

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

BETWEEN:

**MARSHALLZEHR GROUP INC. and THE BANK OF NOVA SCOTIA TRUST
COMPANY**

Applicants

- and -

2131059 ONTARIO LIMITED

Respondent

SUPPLEMENT TO THE SECOND REPORT OF THE RECEIVER

NOVEMBER 28, 2016

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INTRODUCTION

1. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 15, 2015 (the “**Appointment Order**”), Collins Barrow Toronto Limited was appointed receiver (the “**Receiver**”), without security, of all of the assets, undertakings and properties of 2131059 Ontario Limited (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and including the real property described in Schedule “B” of the Appointment Order and municipally known as 700 and 725 Mapleview Drive East in Barrie, Ontario (the “**Property**”).
2. On November 22, 2016, the Court granted an order approving the sale of the Property (the “**Sale Approval Order**”). However, as discussed in more detail below, the Court did not issue a vesting order in light of an interest in the Property raised by Moneylogix Group Inc. (“**Moneylogix**”). The issue of whether the title registration by Moneylogix against the Property should be vested out has been scheduled to be heard by the Court on November 30, 2016.
3. The Receiver has prepared this supplementary report (the “**Supplementary Report**”) to the second report of the Receiver dated November 9, 2016 (the “**Second Report**”) for the assistance of the Court. The Supplementary Report should be read together with the Second Report. Capitalized terms used and not otherwise defined herein have the meanings ascribed to such terms in the Second Report.

Purpose of Supplementary Report

4. The purpose of the Supplementary Report is to:
 - a) provide the Court with information regarding the granting of the Sale Approval Order, which approved the transaction between the Purchaser and the Receiver;
 - b) apprise the Court of the initial objection to relief sought by the Receiver on its sale approval motion raised by Paladin Development Consultants Inc. (“**Paladin**”), Hewitt’s Creek Management Inc. and Innis Shore Management Inc.

(collectively, the “**Cost-Sharing Parties**”) and the ultimate resolution of the issue;

- c) provide a short summary of the issue raised by Moneylogix (the “**Moneylogix Claim**”) and the Receiver’s comments in respect of that issue; and
- d) provide the Court with the Receiver’s proposed form of vesting order (“**Vesting Order**”).

SALE APPROVAL MOTION

- 5. As noted in the Second Report, the Receiver extensively marketed the Property for sale. The Receiver received various offers to purchase as a result of this marketing process. It ultimately accepted the Purchaser’s Offer.
- 6. Under the APS, the Purchaser will assume all unpaid amounts under the Receiver’s Charge and the Borrowings Charge and the amounts owing under the Secured Charges up to the amount of the Maximum Amount (as defined in the Second Report).
- 7. The Receiver subsequently brought a motion to seek court approval of the APS and an order vesting title to the Property in the Purchaser (the “**Sale Approval Motion**”). The Sale Approval Motion was returnable on November 22, 2016.
- 8. In response to the Sale Approval Motion, two parties contacted the Receiver and indicated that they opposed the Receiver’s motion:
 - a) Paladin objected to the Receiver’s proposed sale approval and vesting order on the basis that it sought to vest out a notice registered by the Paladin (the “**Paladin Notice**”) in respect of cost-sharing agreements in favour of the Cost-Sharing Parties; and
 - b) Moneylogix took the position that a notice registered on title in favour of Moneylogix (the “**Moneylogix Notice**”) ought not be vested out on the basis that it would result in a windfall in favour of the mortgagees at the expense of Moneylogix

9. As discussed below, as the Purchaser advised that it did not take issue with the Paladin Notice remaining on title, the Receiver agreed to include the Paladin Notice as a Permitted Encumbrance to the proposed vesting order.
10. In respect of the position taken by Moneylogix, the Receiver consulted with the Purchaser, the Senior Mortgagees (as defined below) and Moneylogix to explore the possibility of resolving the claim asserted by Moneylogix (the “**Moneylogix Claim**”).
11. Although the various parties were unable to reach an agreement, it was agreed that in order to move forward the transaction with the Purchaser, the Receiver should seek an order approving the transaction between the Purchaser and the Receiver, but that the Vesting Order would be sought at a later time in order to allow time for the determination of the Moneylogix Claim.
12. On November 22, 2016, the Honourable Justice Newbould approved the APS and granted the Sale Approval Order. Copies of the Sale Approval Order and the endorsement of Mr. Justice Newbould are attached hereto as **Appendix “A”**. A copy of the APS has been sealed by the Court pending further order of the Court.
13. A hearing to determine the treatment of the Moneylogix Claim was scheduled for November 28, 2016. The hearing has now been rescheduled to November 30, 2016.

THE PALADIN NOTICE

Paladin, Hewitt’s Creek and Innis Shore

14. On or about November 11, 2016, the Receiver’s counsel, Miller Thomson LLP (“**Miller Thomson**”), was contacted by counsel to the Cost-Sharing Parties to advise that the Paladin Notice, registered by Paladin on November 8, 2002 bearing Instrument No. SC70752, should not be expunged from title to the Property.
15. The Receiver and its counsel immediately informed the first and second mortgagees (MZG and Sussman – collectively, the “**Senior Mortgagees**”) and the Purchaser and their respective counsel of the matter. Pursuant to discussions with MZG, the Receiver advised MZG that satisfaction of the matter raised by the Cost-Sharing Parties was set out

as one of the first of 46 conditions to the Draft Plan (the “**Conditions**”). The Receiver further advised that a copy of the Conditions was included in the Receiver’s electronic data room, which was accessible by interested parties that had signed a confidentiality agreement. The Receiver then sought the advice of the Debtor’s former counsel that dealt with the Ontario Municipal Board to provide the Receiver with further information in respect of the Cost-Sharing Parties’ interest.

16. On November 15, 2016, counsel to Paladin served its responding motion record (the “**Paladin Responding Motion**”) attaching the relevant documents in support of its position that the Paladin Notice should remain on title to the Property.
17. The Receiver understands that the Debtor entered into cost sharing agreements with the Cost-Sharing Parties. The Receiver further understands that pursuant to settlement of various issues between the Debtor and the Cost-Sharing Parties, specific amounts are to be paid to and letters of credit are to be issued in favour of the Cost Sharing Parties in the future, in order to obtain approval for the plan of subdivision. A copy of the minutes of settlement is attached at Tab 2 to the Paladin Responding Motion.
18. The Receiver and its counsel have discussed this matter with the Senior Mortgagees and the Purchaser and their respective counsel. The Purchaser has confirmed that it has no objection to leaving the Paladin Notice on title to the Property. The Purchaser has provided the Receiver with a letter dated November 18, 2016 confirming same (the “**Purchaser’s Confirmation Letter**”). A copy of the Purchaser’s Confirmation Letter confirming that it consents to the Paladin Notice remaining on title to the Property is attached as **Appendix “B”** to the Supplementary Report.
19. On this basis, pending the Court’s determination of the Moneylogix Claim, the Receiver shall be seeking a Vesting Order that includes the Paladin Notice as a Permitted Encumbrance. The Receiver’s proposed form of Vesting Order is attached hereto as **Appendix “C”**.

Moneylogix

20. In response to the Receiver's Second Report and the proposed form of approval and vesting order, Miller Thomson was contacted by counsel for Moneylogix.
21. Moneylogix was formerly the sole shareholder of the Debtor. Pursuant to a share purchase agreement dated August 21, 2009 (the "**SPA**"), Moneylogix sold the shares of the Debtor to Ralph Canonaco, in trust. A copy of the SPA is attached at Exhibit A of the Affidavit of Alex Haditaghi (the "**Haditaghi Affidavit**"), which has been filed by Moneylogix in response to the Receiver's Motion.
22. The purchase price under the SPA was \$16,387,500. As set out at Paragraph 2.3(f) of the SPA, part of the purchase price was to be paid by way of the severance of 6 building lots (the "**Lots**") from the Property, which were to be transferred to Moneylogix, free and clear of all liens and encumbrances within five days of severance (the "**Moneylogix Claim**"). Severance of the Lots has not yet occurred.
23. As evidence of Moneylogix's claim to an unregistered estate, right, interest or equity in the Lots, Moneylogix registered a notice on title to the Property on August 25, 2009 (the "**Moneylogix Notice**"). A copy of the Moneylogix Notice is attached as Exhibit B to the Haditaghi Affidavit.
24. Moneylogix has provided the Receiver with an Acknowledgment and Confirmation signed by each of the Senior Mortgagees on December 31, 2009 ("**Acknowledgments**") (attached as Exhibit C to the Haditaghi Affidavit). The Acknowledgments state that the Senior Mortgagees covenant and agree that upon the transfer of the Lots to Moneylogix, they will immediately register a partial discharge on their respective mortgages from title to the Lots.
25. Subsequent to the Acknowledgments being signed, Moneylogix registered postponements (the "**Postponements**") in favour of each of the Senior Mortgagees (see Exhibit D to the Haditaghi Affidavit). In particular, each Postponement states that Moneylogix postpones its rights under the Moneylogix Notice to the rights under the Senior Mortgages. The Receiver notes that neither of the Postponements makes any reference to the postponement excluding the Lots or qualifying the Postponements in any

way. Aside from the Acknowledgments and the Postponements, the Receiver does not have any information as to what the intention or understanding of the parties was at the time the Postponements were registered.

26. The Purchaser has advised the Receiver that it will not agree to purchase the Property subject to the interest being asserted by Moneylogix in the Lots or that it will require abatement to the purchase price on a lot-by-lot basis, if any lots are to be conveyed to Moneylogix.
27. Counsel to Sussman has advised the Receiver that Sussman will be serving an affidavit in respect of the Moneylogix Claim; however, at the time of filing this report, the Receiver has not yet been served with any materials from Sussman. The Receiver understands that MZG will not be taking a position on the Moneylogix Claim. The Receiver confirms that it takes no position in this regard.
28. In light of the evidence put forward by Moneylogix, the position taken by the Purchaser and the materials to be filed by Sussman, the Receiver seeks advice and direction from the Court as to the treatment of the Moneylogix Notice insofar as its impacts the Receiver's ability to transfer the Debtor's right, title and interest in the Property.

REQUEST OF THE COURT

29. The Receiver seeks the Court's advice and direction with respect to the Moneylogix Notice and whether it should be vested out as part of the proposed Vesting Order.

All of which is respectfully submitted to this Court as of this 28th day of November, 2016.

COLLINS BARROW TORONTO LIMITED
in its capacity as Court Appointed Receiver of
2131059 Ontario Limited and not in its personal capacity

Per:



Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT
President

APPENDIX A

DAVID CHONG

Barrister and Solicitor

Suite 202
1370 Don Mills Road
Don Mills, Ontario M3B 3N7
CANADA

Telephone No: (416) 510-2233
Facsimile No: (416) 510-2234
E-Mail: David@DavidChong.ca

November 18, 2015

Miller Thomson LLP
Lawyers
Scotia Plaza
40 King Street West
Suite 5800
Toronto, Ontario
M5H 3S1

Attention: Craig Mills

Dear Sirs:

Re: MarshallZehr Group Inc. et al. v. 2131059 Ontario Limited
Court File No. CV-15-10951-00CL

I am the lawyer for Mapleview Developments Ltd. ("Purchaser"), the proposed purchaser of the Property (as defined and referenced in the Motion Record of the Receiver dated November 9, 2016).

The Purchaser agrees and consents to the relief sought in the Responding Motion Record dated November 15, 2016 of Paladin Development Consultants Inc., Hewitt's Creek Management Inc., and Innis Shore Management Inc., being an Order that the Notice registered by Paladin Development Consultant Inc. on November 8, 2002, as Instrument Number SC70752 remain on title to the Property.

Yours truly



David Chong

APPENDIX B

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

THE HONOURABLE MR

) WEDNESDAY, THE 16th

) JUSTICE NEWBOULD

) DAY OF NOVEMBER, 2016



BETWEEN:

**MARSHALLZEHR GROUP INC. and THE BANK OF NOVA SCOTIA
TRUST COMPANY**

Applicants

- and -

2131059 ONTARIO LIMITED

Respondent

SALE APPROVAL ORDER

THIS MOTION, made by Collins Barrow Toronto Limited in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 2131059 Ontario Limited (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Mapleview Developments Ltd. (the "**Purchaser**") dated October 6, 2016 and appended to the Second Report of the Receiver dated November 9, 2016 (the "**Second Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the "Purchased Assets" as defined in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report, the Responding Motion Record filed by Paladin Development Consultants Inc., Hewitt's Creek Management Inc. and Innis Shore Management Inc. (collectively, "**Paladin**"), the Affidavit of Alex Haditaghi, sworn November 18, 2016 (the "**Haditaghi Affidavit**") filed by Moneylogix Group Inc. ("**Moneylogix**") and on hearing the submissions of counsel for the Receiver, the Applicants, Sussman Mortgage Funding inc. and Moneylogix Group, Inc., and upon being advised that Paladin consents to this order, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Craig A. Mills sworn November 9, 2016 and the affidavit of Maureen McLaren sworn November 14, 2016, filed:

1. **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.

2. **THIS COURT ORDERS** that the granting of an order vesting in the Purchaser all of the Debtor's right, title and interest in the Purchased Assets is hereby deferred pending the determination by the Court as to whether the interest asserted by Moneylogix solely in respect to the six (6) building lots (as described in the Haditaghi Affidavit) has priority in respect to the mortgages registered in favour of the Applicants and Sussman. The hearing to determine this issue is scheduled to be heard by the Court on November 28, 2016.

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).



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

NOV 22 2016

PER / PAR: 

MARSHALLZEHR GROUP INC. et
al.

2131059 ONTARIO LIMITED

Court File No: CV-15-10951-00CL

and

Applicants

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER
(SALE APPROVAL)

MILLER THOMSON LLP
SCOTIA PLAZA
40 KING STREET WEST, SUITE 5800
P.O. BOX 1011
TORONTO, ON CANADA M5H 3S1

Craig A. Mills LSUC#: 40947B
Tel: 416.595.8596
Fax: 416.595.8695

Lawyers for Collins Barrow Toronto Limited.
in its capacity as the Court-appointed
receiver, without security, of the assets,
undertakings and properties of 2131059
Ontario Limited

MARSHALLZEHR GROUP INC. et
al.
Applicants

and

2131059 ONTARIO LIMITED
Respondent

Court File No: CV-15-10951-00CL

NOV 16/16

November 22, 2016

The parties have agreed to transfer
Smyth Scary ~~parted~~ subject to
Carve-out for the interest of Money Logistics.
One hour is scheduled for November 28/16
for the Money Logistics ~~is~~ co. Confidential brief
of appendices is to be sealed. (Trent)

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

MOTION RECORD OF THE RECEIVER

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON Canada M5H 3S1

Craig Mills (LSUC # 40947B)
Tel: 416.595.8596
Fax: 416.595.8695

Lawyers for the Receiver
Collins Borrow Toronto Limited

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APPENDIX C

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

THE HONOURABLE M

)

WEDNESDAY, THE 30th

JUSTICE

)

DAY OF NOVEMBER, 2016

)

B E T W E E N:

**MARSHALLZEHR GROUP INC. and THE BANK OF NOVA SCOTIA
TRUST COMPANY**

Applicants

- and -

2131059 ONTARIO LIMITED

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by Collins Barrow Toronto Limited in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 2131059 Ontario Limited (the "**Debtor**") for an order vesting the Debtor's right, title and interest in and to the "Purchased Assets" as defined in the agreement of purchase and sale between the Receiver and Maplevue Developments Ltd. (the "**Purchaser**") dated October 6, 2016 (the "**Sale Agreement**") in the Purchaser, the Sale Agreement having been previously approved pursuant to the Order of Mr. Justice Newbould dated November 22, 2016, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Receiver's Second Report dated November 9, 2016, previously filed, and the Supplementary Report (collectively, the **Second Report**"), the Responding Motion Record filed by Paladin Development Consultants Inc., Hewitt's Creek Management Inc. and Innis Shore Management Inc. (collectively, "**Paladin**"), the Affidavit of Alex Haditaghi, sworn November 18, 2016 filed by Moneylogix Group Inc. ("**Moneylogix**"), the Affidavit of ●, filed on behalf of Sussman Mortgage Funding Inc. ("**Sussman**") and on hearing the submissions of counsel for Moneylogix, the Receiver, the Applicants and Sussman, and upon being advised that Paladin consents to this order, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Craig A. Mills sworn November 9, 2016 and the affidavits of service sworn by Maureen McLaren on November 14, 2016 and November ●, 2016, filed:

1. **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 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 Regional Senior Justice Morawetz dated May 15, 2015, as amended pursuant to the Order of Mr. Justice Newbould dated August 27, 2015; (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.

2. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Simcoe (LRO #51) of an Application for Vesting Order in the form

prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser 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.

3. **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.

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

5. **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.

6. **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-15-10951-00CL

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

B E T W E E N:

**MARSHALLZEHR GROUP INC. and THE BANK OF NOVA SCOTIA
TRUST COMPANY**

Applicants

- and -

2131059 ONTARIO LIMITED

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Regional Senior Justice Morawetz of the Ontario Superior Court of Justice (the "**Court**") dated May 15, 2015, Collins Barrow Toronto Limited was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 2131059 Ontario Limited (the "**Debtor**").

B. Pursuant to an Order of the Court dated November 16, 2016, the Court approved the agreement of purchase and sale made as of October 6, 2016 (the "**Sale Agreement**") between the Receiver and Mapleview Developments Ltd. (the "**Purchaser**") and provided for the vesting in

the Purchaser 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 section 4 of 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 section 4 of 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 at _____ [TIME] on _____ [DATE].

**COLLINS BARROW TORONTO LIMITED,
in its capacity as Receiver of the undertaking,
property and assets of 2131059 Ontario
Limited, and not in its personal capacity**

Per: _____

Name:

Title:

Schedule B – Real Property

Part S1/2 Lot 16 Concession 12 Innisfil Part 1 on Reference Plan 51R22928 except Part 4 on Reference Plan 51R32586; subject to easement over Parts 1, 2 and 3 on Reference Plan 51R32586 as in SC212816, subject to easement in gross over Part 8 on Reference Plan 51R34165 as in SC510541; Barrie; PIN 58091-1689 (LT)

Parcel 16-2 Section 51INN12; Part South ½ of Lot 16 Concession 12 Innisfil Part 1 on Reference Plan 51R22937, subject to easement in gross over Part 6 on Reference Plan 51R34165 as in SC510541; Barrie; PIN 58091-0288 (LT)

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

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
SC542787	May 11, 2007	Transfer	\$10,800,000	1615263 Ontario Inc.	2131059 Ontario Limited
SC761396	August 25, 2009	Notice		Moneylogix Group, Inc.	
SC793283	January 5, 2010	Postponement		Moneylogix Group, Inc.	MarshallZehr Group Inc.
SC793383	January 5, 2010	Postponement		Moneylogix Group, Inc.	Sussman Mortgage Funding Inc.
SC929834	September 8, 2011	Charge	\$1,500,000	2131059 Ontario Limited	626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership
SC1028162	November 30, 2012	Postponement		6626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Inc. Baywood Homes Partnership	
SC1028163	November 30, 2012	Charge	\$4,712,500	2131059 Ontario Limited	MarshallZehr Group Inc.
SC1028178	November 30, 2012	Postponement		626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1083201	September 6, 2013	Postponement		MarshallZehr Group Inc.	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1083204	September 6, 2013	Postponement		626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc.	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Baywood Homes Partnership	
SC1083208	September 6, 2013	Charge	\$1,100,000	2131059 Ontario Limited	MarshallZehr Group Inc.
SC1083211	September 6, 2013	Notice of Assignment of Rents		2131059 Ontario Limited	MarshallZehr Group Inc.
SC1083215	September 6, 2013	Postponement		MarshallZehr Group Inc.	MarshallZehr Group Inc.
SC1083226	September 6, 2013	Postponement		626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership	MarshallZehr Group Inc.
SC1083227	September 6, 2013	Notice		2131059 Ontario Limited	MarshallZehr Group Inc.
SC1083229	September 6, 2013	Postponement		626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World	MarshallZehr Group Inc.

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Developments Inc. Baywood Homes Partnership	
SC1117923	March 3, 2014	Notice		2131059 Ontario Limited	
SC1219496	June 19, 2015	APL Court Order		Ontario Superior Court of Justice Commercial List	Collins Barrow Toronto Limited

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

(unaffected by the Vesting Order)

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
51R22928	April 24, 1992	Plan Reference			
51R22937	April 27, 1992	Plan Reference			
SC70752	November 8, 2002	Notice		Paladin Developments Consultants Inc.	
51R32586	February 12, 2004	Plan Reference			
SC212816	April 22, 2004	Transfer Easement	\$2.00	Gary McCluskey Gloria Ann McCluskey	The Corporation of the City of Barrie
51R32851	June 22, 2004	Plan Reference			
51R34165	December 2, 2005	Plan Reference			
SC510541	January 3, 2007	Transfer Easement	\$2.00	1615263 Ontario Inc.	The Corporation of the City of Barrie
SC792792	December 31, 2009	Charge	\$17,712,500	2131059 Ontario Limited	MarshallZehr Group Inc.
SC792819	December 31, 2009	Charge	\$2,500,000	2131059 Ontario Limited	Sussman Mortgage Funding Inc.
SC805443	March 9, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC814585	April 23, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC840087	July 26, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
SC844439	August 12, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC854046	September 23, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC860639	October 22, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC865934	November 16, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC872707	December 15, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC878971	January 20, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC883986	February 17, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC885810	February 28, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC893567	April 6, 2011	Transfer of Charge		B2B Trust	Sussman Mortgage Funding Inc.
SC893651	April 7, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC896177	April 20, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC902547	May 19, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
SC908798	June 15, 2011	Transfer of Charge		B2B Trust	Sussman Mortgage Funding Inc.
SC908799	June 15, 2011	Transfer of Charge		B2B Trust	Sussman Mortgage Funding Inc.
SC909986	June 21, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	BLML Developments Inc.
SC909987	June 21, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC917770	July 21, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC959176	January 24, 2012	Transfer of Charge		B2B Trust	Sussman Mortgage Funding Inc.
SC974756	April 17, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC986599	June 6, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC988054	June 13, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC1014445	September 27, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Bank
SC1028117	November 30, 2012	Transfer of Charge		MarshallZehr Group Inc.	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1028137	November 30, 2012	Notice	\$2	2131059 Ontario	MarshallZehr

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Limited	Group Inc. The Bank of Nova Scotia Trust Company
SC1028138	November 30, 2012	Notice of Assignment of Rents		2131059 Ontario Limited	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1028161	November 30, 2012	Postponement		Sussman Mortgage Funding Inc. B2B Trust BLML Developments Inc. B2B Bank	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1028959	December 4, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trustco
SC1045414	March 14, 2013	Notice	\$2	2131059 Ontario Limited	Sussman Mortgage Funding Inc. B2B Trust BLML Developments Inc. B2B Bank B2B Trustco
SC1045415	March 14, 2013	Notice	\$2	Sussman Mortgage Funding Inc. B2B Trust BLML	

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Developments Inc. B2B Bank	
SC1046529	March 21, 2013	Notice		Sussman Mortgage Funding Inc. B2B Trust BLML Developments Inc. B2B Bank	
SC1050104	April 10, 2013	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trustco
SC1080430	August 27, 2013	Transfer of Charge		BLML Developments Inc.	Sussman Mortgage Funding Inc.
SC1080949	August 29, 2013	Transfer of Charge		B2B Trust B2B Bank B2B Trustco	Community Trust Company
SC1083185	September 6, 2013	Notice		2131059 Ontario Limited	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1083192	September 6, 2013	Postponement		Sussman Mortgage Funding Inc. Community Trust Company	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company

Alternate Schedules C and D

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

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
SC542787	May 11, 2007	Transfer	\$10,800,000	1615263 Ontario Inc.	2131059 Ontario Limited
SC929834	September 8, 2011	Charge	\$1,500,000	2131059 Ontario Limited	626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership
SC1028162	November 30, 2012	Postponement		6626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1028163	November 30, 2012	Charge	\$4,712,500	2131059 Ontario Limited	MarshallZehr Group Inc.
SC1028178	November 30,	Postponement		626353 Ontario	MarshallZehr

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
	2012			Limited Nori Corp. Vaughncord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership	Group Inc. The Bank of Nova Scotia Trust Company
SC1083201	September 6, 2013	Postponement		MarshallZehr Group Inc.	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1083204	September 6, 2013	Postponement		626353 Ontario Limited Nori Corp. Vaughncord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1083208	September 6, 2013	Charge	\$1,100,000	2131059 Ontario Limited	MarshallZehr Group Inc.

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
SC1083211	September 6, 2013	Notice of Assignment of Rents		2131059 Ontario Limited	MarshallZehr Group Inc.
SC1083215	September 6, 2013	Postponement		MarshallZehr Group Inc.	MarshallZehr Group Inc.
SC1083226	September 6, 2013	Postponement		626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership	MarshallZehr Group Inc.
SC1083227	September 6, 2013	Notice		2131059 Ontario Limited	MarshallZehr Group Inc.
SC1083229	September 6, 2013	Postponement		626353 Ontario Limited Nori Corp. Vaughancord Holdings Inc. 778788 Ontario Limited Corner World Developments Inc. Baywood Homes Partnership	MarshallZehr Group Inc.
SC1117923	March 3, 2014	Notice		2131059 Ontario	

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Limited	
SC1219496	June 19, 2015	APL Court Order		Ontario Superior Court of Justice Commercial List	Collins Barrow Toronto Limited

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

(unaffected by the Vesting Order)

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
51R22928	April 24, 1992	Plan Reference			
51R22937	April 27, 1992	Plan Reference			
SC70752	November 8, 2002	Notice		Paladin Developments Consultants Inc.	
51R32586	February 12, 2004	Plan Reference			
SC212816	April 22, 2004	Transfer Easement	\$2.00	Gary McCluskey Gloria Ann McCluskey	The Corporation of the City of Barrie
51R32851	June 22, 2004	Plan Reference			
51R34165	December 2, 2005	Plan Reference			
SC510541	January 3, 2007	Transfer Easement	\$2.00	1615263 Ontario Inc.	The Corporation of the City of Barrie
SC761396	August 25, 2009	Notice		Moneylogix Group, Inc.	
SC792792	December 31, 2009	Charge	\$17,712,500	2131059 Ontario Limited	MarshallZehr Group Inc.
SC792819	December 31, 2009	Charge	\$2,500,000	2131059 Ontario Limited	Sussman Mortgage Funding Inc.
SC793283	January 5, 2010	Postponement		Moneylogix Group, Inc.	MarshallZehr Group Inc.
SC793383	January 5, 2010	Postponement		Moneylogix Group, Inc.	Sussman Mortgage Funding Inc.
SC805443	March 9, 2010	Transfer of		Sussman Mortgage Funding	B2B Trust

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
		Charge		Inc.	
SC814585	April 23, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC840087	July 26, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC844439	August 12, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC854046	September 23, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC860639	October 22, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC865934	November 16, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC872707	December 15, 2010	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC878971	January 20, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC883986	February 17, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC885810	February 28, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC893567	April 6, 2011	Transfer of Charge		B2B Trust	Sussman Mortgage Funding Inc.
SC893651	April 7, 2011	Transfer of Charge		Sussman Mortgage Funding	B2B Trust

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Inc.	
SC896177	April 20, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC902547	May 19, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC908798	June 15, 2011	Transfer of Charge		B2B Trust	Sussman Mortgage Funding Inc.
SC908799	June 15, 2011	Transfer of Charge		B2B Trust	Sussman Mortgage Funding Inc.
SC909986	June 21, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	BLML Developments Inc.
SC909987	June 21, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC917770	July 21, 2011	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC959176	January 24, 2012	Transfer of Charge		B2B Trust	Sussman Mortgage Funding Inc.
SC974756	April 17, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC986599	June 6, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC988054	June 13, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trust
SC1014445	September 27, 2012	Transfer of Charge		Sussman Mortgage Funding	B2B Bank

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Inc.	
SC1028117	November 30, 2012	Transfer of Charge		MarshallZehr Group Inc.	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1028137	November 30, 2012	Notice	\$2	2131059 Ontario Limited	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1028138	November 30, 2012	Notice of Assignment of Rents		2131059 Ontario Limited	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1028161	November 30, 2012	Postponement		Sussman Mortgage Funding Inc. B2B Trust BLML Developments Inc. B2B Bank	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1028959	December 4, 2012	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trustco
SC1045414	March 14, 2013	Notice	\$2	2131059 Ontario Limited	Sussman Mortgage Funding Inc. B2B Trust BLML Developments Inc. B2B Bank

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
					B2B Trustco
SC1045415	March 14, 2013	Notice	\$2	Sussman Mortgage Funding Inc. B2B Trust BLML Developments Inc. B2B Bank	
SC1046529	March 21, 2013	Notice		Sussman Mortgage Funding Inc. B2B Trust BLML Developments Inc. B2B Bank	
SC1050104	April 10, 2013	Transfer of Charge		Sussman Mortgage Funding Inc.	B2B Trustco
SC1080430	August 27, 2013	Transfer of Charge		BLML Developments Inc.	Sussman Mortgage Funding Inc.
SC1080949	August 29, 2013	Transfer of Charge		B2B Trust B2B Bank B2B Trustco	Community Trust Company
SC1083185	September 6, 2013	Notice		2131059 Ontario Limited	MarshallZehr Group Inc. The Bank of Nova Scotia Trust Company
SC1083192	September 6, 2013	Postponement		Sussman Mortgage Funding Inc.	MarshallZehr Group Inc. The Bank of Nova

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
				Community Trust Company	Scotia Trust Company