

Dated at the City of Richmond Hill, this 20th day of July, 2020



Pollard & Associates Inc.
Licensed Insolvency Trustee

District of: Ontario
 Division No: 09 - Toronto
 Court No: 31-2658687
 Estate No: 31-2658687

Proxy
 (Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3) of the Act)

In the Matter of Bankruptcy of 186 Old Kennedy Development Inc.
 Of the City of Markham, in the Province of Ontario

In the matter of the Bankruptcy/Proposal/Receivership of 186 Old Kennedy Development Inc., (Debtor)

I, (name of creditor),
 of (City), in
(Province) a creditor in the above matter, hereby appoint
(Name of Proxy), of
, to be my proxyholder in the above matter, except
 as to the receipt of dividends with/without power to appoint another general proxyholder in his /her place

Dated at(City), in the Province of....., this
 (day) of(Month),.....(Year).

 Individual Creditor

 Witness

 Name of Corporate Creditor

 Witness

Per _____
 Name and Title of Signing Officer

General Proxy Information

The Bankruptcy and Insolvency Act permits a Proof of Claim to be made by a duly authorized agent of a creditor; however, this does not give such a person power to vote at the First Meeting of Creditors or to act as the proxy of the creditors.

GENERAL

- A creditor may vote either in person or by proxy.
- The Trustee may be appointed as a proxy for any creditor.
- A Corporation may vote an authorized agent at a meeting of creditors.
- Debtors may not be appointed a proxy to vote at any meeting of their creditors.
- In order for a duly authorized person to have a right to vote, they must be a creditor themselves or be the holder of a properly executed proxy, showing the name of the creditor.

FORM 31

Proof of Claim

(Section 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1) and paragraphs 51(1)(e) and 66.14(b) of the Act)

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

In the matter of the bankruptcy (or the proposal, or the receivership) of 186 Old Kennedy Development Inc., of the City of Markham, in the Province of Ontario and the claim of creditor.

I, (name of creditor or representative of the creditor), of (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am (state position or title) of (name of creditor or representative of the creditor)).

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

3. That the debtor was, at the date of bankruptcy (or the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, if no notice of intention was filed), namely the 17th day of July, 2020, and still is, indebted to the creditor in the sum of \$....., as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

() A. UNSECURED CLAIM OF \$.....

(other than a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description.)

() Regarding the amount of \$....., I claim a right to a priority under section 136 of the Act.

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

(Set out on an attached sheet details to support priority claim.)

() B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$.....

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based)

() C. SECURED CLAIM OF \$.....

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

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

() D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$.....

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$..... (Attach a copy of sales agreement and delivery receipts.)

() E. CLAIM BY WAGE EARNER OF \$.....

() That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$.....

() That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$.....

() F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____

() That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____

() That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

() G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based)

() H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act and (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (provide details of payments, credits and transfers at undervalue)

7. *(Applicable only in the case of the bankruptcy of an individual.)*

() Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

() I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____

.....
Witness

.....
Creditor

Telephone No.: _____

Fax No.: _____

Email address: _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

If a copy of this Form is sent electronically by means such as email, the name and contact information of the sender, prescribed in For 1.1, must be added to the end of the document.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of accounts.

31 Wright Street, Richmond Hill, Ontario, L4C 4A2
TEL: (905) 884-8191 FAX: (905) 884-4310

District of:
 Division No:
 Court No:
 Estate No:

FORM 78

Statement of Affairs (Business Bankruptcy)

(Subsection 49(2) and Paragraph 158(d) of the Act)

In the matter of the Bankruptcy of 186 Old Kennedy Development Inc.
 of the City of Markham, in the Province of Ontario

Original

Amended

To the Bankrupt:

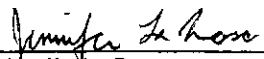
You are required to carefully and accurately complete this Form and the applicable attachments, showing the state of your affairs on the date of your bankruptcy, on the 16th day of July, 2020. When completed, this Form and the applicable attached lists will constitute your Statement of Affairs and must be verified by oath or solemn declaration.

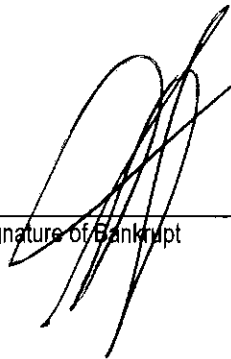
LIABILITIES (As stated and estimated by Bankrupt)		
1.	Unsecured creditors as per list "A"	\$1,036,002.00
2.	Secured creditors as per list "B"	\$52,283,162.20
3.	Preferred creditors as per list "C"	\$0.00
4.	Contingent, trust claims or other liabilities as per list "D"	\$0.00
	estimated to be reclaimable for	\$0.00
Total Liabilities		\$53,319,164.20
Surplus		\$0.00

ASSETS (As stated and estimated by Bankrupt)		
1.	Inventory	\$0.00
2.	Trade fixtures, etc	\$0.00
3.	Accounts receivable and other receivables, as per List "E"	
	Good	\$0.00
	Doubtful	\$0.00
	Bad	\$0.00
	Estimated to produce	\$0.00
4.	Bills of exchange, promissory note, etc., as per List "F"	\$0.00
5.	Deposits in Financial Institutions	\$0.00
6.	Cash	\$0.00
7.	Livestock	\$0.00
8.	Machinery, equipment and plant	\$0.00
9.	Real property or immovable as per List "G"	\$52,000,000.00
10.	Furniture	\$0.00
11.	RRSPs, RRIFs, Life insurance, etc.	\$0.00
12.	Securities (Shares, Bonds, Debentures, etc.)	\$0.00
13.	Interests under wills	\$0.00
14.	Vehicles	\$0.00
15.	Other property, as per List "H"	\$0.00
<i>If Bankrupt is a corporation, add:</i>		
	Amount of subscribed capital	
	Amount paid on capital	
	Balance subscribed and unpaid	
	Estimated to produce	
Total Assets		\$52,000,000.00
Deficiency		\$1,319,164.20

I, Angela K. Pollard, President of Pollard & Associates Inc., the Court Appointed Receiver, of 186 Old Kennedy Development Inc. of the City of Markham in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge a full, true and complete statement of its affairs on the 16th day of July, 2020 and fully disclose all property of every description that is in its possession or that may devolve on it in accordance with the Act.

SWORN (or SOLEMNLY DECLARED) before me at Richmond Hill in the Province of Ontario, on this 16th day of July, 2020


 Jennifer La Rosa
 Commissioner of Oaths
 for the Province of



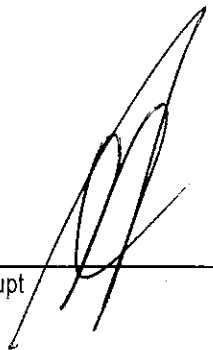
 Signature of Bankrupt

**JENNIFER MARIE LA ROSA, A COMMISSIONER, ETC.,
 PROVINCE OF ONTARIO,
 FOR POLLARD & ASSOCIATES INC.
 EXPIRES AUGUST 28, 2021.**

List "A"
Unsecured Creditors
186 Old Kennedy Development Inc.

No	Name of Creditor	Address	Amount of Claim
1	Canada Revenue Agency - Insolvency Intake Centre	4695 Shawinigan Sud Blvd, Shawinigan, Quebec, Canada, G9P 5H9	\$1.00
2	Canada Revenue Agency - Insolvency Intake Centre	4695 Shawinigan Sud Blvd, Shawinigan, Quebec, Canada, G9P 5H9	\$1.00
3	Liu, Rick	c/o Robins Appleby LLP 120 Adelaide Street West, Suite 2600, Toronto, Ontario, Canada, M5H 1T1	\$1,036,000.00
Total:			\$1,036,002.00

Bankrupt



16th day of July, 2020
Date

List "B"
Secured Creditors

186 Old Kennedy Development Inc.

No	Name and Address of Creditor Nature of Claim Particulars of Security	When Given	Amount of Claim	Estimated Value of Security	Estimated Surplus from Security	Balance of Claims Unsecured
1	2592898 Ontario Inc.; 2620094 Ontario Inc.; 26277235 Ontario Inc.; 2638796 Ontario Inc.; 2646429 Ontario Inc. c/o Roblins Appleby LLP 120 Adelaide Street West, Suite 2600 Toronto, Ontario, M5H 1T1 RP - Land & Building at 51 Victory Avenue & 186 Old Kennedy Road, Markham	14 Jul 2020	\$17,500,000.00	\$17,500,000.00	\$0.00	\$0.00
2	City of Markham 101 Town Centre Boulevard Markham, Ontario, L3R 9W3 RP - Land & Building at 51 Victory Avenue & 186 Old Kennedy Road, Markham	14 Jul 2020	\$633,162.20	\$633,162.20	\$0.00	\$0.00
3	GR Mortgage Holdings Inc. Bay Adelaide Centre, East Tower 22 Adelaide Street West, Suite 3300 Toronto, Ontario, M5H 4E3 RP - Land & Building at 51 Victory Avenue & 186 Old Kennedy Road, Markham	14 Jul 2020	\$500,000.00	\$216,837.80	\$0.00	\$283,162.20
4	Krashnik Investments Limited & Gable Investments Limited c/o Devry Smith Frank LLP 95 Barber Greene Road, Suite 100 Toronto, Ontario, M3C 3E9 RP - Land & Building at 51 Victory Avenue & 186 Old Kennedy Road, Markham	14 Jul 2020	\$24,800,000.00	\$24,800,000.00	\$0.00	\$0.00
5	Santiso, Matthew Franklin 41 Bendamere Crescent Markham, Ontario, L3P 6Y1 RP - Land & Building at 51 Victory Avenue & 186 Old Kennedy Road, Markham	14 Jul 2020	\$150,000.00	\$150,000.00	\$0.00	\$0.00
6	Zhou, Yi c/o Laishley Reed LLP 3 Church Street, Suite 505 Toronto, Ontario, M5E 1M2 RP - Land & Building at 51 Victory Avenue & 186 Old Kennedy Road, Markham	14 Jul 2020	\$8,700,000.00	\$8,700,000.00	\$0.00	\$0.00
Totals			\$52,283,162.20	\$52,000,000.00	\$0.00	\$283,162.20

Bankrupt

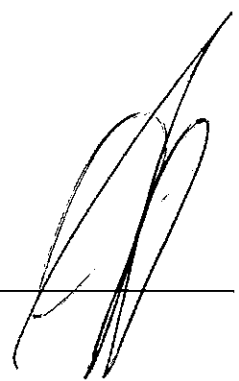
16th day of July, 2020

Date

List "C"
Preferred Creditors for Wages, Rent, etc.
186 Old Kennedy Development Inc.

No	Name of Creditor Address Occupation	Nature of Claim	Period During Which Claim Occured	Amount of Claim	Amount Payable in Full	Difference Ranking for Dividend
Totals:						

Bankrupt

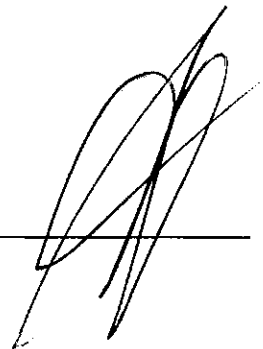


16th day of July, 2020
Date

List "D"
Contingent or Other Liabilities
186 Old Kennedy Development Inc.

No	Name of Creditor or Claimant, Address and Occupation	Amount of Liability or Claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:					

Bankrupt

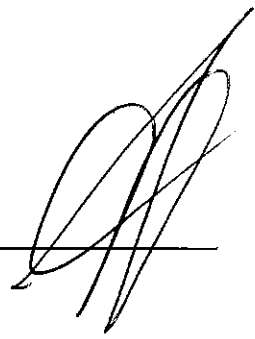


16th day of July, 2020
Date

List "E"
Debts Due to the Bankrupt
186 Old Kennedy Development Inc.

No	Name of Debtor Address Occupation	Nature of Debt Particulars of Security Folio Ledger for Particulars	Debt Good Doubtful Bad	When contracted	Estimated to produce
Total:					

Bankrupt




16th day of July, 2020
Date

Bills of Exchange, Promissory Notes, Lien Notes, Chattel Mortgages, etc., Available as Assets

186 Old Kennedy Development Inc.

No	Name of all promissory, acceptors, endorsers, mortgagors and guarantors, Address and Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particular of any property held as security for payment of bill or note, etc.
Total:					

Bankrupt



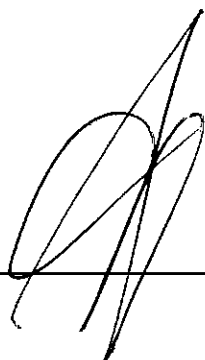
16th day of July, 2020
Date

Real Property or Immovable Owned by Bankrupt

186 Old Kennedy Development Inc.

No	Description of property, Nature of Bankrupt's interest, In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances		Equity or surplus
			Name, Address	Amount	
1	Land & Building at 51 Victory Avenue & 186 Old Kennedy Road, Markham	\$52,000,000.00			\$0.00
			City of Markham 101 Town Centre Boulevard Markham, Ontario, L3R 9W3	\$633,162.20	
			Krashnik Investments Limited & Gable Investments Limited c/o Devry Smith Frank LLP 95 Barber Greene Road, Suite 100 Toronto, Ontario, M3C 3E9	\$24,800,000.00	
			2592898 Ontario Inc.; 2620094 Ontario Inc.; 26277235 Ontario Inc.; 2638796 Ontario Inc.; 2646429 Ontario Inc. c/o Robins Appleby LLP 120 Adelaide Street West, Suite 2600 Toronto, Ontario, M5H 1T1	\$17,500,000.00	
			Zhou, Yi c/o Laishley Reed LLP 3 Church Street, Suite 505 Toronto, Ontario, M5E 1M2	\$8,700,000.00	
			Santiso, Matthew Franklin 41 Bendamere Crescent Markham, Ontario, L3P 6Y1	\$150,000.00	
			GR Mortgage Holdings Inc. Bay Adelaide Centre, East Tower 22 Adelaide Street West, Suite 3300 Toronto, Ontario, M5H 4E3	\$216,837.80	
	Total	\$52,000,000.00		\$52,000,000.00	\$0.00

Bankrupt



16th day of July, 2020

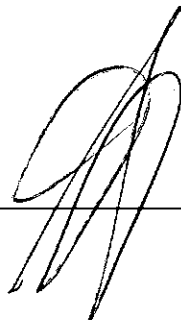
Date

List "H"
Property

186 Old Kennedy Development Inc.

No	Nature of Property	Location and Details of Property	Original Cost	Estimated to Produce
Total:				

Bankrupt



16th day of July, 2020
Date



Statement of Audit Adjustments

186 Old Kennedy Development Inc.

Business Number: 79418 0125 RT0001

Examination for the period: 2019-04-01 to 2019-12-31

Period ending:		Sales & other revenue	Goods and services tax/ harmonized sales tax (GST/HST) (Note 1)	Input tax credits (ITCs) (Note 2)	Net tax
2019-06-30	As filed	\$ 0.00	\$ 0.00	\$ 2,552.02	\$ (2,552.02)
	Adjustments	0.00	0.00	(2,552.02)	2,552.02
	Revised	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
2019-09-30	As filed	\$ 0.00	\$ 0.00	\$ 288.78	\$ (288.78)
	Adjustments	0.00	0.00	(288.78)	288.78
	Revised	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>
2019-12-31	As filed	\$ 0.00	\$ 0.00	\$ 1,810.12	\$ (1,810.12)
	Adjustments	0.00	119,185.84	(1,810.12)	120,995.96
	Revised	<u>\$ 0.00</u>	<u>\$ 119,185.84</u>	<u>\$ 0.00</u>	<u>\$ 119,185.84</u>

Notes:

- We propose to assess tax payable under paragraph 296(1)(b) of the Excise Tax Act. The Minister may assess a purchaser who is insolvent, bankrupt or in receivership for GST/HST not paid to a supplier. We have reviewed the documents provided or available, which listed amounts payable to various suppliers. We have removed amounts where an ITC would not have been claimed and propose to assess tax payable on the remaining amounts where ITCs were claimed, or where it is reasonable to conclude that ITCs were previously claimed. Please see the calculations below for details. For more information, please see Policy Statement P-112R, Assessment of Tax Payable where a Purchaser is Insolvent, which is available on our website at canada.ca/gst-hst-pub.

Secured:	List of creditors (at 2020-07-20)	Unpaid amount	GST/HST at 13/113
N	** Lui, Rick	\$ 1,036,000.00	\$ 119,185.84
Y	2592898 Ontario Inc; 2620094 Ontario Inc; 26277235 Ontario Inc; 2638796 Ontario Inc; and		

	2646429 Ontario Inc.	17,500,000.00	
Y	City of Markham	633,162.20	
Y	GR Mortgage Holdings Inc.	216,837.80	
N	* GR Mortgage Holdings Inc.	283,162.20	
Y	Krashnik Investments Limited; and Gable	24,800,000.00	
Y	Santlso, Matthew Frank	150,000.00	
Y	Zhou, Yi	8,700,000.00	
	Totals	<u>\$ 53,319,162.20</u>	<u>\$ 119,185.84</u>

* Confirmed with the trustee this is a 3rd mortgage.

** Unable to confirm the type of supply.

Please provide documentation if GST/HST was not paid or payable on any amount included in the proposed amount. Additionally please provide the following:

1. A listing of all accounts payable that have been paid after the date of insolvency or the date of bankruptcy.
 2. A listing of all accounts payable that you expect will be paid and the source of funds for those payments.
2. Subsection 169(4) of the Act states that sufficient documentation must be kept in order to claim ITCs. Sufficient documentation would include the date, the vendor's name, the GST/HST number of the vendor, the purchaser's name, the amount of GST/HST and a brief description of the goods or services.

For more information please see GST/HST Memorandum 8.4 Documentary Requirements for Claiming Input Tax Credits, which can be found at canada.ca/gst-hst-pub.

As you have not responded to our request for information to verify your claim, we propose to deny all of the ITCs that you claimed.

<u>Period ending</u>	<u>ITC adjustment</u>
2019-06-30	\$ (2,552.02)
2019-09-30	(288.78)
2019-12-31	(1,810.12)
Total adjustments	<u>\$ (4,650.92)</u>

The ITCs may be allowed on these returns if you provide the listing and supporting documents within 30 days from the date of the proposal letter.

Total adjustment summary

	2019-06-30	\$	2,552.02
<i>Plus</i>	2019-09-30		288.78
<i>Plus</i>	2019-12-31		120,995.96
Total adjustments		\$	<u>123,836.76</u>

SCHEDULE "Q"

	rate	Days	Interest Earned	Advances	Admin, legal Fees	Total
Kennedy Road Mortgage						
Principal balance after March 27 payment		24,000,000.00				
admin fee, missed payments		800.00			800.00	
admin fee, failure to provide evidence of taxes paid		200.00			200.00	
Balance March 27, 2019		<u>24,001,000.00</u>				
Interest from March 27 to March 31,	3%	5	9,863.42			
Interest on interest outstanding	3%	5	4.05			
Balance March 31, 2019		<u>24,010,867.48</u>				
Interest on Principal April 1 to April 30	3%	30	59,204.88			
Interest on interest outstanding	3%	30	145.98			
Balance April 30, 2019		<u>24,070,218.34</u>				
paid May 17, 2019, principal paid		-108,974.07		-108,974.07		
Paid May 17, 2019, principal paid		-11,026.00		-11,026.00		
Interest on Principal from May 1 to May 17	3%	17	33,632.36			
Interest on interest outstanding to May 17	3%	17	46.99			
Balance May 17, 2019		<u>23,983,897.62</u>				
Interest on Principal from May 17 to May 31	3%	14	27,597.91			
Interest on interest outstanding to May 31	3%	14	31.76			
Balance May 31, 2019		<u>24,011,527.29</u>				
legal fees devry, June 10, 212244		4,216.59			4,216.59	
Interest on Principal from June 1 to June 27	3%	27	53,285.86			
Interest on Interest	3%	27	118.25			
Balance June 27, 2019		<u>24,069,147.99</u>				
Interest on Principal from June 27 to July 5	5%	8	26,377.15			
Interest on Interest	5%	8	28.91			
Paid on principal		-60,000.00		-60,000.00		
Balance July 5, 2019		<u>24,035,554.04</u>				
interest July 5 to July 31	5%	25	82,313.54			82,313.54

Interest on interest	5%	28	364.28	364.28	364.28
Balance March 31, 2020			<u>24,861,645.15</u>		0.00
Interest April 1 to April 30	5%	30	102,171.14	102,171.14	102,171.14
Interest on interest	5%	30	419.88	419.88	419.88
Balance April 30, 2020			<u>24,964,236.17</u>		0.00
Legal fees, May 19, 230999			4,803.08	4,803.08	
Interest May 1 to May 31	5%	31	106,012.51	106,012.51	106,012.51
Interest on interest	5%	31	450.19	450.19	450.19
Balance May 31			<u>25,075,501.95</u>		0.00
interest June 1 to June 30	5%	30	103,050.01	103,050.01	103,050.01
Interest on interest	5%	30	423.49	423.49	423.49
Balance June 30			<u>25,178,975.45</u>		0.00
Legal fees, Devry, July 20 233640			4,531.32	4,531.32	
interest July 1 to July 31	5%	31	106,924.42	106,924.42	106,924.42
Interest on interest	5%	31	454.06	454.06	454.06
Balance July 31			<u>25,290,885.25</u>		0.00
Interest August 1 to August 31	5%	31	107,399.65	107,399.65	107,399.65
Interest on interest	5%	31	456.08	456.08	456.08
Balance August 31			<u>25,398,740.98</u>		0.00
Interest September 1 to September 18	5%	18	62,627.03	62,627.03	62,627.03
Interest on interest	5%	18	154.42	154.42	154.42
Balance September 18, 2020			<u>25,461,522.44</u>	1,703,023.83	1,358,764.31
Missed mortgage payments, 15 mths at \$200			3,000.00	3,000.00	
Evidence of taxes pd, 6/27, 12/27, 6/27 at \$200			600.00	600.00	
Devry legal fee estimate to closing			25,000.00	25,000.00	
Balance September 18, 2020			<u>25,490,122.44</u>	117,098.68	
Current per diem rate	5%	1	3,487.88		
	5%	1	0.48		
			3,488.36		

Reconciliation	
Opening balance, after March 27 payment	24,000,000.00
Interest earned from March 27/19	1,703,023.83
repaid principal	-330,000.07
admin fees	4,600.00
Legal fees	96,420.68
professional fees	16,078.00
Balance September 18, 2020	<u><u>25,490,122.44</u></u>

2592898 Ontario Inc., 2592898 Ontario Inc., 2620094 Ontario Inc., 2627235 Ontario Inc., 2638796 Ontario Inc. and 2646429 Ontario Inc

7130 Warden Avenue
 Unit 409, Markham, ON L3R 1S2
 Tel: 905-604-6631
 Fax: 905-604-6632
 Email: xpresscan10@gmail.com

Wednesday, September 09, 2020

RE: Loan of \$20,000,000.00 from 2592898 Ontario Inc., 2620094 Ontario Inc., 2627235 Ontario Inc., 2638796 Ontario Inc. and 2646429 Ontario Inc., to 186 Old Kennedy Development Inc. (the "Loan"), regarding 186 Old Kennedy Road registered as Instrument Nos. YR2739089, PR3211227, YR2798638, PR3287963, YR2811422, YR2845658 and YR2862636

Description	Amount	Running Balance
1st Advance on October 1, 2017	\$5,000,000.00	\$5,000,000.00
2nd Advance on December 1, 2017	\$3,100,000.00	\$8,100,000.00
3rd Advance on April 1, 2018	\$2,000,000.00	\$10,100,000.00
4th Advance on July 1, 2018	\$3,000,000.00	\$13,100,000.00
5th Advance on August 15, 2018	\$600,000.00	\$13,700,000.00

NOTE: all interest payments were made in respect of the advances up to September 30, 2018 except for the 2nd advance as set out below.

Interest at 16% per annum

Interest on 2nd Advance only (3.1M)	1-Sep-18	\$41,333.33	\$13,741,333.33
Interest	1-Oct-18	\$183,217.78	\$13,924,551.11
Interest	1-Nov-18	\$185,660.68	\$14,110,211.79
Interest	1-Dec-18	\$188,136.16	\$14,298,347.95
Interest	1-Jan-19	\$190,644.64	\$14,488,992.59
Interest	1-Feb-19	\$193,186.57	\$14,682,179.16
Interest	1-Mar-19	\$195,762.39	\$14,877,941.55
Interest	1-Apr-19	\$198,372.55	\$15,076,314.10
Interest	1-May-19	\$201,017.52	\$15,277,331.62
Interest	1-Jun-19	\$203,697.75	\$15,481,029.38
Interest	1-Jul-19	\$206,413.73	\$15,687,443.10
Interest	1-Aug-19	\$209,165.91	\$15,896,609.01
Interest	1-Sep-19	\$211,954.79	\$16,108,563.80
Interest	1-Oct-19	\$214,780.85	\$16,323,344.65
Interest	1-Nov-19	\$217,644.60	\$16,540,989.24
Interest	1-Dec-19	\$220,546.52	\$16,761,535.76
Interest	1-Jan-20	\$223,487.14	\$16,985,022.91
Interest	1-Feb-20	\$226,466.97	\$17,211,489.88
Interest	1-Mar-20	\$229,486.53	\$17,440,976.41
Interest	1-Apr-20	\$232,546.35	\$17,673,522.76
Interest	1-May-20	\$235,646.97	\$17,909,169.73
Interest	1-Jun-20	\$238,788.93	\$18,147,958.66
Interest	1-Jul-20	\$241,972.78	\$18,389,931.45
Interest	1-Aug-20	\$245,199.09	\$18,635,130.53

Two-months bonus interest pursuant to the Repayment provision of the commitment and additional provisions of the mortgage

\$496,936.82

Outstanding Forbearance fee

\$25,000.00

Legal fees incurred in respect of the mortgage to September 9, 2020

\$151,510.19

TOTAL DUE as of September 9, 2020

\$19,308,577.54

SCHEDULE "S"

Court File No. CV-19-627410-00CL
Estate No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

KRASHNIK INVESTMENTS LIMITED and
GABEL INVESTMENTS LIMITED

Applicants

-and-

186 OLD KENNEDY DEVELOPMENT INC.

Respondents

COURT APPOINTED RECEIVER
INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

September 14, 2020

Receipts	\$	\$
Receivers Certificates		20,000.00
Sale of Real Property		
Purchase price as per APS	47,800,000.00	
Property tax adjustment - 186 Old Kennedy	(36,218.47)	
Property tax adjustment - 51 Victory	<u>21,284.75</u>	47,785,066.28
Interest		<u>1,070.36</u>
Total receipts		<u>\$ 47,806,136.64</u>
Disbursements		
Fees paid to the OSB		70.00
Sale costs		
Real estate commission	108,028.00	
Real estate advertising expenses	6,960.37	
Appraisal	<u>5,401.40</u>	120,389.77
Expenses		
Insurance	22,257.76	
Property taxes	<u>696,788.02</u>	719,045.78
General expenses		
Bank charges	130.00	
Postage & courier	194.41	
Software fees	224.87	
Bankruptcy fees & expenses	18,050.04	
Copies & mileage	<u>1,906.67</u>	20,505.99

Court File No. CV-19-627410-00CL
Estate No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

KRASHNIK INVESTMENTS LIMITED and
GABEL INVESTMENTS LIMITED

Applicants

-and-

186 OLD KENNEDY DEVELOPMENT INC.

Respondents

COURT APPOINTED RECEIVER
INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

September 14, 2020

Receiver's Certificate repayment	20,794.52
Total disbursements	<u>\$ 880,806.06</u>
Total Receipts over Disbursements	<u>\$ 46,925,330.58</u>
Trust Account Balance	<u>\$ 46,925,330.58</u>

Note:

1. The Receiver issued Receiver's Certificate #1 in the amount of \$20,000 plus interest of 10%. As per the terms of Receiver's Certificate #1 the Receiver paid the amount of \$20,794.52 to Krashnik Investments limited.
2. As per the listing agreement issued between the Receiver and Cushman Wakefield the Receiver issued payment of the commission of \$100,000 plus HST and reimbursement of advertising expenses of \$7,280.72. The pro-rata share of the commission and the advertising expenses as per the listing agreement have been paid to Cushman Wakefield as outlined above.
3. The Receiver filed an assignment in bankruptcy for the Company. The Trustee fees of \$15,000 plus HST and the osb fee of \$150, the court fee of \$150, the software fee of \$224.87 and the advertisement expense of \$575.17 totally \$18,050.04 were allocated to the bankruptcy estate.

Court File No. CV-19-627410-00CL
Estate No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE

KRASNIK INVESTMENTS LIMITED and
GABEL INVESTMENTS LIMITED

-and-

186 OLD KENNEDY DEVELOPMENT
INC.

COURT APPOINTED RECEIVER
STATEMENT OF RECEIPTS AND
DISBURSEMENTS
As at September 14, 2020

POLLARD & ASSOCIATES INC.
Court Appointed Receiver of
186 OLD KENNEDY DEVELOPMENT
INC.
and not in its personal capacity

31 Wright Street
Richmond Hill, Ontario
L4C 4A2

Phone (905) 884-8191
Fax (905) 884-4310

SCHEDULE "T"

Court File No. CV-19-627410-00CL
Estate No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

KRASHNIK INVESTMENTS LIMITED and
GABEL INVESTMENTS LIMITED

Applicants

-and-

186 OLD KENNEDY DEVELOPMENT INC.

Respondents

COURT APPOINTED RECEIVER
PROFORMA STATEMENT OF RECEIPTS AND DISBURSEMENTS

September 14, 2020

Receipts	\$	\$
Receivers Certificates		20,000.00
Sale of Real Property		
Purchase price as per APS	47,800,000.00	
Property tax adjustment - 186 Old Kennedy	(36,218.47)	
Property tax adjustment - 51 Victory	<u>21,284.75</u>	47,785,066.28
Interest		<u>1,070.36</u>
Total receipts		<u>\$ 47,806,136.64</u>
 Disbursements		
Fees paid to the OSB		70.00
Sale costs		
Real estate commission	108,028.00	
Real estate advertising expenses	6,960.37	
Appraisal	<u>5,401.40</u>	120,389.77
Expenses		
Insurance	22,257.76	
Property taxes	<u>696,788.02</u>	719,045.78
General expenses		
Bank charges	130.00	
Postage & courier	194.41	
Software fees	224.87	
Bankruptcy fees & expenses	18,050.04	
Copies & mileage	<u>1,906.67</u>	20,505.99

Court File No. CV-19-627410-00CL
Estate No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

KRASHNIK INVESTMENTS LIMITED and
GABEL INVESTMENTS LIMITED

Applicants

-and-

186 OLD KENNEDY DEVELOPMENT INC.

Respondents

COURT APPOINTED RECEIVER
PROFORMA STATEMENT OF RECEIPTS AND DISBURSEMENTS

September 14, 2020

Receiver's Certificate repayment	20,794.52
Payment to secured creditor - Krashnik Investments Limited and Gabel Investments Limited	25,490,122.44
Total disbursements	<u>\$ 26,370,928.50</u>
Total Receipts over Disbursements	<u>\$ 21,435,208.14</u>
Trust Account Balance	<u>\$ 21,435,208.14</u>

Note:

1. The Receiver issued Receiver's Certificate #1 in the amount of \$20,000 plus interest of 10%. As per the terms of Receiver's Certificate #1 the Receiver paid the amount of \$20,794.52 to Krashnik Investments Limited.
2. As per the listing agreement issued between the Receiver and Cushman Wakefield the Receiver issued payment of the commission of \$100,000 plus HST and reimbursement of advertising expenses of \$7,280.72. The pro-rata share of the commission and the advertising expenses as per the listing agreement have been paid to Cushman Wakefield as outlined above.
3. The Receiver filed an assignment in bankruptcy for the Company. The Trustee fees of \$15,000 plus HST and the osb fee of \$150, the court fee of \$150, the software fee of \$224.87 and the advertisement expense of \$575.17 totally \$18,050.04 were allocated to the bankruptcy estate.
4. The Receiver has issued payment to the first secured creditor Krashnik Investments Limited and Gabel Investments Limited as per the discharge statement dated September 18, 2020 in the amount of \$25,490,122.44.

Court File No. CV-19-627410-00CL
Estate No. 31-458917

ONTARIO
SUPERIOR COURT OF JUSTICE

KRASHNIK INVESTMENTS LIMITED
and GABEL INVESTMENTS LIMITED

-and-

186 OLD KENNEDY DEVELOPMENT
INC.

COURT APPOINTED RECEIVER-
MANAGER
STATEMENT OF RECEIPTS AND
DISBURSEMENTS
PROFORMA

POLLARD & ASSOCIATES INC.
31 Wright Street
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Phone - (905) 884-8191
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SERVICE LIST

186 Old Kennedy Development Inc.
(as at September 14, 2020)

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BETWEEN

KRASHNIK INVESTMENTS LIMITED et al.

-and-

186 OLD KENNEDY DEVELOPMENT INC.

Applicants

Respondent
Court File No. CV-19-627410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

MOTION RECORD

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