

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

B E T W E E N:

**CHOICE PROPERTIES LIMITED PARTNERSHIP, by its
general partner CHOICE PROPERTIES GP INC.**

Applicant

- and -

PENADY (BARRIE) LTD. and PRC BARRIE CORP.

Respondents

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

**MOTION RECORD OF THE RECEIVER
(Returnable May 20, 2020)
VOLUME I OF II**

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TAB 1

Court File No. CV-20-00637682-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
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JUSTICE ACT, R.S.O. 1990 C. C.43, AS AMENDED****

**NOTICE OF MOTION OF THE RECEIVER
(Returnable May 20, 2020)**

RSM CANADA LIMITED (“RSM”), in its capacity as Court-appointed receiver and manager (in this capacity, the “**Receiver**”) of the assets, undertakings and properties of Penady (Barrie) Ltd. (“**PBL**”) and certain of the assets of PRC Barrie Corp. (“**PRC Barrie**”), will make a motion to a Judge of the Commercial List, on Wednesday, May 20, 2020, at 10:00 a.m. or as soon after that time as the motion can be heard, at 330 University Avenue, 8th Floor, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The Motion is to be heard by judicial video conference via Zoom at Toronto, Ontario, in accordance with the Changes to Commercial List operations in light of COVID-19 and the Notice to the Profession updated April 2, 2020, issued by Chief Justice Morawetz. The Zoom conference call-in details are attached as **Schedule “A”** hereto.

THE MOTION IS FOR an Order in the form attached as Scheduled “B” hereto:

1. if necessary, abridging the time for service of the Receiver's Motion Record and related Notice of Motion, validating service of the Motion Record and related Notice of Motion, and dispensing with further service thereof;
2. approving the First Report of the Receiver dated May 12, 2020 (the "**First Report**") and the activities and proposed activities of the Receiver described therein;
3. if the Court issues the Order sought by the Applicant to amend the Appointment Order dated March 25, 2020 (the "**Appointment Order**") to (a) add Mady (Barrie) Inc. ("**MBI**") as a respondent, and (b) to appoint RSM as receiver and manager without security over MBI's interest in the Property, including in the Barrie Property (as those terms are defined in the Appointment Order), authorizing the Receiver to enter into an asset purchase agreement by way of credit bid (the "**Stalking Horse Agreement**") with Choice Properties Limited Partnership ("**CHP**") as purchaser in the form attached as Appendix "F" to the First Report, for the sale of all of the right, title and interest of PBL, PRC Barrie and MBI (collectively, the "**Debtors**") in and to the Subject Assets (as defined in the Stalking Horse Agreement);
4. approving the sale procedure (the "**Sale Procedure**"), substantially in the form attached as Appendix "G" to the First Report;
5. sealing Confidential Appendices "1" and "2" to the First Report until the completion of the sale of the Subject Assets, or until further Order of this Honourable Court;
6. approving and accepting the Receiver's Interim Statement of Receipts and Disbursements for the period from March 27, 2020, to April 30, 2020, as set out in Appendix "K" to the First Report; and
7. such further relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

Background

1. pursuant to a receivership application issued herein on March 9, 2020, by CHP (by its general partner, Choice Properties GP Inc., “**Choice GP**”), and the Appointment Order, RSM was appointed Receiver of PBL and certain of the assets of PRC Barrie;
2. the Respondent PBL is the registered owner of commercial rental property located at the intersection of Cundles Road and Duckworth Avenue in the City of Barrie, which forms part of the North Barrie Crossing Shopping Centre (defined as the “Barrie Property” in the First Report). PRC Barrie and MBI are the beneficial owners of the Barrie Property, and PBL holds the Barrie Property as nominee and bare trustee for the sole use, benefit and advantage of PRC Barrie and MBI, and for no other person or entity;
3. the Applicant CHP is the beneficial owner of certain lands abutting the Barrie Property (the “**Barrie REIT Property**”). Penady (North Barrie) Ltd., an affiliate of PBL, is the registered owner of lands that are adjacent to the Barrie Property (the “**Penady Retail Lands**”);
4. CHP is the senior secured lender to PBL. The security granted to CHP includes, *inter alia*, a limited recourse guarantee granted by PRC Barrie and MBI, limited to their beneficial interest in the Barrie Property;
5. CHP advanced funding to PBL to assist with the development of the Barrie Property. As at March 9, 2020, PBL was indebted to CHP for \$68,190,424. This amount included CHP’s repayment of PBL’s indebtedness in favour of Equitable Bank (the “**EQ Debt**”), which previously held a mortgage over the Barrie Property ranking in priority to that of CHP’s mortgage;

Receiver's Activities Post-Appointment

6. PenEquity Realty Corporation (“**PenEquity**”) is an Ontario based real estate investment advisor that principally focuses on purchasing and developing real estate. PBL is a subsidiary of PenEquity;
7. PenEquity was the property manager for the Barrie Property pre-receivership, and continues in that role for the Barrie REIT Property and the Penady Retail Lands. Given its familiarity with the Barrie Property, and with the concurrence of Choice GP, the Receiver entered into a property management agreement with PenEquity (in this capacity, the “**Property Manager**”) for it to continue to manage the Barrie Property;
8. the Receiver has opened a trust account at Bank of Montreal (the “**BMO Account**”) for the receivership, and PBL is maintaining an operating account in the name of PBL at TD Canada Trust (the “**TD Account**”). The Receiver has not closed the TD Account as the Receiver is of the view that it is more efficient for tenants to continue to deposit rent to the TD Account than for the Property Manager to try to contact tenants and ask them to redirect rent payments to the BMO Account;
9. the Receiver obtained from PenEquity a copy of the insurance documents in respect of the current insurance coverage for the Barrie Property. After reviewing the insurance documents, the Receiver determined that the coverage was satisfactory. As the insurance coverage relating to the Barrie Property is part of PenEquity's overall insurance package, the Receiver has confirmed with PenEquity that the policy is in full force and effect and that premium payments are up-to-date. The Receiver has been added as an additional named insured and loss payee to the policies. The current policy term expires on August 31, 2020;
10. on or about April 6, 2020, the Receiver sent via e-mail and fax to the known creditors of PBL a Notice and Statement of Receiver pursuant to Section 245(1) of the *Bankruptcy and Insolvency Act*. The known creditors were identified through a

title search of the Barrie Property, a search conducted of PBL on the Personal Property Security Registration System and from a list of creditors provided by the Property Manager;

11. as of the date of the Receiver's appointment, the property taxes owing to the City of Barrie totaled approximately \$2,500,000. Included in this amount was \$1,948,598.36 in respect of arrears for 2018 and 2019, plus accrued interest and penalties to April 1, 2020. The Receiver confirmed with the City of Barrie that the property tax deferral offered by the City of Barrie in light of the COVID-19 pandemic did not apply to taxes owing prior to 2020. Accordingly, as interest would continue to accrue on the 2018 and 2019 property tax arrears, and those arrears would have to be paid upon a sale of the Barrie Property, the Receiver received an advance from CHP in order for the Receiver to pay the 2018 and 2019 arrears. On April 21, 2020, the Receiver paid \$1,948,598.36 to the City of Barrie representing the property tax arrears relating to 2018 and 2019;
12. the City of Barrie has advised that it will not charge, due to the COVID-19 pandemic, interest or penalties from April 1 to June 30, 2020, on the two 2020 tax instalments that were due on February 28 and April 30, 2020. Accordingly, the Receiver has not yet paid the 2020 property tax instalments and will reassess its position in mid-June 2020;

Tenants of the Barrie Property

Requests for Rent Accommodation Due to COVID-19

13. as of March 25, 2020, there were 27 tenants at the Barrie Property and two vacant units. Due to operating restrictions or the reduction in business arising from the COVID-19 pandemic, 16 tenants temporarily suspended operations, and six tenants are offering limited services. 21 tenants have requested some form of rent deferral or similar form of accommodation effective from the rental payment due on April 1, 2020;
14. the Receiver reviewed with the Property Manager the requests of the individual

tenants to assist the Receiver in determining its position in response to the requests received. In addition to the information provided by the Property Manager, the Receiver also sought the input of CHP as CHP is a landlord of numerous properties and the primary secured creditor of PBL. The Property Manager is in the process of dealing with each of the tenants taking into account the parameters agreed with the Receiver in relation to the requests of the individual tenants;

15. upon the Receiver's appointment, PenEquity and one tenant were in the process of terminating that tenant's lease as was mutually agreed between the tenant and PenEquity. The Receiver reviewed the documentation relating to the termination with Blaney McMurtry LLP ("**Blaney**"), counsel to the Receiver. Blaney prepared a Termination and Mutual Release which was executed by the tenant and the Receiver, one of the terms of which was that the tenant forfeited its deposit in the amount of approximately \$102,000;
16. the Receiver was advised by PBL that a total of approximately \$208,000 of deposits were received from tenants of the Barrie Property, however, the deposits were not held separate and apart. Included in the \$208,000 was the deposit of approximately \$102,000 from the tenant whose lease was terminated as noted above;

Letters of Credit

EQ LC Posted with the City of Barrie

17. in 2015, an Irrevocable Standby Letter of Credit for \$500,000 was issued by Equitable Bank (the "**EQ LC**") on behalf of PBL to the City of Barrie as security for servicing and surface works, as well as parks planning and development landscape works to be completed by PBL at the Barrie Property. The EQ LC has not been released by the City of Barrie, but was replaced with cash security by Equitable Bank after Choice paid out the EQ Debt (the "**Cash Security**");
18. the majority of the work secured by the EQ LC has been completed, except for approximately \$20,000 to \$30,000 of paving to be done. An inspection will need to be scheduled with the City of Barrie, in order to obtain the partial release of funds

held under the EQ LC for the work that has been completed. The Receiver has requested from PenEquity details of the work secured by the EQ LC and its status of completion;

19. on or about April 29, 2020, Blaney corresponded to the City of Barrie to advise that, to the extent the position of the City of Barrie is that PBL still has any remaining interest in the Cash Security, payment of the surplus Cash Security is to be directed to the Receiver who will determine the party entitled to the funds;

LC held by Gardiner Roberts LLP

20. on or about January 8, 2015, an Irrevocable Standby Letter of Credit in the amount of \$1,933,315.25 (the “**BMO LC**”) was issued by Bank of Montreal on behalf of CP REIT Ontario Properties Limited to Gardiner Roberts LLP (“**Gardiner**”) as escrow agent under an Omnibus Holdback Agreement dated July 4, 2006. On January 22, 2015, the amount of the BMO LC was amended to \$1,774,416.25;
21. the BMO LC is held on behalf of PBL and its purpose was to secure work to be completed under the Omnibus Holdback Agreement. PenEquity has advised the Receiver that this work has been completed. The Receiver is currently reviewing the status of the BMO LC;

Stalking Horse Agreement

22. subject to the approval of the Court, the Receiver and CHP have negotiated the Stalking Horse Agreement for the Subject Assets (i.e. the Barrie Property). The Stalking Horse Agreement is a “credit bid” by CHP;
23. the key provisions of the Stalking Horse Agreement are set out in the First Report. They include no due diligence conditions, and provide for an expense reimbursement of \$400,000 in the event CHP is not the successful bidder to reimburse CHP for its expenses in connection with the transaction;
24. the Stalking Horse Agreement is intended to provide a “floor price” for the Subject Assets (the Barrie Property). If the Sale Procedure does not result in a superior

proposal, the Stalking Horse Agreement will be the successful bid and the Receiver intends to return to Court to seek approval to complete the transaction represented by the Stalking Horse Agreement;

The Sale Procedure

25. the Sale Procedure is designed to provide for a fair and transparent marketing process that will allow the Receiver to maximize realizations from the Barrie Property by seeking bids superior to the Stalking Horse Agreement (defined terms in the section below not previously defined are as per the Sale Procedure);
26. the Sale Procedure contemplates a two-phase process. In the first phase, interested parties that execute a non-disclosure agreement will be provided a confidential information memorandum and will be given access to additional confidential information in a confidential data room;
27. Phase I Bidders that meet the participant requirements set out in the Sale Procedure and are determined by the Receiver to be Qualified Phase I Bidders (as per the Sales Procedure) will be invited to participate in Phase II;
28. to be a Qualified Phase 1 Bidder, an Interested Party must provide the Receiver with (i) identification of Phase I Bidder, (ii) a non-binding expression of interest, (iii) proof of corporate authority and (iv) proof of financial ability to perform the non-binding expression of interest;
29. CHP is deemed to be a Qualified Phase I Bidder and a Qualified Phase II Bidder, and the Stalking Horse Agreement is the Stalking Horse Bid;
30. the Sale Procedure provides that a Phase I Bid, being a non-binding letter of intent attached as Schedule "A" to the Sale Procedure must be submitted by July 15, 2020, and that a Phase II Bid, being a binding offer in the form of an executed mark-up of the Modified Stalking Horse Agreement, must be submitted by July 29, 2020;
31. if the Receiver determines that there is no Qualified Phase I Bid other than the Stalking Horse Bid following the Phase I Bid Deadline, the Sale Procedure will be

terminated. In that event, the Stalking Horse Bid will be declared the Successful Bid and the Receiver will seek Court approval of, and authority to consummate, the Stalking Horse Agreement and the transactions provided for therein;

32. the minimum purchase price of any Phase II Bid must be the sum of the Purchase Price (as defined in the Stalking Horse Agreement) plus the Expense Reimbursement of \$400,000, plus \$250,000;
33. if one or more Qualified Phase II Bids (in addition to the Stalking Horse Bid) is received by the Phase II Bid Deadline, and the Receiver determines such Qualified Phase II Bid(s) to be greater than the Stalking Horse Bid, the Receiver will conduct an auction amongst the Qualified Phase II Bidders (including CHP), on terms to be determined by the Receiver and/or otherwise negotiate with the Qualified Phase II Bidders, on terms to be determined by the Receiver, in accordance with the Sales Procedure;
34. if no Qualified Phase II Bid other than the Stalking Horse Bid is received by the Phase II Bid Deadline, then the Sale Procedure will be terminated and the Stalking Horse Bid will be declared the Successful Bid;
35. following the determination of the Successful Bid, the Receiver will seek Court approval of, and authority to consummate, the Successful Bid and the transactions provided for therein;
36. details regarding the Sale Procedure are set out in the First Report. In the Receiver's view the Sale Procedure is (i) consistent with market practice, (ii) provides a reasonable opportunity for competing bidders to submit offers superior to the Stalking Horse Agreement, (iii) enables the Receiver to maximize realization from the Barrie Property, and (iv) is reasonable and appropriate in the circumstances;
37. with the concurrence of CHP, and subject to Court approval, the Receiver has engaged Avison Young Commercial Real Estate (Ontario) Inc. as its listing agent to assist in carrying out the Sale Procedure;

Receipts and Disbursements

38. the Interim Statement of Receipts and Disbursements of the Receiver attached as Appendix “K” to the First Report is a fair and accurate representation of the funds received and disbursed directly by the Receiver since the Appointment Order herein. It sets out actual receipts over disbursements of approximately \$199,114.00;
39. Section 249 of the *Bankruptcy and Insolvency Act*; and
40. Rules 1.04, 2.01, 2.03, 3.02(1), and 16.08 of the *Rules of Civil Procedure*.

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

1. The First Report of the Receiver dated May 12, 2020;
2. the Motion Record of the Applicant dated May 8, 2020; and
3. such further and other material as counsel may advise and this Honourable Court may permit.

Date: May 12, 2020

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Lawyers for RSM Canada Limited,
in its capacity as Court-appointed Receiver

TO: SERVICE LIST

TAB A

Schedule A**Conference Details to Join Motion via Zoom****Join Zoom Meeting**

<https://zoom.us/j/2132233950?pwd=c2FmTVN3M1IHVVBrdUFiOGs0dnpTQT09>

Meeting ID: 213 223 3950

Password: 198097

One tap mobile

+14388097799,,2132233950#,,1#,198097# Canada

+15873281099,,2132233950#,,1#,198097# Canada

Dial by your location

+1 438 809 7799 Canada

+1 587 328 1099 Canada

+1 647 374 4685 Canada

+1 647 558 0588 Canada

+1 778 907 2071 Canada

Meeting ID: 213 223 3950

TAB B

SCHEDULE "B"

Court File No. CV-20-00637682-00CL

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

THE HONOURABLE) WEDNESDAY, THE 20th
)
JUSTICE) DAY OF MAY, 2020

BETWEEN:

**CHOICE PROPERTIES LIMITED PARTNERSHIP,
by its general partner
CHOICE PROPERTIES GP INC.**

Applicant

- and -

PENADY (BARRIE) LTD. and PRC BARRIE CORP.

Respondents

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

**ORDER
(Sale Procedure Approval)**

THIS MOTION, made by RSM Canada Limited, in its capacity as the Court-appointed receiver and manager (the "**Receiver**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) and section 101 of the *Courts of Justice Act* of the assets, undertakings and properties of Penady (Barrie) Ltd. ("**PBL**") and certain of the assets of PRC Barrie Corp. ("**PRC Barrie**"), *inter alia*, for an order (i) if necessary,

abridging the time for service of the notice of motion and motion record herein, (ii) approving the First Report of the Receiver dated May 12, 2020 (the “**First Report**”) and the activities described therein, (iii) approving the sale procedure, substantially in the form attached as Schedule “A” hereto (the “**Sale Procedure**”), (iv) authorizing the Receiver to enter into an asset purchase agreement by way of credit bid (the “**Stalking Horse Agreement**”) with Choice Properties Limited Partnership (“**CHP**”) as purchaser, (v) approving the Receiver’s retainer of Avison Young Commercial Real Estate (Ontario) Inc. as its listing agent to assist in carrying out the Sale Procedure (vi) sealing and treating as confidential Confidential Appendices “1” and “2” to the First Report, and (vii) approving and accepting the Receiver’s Interim Statement of Receipts and Disbursements for the period from March 27, 2020, to April 30, 2020, as set out in Appendix “K” to the First Report, was heard this day by judicial videoconference via Zoom at Toronto, Ontario due to the COVID-19 crisis.

ON READING the First Report, the Motion Record of CHP dated May 8, 2020 including the affidavit of Mario Barrfato sworn May 8, 2020, and on hearing the submissions of counsel for the Receiver, counsel for CHP, and counsel for the Respondents and Mady (Barrie) Inc., no one appearing for any other person on the Service List, although properly served as appears from the affidavit of Eric Golden sworn May 13, 2020, filed:

DEFINITIONS

1. **THIS COURT ORDERS** that capitalized terms not defined herein shall have the meanings set out in the Sale Procedure.

SERVICE

2. **THIS COURT ORDERS** that the time for service of the Receiver's Notice of Motion dated May 12, 2020 (the "**NOM**"), and related motion material filed in support of that NOM, including the Receiver's Motion Record dated May 12, 2020, and the First Report (collectively, the "**Motion Material**"), be and is hereby abridged, that service of the NOM and Motion Material is hereby validated, and that further service thereof is hereby dispensed with.

SALE PROCEDURE AND RETAINER OF AGENT

3. **THIS COURT ORDERS** that the Sale Procedure in the form attached as **Schedule "A"** hereto is hereby approved.

4. **THIS COURT ORDERS** that the Receiver's retainer of Avison Young Commercial Real Estate (Ontario) Inc. as its listing agent to assist in carrying out the Sale Procedure be and is hereby approved.

5. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to carry out the Sale Procedure and to take such steps and execute such documentation as may be necessary or incidental to the Sale Procedure.

STALKING HORSE AGREEMENT

6. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to enter into the Stalking Horse Agreement, provided that the approval of any sale of the Subject Assets (as defined therein) by the Court will be subject to a subsequent motion to be held in accordance with the Sale Procedure.

7. **THIS COURT ORDERS** that the obligation to pay the Expense Reimbursement pursuant to Section 8.2 of the Stalking Horse Agreement and Section 13 of the Sale Procedure be and is hereby approved.

APPROVAL OF RECEIVER'S REPORT

8. **THIS COURT ORDERS** that the First Report, and the activities of the Receiver described therein, are hereby approved.

SEALING OF CONFIDENTIAL INFORMATION

9. **THIS COURT ORDERS** that Confidential Appendices "1" and "2" to the First Report be and are hereby sealed pending further Order of the Court.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

10. **THIS COURT ORDERS** that the Receiver's interim statement of receipts and disbursements for the period from March 27, 2020 to April 30, 2020, as set out in Appendix "K" to the First Report, is hereby approved.

GENERAL

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

MISCELANEOUS

12. **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.

13. **THIS COURT ORDERS** that notwithstanding Rule 59.05, this order is effective from the date that it is made, and is enforceable without any need for entry and filing. In accordance with Rule 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or a motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing when the Court returns to regular operations.

Schedule "1"

Sale Procedure

Pursuant to a receivership Application issued on March 9, 2020 by Choice Properties Limited Partnership, by its general partner Choice Properties GP Inc. (the "**Applicant**"), in the matter bearing Court file No. CV-20-00637682-00CL (the "**Receivership Proceeding**"), and an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") therein dated March 25, 2020, as amended on May 20, 2020, and as may in the future be supplemented, amended or restated from time to time (the "**Appointment Order**"), RSM Canada Limited (the "**Receiver**") was appointed receiver and manager, without security, of (i) the assets, undertakings and properties of the respondent Penady (Barrie) Ltd. ("**Penady**"), including but not limited to the real property in the City of Barrie, Ontario, having the legal description set out in Schedule "A" to the Appointment Order (the "**Lands**"), (ii) the interest of PRC Barrie Corp. ("**PRC**") in the NBC Shopping Centre, and (iii) the interest of Mady (Barrie) Inc. ("**MBI**") in the NBC Shopping Centre.

On May 20, 2020, the Court made an order (the "**Sale Procedure Order**") among other things, approving (a) the Receiver entering into an asset purchase agreement, dated May 20, 2020, as may in the future be supplemented, amended or restated from time to time (the "**Stalking Horse Agreement**"), relating to the NBC Shopping Centre with Choice Properties Limited Partnership, by its general partner Choice Properties GP Inc., as purchaser (the "**Stalking Horse Bidder**") so as to set a minimum floor price in respect of the Receiver's sales process; and (b) this Sale Procedure for the solicitation of offers or proposals (each a "**Bid**") for the acquisition of the NBC Shopping Centre.

Accordingly, the following Sale Procedure shall govern the proposed sale of all of the NBC Shopping Centre pursuant to one or more Bids. This Sale Procedure shall govern the sales process relating to the solicitation by the Receiver of one or more Bids for the NBC Shopping Centre that are superior to that contemplated by the Stalking Horse Agreement.

All denominations are in Canadian Dollars.

1. Definitions

Capitalized terms used in this Sale Procedure shall have the definitions given to them in the preamble hereto and as follows:

"Acknowledgement of Sale Procedure" means an acknowledgement of the Sale Procedure in the form attached as Schedule A hereto;

"Acquisition Entity" means an entity specially formed for the purpose of effectuating the contemplated transaction;

"Applicant" means the Applicant in its capacity as the senior secured lender of Penady, and a creditor of PRC and MBI;

"Back-up Bid" means the next highest and/or best Qualified Phase II Bid after the Successful Bid, as assessed by the Receiver, taking into account financial and contractual terms and the factors relevant to the Sale Procedure, including those factors affecting the speed and certainty of consummating the proposed sale;

"Back-up Bidder" means the Bidder that submits the Back-up Bid;

"Bidder" means a Qualified Phase I Bidder or a Qualified Phase II Bidder;

"Confidential Data Room" means a private data room prepared and maintained by the Receiver or the Listing Agent containing confidential information in respect of or related to the NBC Shopping Centre;

"Confidential Information" means the confidential information in the Confidential Data Room;

"Confidential Information Memorandum" means a confidential information memorandum prepared by the Receiver or the Listing Agent providing certain confidential information in respect of or related to the NBC Shopping Centre;

"Confidentiality Agreement" means an executed confidentiality agreement in form and substance acceptable to the Receiver and its counsel Blaney McMurtry LLP;

"Debtors" means, collectively, Penady, PRC and MBI;

"Encumbrances" means, collectively, all pledges, liens, security interests, encumbrances, claims, charges, options, and interests;

"Expense Reimbursement" means as defined in Section 13 below;

"Good Faith Deposit" means a cash deposit equal to three (3%) percent of the total purchase price contemplated under the applicable Modified APA;

"Interested Party" means a party participating in this Sale Procedure;

"Listing Agent" means Avison Young Commercial Real Estate (Ontario) Inc. in its capacity as marketing and listing agent to the Receiver pursuant to an engagement agreement-executed by Avison Young Commercial Real Estate (Ontario) Inc. on April 23, 2020, and by the Receiver on or after May 20, 2020;

"Modified APA" means an executed mark-up of the Modified Stalking Horse Agreement reflecting the applicable Qualified Phase I Bidder's proposed changes to the Modified Stalking Horse Agreement;

"Modified Stalking Horse Agreement" means the Stalking Horse Agreement as modified by the Receiver for the purposes of a non-credit bid for the Purchased Assets;

"NBC Shopping Centre" means the Subject Assets, as defined in the Stalking Horse Agreement;

"Notice Parties" means the Receiver, its counsel Blaney McMurtry LLP, and the Listing Agent;

"Participant Requirements" means, collectively, the requirements set out in Section 4(a) through 4(d)(iv) hereof;

"Permitted Encumbrances" means the encumbrances set out in Schedule "B" of the Stalking Horse Agreement;

"Phase I Bid" means an initial Bid submitted by an Interested Party pursuant to Section 4 hereof;

"Phase I Bid Deadline" means 10:00 a.m. (Eastern time) on July 15, 2020;

"Phase I Bidder" means a bidder submitting a Phase I Bid;

"Phase I Participant Requirements" has the meaning given to it in Section 4 hereof;

"Phase II Bid" means a Bid submitted by a Qualified Phase I Bidder pursuant to Section 8 hereof;

"Phase II Bid Deadline" means 10:00 a.m. (Eastern time) on July 29, 2020;

"Principals" means, collectively, the equity holder(s) of an Acquisition Entity and any guarantor of any Bid made by such Acquisition Entity;

"Qualified Phase I Bidder" means a Phase I Bidder that delivers the documents described in paragraphs (a) through (d) in Section 4, and that the Receiver determines is reasonably likely to submit a binding *bona fide* offer that would have an aggregate purchase price for the NBC Shopping Centre that exceeds the minimum purchase price referred to in Section 11 below and would be able to consummate a transaction if selected as a Successful Bidder;

"Qualified Phase II Bid" means a Phase II Bid that satisfies the conditions set out in Section 8 hereof;

"Qualified Phase II Bidder" means a bidder submitting a Qualified Phase II Bid;

"Sale Hearing" means a Court hearing on motion by the Receiver for an Order to approve the sale of the NBC Shopping Centre to the Successful Bidder;

"Stalking Horse Purchase Price" means \$50,000,000;

"Successful Bid" means the highest and best Qualified Phase II Bid as determined by the Receiver, taking into account financial and contractual terms and the factors relevant to the Sale Procedure, including those factors affecting the speed and certainty of consummating the proposed sale; and

"Successful Bidder" means the Bidder that submits the Successful Bid.

2. Assets for Sale

The Receiver is soliciting superior offers for all of and not less than all of the right, title and interest of the Receiver and the Debtors in and to the NBC Shopping Centre.

For the purposes of this Sale Procedure, Bids may be submitted only for the entire property comprising the NBC Shopping Centre.

3. Sale Procedure Structure and Bidding Deadlines

The Sale Procedure shall consist of two phases.

In the first phase, Interested Parties that meet the preliminary participant requirements set out herein, including having executed a Confidentiality Agreement, shall be provided the Confidential Information Memorandum in order to prepare and submit their Phase I Bid by the Phase I Bid Deadline and be given access to the Confidential Information in the Confidential Data Room. Phase I Bidders that are determined by the Receiver to be Qualified Phase I Bidders shall be invited to participate in the second phase to submit a Phase II Bid.

The Receiver will be engaging the Listing Agent as marketing and listing agent to assist the Receiver with the implementation of the Sale Procedure. Interested Parties wishing to obtain information about the Sale Procedure, a copy of the Confidentiality Agreement and information in connection with their due diligence, should contact the Listing Agent, Attn. Cam Lewis, cam.lewis@avisonyoung.com, with a copy to the Receiver c/o Attn. Brenda Wong (brenda.wong@rsmcanada.com).

All Phase I Bids must be submitted to the Notice Parties by email in accordance with the terms of this Sale Procedure so that they are actually received by each of the Notice Parties no later than the Phase I Bid Deadline.

All Phase II Bids must be submitted to the Notice Parties by email or facsimile in accordance with the terms of this Sale Procedure so that they are actually received by each of the Notice Parties no later than the Phase II Bid Deadline.

A Bid received after the Phase 1 Bid Deadline shall not constitute a Phase I Bid and a Phase II Bid received after the Phase II Bid Deadline shall be disqualified. A Bid shall be delivered to all Notice Parties at the same time.

4. Participant Requirements

Phase I Participant Requirements.

To participate in Phase I of the Sale Procedure and to otherwise be considered for any purpose hereunder, each Interested Party must provide the Receiver with each of the following prior to being provided with the Confidential Information Memorandum and access to the Confidential Information: (i) an executed Confidentiality Agreement; and (ii) an executed Acknowledgement of Sale Procedure (collectively, the "**Phase I Participant Requirements**").

Phase II Participant Requirements

Only Qualified Phase 1 Bidders shall be allowed to participate in Phase II of the Sale Procedure.

In order for the Receiver to determine whether an Interested Party is a Qualified Phase I Bidder, and qualified to participate in Phase II, the Interested Party must provide, in form and substance satisfactory to the Receiver, each of the following on or before the Phase I Bid Deadline:

- (a) Identification of Phase I Bidder. Identification of the Phase I Bidder and any Principals, and the representatives thereof, who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction;
- (b) Non-Binding Expression of Interest. An executed non-binding letter of intent, in the form of the document attached as Schedule "C" hereto, satisfactory to the Receiver, that must reasonably identify the contemplated transaction, the proposed purchase price, and conditions precedent to closing;
- (c) Corporate Authority. Written evidence of the approval of the Phase I Bid by the Phase I Bidder's directors; provided, however, that, if the Phase I Bidder is an Acquisition Entity, then the Phase I Bidder must also furnish written evidence reasonably acceptable to the Receiver of the approval of the Phase I Bid by the Acquisition Entity's Principals; and
- (d) Proof of Financial Ability to Perform. Written evidence upon which the Receiver may reasonably conclude that the Phase I Bidder has the necessary financial ability to close the contemplated transaction and provide adequate assurance of future performance of all obligations to be assumed in such contemplated transaction. Such information should include, among other things, the following:

- (i) the Phase I Bidder's or, in the case of an Acquisition Entity, the Principals', current financial statements and latest audited financial statements;
- (ii) contact names and numbers for verification of financing sources;
- (iii) evidence of the Phase I Bidder's or Principals' internal resources and proof of any debt or equity funding commitments that are needed to close the contemplated transaction; and
- (iv) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Receiver demonstrating that such Phase I Bidder has the ability to close the contemplated transaction;

provided, however, that the Receiver shall determine, in its reasonable discretion, whether the written evidence of such financial wherewithal is reasonably acceptable, and shall not unreasonably withhold acceptance of a Phase I Bidder's financial qualifications.

5. Designation as Qualified Bidder

As set out above, only Qualified Phase I Bidders shall be allowed to participate in Phase II of the Sale Procedure. Following the Phase I Bid Deadline, the Receiver shall determine which Phase I Bidders are Qualified Phase I Bidders. The Receiver shall notify each Phase I Bidder of its determination as to whether the Phase I Bidder is a Qualified Phase I Bidder as soon as practicable after the Phase I Bid Deadline, but no later than July 22, 2020.

Following the Phase II Bid Deadline, the Receiver shall determine which Phase II Bidders are Qualified Phase II Bidders. The Receiver shall notify each Phase II Bidder of its determination as to whether the Phase II Bidder is a Qualified Phase II Bidder as soon as practicable after the Phase II Bid Deadline.

For greater certainty, the Stalking Horse Bidder is and is deemed to be a Qualified Phase I Bidder and a Qualified Phase II Bidder for all purposes of this Sale Procedure.

If no Qualified Phase I Bid other than the Stalking Horse Bid is received by the Phase I Bid Deadline, then the Sale Procedure shall be terminated and the Stalking Horse Bidder shall be declared the Successful Bidder. If the Stalking Horse Bidder is declared the Successful Bidder, the Receiver shall as soon as reasonably practicable seek approval of, and authority to consummate, the Stalking Horse Agreement and the transactions provided for therein at the Sale Hearing and the Receiver shall post notice of its application to Court for approval of the Stalking Horse Bid on its website established in connection with the Receivership Proceeding.

6. Access to Due Diligence Materials

Only Interested Parties that satisfy the Phase I Participant Requirements will be eligible to receive the Confidential Information Memorandum and access to the Confidential Information. If the Receiver determines that a Phase I Bidder does not constitute a Qualified Phase I Bidder, then such Phase I Bidder shall not be eligible to receive any additional due diligence access, any non-public information or any-access to the Confidential Information.

The Receiver and the Listing Agent will be responsible for the coordination of all reasonable requests for additional information and due diligence access from Qualified Phase I Bidders. Neither the Receiver nor the Listing Agent shall be obligated to furnish any due diligence information after the Phase II Bid Deadline. Neither the Receiver nor the Listing Agent shall be responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the sale of the NBC Shopping Centre.

7. Information from Interested Parties

Each Interested Party shall comply with all reasonable requests for additional information by the Receiver and/or the Listing Agent regarding such Interested Party and its contemplated transaction. Failure by an Interested Party to comply with requests for additional information will be a basis for the Receiver to determine that the Interested Party is not a Qualified Phase I Bidder or a Qualified Phase II Bidder, as applicable.

8. Phase II Bid Requirements

Only Qualified Phase I Bidders shall be entitled to submit a Phase II Bid. In order to be considered a Qualified Phase II Bid, as determined by the Receiver, a Phase II Bid must satisfy each of the following conditions:

- (a) Written Submission of Modified APA and Commitment to Close. The Phase II Bid must be submitted by the Phase II Bid Deadline in the form of a Modified APA (together with a blackline of the Modified APA against the Modified Stalking Horse Agreement), which must constitute a written and binding commitment to close on the terms and conditions set forth therein;
- (b) Irrevocable. A Phase II Bid must be received by the Phase II Bid-Deadline, in accordance with Section 3 above, and must be irrevocable until the date on which the Receiver obtains court approval of the Successful Bid, subject to the provisions hereof regarding the Back-up Bid being deemed to be the Successful Bid;
- (c) Conditions. A Phase II Bid may not be conditional on obtaining financing or any internal approval or on the outcome or review of due diligence. Any other terms and conditions associated with a Phase II Bid may not, in

aggregate, be more burdensome than those set forth in the Stalking Horse Agreement;

- (d) **Financing Sources.** A Phase II Bid must be accompanied by written evidence of a commitment for financing or other evidence of the ability to consummate the transaction satisfactory to the Receiver and appropriate contact information for such financing sources must be provided;
- (e) **No Fees payable to Qualified Phase II Bidder.** A Phase II Bid may not request or entitle the Qualified Phase II Bidder to any break fee, expense reimbursement or similar type of payment, subject to Section 13;
- (f) **Good-Faith Deposit.** Each Phase II Bid must be accompanied by a Good Faith Deposit that shall be paid to the Receiver's counsel by wire transfer or banker's draft, to be held by the Receiver's counsel in trust in accordance with this Sale Procedure and which shall constitute the First Deposit under the Modified Stalking Horse Agreement; and
- (g) **Purchase Price.** The purchase price in a Phase II Bid must be in accordance with Section 11 below.

The Receiver shall be entitled to seek additional information and clarifications from Phase II Bidders in respect of their Phase II Bids at any time.

9. Furthers Bid by the Stalking Horse Bidder

The Stalking Horse Bidder, or a person related thereto, shall be entitled to make a Phase II Bid.

10. Determination of Successful Bid

If one or more Qualified Phase II Bids (in addition to the Stalking Horse Bid) is received by the Phase II Bid Deadline, and the Receiver determines any of such Qualified Phase II Bid(s) to have a Purchase Price equal to or greater than the Purchase Price under the Stalking Horse Bid, the Receiver shall conduct an auction amongst the Qualified Phase II Bidders (including the Applicant), on terms to be determined by the Receiver, to determine the Successful Bid and the Back-up Bid by August 14, 2020, and/or otherwise negotiate with the Qualified Phase II Bidders, on terms to be determined by the Receiver, to as to determine the Successful Bid and the Back-up Bid by August 14, 2020.

Upon determination of the Successful Bid and the Back-up Bid, if any, the Receiver shall as soon as reasonably practicable seek approval of, and authority to consummate, the Successful Bid and the transactions provided for therein at the Sale Hearing and the Receiver shall post notice of its application to Court for approval of the Successful Bid on its website established in connection with the Receivership Proceeding.

If no Qualified Phase II Bid other than the Stalking Horse Bid is received by the Phase II Bid Deadline, then the Sale Procedure shall be terminated and the Stalking Horse Bidder shall be declared the Successful Bidder. If the Stalking Horse Bidder is declared the Successful Bidder, the Receiver shall as soon as reasonably practicable seek approval of, and authority to consummate, the Stalking Horse Agreement and the transactions provided for therein at the Sale Hearing and the Receiver shall post notice of its application to Court for approval of the Stalking Horse Bid on its website established in connection with the Receivership Proceeding.

11. Minimum Purchase Price for Phase II Bids

The minimum purchase price of any Phase II Bid must be the sum of the Stalking Horse Purchase Price plus the Expense Reimbursement plus \$250,000.

12. Acceptance of Successful Bid

The Receiver shall complete the sale transaction with the Successful Bidder following approval of the Successful Bid by the Court. The Receiver will be deemed to have accepted a Successful Bid only when the Successful Bid has been approved by the Court. The Receiver will be deemed to have accepted a Back-up Bid only when it has been approved by the Court and has been deemed to be a Successful Bid.

13. Expense Reimbursement

In consideration for the Applicant's expenditure of time and money in acting as the initial bidder in this Sale Procedure and the preparation and negotiation of the Stalking Horse Agreement and subject to the terms and conditions of that agreement and of the Sale Procedure Order, upon termination of the Stalking Horse Agreement by the Receiver or the closing of a sale and a transfer of the NBC Shopping Centre to one or more parties other than the Applicant or a person related thereto (an "**Alternative Transaction**"), the Receiver agrees to reimburse the Applicant for its expenses in connection with this transaction (the "**Expense Reimbursement**") in an amount of \$400,000.00 from the proceeds of an Alternative Transaction. Payment of the Expense Reimbursement shall be made by the Receiver to the Applicant upon consummation of the Alternative Transaction. Upon payment of the Expense Reimbursement to the Applicant, the Applicant and Applicant's Acquisition Entity and the Receiver shall have no further obligations under the Stalking Horse Agreement.

14. "As Is, Where Is"

The sale of any of the NBC Shopping Centre pursuant to this Sale Procedure shall be on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by the Receiver, the Listing Agent or their respective officers, directors, employees, representatives or agents, except to the extent set forth in the Successful Bid. The Stalking Horse Bidder and each Bidder shall be deemed to

acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the NBC Shopping Centre prior to making its Bid, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or the NBC Shopping Centre in making its Bid, and that it did not, does not, and will not rely on any written or oral statements, representations, promises, warranties, conditions or guarantees whatsoever, whether express or implied or arising by operation of law or otherwise, regarding the NBC Shopping Centre, made by the Receiver, the Listing Agent or their respective officers, directors, employees, representatives or agents or the completeness of any information provided in connection therewith, except as expressly stated in this Sale Procedure or in (a) as to the Stalking Horse Bidder, the Stalking Horse Agreement, or (b) as to another Successful Bidder, the applicable Modified APA.

15. Free Of Any And All Encumbrances

Except as otherwise provided in each Successful Bid, the NBC Shopping Centre shall be sold free and clear of all Encumbrances, except the Permitted Encumbrances, in accordance with a vesting order of the Court, with all Encumbrances on or against the NBC Shopping Centre, other than the Permitted Encumbrances, to attach to the net proceeds of the sale of the NBC Shopping Centre after completion of such sale under a Successful Bid.

16. Back-up Bid

If the Successful Bid is approved by the Court and the Successful Bidder fails to consummate the transaction in accordance with the terms and conditions of the Successful Bid, the Receiver shall, provided it is so authorized by the Court, be entitled, but not required, to deem the Back-up Bid the Successful Bid and the Receiver shall be authorized, but not required, to consummate the transaction with the Back-up Bidder and upon so doing the Back-up Bidder shall be deemed to be the Successful Bidder, subject to approval by the Court, which approval may be sought by the Receiver on a conditional basis at the Sale Hearing, at the Receiver's discretion.

17. Return of Good Faith Deposit

Good Faith Deposits of all Qualified Phase II Bidders shall be held in a non-interest bearing account of the Receiver's counsel. Good Faith Deposits of all Qualified Phase II Bidders, other than the Successful Bidder and the Back-up Bidder, shall be returned, without interest, to such Qualified Phase II Bidders within three (3) business days after the selection of the Successful Bidder and the Back-up Bidder. Good Faith Deposits of the Successful Bidder shall be applied to the purchase price of such transaction at closing. The Good Faith Deposit of the Back-up Bidder shall be returned, without interest, to the Back-up Bidder within three (3) business days after the closing of the transaction(s) contemplated by the Successful Bid. If a Successful Bidder (including any Back-up Bidder deemed to be a Successful Bidder hereunder) fails to consummate an approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Receiver shall be entitled to retain the Good Faith Deposit of the Successful Bidder as part of its damages resulting

from the breach or failure to perform by the Successful Bidder. If the Successful Bidder fails to consummate an approved sale for any reason, and a transaction is completed with the Back-up Bidder, the Good Faith Deposit of the Back-up Bidder shall be applied to the purchase price of the transaction(s) contemplated by the purchase agreement of the Back-up Bidder at closing.

18. Modifications and Reservations

This Sale Procedure may be modified or amended by the Receiver, provided that if such modification or amendment materially deviates from this Sale Procedure, such modification or amendment may only be made by order of the Court.

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**
Proceeding commenced at Toronto

**NOTICE OF MOTION OF THE RECEIVER
(Returnable May 20, 2020)**

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Lawyers for RSM Canada Limited,
in its capacity as Court-appointed Receiver

TAB 2

Court File No. CV-20-00637682-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**CHOICE PROPERTIES LIMITED PARTNERSHIP, by its general partner
CHOICE PROPERTIES GP INC.**

Applicant

- and -

PENADY (BARRIE) LTD. and PRC BARRIE CORP.

Respondents

**FIRST REPORT OF THE RECEIVER OF
PENADY (BARRIE) LTD. and PRC BARRIE CORP.**

MAY 12, 2020

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I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated March 25, 2020 (the “**Appointment Order**”), RSM Canada Limited (“**RSM**”) was appointed receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Penady (Barrie) Ltd. (“**PBL**”) acquired for, or used in relation to a business carried on by PBL, including all proceeds thereof, and the interest of PRC Barrie Corp. (“**PRC Barrie**”) in the Barrie Property (defined below) and all assets, undertakings and properties related thereto (collectively, the “**Property**”). A copy of the Appointment Order is attached to this report as **Appendix “A”**.
2. By way of motion returnable May 20, 2020, the Applicant is seeking an Order amending the Appointment Order to, *inter alia*, include Mady (Barrie) Inc. (“**MBI**”) as a respondent, and to appoint RSM as receiver and manager without security over MBI’s interest in the Barrie Property, and all assets, undertakings and properties related thereto.
3. The Appointment Order authorizes the Receiver to, among other things:
 - (a) take possession and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of, or from, the Property;
 - (b) manage, operate, and carry on the business of PBL and PRC Barrie, including the powers to enter into any agreements (including any amendments and modifications thereto), repudiate or disclaim any agreement, incur any obligations in the ordinary course of business, cease

-
- to carry on all or any part of the business, or cease to perform, modify or terminate any contracts of either PBL and/or PRC Barrie;
- (c) market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof, and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate; and
 - (d) 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 \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; 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.
4. The Appointment Order and other Court documents have been posted on the Receiver's website, which presently can be found at rsmcanada.com/penady-barrie-inc.
5. The Receiver has retained the firm of Blaney McMurtry LLP ("**Blaney**") to act as its independent legal counsel.

II. PURPOSE OF THE REPORT

6. The purpose of this first report of the Receiver (the “**First Report**”) is to:
- (a) report to the Court on the activities of the Receiver since the date of its appointment to May 12, 2020;
 - (b) provide the Court with information on the Receiver’s proposed sale process (the “**Sale Procedure**”) for the sale of the Barrie Property;
 - (c) provide the Court with a summary of the Receiver’s cash receipts and disbursements for the period from March 27, 2020 to April 30, 2020 (the “**R&D**”); and
 - (d) seek an order:
 - (i) authorizing the Receiver to conduct the Sale Procedure;
 - (ii) authorizing the Receiver to enter into a listing agreement with Avison Young Commercial Real Estate (Ontario) Inc. (“**Avison Young**”);
 - (iii) authorizing the Receiver to enter into the Stalking Horse Agreement (defined later herein); and
 - (iv) approving the First Report, the Receiver’s conduct and activities described therein, and the R&D.

Terms of Reference

7. In preparing this First Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the “**Information**”). Certain of the information contained in this report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained

from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. 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 pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

8. Unless otherwise stated, all dollar amounts contained in the First Report are expressed in Canadian dollars.

III. BACKGROUND

9. PBL is a corporation operating under the laws of Ontario having its registered head office in Toronto, Ontario. PBL is a subsidiary of PenEquity Realty Corporation (“**PenEquity**”), an Ontario-based real estate investment advisor that principally focuses on purchasing and developing real estate. A corporate profile report for PBL is attached to this report as **Appendix “B”**.
10. PBL is the registered owner of commercial rental property located at the intersection of Cundles Road and Duckworth Avenue in the City of Barrie, which forms part of the North Barrie Crossing Shopping Centre. More specifically, the Property is located at the following municipal addresses:
 - 637-657 Cundles Road East;
 - 327 Cundles Road East; and

-
- 507-527 Cundles Road East,
(collectively referred to in this report as the “**Barrie Property**”).

11. PRC Barrie and MBI are the beneficial owners (the “**Beneficial Owners**”) of the Barrie Property.
12. PBL holds the Barrie Property as nominee and bare trustee for the sole use, benefit and advantage of the Beneficial Owners, and for no other person or entity. Corporate profile reports for PRC Barrie and MBI are attached to this report as **Appendix “C”**.
13. Choice Properties GP Inc. (“**Choice GP**”) is the general partner of Choice Properties Limited Partnership (“**CHP**”), the Applicant in these proceedings. Choice GP is a subsidiary of Choice Real Estate Investment Trust (“**CH REIT**”). CH REIT is a diversified real estate investment trust primarily focused on retail, industrial, office and residential assets. CH REIT’s portfolio is comprised of approximately 726 properties spanning approximately 65.8 million square feet. The limited partners of CHP are CH REIT and George Weston Limited.
14. CHP is the beneficial owner of certain lands abutting the Barrie Property (the “**Barrie REIT Property**”). Penady (North Barrie) Ltd., an affiliate of PBL, is the registered owner of lands that are adjacent to the Barrie Property (the “**Penady Retail Lands**”). A site plan that identifies the Barrie Property, the Barrie REIT Property and the Penady Retail Lands is set out at page 15 of the Applicant’s Application Record.

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15. CHP is the senior secured lender to PBL. The security granted to CHP includes, *inter alia*, a limited recourse guarantee granted by PRC Barrie and MBI.
 16. CHP advanced funding to PBL to assist with the development of the Barrie Property. As at March 9, 2020, PBL was indebted to CHP for \$68,190,424 (the “**Indebtedness**”). The Indebtedness includes CHP’s repayment of PBL’s indebtedness to Equitable Bank (the “**EQ Debt**”). Equitable Bank previously held a first mortgage over the Barrie Property ranking in priority to that of CHP’s mortgage.
 17. CHP’s secured facility matured on January 31, 2020. As (i) the amounts owing to by PBL to CHP were not repaid, (ii) PBL’s efforts to sell or refinance the Barrie Property over the past 12-16 months were not successful, and (iii) the unpaid realty taxes for the Barrie Property for 2018, 2019 and 2020 had accumulated to approximately \$2.2 million, on March 9, 2020, the Applicant made an application, returnable on March 10, 2020, for the appointment of a receiver over PBL and the interest of PRC Barrie in the Barrie Property. On March 10, 2020, the application was adjourned to March 25, 2020.
 18. On March 25, 2020, Justice McEwen, after hearing the contested application, issued an Endorsement (the “**March 25 Endorsement**”) confirming that it was both just and convenient, when reviewing all the relevant factors, that an order appointing a Receiver be granted, and requested that counsel for the Applicant and Respondents agree on the terms of the Order. A copy of the March 25 Endorsement is attached hereto as **Appendix “D”**.

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19. Subsequently, after the terms of the order were finalized, on March 27, 2020, Justice McEwen issued the Appointment Order dated March 25, 2020, appointing RSM as the Receiver of PBL and PRC Barrie's interest in the Barrie Property.
 20. On May 8, 2020, the Applicant served a motion record in which the Applicant is seeking to amend and restate the Appointment Order. One of the amendments being sought is to include MBI's interest in the Barrie Property in the definition of "Property".

IV. RECEIVER'S ACTIVITIES TO DATE

Property Manager

21. Following its appointment, the Receiver contacted PenEquity who was acting as property manager for the Barrie Property.
22. Due to PenEquity's familiarity with the Barrie Property, with the concurrence of Choice GP, the Receiver entered into a property management agreement with PenEquity (the "**Property Manager**") for it to continue to manage the Barrie Property. A copy of the property management agreement is attached as **Confidential Appendix "A"** to the First Report. The Receiver is requesting that the property management agreement be sealed, until the sale of the Barrie Property, as certain of the Information contained therein, such as the Property Manager's compensation and other rights and obligations of the Property Manager, may be prejudicial to the receivership administration if the property management agreement was in the public domain.

Banking

23. The Receiver has opened a trust account at Bank of Montreal (the “**BMO Account**”) for the receivership.
24. The Property Manager is maintaining an operating account in the name of PBL at TD Canada Trust (the “**TD Account**”), solely relating to the Barrie Property. As of March 27, 2020, there was a balance of \$31,647 in the TD Account. The Receiver has not closed the TD Account as the Receiver is of the view that it is more efficient for tenants to continue to deposit rent to the TD Account than for the Property Manager to try to contact tenants and ask them to redirect rent payments to the BMO Account.
25. In order for the Receiver to monitor the activity in the TD Account, the Receiver has requested that PenEquity provide to the Receiver on a daily basis a copy of an online printout of the activity in the TD Account. In addition, the Receiver has arranged for TD Canada Trust to provide directly to the Receiver on a weekly basis a copy of an online printout of the TD Account’s activity.

Insurance

26. The Receiver obtained from PenEquity a copy of the insurance documents in respect of the current insurance coverage for the Barrie Property. After reviewing the insurance documents, the Receiver determined that the coverage was satisfactory. As the insurance coverage relating to the Barrie Property is part of PenEquity’s overall insurance package, the Receiver has confirmed with PenEquity that the policy is in full force and effect and that premium payments are

up-to-date. The Receiver has been added as an additional named insured and loss payee to the policies in respect of the Barrie Property. The current policy term expires on August 31, 2020.

27. Commencing effective from March 25, 2020, the Receiver is paying to PenEquity approximately \$8,900 per month representing the portion of PenEquity's monthly insurance premium allocable to the Barrie Property.

Statutory Notices

28. On April 6, 2020, the Receiver sent via e-mail and fax to the known creditors of PBL a Notice and Statement of Receiver pursuant to Section 245(1) of the *Bankruptcy and Insolvency Act* (the "**245 Notice**"). The known creditors were identified through a title search of the Property, a search conducted of PBL on the Personal Property Security Registration System ("**PPSA**"), and from a list of creditors provided by the Property Manager. A copy of the 245 Notice is attached hereto as **Appendix "E"**.

Property Taxes

29. As of the date of the Receiver's appointment, the property taxes owing to the City of Barrie totaled approximately \$2,500,000. Included in this amount, was \$1,948,598.36 in respect of arrears for 2018 and 2019, plus accrued interest and penalties to April 1, 2020. The Receiver confirmed with the City of Barrie that the property tax deferral offered by the City of Barrie in light of the COVID-19 pandemic did not apply to taxes owing prior to 2020. Accordingly, as interest would continue to accrue on the 2018 and 2019 property tax arrears, and those arrears would

have to be paid upon a sale of the Barrie Property, the Receiver received an advance from CHP in order for the Receiver to pay the 2018 and 2019 arrears.

30. On April 21, 2020, the Receiver paid \$1,948,598.36 to the City of Barrie representing the property tax arrears relating to 2018 and 2019.
31. The City of Barrie has advised that it will not charge, due to the COVID-19 pandemic, interest or penalties from April 1 to June 30, 2020, on the two 2020 tax instalments. The Receiver has not yet date paid the 2020 property tax instalments and will reassess its position in mid-June 2020.

V. TENANTS OF THE BARRIE PROPERTY

32. As of March 25, 2020, there were 27 tenants at the Barrie Property and two vacant units. Due to operating restrictions and/or the reduction in business arising from the COVID-19 pandemic, 16 tenants temporarily suspended operations, and six tenants are offering limited services.
33. To date, 21 tenants have requested some form of rent deferral or similar form of accommodation effective from the rental payment due on April 1, 2020. The Receiver reviewed with the Property Manager the requests of the individual tenants to assist the Receiver determine its position in response to the requests received.

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34. In addition to the information provided by the Property Manager, the Receiver also sought the input of CHP as CHP is, as mentioned earlier herein, a landlord of numerous properties and the primary secured creditor of PBL.
35. After consideration of the information received, the Property Manager is in the process of dealing with each of the tenants taking into account the parameters agreed with the Receiver in relation to the requests of the individual tenants.
36. Upon its appointment, PenEquity and one tenant were in the process of terminating that tenant's lease as was mutually agreed between the tenant and PenEquity. The Receiver reviewed with Blaney the documentation relating to the termination. Blaney prepared a Termination and Mutual Release that was subsequently executed by the tenant and the Receiver. One of the terms of the Termination and Mutual Release was that the tenant forfeited its deposit of approximately \$102,000.
37. The Receiver has been advised by PBL that a total of approximately \$208,000 of deposits were received from tenants of the Barrie Property, however, the deposits were not held separate and apart. Included in the \$208,000 was the deposit of approximately \$102,000 from the tenant whose lease was terminated as noted above.

VI. LETTERS OF CREDIT

Letter of Credit held by City of Barrie

38. In 2015, an Irrevocable Standby Letter of Credit in the amount of \$500,000 was issued by Equitable Bank (the "EQ LC") on behalf of PBL to the City of Barrie as

security for servicing and surface works, as well as parks planning and development landscape works to be completed by PBL at the Barrie Property. The EQ LC has not been released by the City of Barrie, but was replaced with cash security by Equitable Bank after Choice paid out the EQ Debt (the “**Cash Security**”).

39. PenEquity has advised the Receiver that the majority of the Civil (surface works, sanitary, storm, etc.) and landscaping work secured by the EQ LC has been completed, except for approximately \$25,000 to \$30,000 of Civil work and potentially an amount of landscaping work that will need to be determined. It will be necessary to retain a civil engineer and landscape architect, and request inspections and reviews of the onsite conditions with City of Barrie staff.
40. Once the cost of the outstanding work has been determined and confirmed by the City of Barrie, the Receiver will request the release of the Cash Security that replaced the EQ LC. On April 29, 2020, Blaney corresponded with the City of Barrie to advise that, to the extent the position of the City of Barrie is that Penady still has any remaining interest in the Cash Security, payment of the surplus Cash Security is to be directed to the Receiver who will determine the party entitled to the funds. The Applicant’s position is that, in view of its security over PBL’s assets, the Applicant is entitled to the Cash Security as long as the amount outstanding under the Indebtedness is greater than the Cash Security.

Letter of Credit held by Gardiner Roberts LLP

41. On January 8, 2015, an Irrevocable Standby Letter of Credit for \$1,933,315.25 (the “**BMO LC**”) was issued by Bank of Montreal on behalf of CP REIT Ontario Properties Limited to Gardiner Roberts LLP (“**Gardiner**”). On January 22, 2015, the amount of the BMO LC was amended to \$1,774,416.25.
42. Gardiner is holding the BMO LC as escrow agent under an Omnibus Holdback Agreement dated July 4, 2006.
43. The Receiver understands that the BMO LC is held on behalf of PBL and its purpose was to secure work to be completed under the Omnibus Holdback Agreement. PenEquity has advised the Receiver that this work is completed.
44. The Receiver is currently reviewing the status of the BMO LC and will provide the result of its review in the Receiver’s next report to the Court.

VII. PROPOSED SALE PROCESS

45. The Appointment Order authorizes the Receiver to market the Property for sale, including advertising and soliciting offers in respect of the Barrie Property.
46. The Receiver is now in a position to commence the marketing process for the Barrie Property, and is seeking the Court’s approval of the sale procedure described in the following paragraphs (the “**Sale Procedure**”).
47. The Sale Procedure contemplates the marketing of the Barrie Property by Avison Young. In order to set a floor price and ensure that only serious offers are received

for the purchase of the Barrie Property, Choice GP has submitted a stalking horse credit bid offer (the “**Stalking Horse Offer**”). The Receiver is seeking an Order of the Court authorizing the Receiver to accept the Stalking Horse Offer (once accepted, the “**Stalking Horse Agreement**”). The Stalking Horse Agreement is described below.

VIII. THE STALKING HORSE AGREEMENT

48. Capitalized terms used in this section of the First Report are as defined in the Stalking Horse Agreement unless otherwise defined. A copy of the Stalking Horse Agreement is attached hereto as **Appendix “F”**.
49. The Stalking Horse Agreement is a “credit bid” (the “**Stalking Horse Bid**”) by CHP, PBL’s primary secured lender) (the “**Purchaser**” or the “**Stalking Horse Bidder**”). The key provisions of the Stalking Horse Agreement are set out below.
50. The Purchaser will acquire the Subject Assets for the price set out in the Stalking Horse Bid (the “**Stalking Horse Price**”) to be satisfied by:
- i) providing a credit to the Debtor in the amount of the Credit Agreement Bid Amount, against the Debtor’s obligations under the Credit Agreement; and
 - ii) providing a credit to the Receiver in the amount of the Receiver’s Certificate Obligations, inclusive of the amount equal to the Wind-Down Estimate, as evidenced by Receiver’s Certificates;
51. The Stalking Horse Bid includes the following material provisions:

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- (i) all applicable taxes and registration fees, including land transfer taxes, are to be paid by the Purchaser on the Closing;
 - (ii) the Subject Assets are the right, title and interest of the Receiver and PBL, PRC Barrie and MBI (collectively, the “**Debtors**”), in and to the tangible and intangible properties, assets, interests, rights and claims related to the Barrie Property and/or the Business, wherever located, as of the Closing Date, including without limitation the following assets, if any:
 - (a) the Property;
 - (b) the Leases;
 - (c) the Assumed Contracts;
 - (d) the Permitted Encumbrances;
 - (e) the Chattels;
 - (f) the Accounts Receivable, which includes all accounts receivable of PBL, and the accounts receivable of PRC and MBI related to the Barrie Property, as well as any rents and other amounts owing to the Debtors (or any of them) under the Leases, including without limitation any amounts owing as a result of the deferral of rents and other amounts due to the Debtors (or any of them) thereunder; and
 - (g) all other personal property not contemplated by the foregoing, but excludes the right, title and interest of the Receiver and the Debtors in and to the Excluded Assets and the Excluded Contracts;
 - (iii) the Purchaser will fund all accrued but unpaid fees and disbursements of the Receiver and its counsel subject to the Receiver’s Charge as at the

Closing Date. The Purchaser will also fund the costs to wind down and complete the Receivership Proceeding after the Closing Date (referred to as the Wind-Down Amount); and

- (iv) any Secured Debt owing by PBL and the Beneficial Owners to the Purchaser that is in excess of the Credit Agreement Bid Amount will remain owing by PBL and the Beneficial Owners to the Purchaser from and after the Closing Date, with the Purchaser reserving with respect thereto all of its rights, powers, and remedies under its loan documents and applicable law.

52. The Stalking Horse Agreement has no due diligence conditions and provides for an expense reimbursement of \$400,000 (the “**Expense Reimbursement**”), in the event the Purchaser is not the Successful Bidder, to reimburse the Purchaser for the Purchaser’s expenses in connection with the Transaction. It is the Receiver’s view that the Expense Reimbursement is a fair and reasonable amount. The Receiver supports the Expense Reimbursement because of the value the Stalking Horse Agreement brings to the Sale Procedure, including the enhanced certainty of a base bid.

53. Pursuant to the Stalking Horse Agreement, the obligation of the Purchaser to complete the Transaction is subject to the following conditions being fulfilled or performed on the Closing Date:

- (i) all of the terms, covenants and conditions of the Stalking Horse Agreement to be complied with or performed by the Vendor shall have been complied with or performed in all material respects;

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- (ii) all of the representations and warranties of the Vendor set out in Section 5.2 of the Stalking Horse Agreement shall be true and accurate in all material respects as if made as of the Closing (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by the Stalking Horse Agreement);
 - (iii) receipt of all deliveries to be made by the Vendor as set out in Section 6.2 of the Stalking Horse Agreement;
 - (iv) there shall be no Order issued by any Governmental Authority delaying, restricting or preventing, and no pending Claim or judicial or administrative proceeding, or investigation against any Party by any Person, for the purpose of enjoining, delaying, restricting or preventing, the consummation of the Transaction or otherwise claiming that the Stalking Horse Agreement or the consummation of such Transaction is improper or would give rise to proceedings under any Applicable Laws;
 - (v) the Appointment Order, the Sale Procedure Order and the Vesting Order shall be Final Orders and no order shall have been issued which restrains or prohibits the completion of the Transaction; and
 - (vi) the Receiver shall have determined in accordance with the Sale Procedure that the Stalking Horse Agreement is the Successful Bid.

54. The obligation of the Receiver to complete the Transaction is subject to the following conditions being fulfilled or performed on the Closing Date:

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- (i) on the Closing Date, all of the terms, covenants and conditions of the Stalking Horse Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects;
 - (ii) all of the representations and warranties of the Purchaser set out in Section 5.1 of the Stalking Horse Agreement shall be true and accurate in all material respects as if made as of the Closing;
 - (iii) receipt of all deliveries to be made by the Purchaser as set out in Section 6.1 of the Stalking Horse Agreement;
 - (iv) there shall be no order issued by any Governmental Authority delaying, restricting or preventing, and no pending Claim or judicial or administrative proceeding, or investigation against any Party by any Person, for the purpose of enjoining, delaying, restricting or preventing, the consummation of the Transaction or otherwise claiming that this Agreement or the consummation of such Transaction is improper or would give rise to proceedings under any Applicable Laws;
 - (v) the Receiver shall have determined in accordance with the Sale Procedure that the Stalking Horse Agreement is the Successful Bid; and
 - (vi) the Appointment Order, the Sale Procedure Order and the Vesting Order shall be Final Orders and no order shall have been issued which restrains or prohibits the completion of the Transaction.

55. The Sale Procedure, described later in this Report, is intended to provide for a fair and transparent marketing process that will allow the Receiver to maximize

realizations from the Barrie Property by seeking superior offers for the Subject Assets. The Stalking Horse Agreement sets a “floor price” for the Subject Assets and provides stability for the ongoing operations of the Barrie Property by giving assurance that there will be a new owner regardless of the outcome of the Sale Procedure.

56. The Receiver intends to seek a vesting order to transfer title to the Barrie Property to (i) CHP if the Sale Procedure does not result in a bid that is sufficiently higher than the Stalking Horse Bid, or (ii) to the Successful Bidder if the Sale Procedure does result in a bid that is higher than the Stalking Horse Bid.

IX. THE SALE PROCEDURE

57. Capitalized terms used in this section of this Report are as defined in the Sale Procedure that is attached hereto as **Appendix “G”**, unless otherwise defined.
58. The Receiver seeks approval to implement the Sale Procedure that, if approved, will set the parameters of the sales and marketing process pursuant to which the Receiver will seek offers superior to the Stalking Horse Agreement for the Barrie Property, and will set out the requirements for the submission of offers by interested parties.
59. The Sale Procedure contemplates a two-phase process. In the first phase, Interested Parties that meet the preliminary participant requirements set out therein, being (i) an executed Confidentiality Agreement; and (ii) an executed Acknowledgement of Sale Procedure, will be provided with the Confidential

Information Memorandum and will be given access to additional confidential information in the Confidential Data Room.

60. In order for the Receiver to determine whether an Interested Party is a Qualified Phase I Bidder, the Interested Party must provide, in form and substance satisfactory to the Receiver, the following information/documents on or before the Phase I Bid Deadline: (i) identification of the Phase I Bidder, (ii) a non-binding expression of interest, (iii) proof of corporate authority and (iv) proof of financial ability to perform the non-binding expression of interest.
61. Phase I Bidders that are determined by the Receiver to be Qualified Phase I Bidders will be invited to participate in Phase II.
62. For purposes of the Sale Procedure, the Stalking Horse Bidder is deemed to be a Qualified Phase I Bidder and a Qualified Phase II Bidder.
63. The Sale Procedure provides that a Phase I Bid, being a non-binding letter of intent attached as Schedule "C" to the Sale Procedure, must be submitted by the Phase I Bid Deadline of 10:00 a.m. (Eastern Time) on July 15, 2020, and that a Phase II Bid, being a binding offer in the form of an executed mark-up of the Modified Stalking Horse Agreement attached as Schedule "B" to the Sale Procedure, must be submitted by the Phase II Bid Deadline of 10:00 a.m. (Eastern Time) on July 29, 2020.
64. The Sale Procedure also requires, for parties other than the Stalking Horse Bidder, the submission of a deposit of 3% of the proposed purchase price with the Phase 1 Bid, and 7% of the purchase price with a Phase II Bid.

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65. If the Receiver determines that there is no Qualified Phase I Bid other than the Stalking Horse Bid following the Phase I Bid Deadline, the Sale Procedure will be terminated. In that event, the Stalking Horse Bid will be declared the Successful Bid and the Receiver will seek Court approval of, and authority to consummate, the Stalking Horse Agreement and the transactions provided for therein, and obtain a vesting order to transfer title to the Barrie Property.
66. The minimum purchase price of any Phase II Bid must be the sum of the Purchase Price (as defined in the Stalking Horse Agreement) plus the Expense Reimbursement of \$400,000, plus \$250,000. The additional amount of \$250,000 takes into account additional third party disbursements including interest on the Indebtedness and property taxes, as well the Receiver's fees resulting from the extension of the Sale Procedure.
67. If one or more Qualified Phase II Bids (in addition to the Stalking Horse Bid) is received by the Phase II Bid Deadline, and the Receiver determines such Qualified Phase II Bid(s) to be sufficiently greater than the Stalking Horse Bid, the Receiver will conduct an auction by August 14, 2020 amongst the Qualified Phase II Bidders (including the Stalking Horse Bidder), on terms to be determined by the Receiver in accordance with the Sale Procedure to determine the Successful Bid and the Back-up Bid, and/or otherwise negotiate by August 14, 2020 with the Qualified Phase II Bidders on terms to be determined by the Receiver in accordance with the Sale Procedure, so as to determine the Successful Bid and the Back-up Bid, and obtain a vesting order to transfer title to the Barrie Property.

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68. If no Qualified Phase II Bid other than the Stalking Horse Bid is received by the Phase II Bid Deadline, then the Sale Procedure will be terminated and the Stalking Horse Bid will be declared the Successful Bid. In that event, the Receiver will seek Court approval of, and authority to consummate, the Stalking Horse Agreement and the transactions provided for therein, and obtain a vesting order to transfer title to the Barrie Property.
69. Following the determination of the Successful Bid, the Receiver will seek Court approval of, and authority to consummate, the Successful Bid and the transactions provided for therein.
70. The Sale Procedure will be posted to the Receiver's website. Any potential interested party that contacts the Receiver or Avison Young will be invited to participate in the Sale Procedure.
71. In the Receiver's view, the Sale Procedure:
- (a) is consistent with market practice;
 - (b) provides a reasonable opportunity for competing bidders to submit offers superior to the Stalking Horse Agreement;
 - (c) enables the Receiver to maximize realizations from the Barrie Property; and
 - (d) is reasonable and appropriate in the circumstances.

X. THE AVISON YOUNG LISTING AGREEMENT

72. Capitalized terms used in this section of the First Report are as defined in the Avison Young Listing Agreement (the "**Listing Agreement**") unless otherwise

defined. A redacted copy of the proposed Listing Agreement is attached hereto as **Appendix “H”** and an unredacted copy as **Confidential Appendix “B”**.

73. Pursuant to the terms of the Listing Agreement, with the concurrence of CHP and subject to Court approval, the Receiver has engaged Avison Young to act as listing agent in the Sale Procedure.
74. Avison Young is one of the world’s largest commercial real estate services firms. Prior to the receivership, PBL had engaged Avison Young to conduct a marketing process for the sale of the Barrie Property. Based on Avison Young’s knowledge of the Barrie Property, and the work that it had done prior to the issuance of the Appointment Order, the Receiver has not sought listing proposals from other commercial realtors. As set out below, the Receiver is seeking the approval of the Court to enter into the Listing Agreement with Avison Young.
75. The salient terms of the Listing Agreement are as follows:
- (a) the term of the agreement is for a period of six months following the date of execution of the Listing Agreement. If an offer is accepted during the period of the Listing Agreement but the due diligence or closing process has not yet been completed, then the term of the Listing Agreement will be extended to accommodate such offer; and
 - (b) Avison Young will earn a commission based on the gross purchase price should a third party purchaser acquire the Barrie Property, or a fixed fee should the Stalking Horse Bidder, or a person related to it, acquire the Barrie Property. As discussed later in this Report, the Receiver is seeking to

maintain the confidentiality of the commission structure as it is commercially sensitive.

76. A summary of Avison Young's Recommended Marketing Strategy and Disposition Timeline is set out in the Listing Agreement (the "**Avison Young Strategy**"). Based on the Avison Young Strategy, the timeline for the Sales Procedure is set out below:

- (a) by May 25, 2020 – premarketing including review of documents, compiling of marketing material and preparation of data room;
- (b) May 26, 2020 to July 14, 2020 - mailing of "teaser", placement of advertisement in the Globe & Mail newspaper, providing confidential information to parties which executed a confidentiality agreement, conduct of tours;
- (c) July 15, 2020 - receipt of Letters of Intent (Phase I Bids);
- (d) July 16, 2020 to July 22, 2020 – evaluation of Letters of Intent, shortlist parties, request Phase II Bids;
- (e) July 29, 2020 – receipt of Phase II Bids;
- (f) July 30, 2020 to August 14, 2020 – review of Phase II Bids and conduct auction (if required);
- (g) August 14, 2020 - select the Successful Bid;
- (h) August 15, 2020 to September 1, 2020 – application to the Court for approval of the sale of the Barrie Property; and
- (i) September 30, 2020 or earlier - complete the closing of the sale of the Barrie Property.

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77. The Receiver is of the view that the engagement of a commercial brokerage to market the Barrie Property in the implementation of the Sale Procedure is, in the circumstances of this receivership, beneficial to stakeholders of this receivership and to the efforts to maximize realizations from the Barrie Property.
78. The Receiver is also of the view that the compensation to be paid to Avison Young by the Receiver upon the sale of the Barrie Property is fair and reasonable.

Sealing of Commercial Sensitive Terms

79. The Receiver is of the view that disclosure of the terms of the commission structure set out in the Listing Agreement could potentially have an adverse influence on the Sale Procedure. The Receiver is therefore requesting that the Court make a sealing order in respect of such commission structure in order to avoid any potential adverse impact on the Sale Procedure.

XI. SECURED OR PRIORITY CLAIMS

80. The following is a list of secured claims registered against: (i) PBL in the Personal Property Security Registration System (“**PPSA**”) as of March 8, 2020 and in the Land Registry (“**PIN**”) as of February 26, 2020, (ii) PRC Barrie as of March 4, 2020 in the PPSA, and (iii) MBI as of May 4, 2020 in the PPSA :

	PPSA	PIN
PBL		
Choice Properties GP Inc.		X
Choice Properties Limited Partnership	X	
Equitable Bank	X	X
PRC Barrie		
Equitable Bank	X	
MarshallZehr Group Inc.	X	
MBI		
Equitable Bank	X	

81. The registrations on the PPSA and PIN do not reflect that CHP paid out PBL's indebtedness to Equitable Bank on March 4, 2020.
82. Attached hereto as **Appendices "I" and "J"**, respectively, are copies of the PPSA and PIN searches.
83. The Receiver has requested Blaney's opinion on the validity and enforceability of the security held by CHP against the Barrie Property, and will include that opinion in a supplementary report to the Court to be filed in advance of the Receiver's application for approval of the Sale Procedure.
84. In addition to the above security interests, as set out earlier herein, as at the date of the First Report, approximately \$650,000 is owed to the City of Barrie on account of 2020 property taxes.

Claims of Canada Revenue Agency

85. The Property Manager has advised that PBL did not file HST returns on behalf of the operations of the Barrie Property. Instead, the rental income and input tax credits generated by the operations of the Barrie Property were included with the

other activity that PRC Barrie reported under its own HST account. The Property Manager has advised that PBL would have been in a HST payable position as the HST collected on rental income exceeded input tax credits claimed on expenses.

86. The Receiver has notified Canada Revenue Agency (“**CRA**”) of the receivership and will be contacting CRA to determine CRA’s position on PBL’s HST liability.
87. The Receiver has requested that CRA open an HST account for PBL in order that HST collected, and available input tax credits, are reported to CRA in respect of the receivership administration.

XII. RECEIVER’S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

88. Attached to this report as Appendix “**K**” is the Receiver’s Interim Statement of Receipts and Disbursements for the period March 27, 2020 to April 30, 2020 (“**R&D**”). As set out in the R&D, the excess of cash receipts over disbursements is \$199,114.
89. During this period, receipts were \$2,248,688, consisting primarily of an advance of \$2,100,000 from CHP under Receiver Certificate No. 1, and rent of \$103,546. Disbursements were \$2,049,574, which included payment of \$1,948,598 in respect of the 2018 and 2019 property tax arrears for the Barrie Property.
90. The above-noted advance from CHP, plus accrued interest thereon, will be repaid/addressed by the Receiver upon the sale of the Barrie Property.

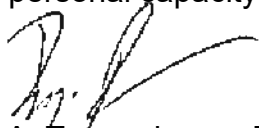
XIII. CONCLUSION

91. The Receiver respectfully requests that the Court grant an Order:
- (a) authorizing the Receiver to conduct the Sale Procedure;
 - (b) authorizing the Receiver to enter into the Listing Agreement;
 - (c) authorizing the Receiver to enter into the Stalking Horse Agreement; and
 - (d) approving the First Report, the Receiver's conduct and activities described therein, and the R&D.

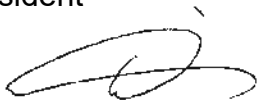
All of which is respectfully submitted to this Court as of this 12th day of May, 2020

RSM CANADA LIMITED

In its capacity as Court Appointed Receiver and Manager
of Penady (Barrie) Ltd. and of certain of the assets,
undertakings and properties of PRC Barrie Corp.
and not in its personal capacity



Per: Bryan A. Tahnenbaum, FCPA, FCA, FCIRP, LIT
President



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

TAB A

APPENDIX A

Court File No. CV-20-00637682-OOCL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)

WEDNESDAY, THE 25TH

JUSTICE MCEWEN)

DAY OF MARCH, 2020



**CHOICE PROPERTIES LIMITED PARTNERSHIP, by its general partner CHOICE
 PROPERTIES GP INC.**

Applicant

- and -

PENADY (BARRIE) LTD. and PRC BARRIE CORP.

Respondents

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

ORDER
(appointing Receiver)

THIS APPLICATION made by Choice Properties Limited Partnership (“**Choice**” or the “**Applicant**”), by its general partner Choice Properties GP Inc., 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 RSM Canada Limited as receiver and manager (“**RSM**” and, in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Penady (Barrie) Ltd. and certain of the assets, undertakings and properties of PRC Barrie Corp. (together with Penady (Barrie) Ltd., the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

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ON READING the affidavit of Mario Barrafato sworn March 9, 2020 and the Exhibits thereto, the affidavit of Cameron Lewis sworn March 19, 2020 and the Exhibits thereto, the affidavit of Neil Miller sworn March 20, 2020 and the Exhibits thereto and the affidavit of Mario Barrafato sworn March 22, 2020 (the "**Supplemental Affidavit**"), and on hearing the submissions of counsel for the Applicant, counsel for the Receiver and counsel for the Respondents, no one else appearing although duly served as appears from the affidavit of service of Alexander Hay sworn March 9, 2020 and on reading the consent of RSM 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, RSM is hereby appointed Receiver, without security, of (i) all of the assets, undertakings and properties of Penady (Barrie) Ltd. acquired for, or used in relation to a business carried on by Penady (Barrie) Ltd., including all proceeds thereof, and (ii) PRC Barrie Corp.'s interest in the real property having the legal description set out in Schedule "A" hereto and all assets, undertakings and properties related thereto (collectively, the "**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;

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- (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 Debtors, including the powers to enter into any agreements (including any amendments and modifications thereto), repudiate or disclaim any agreement, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform, modify or terminate any contracts of either of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the 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 Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 either of the Debtors, for any purpose pursuant to this Order;

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- (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 Debtors, 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 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 \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; 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;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the

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Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of either of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on 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 Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 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 access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that in the event that an account for the supply of goods and/or services is transferred from one or more Debtors to the Receiver, or is otherwise established in the Receiver's name, no Person, including but not limited to a utility service provider, shall assess or otherwise require the Receiver to post a security deposit as a condition to the transfer/establishment of the account.

14. 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

15. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors’ 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

16. 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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. 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

18. 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

19. 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.

20. 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.

21. 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

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow from the Applicant, by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, 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.

23. 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.

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

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

SERVICE AND NOTICE

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

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

SEALING ORDER

28. THIS COURT ORDERS that Exhibit "D" to the Supplemental Affidavit, the Respondent's Confidential Application Record dated March 20, 2020, and the Supplemental Valuation Information of Cameron Lewis dated March 23, 2020, shall each be and is hereby sealed, kept confidential and shall not form part of the public record.

GENERAL

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

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

31. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the 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.

32. 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.

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

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

A handwritten signature in black ink, appearing to be "McGee", written over a horizontal line.

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

MAR 27 2020

PER / PAR:

A handwritten signature in blue ink, appearing to be "e", written next to the text "PER / PAR:".

SCHEDULE "A"

PRC BARRIE CORP. REAL PROPERTY DESCRIPTION

58830-0092 (LT)

PART OF LOT 21 CONCESSION 3 (VESPRA) BEING PARTS 5, 6 & 7 ON PLAN
51R35759; BARRIE

58830-0096 (LT)

PART OF LOT 21 CONCESSION 3 (VESPRA) BEING PARTS 22 & 23 ON PLAN
51R35759; BARRIE

58830-0106 (LT)

PT LT 21 CON 3 VESPRA BEING PTS 12,13 & 14 PL 51R35759; CITY OF BARRIE

58830-0109 (LT)

PT LT 21 CON 3 VESPRA BEING PTS 28 & 30 PL 51R35759; CITY OF BARRIE

58830-0111 (LT)

PT LT 21 CON 3 VESPRA BEING PTS 20, 21, 25, 35 & 36 51R35759, SUBJECT TO
EASEMENT OVER PTS 35 & 36 51R35759 AS IN RO1200479; CITY OF BARRIE

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SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that RSM Canada Limited, the receiver (the "**Receiver**") of the assets, undertakings and properties of Penady (Barrie) Ltd. and PRC Barrie Corp. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of March, 2020 (the "**Order**") made in an application having Court file number ___-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance on the _____ day of each month after the date hereof at a notional rate per annum equal to nine percent (9.0%).

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

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

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

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the 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 _____, 2020.

RSM Canada Limited, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

**CHOICE PROPERTIES LIMITED
PARTNERSHIP, by its general
partner CHOICE PROPERTIES GP
INC.**

Applicant

and

**PENADY (BARRIE) LTD. and PRC
BARRIE CORP.**

Respondents

Court File No: CV-20-00637682-OOCL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT: TORONTO**

ORDER (Appointing a Receiver)

OSLER, HOSKIN & HARCOURT LLP
100 King Street West, 1 First Canadian Place
Suite 6200, P.O. Box 50, Toronto ON M5X 1B8

Michael De Lellis (LSO#48038U)
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Fax: (416) 862.6666

Counsel for the Applicant

Our Matter No. 1165673

TAB B

APPENDIX B

Request ID: 024254488
 Transaction ID: 74753295
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2020/02/25
 Time Report Produced: 12:11:11
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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2121923	PENADY (BARRIE) LTD.	2006/12/13
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address		Date Amalgamated
33 YONGE STREET		NOT APPLICABLE
Suite # 901		New Amal. Number
TORONTO		NOT APPLICABLE
ONTARIO		Notice Date
CANADA M5E 1G4		NOT APPLICABLE
Mailing Address		Letter Date
33 YONGE STREET		NOT APPLICABLE
Suite # 901		Revival Date
TORONTO		NOT APPLICABLE
ONTARIO		Continuation Date
CANADA M5E 1G4		NOT APPLICABLE
		Transferred Out Date
		NOT APPLICABLE
		Cancel/Inactive Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
	Number of Directors	Date Commenced in Ontario
	Minimum	NOT APPLICABLE
	Maximum	NOT APPLICABLE
Activity Classification	00001 00010	
NOT AVAILABLE		

Request ID: 024254488
Transaction ID: 74753295
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/02/25
Time Report Produced: 12:11:11
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

2121923

Corporation Name

PENADY (BARRIE) LTD.

Corporate Name History

PENADY (BARRIE) LTD.

Effective Date

2006/12/13

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

Administrator:**Name (Individual / Corporation)**DAVID
V.
JOHNSTON**Address**33 YONGE STREET

Suite # 901
TORONTO
ONTARIO
CANADA M5E 0A9**Date Began**

2006/12/14

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type**Resident Canadian**

Y

Request ID: 024254488
Transaction ID: 74753295
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/02/25
Time Report Produced: 12:11:11
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

2121923

Corporation Name

PENADY (BARRIE) LTD.

Administrator:**Name (Individual / Corporation)**

DAVID
V.
JOHNSTON

Address

33 YONGE STREET

Suite # 901
TORONTO
ONTARIO
CANADA M5E 0A9

Date Began

2006/12/14

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

SECRETARY

Resident Canadian

Y

Administrator:**Name (Individual / Corporation)**

CHARLES
MADY

Address

1875 LESLIE STREET

Suite # 1
TORONTO
ONTARIO
CANADA M3B 2M5

Date Began

2006/12/14

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type**Resident Canadian**

Y

Request ID: 024254488
 Transaction ID: 74753295
 Category ID: UNE

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2020/02/25
 Time Report Produced: 12:11:11
 Page: 4

CORPORATION PROFILE REPORT

Ontario Corp Number

2121923

Corporation Name

PENADY (BARRIE) LTD.

Administrator:

Name (Individual / Corporation)

CHARLES
 MADY

Address

1875 LESLIE STREET
 Suite # 1
 TORONTO
 ONTARIO
 CANADA M3B 2M5

Date Began

2006/12/14

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

PRESIDENT

Resident Canadian

Y

Administrator:

Name (Individual / Corporation)

GLENN
 A.
 MILLER

Address

33 YONGE STREET
 Suite # 901
 TORONTO
 ONTARIO
 CANADA M5E 0A9

Date Began

2006/12/14

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

Request ID: 024254488
Transaction ID: 74753295
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/02/25
Time Report Produced: 12:11:11
Page: 5

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2121923

PENADY (BARRIE) LTD.

Last Document Recorded

Act/Code	Description	Form	Date
CIA	CHANGE NOTICE	1	2017/04/06 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

TAB C

APPENDIX C

Request ID: 024254495
 Transaction ID: 74753317
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2020/02/25
 Time Report Produced: 12:11:37
 Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2121924	PRC BARRIE CORP.	2006/12/13
		Jurisdiction
		ONTARIO
		Former Jurisdiction
		NOT APPLICABLE
Corporation Type	Corporation Status	
ONTARIO BUSINESS CORP.	ACTIVE	
Registered Office Address		Date Amalgamated
33 YONGE STREET		NOT APPLICABLE
Suite # 901 TORONTO ONTARIO CANADA M5E 1G4		Amalgamation Ind.
		NOT APPLICABLE
		New Amal. Number
		NOT APPLICABLE
		Notice Date
		NOT APPLICABLE
		Letter Date
		NOT APPLICABLE
Mailing Address		Revival Date
33 YONGE STREET		NOT APPLICABLE
Suite # 901 TORONTO ONTARIO CANADA M5E 1G4		Continuation Date
		NOT APPLICABLE
		Transferred Out Date
		NOT APPLICABLE
		Cancel/Inactive Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
		Date Commenced in Ontario
		NOT APPLICABLE
		Date Ceased in Ontario
		NOT APPLICABLE
Activity Classification	Number of Directors Minimum Maximum	
NOT AVAILABLE	00001 00010	NOT APPLICABLE

Request ID: 024254495
Transaction ID: 74753317
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/02/25
Time Report Produced: 12:11:37
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

2121924

Corporation Name

PRC BARRIE CORP.

Corporate Name History

PRC BARRIE CORP.

Effective Date

2006/12/13

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

Administrator:**Name (Individual / Corporation)**DAVID
V.
JOHNSTON**Address**33 YONGE STREET

Suite # 901
TORONTO
ONTARIO
CANADA M5E 0A9**Date Began**

2006/12/14

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type**Resident Canadian**

Y

Request ID: 024254495
Transaction ID: 74753317
Category ID: UNE

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/02/25
Time Report Produced: 12:11:37
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

2121924

Corporation Name

PRC BARRIE CORP.

Administrator:**Name (Individual / Corporation)**

DAVID
V.
JOHNSTON

Address

33 YONGE STREET

Suite # 901
TORONTO
ONTARIO
CANADA M5E 0A9

Date Began

2006/12/14

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

PRESIDENT

Resident Canadian

Y

Administrator:**Name (Individual / Corporation)**

GLENN
A.
MILLER

Address

33 YONGE STREET

Suite # 901
TORONTO
ONTARIO
CANADA M5E 1G4

Date Began

2006/12/14

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type**Resident Canadian**

Y

Request ID: 024254495
Transaction ID: 74753317
Category ID: UNE

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/02/25
Time Report Produced: 12:11:37
Page: 4

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2121924	PRC BARRIE CORP.

Administrator: Name (Individual / Corporation)	Address
GLENN A. MILLER	33 YONGE STREET Suite # 901 TORONTO ONTARIO CANADA M5E 1G4

Date Began	First Director	
2006/12/14	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	SECRETARY	Y

Request ID: 024254495
Transaction ID: 74753317
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/02/25
Time Report Produced: 12:11:37
Page: 5

CORPORATION PROFILE REPORT

Ontario Corp Number

2121924

Corporation Name

PRC BARRIE CORP.

Last Document Recorded

Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2017	1C	2018/06/24 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2121263	MADY (BARRIE) INC.	2006/12/07
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
CHARLES N. MADY 8791 WOODBINE AVENUE	NOT APPLICABLE	NOT APPLICABLE
Suite # 100 MARKHAM ONTARIO CANADA L3R 0P4	New Amal. Number	Notice Date
	NOT APPLICABLE	NOT APPLICABLE
Mailing Address	Letter Date	NOT APPLICABLE
CHARLES N. MADY 8791 WOODBINE AVENUE	NOT APPLICABLE	NOT APPLICABLE
Suite # 100 MARKHAM ONTARIO CANADA L3R 0P4	Revival Date	Continuation Date
	NOT APPLICABLE	NOT APPLICABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Date Commenced in Ontario	Date Ceased in Ontario
	NOT APPLICABLE	NOT APPLICABLE
Activity Classification	Number of Directors Minimum Maximum	
NOT AVAILABLE	00001 00009	NOT APPLICABLE

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2121263	MADY (BARRIE) INC.

Corporate Name History	Effective Date
MADY (BARRIE) INC.	2006/12/07

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)	Address
CHARLES N. MADY	5 LAURELEAF ROAD THORNHILL ONTARIO CANADA L3T 2X2

Date Began	First Director	
2015/09/09	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
DIRECTOR		Y

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2121263

MADY (BARRIE) INC.

Administrator:

Name (Individual / Corporation)

Address

CHARLES
N.
MADY

5 LAURELEAF ROAD

THORNHILL
ONTARIO
CANADA L3T 2X2

Date Began

First Director

2015/09/16

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

PRESIDENT

Y

Administrator:

Name (Individual / Corporation)

Address

CHARLES
N.
MADY

5 LAURELEAF ROAD

THORNHILL
ONTARIO
CANADA L3T 2X2

Date Began

First Director

2015/09/16

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

SECRETARY

Y

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2121263	MADY (BARRIE) INC.

Administrator: Name (Individual / Corporation)	Address
CHARLES N. MADY	5 LAURELEAF ROAD THORNHILL ONTARIO CANADA L3T 2X2

Date Began	First Director	Resident Canadian
2015/09/16	NOT APPLICABLE	
Designation	Officer Type	Resident Canadian
OFFICER	VICE-PRESIDENT	Y

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2121263	MADY (BARRIE) INC.

Last Document Recorded		
Act/Code	Description	Date
CIA	CHANGE NOTICE	2015/11/23

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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TAB D

APPENDIX D

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Choice Properties Limited Partnership
Plaintiff(s)

AND

Penalty (Barrie) Ltd and PBC Barrie Corp
Defendant(s)

Case Management Yes No by Judge: _____

Counsel	Telephone No:	Facsimile No:
(as per counsel slip)		

- Order Direction for Registrar (No formal order need be taken out)
- Above action transferred to the Commercial List at Toronto (No formal order need be taken out)
- Adjourned to: _____
- Time Table approved (as follows):

I heard this Application today via teleconference in accordance with the Notice to Profession issued by Chief Justice Morawetz and the resulting Commercial List Advisory created in light of the COVID-19 crisis.

Materials were provided to me via email, although I retained a paper copy of the two volume Application Record.

25 March 20

Date

McEWT

Judge's Signature

Additional Pages _____

Court File Number: _____

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Judges Endorsment Continued

The Applicant seeks, primarily, an order appointing RSM Canada Limited (RSM) as receiver over the described Property of the Respondents, along with the usual charges.

The Respondents do not dispute that there is a debt owing (approximately \$68,200,000.00), nor do they dispute the Applicant's legal right to pursue a receivership.

The Respondents do submit, however, that in the facts of this case, it is neither just nor convenient to appoint a receiver.

Insofar as the law is concerned both the Bankruptcy and Insolvency Act and the Courts of Justice Act provide this Court with the authority to appoint a receiver where it is just or convenient to do

Court File Number: _____

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Judges Endorsment Continued

so.

In making this determination the Court should look at all the circumstances of the case including - the nature of the Property, the rights and interests of all parties in relation to the Property and whether the secured creditor has the right under the security agreement to privately appoint a receiver:

Bank of Nova Scotia v Freme Village on Clair Creek 1996 CarswellOnt 2328 (Gen Div), Callidus Capital Corp vs Concept Inc, 2012 ONSC 163. The Court is also to consider and balance the competing interests of the various economic stakeholders: Romspen Investment Corp v. 6711162 Canada Inc 2014 ONSC 2781.

A list of the relevant Parties are set out in The Annotated Bankruptcy

Court File Number: _____

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Judges Endorsment Continued

and Insolvency Act (Toronto: Thomson Reuters, 2019) at p. 1153.

For the reasons that follow, I am granting the relief sought by the Applicant, subject to working out the terms of the proposed order.

I have come to this conclusion, primarily, for the following reasons:

- ① The loan has matured;
- ② PBL has tried unsuccessfully to sell the Property for approximately 18 months;
- ③ The Applicant has granted a number of extensions and PBL has defaulted on several occasions;
- ④ Without advising the Applicant PBL stopped paying its property taxes in late 2018. The Applicant learned of this earlier this year.
- ⑤ Given the valuations prepared by the parties & given the current COVID-19

Court File Number: _____

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Judges Endorsment Continued

crisis, the Property is worth less than the amount owing.

⑥ PBL has a demonstrated inability, to service its debt

⑦ I accept that there is no evidence that the Applicant has acted in bad faith. As I will outline below, while the Respondents complain of certain of the Applicant's positions taken pursuant to their agreement, they concede that the Applicant had never breached any terms of the agreement entered into between them.

Based on the above, and other lesser arguments raised by the Applicant I accept that it is reasonable for them to have lost faith in PBL and its principals.

In all of these circumstances, it is just and convenient to grant the requested Appointment ordered subject

Court File Number: _____

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Judges Endorsment Continued

to terms.

The Respondents raised a number of objections and submitted that I ought to adjourn the Application for approximately 2 months and allow the Commercial real estate agent it retained earlier this year, Arsen Young, to continue on with its sales process.

In this regard, the Respondents primarily submit the following:

- ① The relationship between the Applicant and PBI is significant and more in keeping with a partnership than a creditor/debtor given the three properties they were involved in together and the different nature of their relationship in each. Also, the Applicant operates as a competing neighbour to the Property and steps were taken by the Applicant in the

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

regard to the detriment of PBL.

None of this in my view assists the Respondents. As noted, the Applicant (as conceded by the Respondents) never breached any terms of the agreements between them. The fact they participated in three separate properties does also not assist the Respondents.

The three properties were completely separate transactions (except for collateral security) and the one in question in this matter involved a significant loan.

② Steps taken by the Applicant to enforce certain terms, although allowed, ~~in~~ were unfair to PBL and ought to militate against a finding that a receiver ought to be appointed.

I disagree. As noted, the enforced terms were allowable and I see

Court File Number: _____

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Judges Endorsment Continued

nothing entowed in the Applicant insisting they be complied with to the benefit of their own unit holders.

③ Respondents also argue that the Applicant could have paid the outstandng, present taxes to prevent the accrual of interest.

I see little merit to this argument, as it is not the Applicant's obligation to do so, and PBL stopped payment without notice to the Applicant.

④ Respondents further submit that based on the Arsen Tany findings there is equity in the Property taking into account the debt to the Applicant. The Applicant's own report disputes this. In my view the report of the Applicant is far more detailed and likely more accurate. Unfortunately, given the COVID-19 crisis, little new time on this dispute given the negative

Court File Number: _____

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Judges Endorsment Continued

impact the crisis will have on the commercial real estate market. Both sides agree that the impact will be negative. In these circumstances I accept that there is a negative equity position, even if all three properties are considered.

⑤ The Respondents also take issue with the costs associated with the receivership. Again, given the circumstances of this case, I do not find this argument to be persuasive. PBL have been unable to sell the property. Costs will now be incurred but that is inevitable in any receivership and the receiver may be able to leverage savings either through the proposed Stalking horse (if approved) or other Commission savings. There is nothing preventing the receiver from working with Anson Young and

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

a sales process will have to be approved.
The Respondents accept that RSM is a suitable and capable receiver.

In all of the above circumstances the Respondents cannot insist that the Applicant continue to finance and take most if not all of the risk in a declining market.

Overall, the Applicant has acted reasonably. None of the arguments above and other related arguments made by the Respondents are persuasive.

As noted above it is in my view that it is both just and convenient, when reviewing all of the relevant factors, that the Appointment Order be granted.

~~If~~ The parties cannot agree on the terms of the Order another appearance can be scheduled.

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

A sealing order shall go over
the confidential documents as the
Sierra Club criteria have been met.
As I advised counsel when the
materials are ultimately filed with
the Court it is their obligation to
ensure this occurs.

I will remain seized of this
matter.

MRT

Counsel Slip

Choice Properties Limited Partnership

v.

Penady (Barrie) Ltd. and PRC Barrie Corp.

(Court File No. CV-20-00637682-00CL)

Shawn Irving and Michael De Lellis for the Applicant

Tel: 416.862.4733
 Fax: 416.862.6666
sirving@osler.com
mdelellis@osler.com

T. Duncan and M. Citak for the Respondents

Tel: 416-865-6682
 Fax: 416-865-6636
tduncan@grllp.com
mcitak@grllp.com

Greg Murdoch for MarshallZehr Group

Tel: (519) 741-8010
 Fax: (519) 576-1184
gmurdoch@sorbaralaw.com

Also listening by phone:

Jessica Farber (Choice Properties Limited Partnership)
 Sandy Hay (Osler)

Brian Tannenbaum - proposed receiver
 Eric Golden - Blare's proposed receiver
 David Johnston - PRC
 Robert Swartz - Gaudine Roberts
 Neil Miller - Pen Equity

TAB E

APPENDIX E



RSM Canada Limited
Licensed Insolvency Trustee

11 King St W
Suite 700, Box 27
Toronto, ON M5H 4C7

T +1 416 480 0160
F +1 416 480 2646

www.rsmcanada.com

**NOTICE AND STATEMENT OF RECEIVER
(SECTION 245(1) AND 246(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA))**

In the matter of the receivership of Penady (Barrie) Ltd. (“**Penady**” or the “**Company**”)

The receiver gives notice and declares that:

1. Pursuant to an Order of the Ontario Superior Court of Justice dated March 25, 2020, issued and entered on March 27, 2020, the undersigned, RSM Canada Limited, was appointed as receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Penady, an insolvent person that is described below:

Cash (1)	\$31,628
Funds securing Letter of Credit (2)	51,623
Accounts Receivable (3)	unknown
Real property (3)	unknown
	<u>\$83,251</u>

(1) Cash in Penady’s bank account as of March 31, 2020.

(2) Source: Trial Balance dated December 31, 2019.

(3) Due to travel/work restrictions arising from the COVID-19 pandemic, access to current financial information was not available at the time this report was prepared.

2. The undersigned became a receiver and manager in respect of the Company by virtue of being appointed by the Ontario Superior Court of Justice - Commercial List.
3. The undersigned commenced the exercise of its powers in respect of that appointment on the 27th day of March, 2020.
4. The following information relates to the receivership:
 - a) Registered Head Office of the Company is: 33 Yonge St., Unit 901, Toronto, ON M5E 1G4
 - b) Principal line of business: Registered owner of commercial rental property located in the City of Barrie at the intersection of Cundles Road and Duckworth Avenue, which forms part of the North Barrie Crossing Shopping Centre.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

- c) The amounts owed by the Company to the creditors who appear to hold a security interest include:

Choice Properties GP Inc.	\$68,190,424
---------------------------	--------------

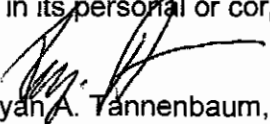
- d) The list of creditors of the Company and the amount owed to each creditor by the insolvent company is attached hereto. This list has been compiled from information available to the Receiver, including financial information provided by the Company, a search of the Personal Property Security Registration System and Land Registry, information contained in the Application Record, and limited enquiries by the Receiver. The list has not been audited or verified by the Receiver. The fact that persons are receiving this notice or are included on the creditors list does not mean that it has been determined that they are a creditor or that if they are a creditor, that their claim is admitted in the amount set out on that list.
- e) The current intended plan of the Receiver, to the extent that such a plan has been determined, is to realize on the assets of the Company.
- f) Contact person for the Receiver:

Brenda Wong
RSM Canada Limited
11 King Street West
Suite 700, PO Box 27
Toronto, Ontario M5H 4C7
Telephone: (647) 727-3621
Facsimile: (416) 480-2646
E-mail: brenda.wong@rsmcanada.com

- g) Additional information: A copy of the appointment order is posted on the Receiver's website at www.rsmcanada.com/penady-barrie-inc. Other pertinent public information will be posted to this website as that information becomes available.

Dated at Toronto this 6th day of April, 2020.

RSM CANADA LIMITED
in its capacity as Court-appointed
Receiver and Manager of Penady (Barrie) Ltd.
and not in its personal or corporate capacity


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

**RSM CANADA LIMITED
IN THE MATTER OF THE RECEIVERSHIP OF
PENADY (BARRIE) LTD**

LIST OF CREDITORS

SECURED CREDITORS

Choice Properties GP Inc.	\$ 68,190,424
Total	<u><u>\$ 68,190,424</u></u>

OTHER CREDITORS

Alectra Utilities (Formerly Powerstream Inc.)	\$ 926
Altus Group Limited	2,458
Astley Gilbert Limited	34
Equifax Canada Co.	3
Fitzpatrick Electrical Contractor Inc.	611
Glaholt LLP	5,034
MASS Environmental Services Inc.	427
Meadowbrook Construction Inc.	1,969
Mitchell Sandham Inc.	8,072
North Country Property Maintenance Inc.	147,911
Oakridge Group Inc.	9,605
O'Connor Electric	528
PenEquity Realty Corporation	246,574
The City of Barrie	2,543,262
The Downsview Group	105,546
Trans Power Utility Contractors Inc.	4,580
Turner Fleischer Architects Inc.	2,082
Wasteco Barrie & Simcoe County	4,615
WMI & Associates Limited	240
Total	<u><u>\$ 3,084,477</u></u>

Supplementary Mailing List

Canada Revenue Agency
 Department of Justice Canada
 Minister of Finance
 Office of the Superintendent of Bankruptcy
 Penady (Barrie) Ltd.
 Blaney McMurtry LLP
 Gardiner Roberts LLP
 MarshallZehr Group
 Osler, Hoskin & Harcourt LLP
 Sorbara, Schumacher, McCann LLP

TAB F

APPENDIX F

RSM CANADA LIMITED, solely in its capacity as court-appointed receiver and manager of all of the assets, undertakings and properties of PENADY (BARRIE) LTD. and certain of the assets, undertakings and properties of PRC BARRIE CORP. and MADY (BARRIE) INC. and not in its personal capacity and without personal or corporate liability

- and -

CHOICE PROPERTIES LIMITED PARTNERSHIP

AGREEMENT OF PURCHASE AND SALE

**CUNDLES ROAD AND DUCKWORTH AVENUE
BARRIE, ONTARIO**

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AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made as of May 20, 2020 (the “**Execution Date**”).

B E T W E E N:

RSM CANADA LIMITED, solely in its capacity as court-appointed receiver and manager of all of the assets, undertakings and properties of PENADY (BARRIE) LTD. and certain of the assets, undertakings and properties of PRC BARRIE CORP. and MADY (BARRIE) INC. and not in its personal capacity and without personal or corporate liability

(the “**Vendor**” or “**Receiver**”)

- and -

CHOICE PROPERTIES LIMITED PARTNERSHIP

(the “**Purchaser**”)

RECITALS:

- A. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated March 25, 2020 (as amended by order of the Court dated May 20, 2020, and as may in the future be supplemented, amended or restated from time to time, collectively the “**Appointment Order**”), the Receiver was appointed receiver and manager, without security, of all of the assets, undertakings and properties of Penady (Barrie) Ltd. (“**PBL**”) and of certain assets, undertakings and properties of PRC Barrie Corp. (“**PRC**”) and Mady (Barrie) Inc. (“**MBI**”), including the interest of PRC and MBI in the Subject Assets.
- B. At the time of the making of the Appointment Order, the Debtor owned the lands and premises located at the intersection of Cundles Road and Duckworth Avenue, Barrie, Ontario, and more particularly described on Schedule A attached hereto (the “**Lands**”) and which were being developed and are used for commercial purposes (the “**Project**”).
- C. The Appointment Order authorizes the Receiver to market any or all of the Subject Assets, including advertising and soliciting offers in respect of the Subject Assets, or any part or parts thereof and to negotiate such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
- D. The Purchaser has agreed to act as a “stalking horse bidder” by way of a credit bid in connection with the sale of all of the right, title and interest of the Debtor in and to the Subject Assets, meaning that, in the absence of the Receiver’s acceptance of a bid for the Subject Assets made in accordance with the Sale Procedure which is superior to this Agreement (as determined by the Receiver in accordance with the Sale Procedure), the Purchaser has agreed to purchase on an “as is, where is” basis all of the right, title and

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interest of the Debtor in and to the Subject Assets on the terms and subject to the conditions set forth in this Agreement, in accordance with the Sale Procedure and subject to obtaining the Vesting Order.

- E. The Receiver intends to seek the Sale Procedure Order authorizing and directing the Receiver to enter into this Agreement and to carry out the Sale Procedure.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and the sum of \$10.00 paid by each of the Vendor and the Purchaser to the other and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereby agree and declare as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

The terms defined herein shall have, for all purposes of this Agreement, the following meanings, unless the context expressly or by necessary implication otherwise requires:

“Accounts Receivable” means (i) all accounts receivable, trade receivables, bills receivable, trade accounts, book debts, notes receivable, rebates, refunds, and other receivables of PBL, in each case, whether current or overdue, with all interest accrued on such items; and (ii) all accounts receivable, trade receivables, bills receivable, trade accounts, book debts, notes receivable, rebates, refunds, and other receivables of PRC and MBI related to the Lands, in each case, whether current or overdue, with all interest accrued on such items. For greater certainty, Accounts Receivable includes any rents and other amounts owing to the Debtor (or any of them) under the Leases, including without limitation any amounts owing as a result of the deferral of rents and other amounts due to the Debtor thereunder.

“Agreement” means this agreement of purchase and sale and the schedules attached hereto, as amended from time to time; **“Article”** and **“Section”** mean and refer to the specified article and section of this Agreement.

“Alternative Transaction” has the meaning ascribed thereto in Section 8.1(b).

“Applicable Laws” means, with respect to any Person, property, transaction, event or other matter, any law, rule, statute, regulation, order, judgment, decree, treaty or other requirement having the force of law relating or applicable to the Subject Assets, such Person, property, transaction, event or other matter.

“Appointment Order” has the meaning ascribed thereto in the Recitals.

“Assignment and Assumption of Contracts” means an assignment and assumption of the Assumed Contracts to be delivered on Closing pursuant to Sections 6.1 and 6.2, in form acceptable to the Vendor and Purchaser, each acting reasonably.

“**Assignment and Assumption of Leases**” means an assignment and assumption of the Leases to be delivered on Closing pursuant to Sections 6.1 and 6.2, in form acceptable to the Vendor and Purchaser, each acting reasonably.

“**Assignment and Assumption of Permitted Encumbrances**” means an assignment and assumption of all of the right, title and interest, and all liability, covenants and obligations, of the Debtor in, to and under any Permitted Encumbrances not already subject to an Assignment and Assumption of Leases or an Assignment and Assumption of Contracts, to be delivered on Closing pursuant to Sections 6.1 and 6.2, in form acceptable to the Vendor and Purchaser, each acting reasonably.

“**Assumed Contracts**” has the meaning ascribed thereto in Section 7.1.

“**Back-up Bid**” has the meaning ascribed thereto in the Sale Procedure.

“**Books and Records**” means, collectively, the books and records of the Debtor relating to the Subject Assets, including financial, corporate, operations and sales books, records, books of account, sales and purchase records, lists of suppliers and customers, business reports, plans and projections and all other documents, surveys, plans, files, records, assessments, correspondence and other data and information, financial or otherwise, including all data, information and databases stored on computer-related or other electronic media.

“**Buildings**” means, individually or collectively, as the context requires, all of the buildings, structures and fixed improvements located on, in or under the Lands, and improvements and fixtures contained in or on such buildings and structures used in the operation of same, but excluding those improvements and fixtures owned and used by any Tenant in carrying on its business and those improvements and fixtures which, in each case, are removable by any Tenant pursuant to its Lease; and “**Building**” means any one of the Buildings.

“**Business**” means the business of owning, operating, marketing, developing and selling the Property, carrying out the Project, and all such other commercial activities incidental and ancillary thereto.

“**Business Day**” means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario.

“**Chattels**” means the right, title and interest of the Vendor and the Debtor in all of the tools, machinery, equipment, inventory and supplies located at the Property and used exclusively in connection with the operation, use, enjoyment, maintenance or management of the Property, if any (including, without limitation, all elevating devices and equipment, furniture, telephones and other equipment, electric light fixtures, equipment, plumbing fixtures, furnace burner equipment, oil tanks, heating and ventilating and air-conditioning equipment, air handling equipment, boiler machinery and equipment, sprinklers, drainage, mechanical and electrical systems, janitorial equipment and supplies, any office furniture, computers and all computer diskettes used for information storage relating to the operation and management of the Property, management records used in the leasing and operation of the Buildings and any other chattels or tangible personal property), but excluding the Excluded Assets and any such items owned by Tenants, licensees or independent contractors.

“**Claims**” means all past, present and future claims, suits, proceedings, liabilities, obligations, losses, damages, penalties, judgments, costs, expenses, fines, disbursements, legal fees on a solicitor and client basis and other professional fees and disbursements, interest, demands and actions of any nature or any kind whatsoever, whether known or unknown, and “**Claim**” means any one of the foregoing.

“**Closing**” means the closing and consummation of the Transaction, including, without limitation, the payment of the Purchase Price and the delivery of the Closing Documents.

“**Closing Date**” means the first to occur of (a) a Business Day to be designated by the Purchaser and reasonably acceptable to the Receiver after the satisfaction or waiver of all conditions set out in Sections 4.1(e) and (f) and 4.2(e) and (f) on notice of not less than 5 Business Days, and (b) the date that is 15 Business Days after the satisfaction or waiver of the conditions set out in Sections 4.1(e) and (f) and 4.2(e) and (f), unless otherwise agreed to by the Parties.

“**Closing Documents**” means the agreements, instruments and other documents to be delivered by the Vendor to the Purchaser pursuant to Section 6.1 and the agreements, instruments and other documents to be delivered by the Purchaser to the Vendor pursuant to Section 6.2.

“**Closing Certificate**” has the meaning ascribed thereto in Section 2.6.

“**Confidential Information**” has the meaning ascribed thereto in Section 2.4.

“**Consent**” means any approval, authorization, consent, order, license, permission, permit (including any environmental permit), qualification, exemption or waiver by any Governmental Authority or other Person.

“**Contract Notice Date**” has the meaning ascribed thereto in Section 7.1(a).

“**Contracts**” means, collectively, all contracts and agreements relating to the Property entered into by the Debtor or any manager or agent on behalf of the Debtor, or which have been assigned to the Debtor, or which otherwise bind and/or benefit the Debtor as owner of the Property, and includes, without limitation, the Warranties, but excludes the Leases and any contracts or agreements which are not assignable without the consent of the counterparty thereto.

“**Court**” has the meaning ascribed thereto in the Recitals.

“**Credit Agreement**” means the credit agreement dated December 24, 2014 between, among others, PBL, as borrower, and the Secured Creditor, as lender, as amended from time to time.

“**Credit Agreement Bid Amount**” means the portion of the Secured Creditor’s Secured Debt equal to \$50,000,000 less the amount of the Receiver’s Certificate Obligations owing to the Purchaser as of the Closing Date, if any, inclusive of the amount equal to the Wind-Down Estimate, as evidenced by the Receiver’s Certificates, and as adjusted in accordance with Section 3.4.

“**Debtor**” means (i) PBL, and (ii) PRC and MBI to the extent of their respective interests in the Subject Assets.

“**Encumbrances**” means all mortgages, pledges, charges, including the Receiver’s Borrowings Charge and the Receiver’s Charge, liens, construction liens, debentures, hypothecs, trust deeds, assignments by way of security, security interests, options, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, the Subject Assets or any part thereof or interest therein, including any Leases, easements, servitudes, rights of way, restrictions, any subdivision, site plan, development or other agreements with a Governmental Authority affecting the Property, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) which encumber title to the Subject Assets or any part thereof or interest therein.

“**Environmental Laws**” means all Applicable Laws including written policies and guidelines and directives, administrative rulings or interpretations, that are in effect and applicable to the Property, as well as the common law and any judicial or administrative order, consent decree or judgment, now in existence or which may come into existence from the Execution Date until Closing, governing or regulating the use, generation, storage, removal, recovery, treatment, handling, transport, disposal, control, discharge of, or exposure to Hazardous Materials or intended to protect the environment, including, without limitation, the *Atomic Energy Control Act* (Canada), the *Canadian Environmental Protection Act* (Canada), the *Pest Control Products Act* (Canada), the *Transportation of Dangerous Goods Act* (Canada), the *Environmental Protection Act* (Ontario), the *Environmental Assessment Act* (Ontario), the *Ontario Water Resources Act* (Ontario) and the *Occupational Health & Safety Act* (Ontario), and the regulations and guidelines promulgated pursuant thereto or issued by any Governmental Authority in respect thereof, and equivalent or similar local and provincial ordinances and statutory programs and the regulations and guidelines promulgated pursuant thereto.

“**Excluded Assets**” means the assets listed in Schedule C.

“**Excluded Contracts**” means all Contracts other than the Assumed Contracts.

“**Execution Date**” means the date noted on page 1 of this Agreement.

“**Expense Reimbursement**” has the meaning set ascribed thereto in Section 8.2(b).

“**Final Order**” means, in respect of any order, such order after (i) the expiry of applicable appeal periods; or (ii) in the event of an appeal or application for leave to appeal or to stay, vary, supersede, set aside or vacate such order, final determination of such appeal or application by the applicable court or appellate tribunal.

“**Governmental Authority**” means any government, regulatory authority, government department, agency, utility, commission, board, tribunal, court or other rule making entity having jurisdiction on behalf of any nation, province or state or other subdivision thereof or any municipality, district or other subdivision thereof, or having jurisdiction over the relevant circumstances, or any person acting under the authority of any of the foregoing (including, without limitation, the Electrical Safety Authority, Municipal Property Assessment Corporation, or any arbitrator).

“**GST/HST**” has the meaning ascribed thereto in Section 5.3(b).

“**Hazardous Materials**” means any contaminant, substance, pollutant, waste, hazardous material, toxic substance, radioactive substance, petroleum, its derivatives, by-products and other hydrocarbons, dangerous substance or dangerous goods or material that is: (i) deemed hazardous or toxic under Environmental Laws; (ii) prohibited, controlled or regulated by any Governmental Authority pursuant to Environmental Laws; or (iii) present to a degree or in an amount in excess of thresholds regulated under Environmental Laws.

“**HST Act**” has the meaning ascribed thereto in Section 5.2(f).

“**Lands**” has the meaning ascribed thereto in the Recitals.

“**Leases**” means all offers to lease, sublease or sub-sublease, binding letters of intent and agreements to lease or sublease, leases, subleases, renewals and/or extensions of leases or subleases, amendments to any of the foregoing and other rights (including licences, concessions or occupancy agreements, parking and/or storage agreements and licences, telecom and/or satellite agreements and licences and solar panel leases or licences, but excluding rights in the nature of easements) granted by or on behalf of, or which bind, PBL or its predecessors in title as lessor and which entitle any other Person as lessee to possess or occupy any space within the Property together with all security, guarantees and indemnities relating thereto, in each case as amended, renewed, extended or otherwise varied from time to time, and “**Lease**” means any one of the Leases.

“**Notice**” has the meaning ascribed thereto in Section 9.19.

“**Outside Date**” means September 30, 2020, or such later date as agreed to by the Parties.

“**Parties**” means the Vendor and the Purchaser, collectively, and “**Party**” means any one of them.

“**Permitted Encumbrances**” means all those Encumbrances described in Schedule B attached hereto.

“**Person**” means an individual, partnership (limited or general), corporation, trust, unincorporated organization, government or any department or agency thereof, and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual.

“**Project**” has the meaning ascribed thereto in the Recitals.

“**Property**” means the Lands and the Buildings.

“**Purchase Price**” has the meaning ascribed thereto in Section 3.1.

“**Purchaser**” has the meaning ascribed thereto in the Recitals.

“**Purchaser’s GST/HST Certificate**” has the meaning ascribed thereto in Section 5.3(f).

“**Purchaser’s Solicitors**” means Osler, Hoskin & Harcourt LLP or such other firm or firms of solicitors or agents as are retained by the Purchaser from time to time and Notice of which is provided to the Vendor.

“**Receiver**” has the meaning ascribed thereto in the Recitals.

“**Receiver’s Borrowings Charge**” has the meaning given in paragraph 22 of the Appointment Order and used therein.

“**Receiver’s Certificate**” has the meaning given in paragraph 24 of the Appointment Order and used therein.

“**Receiver’s Certificate Obligations**” means all outstanding obligations of any kind pursuant to the Receiver’s Certificate, and secured by the Receiver’s Borrowings Charge.

“**Receiver’s Charge**” has the meaning given in paragraph 19 of the Appointment Order and used therein.

“**Receiver’s Website**” means <https://rsmcanada.com/penady-barrie-ltd>.

“**Receivership Proceeding**” means the receivership proceeding with respect to the Debtor commenced by the Appointment Order.

“**Sale Procedure**” means the sale procedure approved by the Court substantially in the form attached hereto as Schedule D, authorizing the Receiver to enter into this Agreement, approving the sale of the Subject Assets to the Purchaser as contemplated by this Agreement and, in particular, the Purchase Price, as a baseline or “stalking horse” bid, and setting out the terms and conditions of a timetable for a sale process with respect to the Subject Assets, with such amendments as are satisfactory to the Receiver and Purchaser acting reasonably.

“**Sale Procedure Order**” means an order of the Court substantially in the form attached as Schedule E hereto;

“**Secured Debt**” means as of May 12, 2020, \$71,181,964 which represents the debt outstanding and interest accrued under the Credit Agreement as of that date, plus interest that shall continue to accrue from and after that date, together with all costs, expenses and charges and any other amounts recoverable by the Purchaser under the terms of the Credit Agreement.

“**Secured Creditor**” means the Purchaser.

“**Subject Assets**” means all the right, title and interest of the Receiver, and the Debtor, in and to the tangible and intangible properties, assets, interests, rights and claims related to the Property and/or the Business, wherever located, as of the Closing Date including without limitation the following assets, if any:

- (a) the Property;
- (b) the Leases;
- (c) the Assumed Contracts;
- (d) the Permitted Encumbrances;
- (e) the Chattels;

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- (f) the Accounts Receivable; and
- (g) all other personal property not contemplated by the foregoing,

but excludes the right, title and interest of the Receiver and the Debtor in and to the Excluded Assets and the Excluded Contracts.

“**Successful Bid**” has the meaning given to it in the Sale Procedure.

“**Successful Bidder**” has the meaning given to it in the Sale Procedure.

“**Surplus Funds**” means any and all funds held by the Receiver in respect of the Receivership Proceeding as of the Closing Date.

“**Tenants**” means all Persons or parties having a right to occupy any rentable area of the Property pursuant to a Lease; and “**Tenant**” means any one of such Tenants.

“**Transaction**” means the purchase and sale of the Subject Assets provided for in this Agreement.

“**Vendor**” means the Receiver.

“**Vendor’s Solicitors**” means Blaney McMurtry LLP or such other firm or firms of solicitors or agents as are retained by the Vendor from time to time and Notice of which is provided to the Purchaser.

“**Vesting Order**” means the order of the Court approving the sale by the Receiver to the Purchaser of the Subject Assets, and vesting all right, title and interest of the Debtor in the Subject Assets, free and clear of all Encumbrances (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule F, with such amendments as are satisfactory to the Receiver and Purchaser acting reasonably.

“**Vesting Order Motion**” means a motion by the Receiver seeking the granting of the Vesting Order.

“**Warranties**” means any existing warranties and guarantees in favour of the Debtor in connection with the construction, condition or operation of the Buildings or any component thereof or any improvements made to the Buildings or any component thereof which are assignable without the consent of the counterparty thereto.

“**Wind-Down Amount**” means an amount in excess of any Surplus Funds necessary to fund: (a) all accrued but unpaid fees and disbursements of the Receiver and its counsel subject to the Receiver’s Charge as at the Closing Date, and (b) the costs to wind down and complete the Receivership Proceeding after the Closing Date, which amount shall be subject to the Receiver’s Charge.

“**Wind-Down Estimate**” means an estimate of the Wind-Down Amount that is prepared by the Receiver, in form and substance satisfactory to the Purchaser, acting reasonably.

1.2 Schedules

The following schedules attached hereto form part of this Agreement:

Schedule A	-	Lands
Schedule B	-	Permitted Encumbrances
Schedule C	-	Excluded Assets
Schedule D	-	Sale Procedure
Schedule E	-	Sale Procedure Order
Schedule F	-	Form of Vesting Order

1.3 Computation of Time Periods

Except as expressly set out in this Agreement, the computation of any period of time referred to in this Agreement shall exclude the first day and include the last day of such period. If the time limited for the performance or completion of any matter under this Agreement expires or falls on a day that is not a Business Day, the time so limited shall extend to the next following Business Day.

ARTICLE 2 AGREEMENT OF PURCHASE AND SALE

2.1 Purchase and Sale of the Subject Assets

Upon and subject to the terms and conditions of this Agreement, the Vendor agrees to sell, and the Purchaser agrees to purchase, the Subject Assets, pursuant to the Vesting Order, in consideration of the payment of the Purchase Price. This Agreement shall be completed on the Closing Date at the offices of the Vendor's Solicitors subject to the terms and conditions of this Agreement, which conditions, for greater certainty, include the issuance of the Sale Procedure Order, the determination by the Receiver that this Agreement is the Successful Bid, and the issuance of the Vesting Order.

2.2 Binding Agreement

The agreements of the Vendor and the Purchaser set forth in Section 2.1 create and constitute a binding agreement of purchase and sale for the Subject Assets in accordance with and subject to the terms and conditions of this Agreement.

2.3 Acknowledgement of Purchaser as to Condition of the Subject Assets

Notwithstanding the foregoing or anything else contained herein or elsewhere, the Purchaser acknowledges and agrees that:

- (a) The Subject Assets are being sold and purchased and the Transaction is being effected, on an "as-is, where-is" basis, without any representation, warranty or

covenant by the Vendor or any other Person concerning the Subject Assets, or the Receiver's or the Debtor's right, title or interest in or to the Subject Assets, or the uses or applications of the Subject Assets, whether express or implied, statutory or collateral, arising by operation of law or otherwise, including express or implied warranties of merchantability, fitness for a particular purpose, the existence or non-existence of Hazardous Materials, compliance with any or all Environmental Laws, title, description, quantity, condition or quality, and that any and all conditions and warranties expressed or implied by the *Land Registration Reform Act* (Ontario) or the *Sale of Goods Act* (Ontario) do not apply to the sale of the Subject Assets and are hereby waived by the Purchaser.

- (b) The Purchaser acknowledges that it will perform due diligence, inquiries and investigations in respect of the Subject Assets and shall rely solely upon its own findings resulting therefrom and not upon any information, documentation, statement or opinion, written or oral, provided by the Vendor or any agent of the Vendor other than and only to the extent of the representations and warranties set out in Section 5.1.
- (c) The Vendor makes no representations or warranties, other than and only to the extent of the representations and warranties set out in Section 5.1, of any nature whatsoever, including with respect to any Confidential Information or documentation disclosed to the Purchaser, nor with respect to the Subject Assets (including, without limitation, title thereto and/or the state of any Encumbrances) or the Transaction.
- (d) As part of the Purchaser's agreement to purchase the Subject Assets and to accept the Subject Assets in "as-is, where-is" condition, and not as a limitation on such agreement, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or Claims the Purchaser might have against the Vendor pursuant to any warranty, express or implied, of any kind or type relating to the Subject Assets or any other assets, the Property conditions or any other aspect of the Transaction. Such waiver is absolute, unlimited and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties at law and/or in equity, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and Claims of every kind and type, including, but not limited to, Claims regarding defects or the existence or non-existence of Hazardous Materials, whether or not discoverable, Claims pertaining to compliance with any Environmental Laws, product liability Claims, or similar Claims, and to all other extent or later created or conceived of strict liability or strict liability type Claims and rights.
- (e) The Vendor shall not be responsible or liable for any misrepresentation, lack of disclosure or incorrect or incomplete disclosure of any nature whatsoever or failure to investigate the Subject Assets on the part of any broker or sales agent, or any other purported or acknowledged agent, representative, contractor, consultant or employee of the Vendor or any third party.

- (f) The Vendor shall not be required to produce any abstract of title, deed or documents or copies thereof or any evidence as to title.
- (g) The transfer of title to the Subject Assets may be subject to certain work orders, municipal requirements, including building or zoning by-laws and regulations, easements for hydro, gas, telephone affecting the Subject Assets, and like services to the Property, and restrictions and covenants which run with the land, including but not limited to the Permitted Encumbrances. Without limiting the foregoing, the Vendor shall not be responsible for rectification of any matters disclosed by any Governmental Authority.

The provisions of this Section 2.3 shall not merge on, but shall survive, Closing.

2.4 Confidentiality

- (a) Except as may be required in connection with the Receivership Proceeding, until Closing (and in the event this Agreement is terminated for any reason other than its completion, then also from and after such termination), the Purchaser and its consultants, agents, representatives, advisors, partners, solicitors, lenders and prospective lenders and their respective solicitors shall keep confidential all information, documentation and records obtained from the Vendor or its consultants, agents, representatives, advisors or solicitors with respect to the Subject Assets, as well as any information arising out of the Purchaser's access to the Vendor's and the Debtor's records and the Subject Assets and the Purchaser's own due diligence with respect thereto (collectively, the "**Confidential Information**"). The Purchaser shall not use any Confidential Information for any purposes not related to this Transaction or in any way detrimental to the Debtor or the Vendor. Nothing herein contained shall restrict or prohibit the Purchaser from disclosing the Confidential Information to its consultants, agents, representatives, advisors, partners, solicitors, lenders and prospective lenders and their respective solicitors so long as the Purchaser instructs such parties to keep such information confidential.
- (b) The Confidential Information referred to in this Section shall not include:
 - (i) public information or information in the public domain at the time of receipt by the Purchaser or its consultants, agents, advisors, partners and solicitors;
 - (ii) information which becomes public through no fault or act of the Purchaser or its consultants, agents, advisors, partners and solicitors;
 - (iii) information required to be disclosed by law;
 - (iv) information received in good faith from a third party lawfully in possession of the information and not in breach of any confidentiality obligations; or
 - (v) information made available in connection with the Credit Agreement.

- (c) If this Agreement is terminated for any reason, the Purchaser shall promptly return to the Vendor, or destroy (and provide a certificate of an officer of the Purchaser certifying such destruction), all Confidential Information (other than the Purchaser's notes and due diligence materials) and similar material including all copies, and shall destroy all of the Purchaser's notes and due diligence materials in hard or soft copy containing Confidential Information related to this Transaction (and provide a certificate of an officer of the Purchaser certifying such destruction). The Purchaser shall also cause all of its consultants, agents, representatives, advisors, partners, solicitors, lenders and prospective lenders and their respective solicitors to comply with the terms of this Section 2.4(c) and to certify such compliance to the Vendor.
- (d) Notwithstanding anything herein to the contrary, the Receiver shall be entitled to disclose this Agreement and all information provided by the Purchaser in connection herewith to the Court, to the parties in interest to the proceedings in connection with the receivership of the Debtor, and to any parties entitled to access in accordance with the Sale Procedure, and to publish this Agreement on the Receiver's Website.

2.5 Sale Procedure Order, Vesting Order

- (a) The Receiver and the Purchaser acknowledge that (i) this Agreement is subject to Court approval, and (ii) Closing of the Transaction is subject to this Agreement being determined by the Receiver to be the Successful Bid, and to the issuance of the Vesting Order.
- (b) The Receiver shall use its commercially reasonable efforts to obtain the Sale Procedure Order on or before June 1, 2020, or such other date on which the Parties may agree.
- (c) If this Agreement is determined to be the Successful Bid pursuant to the Sale Procedure, the Receiver shall use its commercially reasonable efforts to promptly thereafter file and serve the Vesting Order Motion, on notice to the necessary parties.
- (d) The Purchaser shall provide all information, if any, and take such actions as may be reasonably requested by the Receiver to assist the Receiver in obtaining the Sale Procedure Order, and if the Purchaser is the Successful Bidder, the Vesting Order, and any other order of the Court reasonably necessary to consummate the Transaction.
- (e) From and after the Execution Date, the Receiver shall provide such prior notice as may be reasonable under the circumstances before filing any materials with the Court that relate, in whole or in part, to this Agreement, the Purchaser, or the Vesting Order and shall consult in good faith with the Purchaser regarding the content of such materials prior to any such filing (provided that the Receiver shall not be obligated to incorporate the comments of the Purchaser into any such filings).

2.6 Closing Certificate

The Parties hereby acknowledge and agree that the Receiver shall be entitled to file with the Court a certificate, substantially in the form attached to the Vesting Order (the “**Closing Certificate**”) upon receiving written confirmation from the Purchaser that all conditions to Closing under this Agreement have been satisfied or waived. The Receiver shall have no liability to the Purchaser or any other person as a result of filing the Closing Certificate.

2.7 Receiver’s Capacity

The Purchaser acknowledges and agrees that in all matters pertaining to the Sale Procedure, this Agreement, including in its execution, the Receiver has acted and is acting solely in its capacity as receiver and manager of the Property pursuant to the Appointment Order and not in its personal, corporate, or any other capacity and the Receiver and its agents, officers, directors, employees and representatives will have no personal or corporate liability under or as a result of this Agreement, or otherwise in connection herewith.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

- (a) The Purchase Price for the Subject Assets, exclusive of GST/HST where applicable, shall be equal to \$50,000,000.00 (the “**Purchase Price**”).
- (b) The Purchaser shall satisfy the Purchase Price, subject to adjustment in accordance with Section 3.4, by:
 - (i) providing a credit to the Debtor in the amount of the Credit Agreement Bid Amount against the Debtor’s obligations under the Credit Agreement; and
 - (ii) providing a credit to the Receiver in the amount of the Receiver’s Certificate Obligations, inclusive of the amount equal to the Wind-Down Estimate, as evidenced by the Receiver’s Certificates.

3.2 Purchase Price Allocation

The allocation of the Purchase Price in respect of each of the Subject Assets shall be made by each of the Purchaser and the Vendor, both acting reasonably, for itself, on or before Closing.

3.3 Wind-Down Amount

No later than 10 Business Days prior to the Closing Date, the Receiver will deliver to the Purchaser the Wind-Down Estimate.

At Closing, if the Receiver is not holding Surplus Funds to fully fund the Wind-Down Amount, the Purchaser shall deliver to the Receiver the amount required to satisfy the Wind-Down Estimate by way of funds advanced by the Purchaser in its capacity as “Lender” to the Receiver as evidenced by Receiver's Certificates, which amount shall be subject to the Receiver’s Charge and applied by

the Receiver to fund the reasonable fees and disbursements of the Receiver and its counsel, in each case at their standard rates and charges. Any portion of the Wind-Down Estimate that is not required to fund the Wind-Down Amount and that has not been applied in accordance with this Section on the date of the Receiver's discharge shall be returned by the Receiver to the Purchaser on such date. If the Wind-Down Amount exceeds the Wind-Down Estimate, the Purchaser shall deliver to the Receiver, within 3 Business Days of written request by the Receiver to the Purchaser, such additional funds as are required to fund the Wind-Down Amount. If the Wind-Down Amount is lower than the Wind-Down Estimate, the Receiver shall (i) notify the Purchaser of such excess and (ii) deliver to the Purchaser, within 3 Business Days of written request by the Purchaser to the Receiver, all excess funds held by the Receiver.

3.4 Adjustments

- (a) The Purchase Price will be adjusted as of the Closing Date (with the Closing Date being allocated to the Purchaser) for all items that are adjusted in accordance with usual commercial practice for adjustment between a vendor and purchaser with respect to the purchase and sale of a comparable property in Ontario, including, without limitation, rent, realty taxes and utilities, and payments under equipment rental agreements, the Vendor being responsible for all expenses and entitled to all income related to the Property in respect of the period prior to the Closing Date and the Purchaser being responsible for all expenses and entitled to all income related to the Property in respect of the period from and including the Closing Date, in each case except as otherwise provided herein.
- (b) The Vendor shall prepare a statement of adjustments in accordance with this Section 3.4 and deliver it to the Purchaser at least five (5) Business Days prior to the Closing Date and shall have annexed to it the calculations used by the Vendor to arrive at all debits and credits on the statement of adjustments. The Vendor shall give the Purchaser's representatives reasonable access to the Vendor's working papers and backup materials in order to confirm the statement of adjustments.
- (c) If the adjustment amount for any item was an initial adjustment or was omitted from the statement of adjustments at Closing, such item will be re-adjusted or adjusted, as the case may be, after Closing on or before the date that is the first to occur of (i) six (6) months after the Closing Date and (ii) ten (10) days before the date on which the Receiver is discharged by the Court as receiver and manager of all of the assets, undertakings and properties of PBL and of the interest of PRC and MBI in the Subject Assets (the "**Final Adjustment Date**"). There shall be no adjustments after the Final Adjustment Date.
- (d) Any refund or rebate of realty tax relating to the Property in respect of the period before the Closing Date (each, a "**Property Tax Refund**") received by the Vendor after Closing shall be paid to the Purchaser and constitute a credit to the Debtor in the amount thereof against the Debtor's obligations under the Credit Agreement, subject to, firstly, reimbursement to the Purchaser of its reasonable out-of-pocket costs relating to such appeals and, secondly, payment to Tenants in possession who have overpaid realty tax contributions as shown by the outcome of the appeals. Any

refund or rebate of realty tax relating to the Property in respect of the period after the Closing Date will be the property of the Purchaser.

- (e) Notwithstanding the foregoing provisions, on Closing, if the adjustments are a credit in favour of the Purchaser (that is, the amount payable on Closing would be less than the Purchase Price), the amount of such adjustment shall be deducted from the Credit Agreement Bid Amount, and if the adjustments are a credit in favour of the Vendor (that is, the amount payable on Closing is more than the Purchase Price), such amount shall be added to the Credit Agreement Bid Amount.

ARTICLE 4 CONDITIONS

4.1 Conditions for Vendor

The obligation of the Vendor to complete the Transaction shall be subject to the following conditions:

- (a) on the Closing Date, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects;
- (b) on the Closing Date, all of the representations and warranties of the Purchaser set out in Section 5.2 shall be true and accurate in all material respects as if made as of the Closing;
- (c) on Closing, receipt of all deliveries to be made by the Purchaser as set out in Section 6.2;
- (d) on the Closing Date, there shall be no order issued by any Governmental Authority delaying, restricting or preventing, and no pending Claim or judicial or administrative proceeding, or investigation against any Party by any Person, for the purpose of enjoining, delaying, restricting or preventing, the consummation of the Transaction or otherwise claiming that this Agreement or the consummation of such Transaction is improper or would give rise to proceedings under any Applicable Laws;
- (e) on the Closing Date, the Receiver shall have determined in accordance with the Sale Procedure that this Agreement is the Successful Bid; and
- (f) on the Closing Date, the Appointment Order, the Sale Procedure Order and the Vesting Order shall be Final Orders and no order shall have been issued which restrains or prohibits the completion of the Transaction.

The conditions set forth in this Section 4.1 are for the sole benefit of the Vendor and may be waived in whole or in part by the Vendor by Notice in writing to the Purchaser prior to the applicable date set forth above for their respective waiver or satisfaction.

4.2 Conditions for Purchaser

The obligation of the Purchaser to complete the Transaction shall be subject to the following conditions:

- (a) on the Closing Date, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Vendor shall have been complied with or performed in all material respects;
- (b) on the Closing Date, all of the representations and warranties of the Vendor set out in Section 5.1 shall be true and accurate in all material respects as if made as of the Closing (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement or the Sale Procedure);
- (c) on Closing, receipt of all deliveries to be made by the Vendor as set out in Section 6.1;
- (d) on the Closing Date, there shall be no Order issued by any Governmental Authority delaying, restricting or preventing, and no pending Claim or judicial or administrative proceeding, or investigation against any Party by any Person, for the purpose of enjoining, delaying, restricting or preventing, the consummation of the Transaction or otherwise claiming that this Agreement or the consummation of such Transaction is improper or would give rise to proceedings under any Applicable Laws;
- (e) on the Closing Date, the Appointment Order, the Sale Procedure Order and the Vesting Order shall be Final Orders and no order shall have been issued which restrains or prohibits the completion of the Transaction; and
- (f) on the Closing Date, the Receiver shall have determined in accordance with the Sale Procedure that this Agreement is the Successful Bid.

The conditions set forth in this Section 4.2 are for the sole benefit of the Purchaser, and may be waived in whole or in part by the Purchaser by Notice to the Vendor prior to the applicable date set forth above for the waiver or satisfaction of each such condition.

4.3 Satisfaction of Conditions

Each Party agrees to proceed in good faith, with promptness and reasonable diligence to attempt to satisfy those conditions contained in Sections 4.1 and 4.2, as applicable, that are within its control, acting reasonably. The Parties shall cooperate with each other and the Purchaser shall provide the Vendor with information in its possession or control necessary to seek the Sale Procedure Order and the Vesting Order. Each Party shall promptly notify the other of the occurrence, to such Party's knowledge, of any event or condition, or the existence, to such Party's knowledge, of any fact, that would reasonably be expected to result in any of the conditions set forth in Section 4.1 or Section 4.2 not being satisfied.

4.4 Non-Satisfaction of Conditions

- (a) If any of the conditions set out in Section 4.1 are not satisfied or waived on or before the Closing Date, the Vendor may terminate this Agreement by Notice in writing to the Purchaser given on the Closing Date in which event this Agreement shall be terminated and of no further force or effect whatsoever, and each of the Parties shall be released from all of its liabilities and obligations under this Agreement save for those specified to survive termination. However, the Vendor may waive compliance with any of the conditions set out in Section 4.1 in whole or in part if it sees fit to do so, without prejudice to its rights of termination in the event of non-fulfilment of any other condition contained in Section 4.1 in whole or in part.
- (b) If any of the conditions set out in Section 4.2 are not satisfied or waived on or before the Closing Date, the Purchaser may terminate this Agreement by Notice in writing to the Vendor given on or before the Closing Date, in which event this Agreement shall be terminated and of no further force or effect whatsoever, and each of the Parties shall be released from all of its liabilities and obligations under this Agreement save for those specified to survive termination. However, the Purchaser may waive compliance with any of the conditions set out in Section 4.2 in whole or in part if it sees fit to do so, without prejudice to its rights of termination in the event of non-fulfilment of any other condition contained in Section 4.2 in whole or in part.
- (c) All conditions to be satisfied on Closing shall be deemed to be satisfied if Closing occurs.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of Vendor

The Vendor represents and warrants to and in favour of the Purchaser that, as of the date of this Agreement:

- (a) Status. The Vendor has been appointed by the Court as receiver and manager of all of the assets, undertakings and properties of Penady (Barrie) Ltd. and certain of the assets, undertakings and properties of PRC Barrie Corp. and Mady (Barrie) Inc. pursuant to the Appointment Order, a copy of which is available on the Receiver's Website.
- (b) Authorization. Subject to the issuance of the Sale Procedure Order, the Receiver has all necessary power and authority to enter into this Agreement.
- (c) Enforceability. Subject to the issuance of the Vesting Order, this Agreement constitutes a valid and binding obligation of the Receiver enforceable against it in accordance with its terms subject to any limitations imposed by Applicable Laws, and the Receiver has the necessary power and authority to carry out its obligations hereunder.

- (d) Residence. The Vendor is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

5.2 Representations and Warranties of Purchaser

The Purchaser covenants, represents and warrants to and in favour of the Vendor that, as of the date of this Agreement:

- (a) Status. The Purchaser is duly organized and subsisting under the laws of its jurisdiction of organization. The Purchaser has all necessary power, authority and capacity to enter into this Agreement and all other agreements contemplated by this Agreement and to perform its obligations under this Agreement and all other agreements contemplated by this Agreement.
- (b) Authorization. The execution and delivery of this Agreement and all other agreements contemplated by this Agreement by the Purchaser and the consummation of the Transaction contemplated by this Agreement by the Purchaser have been duly authorized by all necessary corporate action on the part of the Purchaser.
- (c) Enforceability. This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against it in accordance with its terms subject to any limitations imposed by Applicable Laws.
- (d) No Breach. Neither the entering into nor the delivery of this Agreement nor the completion by the Purchaser of the Transaction contemplated hereby will conflict with, or constitute a default under, or result in a violation of: (i) any of the provisions of the constating documents or by-laws of the Purchaser; or (ii) any Applicable Laws.
- (e) No Bankruptcy. The Purchaser: (i) is not an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or the *Winding-up and Restructuring Act* (Canada); (ii) has not made an assignment in favour of its creditors or a proposal to its creditors or any class thereof; (iii) has not had any application for a bankruptcy order filed or presented in respect of it; and (iv) has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution.
- (f) GST/HST. The Purchaser will on Closing be a GST/HST registrant, as the case may be, under the *Excise Tax Act* (Canada) (the “**HST Act**”) and be the sole “recipient” of a supply as defined thereunder and will provide its registration number to the Vendor on or before the Closing Date.
- (g) Residence. The Purchaser is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

5.3 GST/HST

The Purchaser hereby represents and warrants to the Vendor as follows:

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- (a) the Purchaser shall be purchasing the Subject Assets on the Closing Date, as principal for its own account and not as an agent, trustee or otherwise on behalf of another person;
- (b) the Purchaser shall be registered under subdivision d of Division V of Part IX of the HST Act for the purposes of collection and remittance of harmonized sales tax or goods and services tax, as the case may be (“**GST/HST**”);
- (c) the Purchaser shall be liable, shall self-assess and remit to the appropriate governmental authority all GST/HST which is payable under the HST Act in connection with the transfer of the Subject Assets made pursuant to the Agreement, all in accordance with the HST Act;
- (d) the Vendor shall not collect GST/HST on Closing regarding the Subject Assets and shall allow the Purchaser to self-assess and remit GST/HST to the Receiver General in accordance with the HST Act;
- (e) the Purchaser shall indemnify and save harmless the Vendor from and against any and all GST/HST, penalties, costs and/or interest which may become payable by or assessed against the Vendor as a result of the Transaction or any inaccuracy, misstatement or misrepresentation made by the Purchaser on the Closing Date in connection with any matter raised in this Section 5.3 or contained in any declaration referred to herein; and
- (f) the Purchaser shall tender on Closing a certificate and indemnity including verification of its registration number issued by Canada Revenue Agency under the HST Act or *Income Tax Act* (Canada) (the “**Purchaser’s GST/HST Certificate**”).

ARTICLE 6 CLOSING DOCUMENTS

6.1 Vendor’s Closing Documents

At Closing, the sale, transfer, assignment, and conveyance by the Vendor of the Subject Assets to the Purchaser, free and clear of all Encumbrances other than Permitted Encumbrances, shall be effected by the issued and entered Vesting Order. On or before Closing, subject to the provisions of this Agreement, the Vendor shall prepare and execute or cause to be executed and shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true and complete copy of the Vesting Order;
- (b) the Closing Certificate;
- (c) the Assignment and Assumption of Leases, and such other assignment, assumption and other documents as are required by the terms of the Leases;
- (d) the Assignment and Assumption of Contracts, and such other assignment, assumption and other documents as are required by the terms of the Assumed Contracts;

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- (e) the Assignment and Assumption of Permitted Encumbrances, and such other assignment, assumption or other documents as are required by the terms of the Permitted Encumbrances;
- (f) a notice to all Tenants advising of the sale of the Property and directing that all rents payable after Closing be paid to the Purchaser or as the Purchaser directs;
- (g) a notice to the account debtors of the purchased Accounts Receivable (but not including Tenants), if any, notifying such account debtors of the transfer of the purchased Accounts Receivable, and directing such account debtors to pay, after Closing, the Accounts Receivable to the Purchaser or as the Purchaser directs;
- (h) a certificate of an officer of the Vendor (in such capacity and without personal liability) confirming that the representations and warranties set out in Section 5.1 are true and accurate in all material respects;
- (i) to the extent in the Vendor's possession or control, all keys to the Buildings, all security cards relating to the Property, and all combinations to vaults and combination locks located at the Property;
- (j) to the extent in the Vendor's possession or control, original copies of all Leases, all Assumed Contracts, if any, Building records and Tenant files;
- (k) to the extent in the Vendor's possession or control, all post-dated rental cheques endorsed (without recourse) in favour of the Purchaser;
- (l) any plans and specifications in the Vendor's possession or control relevant to the construction of the Buildings;
- (m) the statement of adjustments;
- (n) an undertaking by the Vendor to re-adjust the adjustments in accordance with Section 3.4(b); and
- (o) an undertaking by the Vendor to re-adjust the Wind-Down Estimate.

All documentation shall be in form and substance acceptable to the Purchaser and the Vendor, each acting reasonably and in good faith, provided that none of such documents shall contain covenants, representations or warranties which are in addition to or more onerous upon either the Vendor or the Purchaser than those expressly set forth in this Agreement.

6.2 Purchaser's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Purchaser shall execute or cause to be executed and shall deliver or cause to be delivered to the Vendor, as applicable, the following:

- (a) for and on behalf of the Debtor, a fully executed release and waiver with respect of the amount outstanding under the Credit Agreement equal to the Credit Agreement Bid Amount;
- (b) a fully executed release and waiver with respect to the Receiver's Certificate Obligations outstanding to the Purchaser on Closing;
- (c) funds equal to the Wind-Down Estimate, if any;
- (d) a document setting out the allocation of the Purchase Price;
- (e) the Assignment and Assumption of Leases, and such other assignment, assumption and other documents as are required by the terms of the Leases;
- (f) the Assignment and Assumption of Contracts, and such other assignment, assumption and other documents as are required by the terms of the Assumed Contracts;
- (g) the Assignment and Assumption of Permitted Encumbrances, and such other assignment, assumption and other documents as are required by the terms of the Permitted Encumbrances;
- (h) a certificate of an officer of the Purchaser (in such capacity and without personal liability) confirming that the representations and warranties set out in Section 5.2 are true and accurate in all material respects;
- (i) the Purchaser's GST/HST Certificate;
- (j) an acknowledgement in favour of the Vendor confirming that each of the Purchaser's conditions as set out in Section 4.2 have been satisfied or waived;
- (k) an undertaking by the Vendor to re-adjust the adjustments in accordance with Section 3.4(b);
- (l) an undertaking by the Purchaser to re-adjust the Wind-Down Estimate; and
- (m) such other documents as may be reasonably required by the Vendor to complete the purchase and sale of the Subject Assets.

All documentation shall be in form and substance acceptable to the Purchaser and the Vendor each acting reasonably and in good faith, provided that none of such documents shall contain covenants, representations or warranties which are in addition to or more onerous upon either the Vendor or the Purchaser than those expressly set forth in this Agreement.

6.3 Registration and Other Costs

- (a) The Vendor shall be responsible for the costs of the Vendor's Solicitors in respect of this Transaction. The Purchaser shall be responsible for the costs of the Purchaser's Solicitors in respect of this Transaction. The Purchaser shall be

responsible for and pay any land transfer taxes payable on the transfer of the Property, all registration fees payable in respect of registration by it of any documents on Closing and all federal and provincial sales and other taxes payable by a purchaser upon or in connection with the conveyance or transfer of the Subject Assets, including provincial retail sales tax, goods and services tax and Harmonized Sales Tax.

- (b) The Purchaser shall indemnify and save harmless the Vendor and its shareholders, directors, officers, employees, advisors, representatives and agents from all claims, actions, causes of action, proceedings, losses, damages, costs, liabilities and expenses incurred, suffered or sustained as a result of a failure by the Purchaser:
 - (i) to pay any federal, provincial or other taxes payable by the Purchaser in connection with the conveyance or transfer of the Subject Assets whether arising from a reassessment or otherwise, including provincial retail sales tax, goods and services tax and Harmonized Sales Tax, if applicable; and/or
 - (ii) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Subject Assets.
- (c) This Section shall survive and not merge on Closing.

6.4 Closing Escrow

All Closing Documents and the funds equal to the Wind-Down Estimate, if any, shall be delivered into escrow at the place of Closing on or before the Closing Date. Such Closing Documents and the funds equal to the Wind-Down Estimate, if any, shall be held by the Vendor's Solicitors in escrow until both Parties, acting reasonably, are satisfied that all conditions set forth in Sections 4.1 and 4.2 to be satisfied on or before Closing have been satisfied (or waived).

Upon successful registration of the Vesting Order, the Closing Documents and the funds equal to the Wind-Down Estimate, if any, shall be released from escrow.

6.5 Post-Closing Receipt of Rent Arrears

From and after the Closing Date until the completion of the Receivership Proceeding, the Vendor shall promptly transfer any cash, cheques or other instruments of payment to the Purchaser that it receives payable to the Debtor, or payable to the Receiver, in respect of the Subject Assets, including rent arrears under any Leases.

**ARTICLE 7
ASSUMED CONTRACTS**

7.1 Contracts

- (a) On Closing, the Purchaser shall assume those Contracts that the Purchaser advises the Vendor it wants to assume (the “**Assumed Contracts**”) by Notice delivered to the Vendor no later than ten (10) Business Days prior to the return date of the Vesting Order Motion (the “**Contract Notice Date**”). At any time on or prior to the Contract Notice Date, the Purchaser may elect to exclude any Contracts from the Subject Assets, and add such Contracts to the Excluded Contracts list by giving written notice to the Vendor of its intention to do so.
- (b) Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Contract, to the extent such Contract is not assignable under Applicable Law without the consent of any other Person or party thereto where the Consent of such Person has not been given or received.
- (c) The Vendor shall terminate on or before the Closing Date, all Contracts other than the Assumed Contracts.
- (d) At or prior to Closing, the Purchaser, with the Vendor’s assistance as may be reasonably required, shall use commercially reasonable efforts to obtain all necessary Consents to assign the Assumed Contracts to the Purchaser. The Purchaser shall assume the Assumed Contracts, to the extent they are assignable and in force on Closing, pursuant to the Assignment and Assumption of Contracts.

**ARTICLE 8
TERMINATION**

8.1 Termination

This Agreement may be terminated at any time prior to Closing as follows:

- (a) automatically and without any action or notice by either the Vendor to the Purchaser or the Purchaser to the Vendor, immediately (i) if the Sale Procedure Order is not granted by the Court by June 1, 2020, or such other date on which the parties may agree, (ii) upon the selection by the Receiver of a Successful Bid if this Agreement is neither the Successful Bid nor the Back-up Bid selected at such time, or (iii) upon the Closing of the Successful Bid if this Agreement is the Back-up Bid;
- (b) subject to any approvals required from the Court, if any, by mutual written consent of the Vendor and the Purchaser;
- (c) by notice from the Vendor to the Purchaser or from the Purchaser to the Vendor, following the issuance of an order or any other action by a Governmental Authority to restrain, enjoin or otherwise prohibit the transfer of the Subject Assets as contemplated hereby;

- (d) automatically and without any action by either the Vendor or the Purchaser if Closing has not occurred on or before the Outside Date;
- (e) by the Vendor, if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty which would prevent the satisfaction of any condition set forth this Agreement and such violation or breach has not been waived by the Vendor or cured, unless the Vendor is in material breach of its obligations under this Agreement; and
- (f) by the Purchaser, if there has been a material violation or breach by the Vendor of any agreement, covenant, representation or warranty which would prevent the satisfaction of any condition set forth in this Agreement and such violation or breach has not been waived by the Purchaser or cured, unless the Purchaser is in material breach of its obligations under this Agreement.

8.2 Effects of Termination

- (a) If this Agreement is terminated pursuant to Section 8.1:
 - (i) all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the other, subject to the Expense Reimbursement set out in Section 8.2(b); and
 - (ii) the Purchaser shall return to the Receiver all documents, work papers and other material of the Receiver and the Debtor, as the case may be, relating to the Transaction, whether obtained before or after the execution hereof.
- (b) In consideration for the Purchaser's expenditure of time and money in acting as the initial bidder in the stalking horse bid and the preparation and negotiation of this Agreement and subject to the terms and condition of this Agreement and of the Sale Procedure Order, upon termination of this Agreement by the Receiver (except any termination pursuant to Subsection 8.1(e)) or the closing of a sale and a transfer of the Subject Assets to a Person other than the Purchaser (an "**Alternative Transaction**"), the Receiver shall pay to the Purchaser the amount of \$400,000 (the "**Expense Reimbursement**") in order to reimburse the Purchaser for the Purchaser's expenses in connection with the Transaction, provided that the Receiver's obligation to make such payment is conditional upon an Alternative Transaction being completed, whereupon such payment may be made from the proceeds of the Alternative Transaction.
- (c) Payment of the Expense Reimbursement shall be made by the Receiver upon Court approval of said payment after consummation of the Alternative Transaction. Upon payment of the Expense Reimbursement to the Purchaser, the Parties shall have no further obligations under this Agreement.

ARTICLE 9 GENERAL

9.1 Gender and Number

Words importing the singular include the plural and vice versa. Words importing gender include all genders.

9.2 Captions and Table of Contents

The captions, headings and table of contents contained herein are for reference only and in no way affect this Agreement or its interpretation.

9.3 Obligations as Covenants

Each agreement and obligation of any of the Parties in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.

9.4 Applicable 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 and shall be treated in all respects as an Ontario contract.

9.5 Currency

All reference to currency in this Agreement shall be deemed to be reference to Canadian dollars.

9.6 Invalidity

If any immaterial covenant, obligation, agreement or part thereof or the application thereof to any Person or circumstance, to any extent, shall be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement or part thereof to any Person, party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby. Each covenant, obligation and agreement in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

9.7 Amendment of Agreement

Except as expressly provided otherwise in this Agreement, no supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the Parties in the same manner as the execution of this Agreement.

9.8 Time of the Essence

Time shall be of the essence of this Agreement.

9.9 Further Assurances

Each of the Parties shall from time to time hereafter and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

9.10 Entire Agreement

This Agreement and any agreements, instruments and other documents herein contemplated to be entered into between, by or including the Parties constitute the entire agreement between the Parties pertaining to the agreement of purchase and sale provided for herein and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, and there are no other warranties or representations and no other agreements between the Parties in connection with the agreement of purchase and sale provided for herein except as specifically set forth in this Agreement or the Schedules attached hereto.

9.11 Waiver

No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.

9.12 Solicitors as Agents and Tender

Any Notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement (including, without limitation, any agreement to amend this Agreement) may be given or delivered and accepted or received by the Purchaser's Solicitors on behalf of the Purchaser and by the Vendor's Solicitors on behalf of the Vendor and any tender of Closing Documents may be made upon the Vendor's Solicitors and the Purchaser's Solicitors, as the case may be.

9.13 Merger

Except as otherwise expressly set out herein, this Agreement shall merge with the Closing of the Transaction contemplated herein.

9.14 Successors and Assigns

All of the covenants and agreements in this Agreement shall be binding upon the Parties and their respective successors and permitted assigns and shall enure to the benefit of and be enforceable by the Parties and their respective successors and their permitted assigns pursuant to the terms and conditions of this Agreement.

9.15 Residual Credit Agreement Debt and Continued Liability of Guarantors

The execution, delivery and effectiveness of this Agreement shall **NOT** directly or indirectly: (a) be construed as a waiver or release of the Secured Creditor's right, title and interest in and to the Secured Creditor's Secured Debt that does not form part of the Credit Agreement Bid Amount,

and such indebtedness will remain owing by the Debtor and the guarantors under the Credit Agreement to the Secured Creditor and continue to accrue to the Secured Creditor from and after the Closing Date, (b) constitute a consent or waiver of any past, present or future violations of any provisions of any of the Credit Agreement and/or any Secured Creditor loan documents related thereto or this Agreement, and (c) amend, modify or operate as a waiver of any provision(s) of any of the Credit Agreement and/or any Secured Creditor's loan documents related thereto or any right, power or remedy of the Secured Creditor under the Credit Agreement and/or any Secured Creditor loan documents related thereto. Except as expressly set forth herein, the Secured Creditor reserves all of its rights, powers, and remedies under the Credit Agreement and any Secured Creditor loan documents related thereto, and Applicable Law.

9.16 Access of Receiver to Books and Records

The Vendor shall, for a period of six (6) years from the completion of the Transaction, have access to the Books and Records relating to the Business and the Subject Assets which are transferred and conveyed to the Purchaser pursuant to this Agreement, and the right to copy such material at its own cost, to the extent necessary or useful in connection with the completion of the administration of the Receivership Proceeding.

9.17 Tax Matters

The Purchaser and the Vendor agree to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Subject Assets as is reasonably necessary for the preparation and filing of any tax return, claim for refund or other required or optional filings relating to tax matters, for the preparation for and proof of facts during any tax audit, for the preparation for any tax protest, for the prosecution of any suit or other proceedings relating to tax matters and for the answer to any governmental or regulatory inquiry relating to tax matters.

9.18 Assignment

The Purchaser shall have the right to assign this Agreement, without the consent of the Vendor but on written notice to the Vendor upon such assignment taking place, which assignment must take place not less than five (5) days before the issuance of the Vesting Order, to an affiliate (as such term is defined in the *Canada Business Corporations Act*) of the Purchaser, provided in the case of such assignment that the assignee executes and delivers an agreement in favour of the Vendor agreeing to be bound by all obligations of the Purchaser hereunder. The Purchaser shall not otherwise assign its rights and/or obligations hereunder without the prior written consent of the Vendor, which consent may be unreasonably withheld in the Vendor's sole discretion. Notwithstanding any assignment, the Purchaser shall not be released or relieved from any of its obligations hereunder until Closing and shall be jointly and severally liable with the assignee hereunder until Closing.

9.19 Notice

Any notice, demand, approval, consent, information, agreement, offer, request or other communication (a "Notice") to be given under or in connection with this Agreement shall be in writing and shall be given by telecopier, facsimile transmission or other electronic communication

which results in a written or printed notice being given, addressed or sent as set out below or to such other address or electronic number as may from time to time be the subject of a Notice:

- (a) Vendor: RSM Canada Limited.
11 King Street West, Suite 700
Toronto, ON M5H 4C7
- Attention: Bryan A. Tannenbaum and Daniel Weisz
Facsimile: 416-480-2646
Email: bryan.tannenbaum@rsmcanada.com and
daniel.weisz@rsmcanada.com

- (b) with a copy to the Vendor's Solicitors:

Blaney McMurtry LLP
2 Queen Street East, Suite 1500
Toronto, ON M5C 3G

Attention: Eric Golden
Facsimile: (416) 593.5437
Email: egolden@blaney.com

- (c) Purchaser: Choice Properties Limited Partnership

Attention: Legal Department
Email: legalchoicereit@choicereit.ca

- (d) with a copy to the Purchaser's Solicitors:

Osler, Hoskin & Harcourt LLP
P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Attention: Dave Rosenblat
Facsimile: (416) 862.6666
Email: drosenblat@osler.com

Any Notice, if sent by telecopier, facsimile transmission or other electronic communication with confirmation of transmission prior to 5:00 p.m. (Toronto time), shall be deemed to have been validly and effectively given and received on the Business Day it was sent, unless the confirmation of transmission was after 5:00 p.m. (Toronto time), in which case it shall be deemed to have been received on the next following Business Day.

9.20 Effect of Termination of Agreement

Notwithstanding the termination of this Agreement for any reason, the confidentiality provisions contained in Section 2.4, the Expense Reimbursement provisions contained in Section 8.2 and all other provisions that state they survive termination shall survive termination and shall remain in full force and effect.

9.21 Planning Act of Ontario

This Agreement and the transactions reflected herein are subject to compliance with the *Planning Act* (Ontario).

9.22 No Registration of Agreement

The Purchaser covenants and agrees not to register this Agreement or any notice of this Agreement on title to the Lands or any part thereof or interest therein.

9.23 Announcements

Except as otherwise required by Applicable Laws or a Governmental Authority, or as may be required in connection with the Receivership Proceeding or Sale Procedure, no press release or public announcement with respect to this Agreement or the Transaction may be made except with the prior written consent and joint approval of the Vendor and the Purchaser. Where the public disclosure is required by Applicable Laws, a Governmental Authority or in connection with the Receivership Proceeding, the Party required to make the public disclosure will use its reasonable commercial efforts to obtain the approval of the other Party as to the form, nature and extent of the disclosure.

9.24 Commissions

The Purchaser is solely responsible to pay all other fees and/or commissions claimed and/or otherwise owing to any other Person with whom the Purchaser had any communications and/or dealings in respect of the Subject Assets and the Purchaser shall indemnify and save the Vendor harmless from all Claims with respect to same. This Section shall survive and not merge on Closing.

9.25 No Personal Liability of the Vendor

The Vendor is executing this Agreement solely in its capacity as Court-appointed receiver and manager of the assets, undertakings and properties of Penady (Barrie) Ltd. and certain of the assets, undertakings and properties of PRC Barrie Corp. and Mady (Barrie) Inc. and not in its personal or corporate capacity and neither the Vendor nor its directors, officers, agents, representatives, servants or employees shall have any personal or corporate liability hereunder or at common law, or by statute, or equity or otherwise as a result hereof.

9.26 Counterparts; Electronic Transmission

This Agreement may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same instrument. The Parties agree that this Agreement may be transmitted by telecopier or electronic transmission via email and that the reproduction of signatures by way of telecopier or electronic transmission via email will be treated as though such reproduction were executed originals and each Party, if required by the other Party, undertakes to provide the other with a copy of this Agreement bearing original signatures within a reasonable time after the date of execution.

[Signature page follows]

IN WITNESS WHEREOF the Vendor and Purchaser have executed this Agreement as of the Execution Date.

RSM CANADA LIMITED, solely in its capacity as court-appointed receiver and manager of all of the assets, undertakings and properties of PENADY (BARRIE) LTD. and certain of the assets, undertakings and properties of PRC BARRIE CORP. and MADY (BARRIE) INC. and not in its personal capacity and without personal or corporate liability

By: _____
Name:
Title:

By: _____
Name:
Title:

I/We have authority to bind the Corporation.

CHOICE PROPERTIES LIMITED PARTNERSHIP, by its general partner CHOICE PROPERTIES GP INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

I/We have authority to bind the Corporation and the Limited Partnership.

SCHEDULE A**LANDS****PIN 58830-0092 (LT) (“0092”)**

PART OF LOT 21 CONCESSION 3 (VESPRA) BEING PARTS 5, 6 & 7 ON PLAN 51R35759; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PIN 58830-0096 (LT) (“0096”)

PART OF LOT 21 CONCESSION 3 (VESPRA) BEING PARTS 22 & 23 ON PLAN 51R35759; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PIN 58830-0106 (LT) (“0106”)

PT LT 21 CON 3 VESPRA BEING PTS 12,13 & 14 PL 51R35759; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PIN 58830-0109 (LT) (“0109”)

PT LT 21 CON 3 VESPRA BEING PTS 28 & 30 PL 51R35759; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PIN 58830-0111 (LT) (“0111”)

PT LT 21 CON 3 VESPRA BEING PTS 20, 21, 25, 35 & 36 51R35759, SUBJECT TO EASEMENT OVER PTS 35 & 36 51R35759 AS IN RO1200479; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

SCHEDULE B

PERMITTED ENCUMBRANCES

GENERAL ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown including, without limitation, the reservation of any mines and minerals in the Crown or in any other Person.
2. Subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with Government Authorities or private or public utilities affecting the development or use of the Property, provided same have been complied with.
3. Rail siding agreements or facility, cost sharing, servicing, reciprocal use or other similar agreements, provided same have been complied with.
4. The Leases and any charges of a Tenant's or sub-Tenant's interest therein and which do not encumber the interest of the landlord thereunder.
5. Any easements or rights of way in favour of any Governmental Authority, any private or public utility, any railway company or any adjoining owner which in the aggregate do not materially impair the current use, operation or marketability of the Property, provided same have been complied with.
6. Any rights of expropriation, access or use or any other similar rights conferred or reserved by Applicable Laws.
7. Encumbrances for real property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
8. Minor encroachments by the Property over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Property by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners that, in either case, do not materially and adversely impair the current use, operation or marketability of the Property.
9. The provisions of all Applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of the Property, provided same have been complied with and there are no breaches of same.
10. Security given to a public utility or any Governmental Authority when required by the operations of the Property in the ordinary course of business.

11. Any statutory liens, charges, adverse claims, prior claims, security interests, deemed trusts or other encumbrances of any nature whatsoever which are not registered on the title to the Property and of which the Vendor does not have notice, claimed or held by Her Majesty the Queen in Right of Canada, Her Majesty the Queen in Right of the Province of Ontario or by any other Governmental Authority under or pursuant to any Applicable Laws, provided the Purchaser at law cannot become responsible to satisfy same.
12. Any lien, together with any certificate of action (collectively the “**Lien**”) registered in respect thereof, a claim for which, although registered or of which notice has been given, relates solely to work done by or on behalf of a Tenant, and all Encumbrances affecting the Tenant’s interest in the Property and the Vendor has not assumed payment of same, is not named in the Lien or is not responsible for payment of same pursuant to the particular construction lien act.

SPECIFIC ENCUMBRANCES

1. Instrument No. RO183788 registered on 1964/05/06, being a BYLAW.
2. Instrument No. RO1001170 registered on 1988/05/13, being an AGREEMENT (not on 0096, 0109, 0111).
3. Instrument No. RO1169034 registered on 1991/11/07, being an AGREEMENT with THE CORP. OF THE CITY OF BARRIE (not on 0096, 0109, 0111).
4. Instrument No. RO1169379 registered on 1991/11/13, being aa AGREEMENT with THE CITY OF BARRIE (not on 0092, 0106, 0109).
5. Instrument No. RO1200481 registered on 1992/09/24, being an AGREEMENT with THE CITY OF BARRIE (not on 0096, 0109, 0111).
6. Instrument No. SC612948 registered on 2007/12/20, being a NOTICE of an Agreement between THE CORPORATION OF THE CITY OF BARRIE and HOME DEPOT HOLDINGS INC. (not on 0109).
7. Instrument No. SC859961 registered on 2010/10/19, being a NOTICE of an Agreement between THE CORPORATION OF THE CITY OF BARRIE and PENADY (BARRIE) LTD. (0111 only).
8. Instrument No. SC1028712 registered on 2012/12/04, being a NOTICE of an Agreement between THE CORPORATION OF THE CITY OF BARRIE, PENADY (BARRIE) LTD., HOME DEPOT HOLDINGS INC. and LOBLAW PROPERTIES LIMITED.
9. Instrument No. SC1028755 registered on 2012/12/04, being a NOTICE of an Agreement between THE CORPORATION OF THE CITY OF BARRIE, PENADY (BARRIE) LTD., HOME DEPOT HOLDINGS INC. and LOBLAW PROPERTIES LIMITED.
10. Instrument No. SC1031847 registered on 2012/12/18, being an Application to ANNEX Restrictive Covenant by PENADY (BARRIE) LTD. (not on 0106, 0109, 0111).

11. Instrument No. SC1051680 registered on 2013/04/18, being a NOTICE by PENADY (BARRIE) LTD.
12. Instrument No. SC1061856 registered on 2013/06/10, being a NOTICE of an Agreement between THE CORPORATION OF THE CITY OF BARRIE and PENADY (BARRIE) LTD. (0111 only).
13. Instrument No. SC1186008 registered on 2015/01/07, being a NOTICE by LOBLAW PROPERTIES LIMITED.
14. Instrument No. SC1253500 registered on 2015/10/20, being a NOTICE by THE CORPORATION OF THE CITY OF BARRIE.
15. Instrument No. SC1353259 registered on 2016/10/19, being a NOTICE by PENADY (BARRIE) LTD.
16. Instrument No. SC1368395 registered on 2016/12/05, being a NOTICE by MCDONALD'S RESTAURANTS OF CANADA LIMITED.
17. Instrument No. SC1368396 registered on 2016/12/05, being a NOTICE by MCDONALD'S RESTAURANTS OF CANADA LIMITED relating to Instrument No. SC1210287.
18. Instrument No. SC1508910 registered on 2018/05/07, being a NOTICE OF SITE PLAN AGREEMENT with THE CORPORATION OF THE CITY OF BARRIE (not on 0096, 0106, 0109, 0111).
19. Instrument No. SC1508915 registered on 2018/05/07, being a NOTICE by THE CORPORATION OF THE CITY OF BARRIE (0111 only).
20. Instrument No. SC1068837 registered on 2013/07/10, being a NOTICE OF LEASE between PENADY (BARRIE) LTD. and MCDONALD'S RESTAURANTS OF CANADA LIMITED (on 0106 and 0109).
21. Instrument No. SC1194350 registered on 2015/02/23, being a NOTICE OF LEASE between THE TDL GROUP CORP. and PENADY (BARRIE) LTD.
22. Instrument No. SC1210520 registered on 2015/05/14, being a NOTICE OF LEASE in favour of LAF CANADA COMPANY as Tenant.
23. Instrument No. SC1368394 registered on 2016/12/05, being a NOTICE OF LEASE between MCDONALD'S RESTAURANTS OF CANADA LIMITED and PENADY (BARRIE) LTD.
24. Instrument No. SC1368727 registered on 2016/12/06, being a NOTICE OF LEASE between PENADY (BARRIE) LTD. and 1541396 ONTARIO INC. This is subject to a NOTICE OF CHARGE OF LEASE registered as Instrument No. SC1370879 on 2016/12/13 for \$1,300,000 in favour of THE BANK OF NOVA SCOTIA.
25. Instrument No. SC1518508 registered on 2018/06/19, being a NOTICE OF LEASE by PENADY (BARRIE) LTD. to THE SHERWIN-WILLIAMS COMPANY.

26. Instrument No. RO1200479 registered on 1992/09/24, being a TRANSFER of EASEMENT in favour of THE CORPORATION OF THE CITY OF BARRIE (PIN 0111 only).
27. Instrument No. SC1271000 registered on 2015/12/18, being a TRANSFER of EASEMENT by PENADY (BARRIE) LTD., PENADY (NORTH BARRIE) LIMITED and CP REIT ONTARIO PROPERTIES LIMITED to ENBRIDGE GAS DISTRIBUTION INC.
28. Instrument No. SC1272955 registered on 2015/12/30, being a TRANSFER of EASEMENT by PENADY (BARRIE) LTD. to POWERSTREAM INC.
29. Instrument No. SC1275252 registered on 2016/01/13, being a POSTPONEMENT by LAF CANADA COMPANY to POWERSTREAM INC. relating to Instruments No. SC1210520 and SC1272955.
30. Instrument No. SC1279390 registered on 2016/01/29, being a POSTPONEMENT by MCDONALD'S RESTAURANTS OF CANADA LIMITED to POWERSTREAM INC. relating to Instruments No. SC1068837 and SC1272955 (on 0106 and 0109 only).
31. Instrument No. SC1282197 registered on 2016/02/11, being a POSTPONEMENT by THE TDL GROUP CORP. to POWERSTREAM INC. relating to Instruments No. SC1194350 and SC1272955.

SCHEDULE C**EXCLUDED ASSETS**

1. \$500,000 cash collateral held by the City of Barrie to secure obligations of PBL under agreements between PBL and the City of Barrie.
2. Letter of credit dated January 8, 2015, issued by Bank of Montreal in favour of Gardiner Roberts LLP in the original amount of \$1,933,315.25 and subsequently reduced to \$1,774,416.25 by amendment dated January 22, 2015, in respect of an Omnibus Holdback Agreement made as of July 4, 2006, as amended.

SCHEDULE D
SALE PROCEDURE

SCHEDULE E
SALE PROCEDURE ORDER

SCHEDULE F
FORM OF VESTING ORDER

TAB G

APPENDIX G

Sale Procedure

Pursuant to a receivership Application issued on March 9, 2020 by Choice Properties Limited Partnership, by its general partner Choice Properties GP Inc. (the “**Applicant**”), in the matter bearing Court file No. CV-20-00637682-00CL (the “**Receivership Proceeding**”), and an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) therein dated March 25, 2020, as amended on May 20, 2020, and as may in the future be supplemented, amended or restated from time to time (the “**Appointment Order**”), RSM Canada Limited (the “**Receiver**”) was appointed receiver and manager, without security, of (i) the assets, undertakings and properties of the respondent Penady (Barrie) Ltd. (“**Penady**”), including but not limited to the real property in the City of Barrie, Ontario, having the legal description set out in Schedule “A” to the Appointment Order (the “**Lands**”), (ii) the interest of PRC Barrie Corp. (“**PRC**”) in the NBC Shopping Centre, and (iii) the interest of Mady (Barrie) Inc. (“**MBI**”) in the NBC Shopping Centre.

On May 20, 2020, the Court made an order (the “**Sale Procedure Order**”) among other things, approving (a) the Receiver entering into an asset purchase agreement, dated May 20, 2020, as may in the future be supplemented, amended or restated from time to time (the “**Stalking Horse Agreement**”), relating to the NBC Shopping Centre with Choice Properties Limited Partnership, by its general partner Choice Properties GP Inc., as purchaser (the “**Stalking Horse Bidder**”) so as to set a minimum floor price in respect of the Receiver's sales process; and (b) this Sale Procedure for the solicitation of offers or proposals (each a “**Bid**”) for the acquisition of the NBC Shopping Centre.

Accordingly, the following Sale Procedure shall govern the proposed sale of all of the NBC Shopping Centre pursuant to one or more Bids. This Sale Procedure shall govern the sales process relating to the solicitation by the Receiver of one or more Bids for the NBC Shopping Centre that are superior to that contemplated by the Stalking Horse Agreement.

All denominations are in Canadian Dollars.

1. Definitions

Capitalized terms used in this Sale Procedure shall have the definitions given to them in the preamble hereto and as follows:

“**Acknowledgement of Sale Procedure**” means an acknowledgement of the Sale Procedure in the form attached as Schedule A hereto;

“**Acquisition Entity**” means an entity specially formed for the purpose of effectuating the contemplated transaction;

"Applicant" means the Applicant in its capacity as the senior secured lender of Penady, and a creditor of PRC and MBI;

"Back-up Bid" means the next highest and/or best Qualified Phase II Bid after the Successful Bid, as assessed by the Receiver, taking into account financial and contractual terms and the factors relevant to the Sale Procedure, including those factors affecting the speed and certainty of consummating the proposed sale;

"Back-up Bidder" means the Bidder that submits the Back-up Bid;

"Bidder" means a Qualified Phase I Bidder or a Qualified Phase II Bidder;

"Confidential Data Room" means a private data room prepared and maintained by the Receiver or the Listing Agent containing confidential information in respect of or related to the NBC Shopping Centre;

"Confidential Information" means the confidential information in the Confidential Data Room;

"Confidential Information Memorandum" means a confidential information memorandum prepared by the Receiver or the Listing Agent providing certain confidential information in respect of or related to the NBC Shopping Centre;

"Confidentiality Agreement" means an executed confidentiality agreement in form and substance acceptable to the Receiver and its counsel Blaney McMurtry LLP;

"Debtors" means, collectively, Penady, PRC and MBI;

"Encumbrances" means, collectively, all pledges, liens, security interests, encumbrances, claims, charges, options, and interests;

"Expense Reimbursement" means as defined in Section 13 below;

"Good Faith Deposit" means a cash deposit equal to three (3%) percent of the total purchase price contemplated under the applicable Modified APA;

"Interested Party" means a party participating in this Sale Procedure;

"Listing Agent" means Avison Young Commercial Real Estate (Ontario) Inc. in its capacity as marketing and listing agent to the Receiver pursuant to an engagement agreement-executed by Avison Young Commercial Real Estate (Ontario) Inc. on April 23, 2020, and by the Receiver on or after May 20, 2020;

"Modified APA" means an executed mark-up of the Modified Stalking Horse Agreement reflecting the applicable Qualified Phase I Bidder's proposed changes to the Modified Stalking Horse Agreement;

"Modified Stalking Horse Agreement" means the Stalking Horse Agreement as modified by the Receiver for the purposes of a non-credit bid for the Purchased Assets;

"NBC Shopping Centre" means the Subject Assets, as defined in the Stalking Horse Agreement;

"Notice Parties" means the Receiver, its counsel Blaney McMurtry LLP, and the Listing Agent;

"Participant Requirements" means, collectively, the requirements set out in Section 4(a) through 4(d)(iv) hereof;

"Permitted Encumbrances" means the encumbrances set out in Schedule "B" of the Stalking Horse Agreement;

"Phase I Bid" means an initial Bid submitted by an Interested Party pursuant to Section 4 hereof;

"Phase I Bid Deadline" means 10:00 a.m. (Eastern time) on July 15, 2020;

"Phase I Bidder" means a bidder submitting a Phase I Bid;

"Phase I Participant Requirements" has the meaning given to it in Section 4 hereof;

"Phase II Bid" means a Bid submitted by a Qualified Phase I Bidder pursuant to Section 8 hereof;

"Phase II Bid Deadline" means 10:00 a.m. (Eastern time) on July 29, 2020;

"Principals" means, collectively, the equity holder(s) of an Acquisition Entity and any guarantor of any Bid made by such Acquisition Entity;

"Qualified Phase I Bidder" means a Phase I Bidder that delivers the documents described in paragraphs (a) through (d) in Section 4, and that the Receiver determines is reasonably likely to submit a binding *bona fide* offer that would have an aggregate purchase price for the NBC Shopping Centre that exceeds the minimum purchase price referred to in Section 11 below and would be able to consummate a transaction if selected as a Successful Bidder;

"Qualified Phase II Bid" means a Phase II Bid that satisfies the conditions set out in Section 8 hereof;

"Qualified Phase II Bidder" means a bidder submitting a Qualified Phase II Bid;

"Sale Hearing" means a Court hearing on motion by the Receiver for an Order to approve the sale of the NBC Shopping Centre to the Successful Bidder;

"Stalking Horse Purchase Price" means \$50,000,000;

"Successful Bid" means the highest and best Qualified Phase II Bid as determined by the Receiver, taking into account financial and contractual terms and the factors relevant to the Sale Procedure, including those factors affecting the speed and certainty of consummating the proposed sale; and

"Successful Bidder" means the Bidder that submits the Successful Bid.

2. Assets for Sale

The Receiver is soliciting superior offers for all of and not less than all of the right, title and interest of the Receiver and the Debtors in and to the NBC Shopping Centre.

For the purposes of this Sale Procedure, Bids may be submitted only for the entire property comprising the NBC Shopping Centre.

3. Sale Procedure Structure and Bidding Deadlines

The Sale Procedure shall consist of two phases.

In the first phase, Interested Parties that meet the preliminary participant requirements set out herein, including having executed a Confidentiality Agreement, shall be provided the Confidential Information Memorandum in order to prepare and submit their Phase I Bid by the Phase I Bid Deadline and be given access to the Confidential Information in the Confidential Data Room. Phase I Bidders that are determined by the Receiver to be Qualified Phase I Bidders shall be invited to participate in the second phase to submit a Phase II Bid.

The Receiver will be engaging the Listing Agent as marketing and listing agent to assist the Receiver with the implementation of the Sale Procedure. Interested Parties wishing to obtain information about the Sale Procedure, a copy of the Confidentiality Agreement and information in connection with their due diligence, should contact the Listing Agent, Attn. Cam Lewis, cam.lewis@avisonyoung.com, with a copy to the Receiver c/o Attn. Brenda Wong (brenda.wong@rsmcanada.com).

All Phase I Bids must be submitted to the Notice Parties by email in accordance with the terms of this Sale Procedure so that they are actually received by each of the Notice Parties no later than the Phase I Bid Deadline.

All Phase II Bids must be submitted to the Notice Parties by email or facsimile in accordance with the terms of this Sale Procedure so that they are actually received by each of the Notice Parties no later than the Phase II Bid Deadline.

A Bid received after the Phase I Bid Deadline shall not constitute a Phase I Bid and a Phase II Bid received after the Phase II Bid Deadline shall be disqualified. A Bid shall be delivered to all Notice Parties at the same time.

4. Participant Requirements

Phase I Participant Requirements.

To participate in Phase I of the Sale Procedure and to otherwise be considered for any purpose hereunder, each Interested Party must provide the Receiver with each of the following prior to being provided with the Confidential Information Memorandum and access to the Confidential Information: (i) an executed Confidentiality Agreement; and (ii) an executed Acknowledgement of Sale Procedure (collectively, the "**Phase I Participant Requirements**").

Phase II Participant Requirements

Only Qualified Phase I Bidders shall be allowed to participate in Phase II of the Sale Procedure.

In order for the Receiver to determine whether an Interested Party is a Qualified Phase I Bidder, and qualified to participate in Phase II, the Interested Party must provide, in form and substance satisfactory to the Receiver, each of the following on or before the Phase I Bid Deadline:

- (a) Identification of Phase I Bidder. Identification of the Phase I Bidder and any Principals, and the representatives thereof, who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction;
- (b) Non-Binding Expression of Interest. An executed non-binding letter of intent, in the form of the document attached as Schedule "C" hereto, satisfactory to the Receiver, that must reasonably identify the contemplated transaction, the proposed purchase price, and conditions precedent to closing;
- (c) Corporate Authority. Written evidence of the approval of the Phase I Bid by the Phase I Bidder's directors; provided, however, that, if the Phase I Bidder is an Acquisition Entity, then the Phase I Bidder must also furnish written evidence reasonably acceptable to the Receiver of the approval of the Phase I Bid by the Acquisition Entity's Principals; and
- (d) Proof of Financial Ability to Perform. Written evidence upon which the Receiver may reasonably conclude that the Phase I Bidder has the necessary financial ability to close the contemplated transaction and provide adequate assurance of future performance of all obligations to be assumed in such contemplated transaction. Such information should include, among other things, the following:

- (i) the Phase I Bidder's or, in the case of an Acquisition Entity, the Principals', current financial statements and latest audited financial statements;
- (ii) contact names and numbers for verification of financing sources;
- (iii) evidence of the Phase I Bidder's or Principals' internal resources and proof of any debt or equity funding commitments that are needed to close the contemplated transaction; and
- (iv) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Receiver demonstrating that such Phase I Bidder has the ability to close the contemplated transaction;

provided, however, that the Receiver shall determine, in its reasonable discretion, whether the written evidence of such financial wherewithal is reasonably acceptable, and shall not unreasonably withhold acceptance of a Phase I Bidder's financial qualifications.

5. Designation as Qualified Bidder

As set out above, only Qualified Phase I Bidders shall be allowed to participate in Phase II of the Sale Procedure. Following the Phase I Bid Deadline, the Receiver shall determine which Phase I Bidders are Qualified Phase I Bidders. The Receiver shall notify each Phase I Bidder of its determination as to whether the Phase I Bidder is a Qualified Phase I Bidder as soon as practicable after the Phase I Bid Deadline, but no later than July 22, 2020.

Following the Phase II Bid Deadline, the Receiver shall determine which Phase II Bidders are Qualified Phase II Bidders. The Receiver shall notify each Phase II Bidder of its determination as to whether the Phase II Bidder is a Qualified Phase II Bidder as soon as practicable after the Phase II Bid Deadline.

For greater certainty, the Stalking Horse Bidder is and is deemed to be a Qualified Phase I Bidder and a Qualified Phase II Bidder for all purposes of this Sale Procedure.

If no Qualified Phase I Bid other than the Stalking Horse Bid is received by the Phase I Bid Deadline, then the Sale Procedure shall be terminated and the Stalking Horse Bidder shall be declared the Successful Bidder. If the Stalking Horse Bidder is declared the Successful Bidder, the Receiver shall as soon as reasonably practicable seek approval of, and authority to consummate, the Stalking Horse Agreement and the transactions provided for therein at the Sale Hearing and the Receiver shall post notice of its application to Court for approval of the Stalking Horse Bid on its website established in connection with the Receivership Proceeding.

6. Access to Due Diligence Materials

Only Interested Parties that satisfy the Phase I Participant Requirements will be eligible to receive the Confidential Information Memorandum and access to the Confidential Information. If the Receiver determines that a Phase I Bidder does not constitute a Qualified Phase I Bidder, then such Phase I Bidder shall not be eligible to receive any additional due diligence access, any non-public information or any-access to the Confidential Information.

The Receiver and the Listing Agent will be responsible for the coordination of all reasonable requests for additional information and due diligence access from Qualified Phase I Bidders. Neither the Receiver nor the Listing Agent shall be obligated to furnish any due diligence information after the Phase II Bid Deadline. Neither the Receiver nor the Listing Agent shall be responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the sale of the NBC Shopping Centre.

7. Information from Interested Parties

Each Interested Party shall comply with all reasonable requests for additional information by the Receiver and/or the Listing Agent regarding such Interested Party and its contemplated transaction. Failure by an Interested Party to comply with requests for additional information will be a basis for the Receiver to determine that the Interested Party is not a Qualified Phase I Bidder or a Qualified Phase II Bidder, as applicable.

8. Phase II Bid Requirements

Only Qualified Phase I Bidders shall be entitled to submit a Phase II Bid. In order to be considered a Qualified Phase II Bid, as determined by the Receiver, a Phase II Bid must satisfy each of the following conditions:

- (a) Written Submission of Modified APA and Commitment to Close. The Phase II Bid must be submitted by the Phase II Bid Deadline in the form of a Modified APA (together with a blackline of the Modified APA against the Modified Stalking Horse Agreement), which must constitute a written and binding commitment to close on the terms and conditions set forth therein;
- (b) Irrevocable. A Phase II Bid must be received by the Phase II Bid-Deadline, in accordance with Section 3 above, and must be irrevocable until the date on which the Receiver obtains court approval of the Successful Bid, subject to the provisions hereof regarding the Back-up Bid being deemed to be the Successful Bid;
- (c) Conditions. A Phase II Bid may not be conditional on obtaining financing or any internal approval or on the outcome or review of due diligence. Any other terms and conditions associated with a Phase II Bid may not, in

aggregate, be more burdensome than those set forth in the Stalking Horse Agreement;

- (d) **Financing Sources.** A Phase II Bid must be accompanied by written evidence of a commitment for financing or other evidence of the ability to consummate the transaction satisfactory to the Receiver and appropriate contact information for such financing sources must be provided;
- (e) **No Fees payable to Qualified Phase II Bidder.** A Phase II Bid may not request or entitle the Qualified Phase II Bidder to any break fee, expense reimbursement or similar type of payment, subject to Section 13;
- (f) **Good-Faith Deposit.** Each Phase II Bid must be accompanied by a Good Faith Deposit that shall be paid to the Receiver's counsel by wire transfer or banker's draft, to be held by the Receiver's counsel in trust in accordance with this Sale Procedure and which shall constitute the First Deposit under the Modified Stalking Horse Agreement; and
- (g) **Purchase Price.** The purchase price in a Phase II Bid must be in accordance with Section 11 below.

The Receiver shall be entitled to seek additional information and clarifications from Phase II Bidders in respect of their Phase II Bids at any time.

9. Furthers Bid by the Stalking Horse Bidder

The Stalking Horse Bidder, or a person related thereto, shall be entitled to make a Phase II Bid.

10. Determination of Successful Bid

If one or more Qualified Phase II Bids (in addition to the Stalking Horse Bid) is received by the Phase II Bid Deadline, and the Receiver determines any of such Qualified Phase II Bid(s) to have a Purchase Price equal to or greater than the Purchase Price under the Stalking Horse Bid, the Receiver shall conduct an auction amongst the Qualified Phase II Bidders (including the Applicant), on terms to be determined by the Receiver, to determine the Successful Bid and the Back-up Bid by August 14, 2020, and/or otherwise negotiate with the Qualified Phase II Bidders, on terms to be determined by the Receiver, to as to determine the Successful Bid and the Back-up Bid by August 14, 2020.

Upon determination of the Successful Bid and the Back-up Bid, if any, the Receiver shall as soon as reasonably practicable seek approval of, and authority to consummate, the Successful Bid and the transactions provided for therein at the Sale Hearing and the Receiver shall post notice of its application to Court for approval of the Successful Bid on its website established in connection with the Receivership Proceeding.

If no Qualified Phase II Bid other than the Stalking Horse Bid is received by the Phase II Bid Deadline, then the Sale Procedure shall be terminated and the Stalking Horse Bidder shall be declared the Successful Bidder. If the Stalking Horse Bidder is declared the Successful Bidder, the Receiver shall as soon as reasonably practicable seek approval of, and authority to consummate, the Stalking Horse Agreement and the transactions provided for therein at the Sale Hearing and the Receiver shall post notice of its application to Court for approval of the Stalking Horse Bid on its website established in connection with the Receivership Proceeding.

11. Minimum Purchase Price for Phase II Bids

The minimum purchase price of any Phase II Bid must be the sum of the Stalking Horse Purchase Price plus the Expense Reimbursement plus \$250,000.

12. Acceptance of Successful Bid

The Receiver shall complete the sale transaction with the Successful Bidder following approval of the Successful Bid by the Court. The Receiver will be deemed to have accepted a Successful Bid only when the Successful Bid has been approved by the Court. The Receiver will be deemed to have accepted a Back-up Bid only when it has been approved by the Court and has been deemed to be a Successful Bid.

13. Expense Reimbursement

In consideration for the Applicant's expenditure of time and money in acting as the initial bidder in this Sale Procedure and the preparation and negotiation of the Stalking Horse Agreement and subject to the terms and conditions of that agreement and of the Sale Procedure Order, upon termination of the Stalking Horse Agreement by the Receiver or the closing of a sale and a transfer of the NBC Shopping Centre to one or more parties other than the Applicant or a person related thereto (an "**Alternative Transaction**"), the Receiver agrees to reimburse the Applicant for its expenses in connection with this transaction (the "**Expense Reimbursement**") in an amount of \$400,000.00 from the proceeds of an Alternative Transaction. Payment of the Expense Reimbursement shall be made by the Receiver to the Applicant upon consummation of the Alternative Transaction. Upon payment of the Expense Reimbursement to the Applicant, the Applicant and Applicant's Acquisition Entity and the Receiver shall have no further obligations under the Stalking Horse Agreement.

14. "As Is, Where Is"

The sale of any of the NBC Shopping Centre pursuant to this Sale Procedure shall be on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by the Receiver, the Listing Agent or their respective officers, directors, employees, representatives or agents, except to the extent set forth in the Successful Bid. The Stalking Horse Bidder and each Bidder shall be deemed to

acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the NBC Shopping Centre prior to making its Bid, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or the NBC Shopping Centre in making its Bid, and that it did not, does not, and will not rely on any written or oral statements, representations, promises, warranties, conditions or guarantees whatsoever, whether express or implied or arising by operation of law or otherwise, regarding the NBC Shopping Centre, made by the Receiver, the Listing Agent or their respective officers, directors, employees, representatives or agents or the completeness of any information provided in connection therewith, except as expressly stated in this Sale Procedure or in (a) as to the Stalking Horse Bidder, the Stalking Horse Agreement, or (b) as to another Successful Bidder, the applicable Modified APA.

15. Free Of Any And All Encumbrances

Except as otherwise provided in each Successful Bid, the NBC Shopping Centre shall be sold free and clear of all Encumbrances, except the Permitted Encumbrances, in accordance with a vesting order of the Court, with all Encumbrances on or against the NBC Shopping Centre, other than the Permitted Encumbrances, to attach to the net proceeds of the sale of the NBC Shopping Centre after completion of such sale under a Successful Bid.

16. Back-up Bid

If the Successful Bid is approved by the Court and the Successful Bidder fails to consummate the transaction in accordance with the terms and conditions of the Successful Bid, the Receiver shall, provided it is so authorized by the Court, be entitled, but not required, to deem the Back-up Bid the Successful Bid and the Receiver shall be authorized, but not required, to consummate the transaction with the Back-up Bidder and upon so doing the Back-up Bidder shall be deemed to be the Successful Bidder, subject to approval by the Court, which approval may be sought by the Receiver on a conditional basis at the Sale Hearing, at the Receiver's discretion.

17. Return of Good Faith Deposit

Good Faith Deposits of all Qualified Phase II Bidders shall be held in a non-interest bearing account of the Receiver's counsel. Good Faith Deposits of all Qualified Phase II Bidders, other than the Successful Bidder and the Back-up Bidder, shall be returned, without interest, to such Qualified Phase II Bidders within three (3) business days after the selection of the Successful Bidder and the Back-up Bidder. Good Faith Deposits of the Successful Bidder shall be applied to the purchase price of such transaction at closing. The Good Faith Deposit of the Back-up Bidder shall be returned, without interest, to the Back-up Bidder within three (3) business days after the closing of the transaction(s) contemplated by the Successful Bid. If a Successful Bidder (including any Back-up Bidder deemed to be a Successful Bidder hereunder) fails to consummate an approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Receiver shall be entitled to retain the Good Faith Deposit of the Successful Bidder as part of its damages resulting

from the breach or failure to perform by the Successful Bidder. If the Successful Bidder fails to consummate an approved sale for any reason, and a transaction is completed with the Back-up Bidder, the Good Faith Deposit of the Back-up Bidder shall be applied to the purchase price of the transaction(s) contemplated by the purchase agreement of the Back-up Bidder at closing.

18. Modifications and Reservations

This Sale Procedure may be modified or amended by the Receiver, provided that if such modification or amendment materially deviates from this Sale Procedure, such modification or amendment may only be made by order of the Court.

TAB H

APPENDIX H

EXCLUSIVE AUTHORITY TO SELL**TO: AVISON YOUNG COMMERCIAL REAL ESTATE (ONTARIO) INC.****Suite 400, 18 York Street****Toronto, Ontario M5J 2T8****RE: NORTH BARRIE CROSSING, BARRIE, ONTARIO (THE "PROPERTY")**

-
1. In consideration of Avison Young Commercial Real Estate (Ontario) Inc. ("Avison Young") agreeing to use its best efforts to sell the Property (which Avison Young hereby agrees to do), RSM Canada Limited (the "Receiver") hereby authorises and empowers Avison Young as its exclusive agent to offer the Property for sale on an un-priced basis and on such other terms as the Receiver may approve.
 2. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] A sale shall be deemed to be made and a commission shall be deemed earned and shall be paid by the Receiver on the completion of the sale of the Property. On the date on which the sale closes, the commission payable shall be deducted from the deposit monies with any balance payable from sale proceeds or, at the discretion of the Receiver, or if there is no deposit, a separate cheque will be made payable to Avison Young from the sale proceeds or from the Receiver. In the event of a sale, all necessary documents shall be prepared at the Receiver's expense.
 3. It is understood and agreed that the Receiver shall pay Avison Young the amount required under the Harmonized Sales Tax legislation as applicable to commissions and consulting fees payable herein.
 4. It is understood and agreed that Avison Young will commence the marketing campaign upon obtaining the Receiver's approval to do so which will entail selecting a successful bid approximately 8-12 weeks from commencement of the marketing campaign. See Schedule B for additional details.
 5. In the event of a sale of a partial interest in the Property, the sale price achieved in such circumstances shall be grossed-up to reflect the total price payable assuming 100% interest is

EXCLUSIVE AUTHORITY TO SELL – NORTH BARRIE CROSSING, BARRIE, ONTARIO

- sold, and the commission payable shall then be calculated as outlined in paragraph 2 above, multiplied by the percentage interest sold.
6. Should a sale of the Property be closed during the currency hereof, or within One Hundred and Eighty (180) days of this agreement's expiry or earlier termination, as a result of negotiations originating during such currency, subject to the limitations described below, the full commission as described in Section 2 shall be payable to Avison Young. In connection therewith and within fourteen (14) days following expiry of this agreement, Avison Young shall provide a list of such parties which it has introduced and with which negotiations are taking place, failing which its entitlement to any commission hereunder shall terminate.
 7. Avison Young will report weekly to the Receiver and provide in written form a prospect report outlining the current state of any and all negotiations and the marketing activity undertaken since the last report and its recommendations regarding future sales and marketing activity or pricing including further parties that may be approached to affect a sale.
 8. It is understood that Avison Young shall be responsible for the development of all support materials that will be required for the effective marketing of the Property for sale. All such materials shall be subject to the Receiver's approval prior to distribution.
 9. For greater certainty, Avison Young is not authorized to sign any agreement or document as agent for the Receiver and all proposed offers for sale and agreements for sale shall be submitted to the Receiver for its consideration and, if appropriate, its signature.
 10. This agreement shall be interpreted and governed by the laws of the Province of Ontario.
 11. This listing shall remain in full force and effect for six (6) months from the date of execution of this Agreement. Notwithstanding this period, should an offer be accepted during the currency hereof but the due diligence or closing process has not yet been completed, then this period will be extended to accommodate such offer.
 12. The Receiver acknowledges that Avison Young, as required by the Real Estate and Business Brokers Act (REBBA) and Regulations, has provided the Receiver with written information (See Schedule A) explaining agency relationships, including information on Seller Representation, Buyer Representation, Multiple Representation and Customer Service, and that Avison Young shall be representing the interests of the Receiver.

EXCLUSIVE AUTHORITY TO SELL – NORTH BARRIE CROSSING, BARRIE, ONTARIO

- 13. Avison Young confirms that Cameron Lewis is insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.
- 14. The Receiver is executing this Agreement solely in its capacity as court-appointed receiver and manager of the assets, undertakings and properties of Penady (Barrie) Ltd. and certain of the assets, undertakings and properties of PRC Barrie Corp. and (subject to a further court order) Mady (Barrie) Inc. and not in its personal or corporate capacity and neither the Receiver nor its directors, officers, agents, servants or employees shall have any personal or corporate liability hereunder or at common law, or by statute, or equity or otherwise as a result hereof. Notwithstanding any other provision hereof, upon the termination of the receivership of the Receiver, the Agreement and all rights of Avison Young shall terminate.

Dated at Toronto, Ontario this _____ day of _____, 2020.

RSM Canada Limited, solely in its capacity as court-appointed receiver and manager of the assets, undertakings and properties of Penady (Barrie) Ltd. and certain of the assets, undertakings and properties of PRC Barrie Corp. and (subject to a further court order) Mady (Barrie) Inc.

Per: _____ c/s

Authorized Signatory

Per: _____ c/s

Authorized Signatory

Dated at Toronto, Ontario this 11th day of May, 2020.

AVISON YOUNG COMMERCIAL REAL ESTATE (ONTARIO) INC.

Per: *J Almeida* c/s

Authorized Signatory

Schedule "A"

Working With A Commercial REALTOR® The Agency Relationship

In real estate, there are different possible forms of agency relationship:

1. Seller representation

- When a real estate brokerage represents a seller, it must do what is best for the seller of a Property.
- A written contract, called a listing agreement, creates an agency relationship between the seller and the brokerage and establishes seller representation. It also explains services the brokerage will provide, establishes a fee arrangement for the Commercial REALTORS® services and specifies what obligations a seller may have.
- A seller's agent must tell the seller anything known about a buyer. For instance, if a seller's agent knows a buyer is willing to offer more for a Property, that information must be shared with the seller.
- Confidences a seller shares with a seller's agent must be kept confidential from potential buyers and others.
- Although confidential information about the seller cannot be discussed, a buyer working with a seller's agent can expect fair and honest service from the seller's agent and disclosure of pertinent information about the Property.

2. Buyer's representation

- A real estate brokerage representing a buyer must do what is best for the buyer.
- A written contract, called a buyer representation agreement, creates an agency relationship between the buyer and the brokerage, and establishes buyer representation. It also explains services the brokerage will provide, establishes a fee arrangement for the Commercial REALTOR®'s services and specifies what obligations a buyer may have.
- Typically, buyers will be obliged to work exclusively with that brokerage for a period of time.
- Confidences a buyer shares with the buyer's agent must be kept confidential.
- Although confidential information about the buyer cannot be disclosed, a seller working with a buyer's agent can expect to be treated fairly and honestly.

3. Multiple representation

- Occasionally a real estate brokerage will represent both the buyer and the seller. The buyer and seller must consent to this arrangement in writing. Under this multiple representation arrangement, the brokerage must do what is best for both the buyer and the seller.
- Since the brokerage's loyalty is divided between the buyer and the seller who have conflicting interests, it is absolutely essential that a multiple representation relationship be properly documented. Representation agreements specifically describe the rights and duties of everyone involved and any limitations to those rights and duties.

EXCLUSIVE AUTHORITY TO SELL – NORTH BARRIE CROSSING, BARRIE, ONTARIO

4. Customer service

- A real estate brokerage may provide services to buyers and Seller without creating buyer or seller representation. This is called “customer service.”
- Under this arrangement, the brokerage can provide many valuable services in a fair and honest manner. This relationship can be set out in a buyer or seller customer service agreement.
- Real estate negotiations are often complex and a brokerage may be providing representation and/or customer service to more than one seller or buyer. The brokerage will disclose these relationships to each buyer and seller.

Who’s working for you?

- It is important that you understand who the Commercial REALTOR® is working for. For example, both the seller and the buyer may have their own agent which means they each have a Commercial REALTOR® who is working for them.
- Or, some buyers choose to contact the seller’s agent directly. Under this arrangement the Commercial REALTOR® is working for the seller, and must do what is best for the seller, but may provide many valuable customer services to the buyer.
- A Commercial REALTOR® working with a buyer may even be a “sub-agent” of the seller. Under sub-agency, both the listing brokerage and the co-operating brokerage must do what is best for the seller even though the sub-agent may provide many valuable customer services to the buyer.
- If the brokerage represents both the seller and the buyer, this is multiple representation.

Code of Ethics

- Commercial REALTORS® believe it is important that the people they work with understand their agency relationship. That’s why requirements and obligations for representation and customer service are included in a Code of Ethics which is administered by the Real Estate Council of Ontario.
- The Code requires Commercial REALTORS® to disclose in writing the nature of the services they are providing, and encourages Commercial REALTORS® to obtain written acknowledgement of that disclosure. The Code also requires Commercial REALTORS® to submit written representation agreements for any Seller or buyers they are representing.

EXCLUSIVE AUTHORITY TO SELL – NORTH BARRIE CROSSING, BARRIE, ONTARIO

Acknowledgement by Seller/Receiver

I/we have read and understand the *Working with a COMMERCIAL REALTOR® - The Agency Relationship* form.

As Seller/Receiver, I/we understand that Avison Young Commercial Real Estate (Ontario) Inc., Brokerage represents my interests, as document in the attached Listing Agreement, and I understand that the brokerage may represent and/or provide customer service to other Seller and buyer.

RSM Canada Limited, solely in its capacity as court-appointed receiver and manager of the assets, undertakings and properties of Penady (Barrie) Ltd. and certain of the assets, undertakings and properties of PRC Barrie Corp. and (subject to a further court order) Mady (Barrie) Inc.

Seller/Vendor Signature

Date:



Per: _____

Per: _____

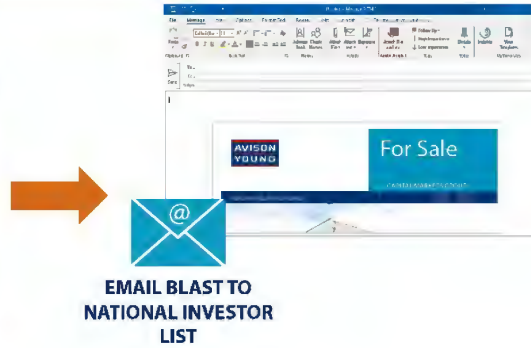
Marketing Strategy | Process

MARKETING CAMPAIGN

Achievable value will be maximized in a timely manner by completing a thorough pre-marketing due diligence, executing a broad-based marketing campaign on an “unpriced” basis, and running a transparent two-round bid process, as detailed below:

 <p>Primary Objectives</p>	<ul style="list-style-type: none"> • Maximize Value • Generate Qualified Bids • Timely Execution 	 <p>Comprehensive underwriting limits execution risk</p>
 <p>Positioning</p>	<ul style="list-style-type: none"> • Long Term Sustainable Income Stream • Future Development Opportunities Given Excess Density • Professionally Developed And Managed To An Institutional Standard 	
 <p>Execution</p>	<ul style="list-style-type: none"> • Broad Based Campaign – Canada-wide coverage • Unpriced Offering – appropriate guidance provided to engage prospects (“6.5%” OCR) • Competitive, Transparent Two-Round Bid Process – Avison will only call for LOIs once sufficient interest has been generated during the marketing campaign • Timing – approximately 8-12 weeks from marketing commencement to selecting a successful bid 	

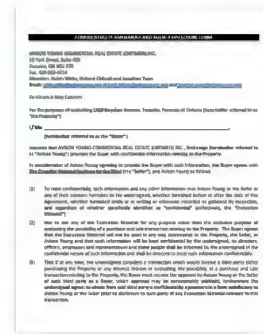
Recommended Marketing Strategy | Broad Based Campaign



AY NETWORK COMMUNICATION



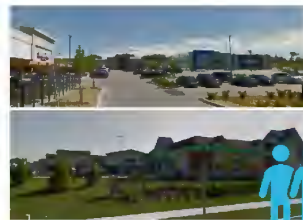
CONFIDENTIALITY AGREEMENT



OFFERING MEMORANDUM



PRIVATE MEETINGS



TOURING



Recommended Marketing Strategy | Marketing Materials



BROCHURE



OFFERING MEMORANDUM



EMAIL BLAST



REPORTING



NEWSPAPER ADVERTISEMENT



Recommended Marketing Strategy | Disposition Timeline



TAB I

APPENDIX I

RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(6248)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.

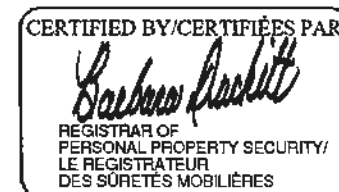
FILE CURRENCY : 08MAR 2020

ENQUIRY NUMBER 20200309094557.31 CONTAINS 12 PAGE(S), 3 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

OSLER, HOSKIN & HARCOURT LLP - BETTY BUCHANAN

1 FIRST CANADIAN PLACE
TORONTO ON M5X 1B8



(crlj5 06/2019)

CONTINUED... 2



RUN NUMBER : 069
 RUN DATE : 2020/03/09
 ID : 20200309094557.31

PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

REPORT : PSSR060
 PAGE : 2
 (6249)

TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
 FILE CURRENCY : 08MAR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
 760701816

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
001	1			20200306 1407 1590 8766	P PPSA	5

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02 DEBTOR NAME				

BUSINESS NAME	ADDRESS	TORONTO	ONTARIO CORPORATION NO.
03 BUSINESS NAME	04 ADDRESS	04 TORONTO	04 ON M5E 1G4

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05 DEBTOR NAME				

BUSINESS NAME	ADDRESS	ONTARIO CORPORATION NO.
06 BUSINESS NAME	07 ADDRESS	07 ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT	ADDRESS	TORONTO	ON	M4T 2S5
08 SECURED PARTY / LIEN CLAIMANT	09 ADDRESS	09 TORONTO	09 ON	09 M4T 2S5

COLLATERAL CLASSIFICATION				MOTOR VEHICLE	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	INCLUDED				
	X	X	X	X				

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
11 MOTOR VEHICLE			

13 GENERAL COLLATERAL DESCRIPTION

REGISTERING AGENT	ADDRESS	TORONTO,	ON	M5X 1B8
16 REGISTERING AGENT	17 ADDRESS	17 TORONTO,	17 ON	17 M5X 1B8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
Barbara Pickett
 REGISTRAR OF PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(c)jffu 06/2019)



RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(6250)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
FILE CURRENCY : 08MAR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
706104324

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	2		20150514 1049 1590 5614	P PPSA	3

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
		PENADY (BARRIE) LTD.		

02

DEBTOR NAME	BUSINESS NAME
	PENADY (BARRIE) LTD.

03

DEBTOR NAME	ADDRESS
	33 YONGE STREET, SUITE 901 TORONTO

04

ONTARIO CORPORATION NO.
ON M5E 1G4

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

05

DEBTOR NAME	BUSINESS NAME

06

DEBTOR NAME	ADDRESS

07

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT	ADDRESS
	EQUITABLE BANK

08

SECURED PARTY / LIEN CLAIMANT	ADDRESS
	30 ST. CLAIR AVENUE WEST SUITE 700 TORONTO

09

OH M1V 3A1

COLLATERAL CLASSIFICATION		MOTOR VEHICLE	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	INCLUDED	
	X	X	X	X		

10

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.

11

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.

12

GENERAL COLLATERAL DESCRIPTION	DESCRIPTION
	SECURITY DOCUMENTION RELATING TO PROPERTY KNOWN AS NORTH BARRIE CROSSING SHOPPING CENTRE, LOCATED AT THE CORNER OF DUCKWORTH STREET AND HIGHWAY 400, BARRIE, ONTARIO BEING PROPERTY IDENTIFIER NUMBERS

13

GENERAL COLLATERAL DESCRIPTION	DESCRIPTION
	SECURITY DOCUMENTION RELATING TO PROPERTY KNOWN AS NORTH BARRIE CROSSING SHOPPING CENTRE, LOCATED AT THE CORNER OF DUCKWORTH STREET AND HIGHWAY 400, BARRIE, ONTARIO BEING PROPERTY IDENTIFIER NUMBERS

14

REGISTERING AGENT	ADDRESS
	CASSELS BROCK & BLACKWELL LLP (XCALBERY #8062-128)

15

REGISTERING AGENT	ADDRESS
	SUITE 2100, 40 KING STREET WEST TORONTO ON M5H 3C2

16

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR
Barbara Aschitt
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(e)11fu 06/2019



RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(6251)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
FILE CURRENCY : 08MAR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
706104324

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	2		20150514 1049 1590 5614		

01

DEBTOR NAME: [REDACTED]
 DATE OF BIRTH: [REDACTED] FIRST GIVEN NAME: [REDACTED] INITIAL: [REDACTED] SURNAME: [REDACTED]
 BUSINESS NAME: [REDACTED]

02
03

ONTARIO CORPORATION NO.

ADDRESS: [REDACTED]

04

DEBTOR NAME: [REDACTED]
 DATE OF BIRTH: [REDACTED] FIRST GIVEN NAME: [REDACTED] INITIAL: [REDACTED] SURNAME: [REDACTED]
 BUSINESS NAME: [REDACTED]

05
06

ONTARIO CORPORATION NO.

ADDRESS: [REDACTED]

07

SECURED PARTY / LIEN CLAIMANT: [REDACTED]
 ADDRESS: [REDACTED]

08
09

COLLATERAL CLASSIFICATION				MOTOR VEHICLE	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	INCLUDED			

10

MOTOR VEHICLE: [REDACTED]
 YEAR MAKE: [REDACTED] MODEL: [REDACTED] V.I.N.: [REDACTED]

11
12

GENERAL COLLATERAL DESCRIPTION: 58830-0092, 58830-0096, 58830-0106, 58830-0109 AND 52380-0111 (LOAN NOS. 186380, 190112 AND 189510).

13
14
15

REGISTERING AGENT: [REDACTED]
 ADDRESS: [REDACTED]

16
17

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

5

CERTIFIED BY/CERTIFIÉES PAR
Barbara Aschitt
 REGISTRAR OF PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(rj11u 06/2019)

RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(6252)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
FILE CURRENCY : 08MAR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20180105 1702 1462 9023	
21	RECORD REFERENCED	FILE NUMBER	706104324		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
			B RENEWAL	10	
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	PENADY (BARRIE) LTD		
25	OTHER CHANGE				
26	REASON/ DESCRIPTION				
28		FIRST GIVEN NAME	INITIAL	SURNAME	
02/	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/		BUSINESS NAME			
06					ONTARIO CORPORATION NO.
04/07		ADDRESS			
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08					
09		ADDRESS			
	COLLATERAL CLASSIFICATION				
	CONSUMER		MOTOR VEHICLE	DATE OF	NO FIXED
	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER
			INCLUDED	AMOUNT	MATURITY OR
					MATURITY DATE
10					
11	MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
12	GENERAL				
13	COLLATERAL				
14	DESCRIPTION				
15	REGISTERING AGENT OR	THE EQUITABLE TRUST COMPANY			
16	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	30 ST. CLAIR WEST AVE. SUITE# 700	TORONTO	ON M4V3A1

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackitt
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crj2tu 06/2019)



PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

REPORT : PSSR060
PAGE : 6
(6253)

TYPE OF SEARCH : BUSINESS DESTOR
SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
FILE CURRENCY : 08MAR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20180427 1410 1462 0879	
21	RECORD REFERENCED	FILE NUMBER	706104324		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
			B RENEWAL	5	
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	PENADY (BARRIE) LTD.		
25	OTHER CHANGE REASON/ DESCRIPTION				
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06		BUSINESS NAME			ONTARIO CORPORATION NO
04/07		ADDRESS			
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08		ADDRESS			
09	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF	NO FIXED
10		GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED	AMOUNT MATURITY OR	MATURITY DATE
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V-I-N	
12	GENERAL COLLATERAL DESCRIPTION				
16	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	THE EQUITABLE TRUST COMPANY 30 ST. CLAIR WEST AVE. SUITE# 700	TORONTO	ON M4V3A1

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 7

CERTIFIED BY/CERTIFIÉES PAR
Barbara Aschitt
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crj2lu 06/2019)



RUN NUMBER : 069
 RUN DATE : 2020/03/09
 ID : 20200309094557.31

PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

REPORT : PSSR060
 PAGE : 7
 (6254)

TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
 FILE CURRENCY : 08MAR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
 706104513

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	2		20150514 1051 1590 5615	P PPSA	3

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
		MADY (BARRIE) INC.		

BUSINESS NAME	ADDRESS	TORONTO	ONTARIO CORPORATION NO.
	1875 LESLIE STREET, UNIT 11		ON M3B 2M5

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
		PRC BARRIE CORP.		

BUSINESS NAME	ADDRESS	TORONTO	ONTARIO CORPORATION NO.
	33 YONGE STREET, SUITE 901		ON M5E 1G4

SECURED PARTY / LIEN CLAIMANT EQUITABLE BANK

ADDRESS	TORONTO	ON	M1V 3A1
30 ST. CLAIR AVENUE WEST SUITE 700			

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
				X			

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.

GENERAL COLLATERAL DESCRIPTION: GUARANTEE AND POSTPONEMENT OF CLAIM IN RESPECT OF THE OBLIGATIONS OF PENADY (BARRIE) LTD. RELATING TO PROPERTY KNOWN AS NORTH BARRIE CROSSING SHOPPING CENTRE, LOCATED AT THE CORNER OF DUCKWORTH STREET

REGISTERING AGENT: CASSELS BROCK & BLACKWELL LLP (KCALBERY #8062-128)
 ADDRESS: SUITE 2100, 40 KING STREET WEST TORONTO ON M5H 3C2

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 8

CERTIFIED BY/CERTIFIÉES PAR
Barbara Paskitt
 REGISTRAR OF PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crtfu 06/2019)



RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 8
(6255)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
FILE CURRENCY : 08MAR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
706104513

CAUTION PILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	2		20150514 1051 1590 5615		

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY / LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY	NO. FIXED	NO. FIXED MATURITY DATE

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.

GENERAL AND HIGHWAY 400, BARRIE, ONTARIO BEING PROPERTY IDENTIFIER NUMBERS
COLLATERAL DESCRIPTION 58830-0092, 58830-0096, 58830-0106, 58830-0109 AND 53380-0111 (LOAN NOS. 186380, 190112 AND 189510).

REGISTERING AGENT
ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

9

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(c)11fu 06/2019



PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

REPORT : PSSR060
PAGE : 9
(6256)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
FILE CURRENCY : 08MAR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20180105 1702 1462 9024	
21	FILE NUMBER	706104513			
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
			B RENEWAL	10	
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	PENADY (BARRIE) LTD		
25	OTHER CHANGE				
26	REASON/ DESCRIPTION				
28		FIRST GIVEN NAME	INITIAL	SURNAME	
02/	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/		BUSINESS NAME			
06					ONTARIO CORPORATION NO
04/07	ADDRESS				
29	ASSIGNOR				
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
09	ADDRESS				
10	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF	NO FIXED
		GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED	AMOUNT MATURITY OR	MATURITY DATE
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.	
12	GENERAL				
13	COLLATERAL				
14	DESCRIPTION				
15	REGISTERING AGENT OR	THE EQUITABLE TRUST COMPANY			
16	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	30 ST. CLAIR WEST AVE. SUITE# 700	TORONTO	ON M4V3A1

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 10

CERTIFIED BY/CERTIFIÉES PAR
Barbara Aschitt
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crj2fu 06/2019)



RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 10
(6257)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
FILE CURRENCY : 08MAR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20180109 1706 1462 0048	
21	RECORD REFERENCED	FILE NUMBER	706104513		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	MADY (BARRIE) INC.		
25	OTHER CHANGE	REASON/ DESCRIPTION	CORRECTION TO NAME OF DEBTOR		
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06	TRANSFEEE	BUSINESS NAME			ONTARIO CORPORATION NO.
04/07		ADDRESS			
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08		ADDRESS			
09	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF MATURITY	NO FIXED MATURITY DATE
10		GOODS INVENTORY	EQUIPMENT ACCOUNTS OTHER INCLUDED	AMOUNT	
11	MOTOR VEHICLE GENERAL COLLATERAL DESCRIPTION	YEAR MAKE	MODEL	V-I-N	
16	REGISTERING AGENT OR	THE EQUITABLE TRUST COMPANY			
17	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	30 ST. CLAIR WEST AVE. SUITE# 700	TORONTO	ON M4V3A1

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 11

CERTIFIED BY/CERTIFIÉES PAR
Sandra Beckett
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(orj2fu 06/2019)

RUN NUMBER : 069
RUN DATE : 2020/03/09
ID : 20200309094557.31

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 11
(6258)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PENADY (HARRIE) LTD.
FILE CURRENCY : 08MAR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20180427 1410 1462 0880	
21 RECORD REFERENCED	FILE NUMBER	706104513			
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	B RENEWAL	RENEWAL YEARS
					5
23 REFERENCE		FIRST GIVEN NAME	INITIAL	SURNAME	
24 DEBTOR/ TRANSFEROR	BUSINESS NAME	MADY (HARRIE) INC.			
25 OTHER CHANGE	REASON/ DESCRIPTION				
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05 DEBTOR/					
03/ TRANSFEREE	BUSINESS NAME				
06				ONTARIO CORPORATION NO	
04/07	ADDRESS				
29 ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
08					
09	ADDRESS				
	COLLATERAL CLASSIFICATION				
	CONSUMER	MOTOR VEHICLE	DATE OF	NO FIXED	
	GOODS	INVENTORY	EQUIPMENT	AMOUNT	MATURITY OR MATURITY DATE
10		ACCOUNTS	OTHER	INCLUDED	
	YEAR	MAKE	MODEL	V.I.N.	
11 MOTOR					
12 VEHICLE					
13 GENERAL					
14 COLLATERAL					
15 DESCRIPTION					
16 REGISTERING AGENT OR	THE EQUITABLE TRUST COMPANY				
17 SECURED PARTY/	ADDRESS	30 ST. CLAIR WEST AVE. SUITE# 700	TORONTO	ON	M4V3A1
	LIEN CLAIMANT				

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 12

CERTIFIED BY/CERTIFIÉES PAR
Barbara Fleckitt
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(orj2lu 06/2019)



RUN NUMBER : 069
 RUN DATE : 2020/03/09
 ID : 20200309094557.31

PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

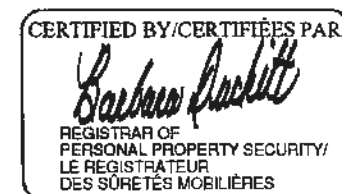
REPORT : PSSR060
 PAGE : 12
 (6259)

TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : PENADY (BARRIE) LTD.
 FILE CURRENCY : 08MAR 2020

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
760701816	20200306 1407 1590 8766			
706104324	20150514 1049 1590 5614	20180105 1702 1462 9023	20180427 1410 1462 0879	
706104513	20150514 1051 1590 5615	20180105 1702 1462 9024	20180109 1706 1462 0048	20180427 1410 1462 0880

8 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



(art 5 06/2019)

RUN NUMBER : 065
 RUN DATE : 2020/03/05
 ID : 20200305133127.67

PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

REPORT : FSSR060
 PAGE : 1
 (8014)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
 OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : PRC BARRIE CORP.

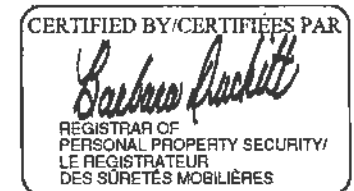
FILE CURRENCY : 04MAR 2020

ENQUIRY NUMBER 20200305133127.67 CONTAINS 9 PAGE(S), 3 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
 WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
 SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

OSLER HOSKIN & HARCOURT LLP - BETTY BUCHANAN
 1 FIRST CANADIAN PLACE
 TORONTO ON M5X 1B6

CONTINUED... 2



(en) 06/2019

RUN NUMBER : 065
RUN DATE : 2020/03/05
ID : 20200305133127.67

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(8015)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PRC BARRIE CORP.
FILE CURRENCY : 04MAR 2020

FORM IC FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
745748091

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	001	001		20181109 1631 1862 6367	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME PRC BARRIE CORP.

04 ADDRESS 33 YONGE STREET, SUITE 901 TORONTO ONTARIO CORPORATION NO. ON M5E 1G4

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT MARSHALLZEHR GROUP INC.

09 ADDRESS 465 PHILLIP STREET, SUITE 206 WATERLOO ON N2L 6C7

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
X	X	X	X	X			

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL

14 COLLATERAL DESCRIPTION

16 REGISTERING AGENT SORBARA, SCHUMACHER, MCCANN LLP (KH.KL)

17 ADDRESS 31 UNION STREET EAST WATERLOO ON N2J 1B8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
Barbara Aschitt
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(ej1fu 06/2019)



RUN NUMBER : 065
RUN DATE : 2020/03/05
ID : 20200305133127.67

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(8016)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PRC BARRIE CORP.
FILE CURRENCY : 04MAR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
743795478

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	001		20180917 1030 1862 2238	P PPSA	5

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02 DEBTOR NAME				

BUSINESS NAME	ADDRESS	TORONTO	ONTARIO CORPORATION NO.
03 BUSINESS NAME	04 ADDRESS	04 TORONTO	04 ONTARIO CORPORATION NO.

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05 DEBTOR NAME				

BUSINESS NAME	ADDRESS	ONTARIO CORPORATION NO.
06 BUSINESS NAME	07 ADDRESS	07 ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT	ADDRESS	WATERLOO	ON	N2L 6C7
08 SECURED PARTY / LIEN CLAIMANT	09 ADDRESS	09 WATERLOO	09 ON	09 N2L 6C7

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
10 CONSUMER GOODS	10 INVENTORY	10 EQUIPMENT	10 ACCOUNTS OTHER	10 MOTOR VEHICLE INCLUDED	10 AMOUNT	10 DATE OF MATURITY OR	10 NO FIXED MATURITY DATE

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
11 MOTOR VEHICLE	11 YEAR MAKE	11 MODEL	11 V.I.N.

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

REGISTERING AGENT	ADDRESS	WATERLOO	ON	N2J 1B8
16 REGISTERING AGENT	17 ADDRESS	17 WATERLOO	17 ON	17 N2J 1B8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR
Barbara Pickett
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fu 06/2019)



PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

RUN NUMBER : 065
RUN DATE : 2020/03/05
ID : 20200305133127.67

REPORT : PSSR060
PAGE : 4
(8017)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PRC BARRIE CORP.
FILE CURRENCY : 04MAR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
706104513

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	2		20150514 1051 1590 5615	P PPSA	3

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
		MADY (BARRIE) INC.		

DEBTOR NAME	BUSINESS NAME	ADDRESS	TORONTO	ONTARIO CORPORATION NO.
		1875 LESLIE STREE, UNIT 11		ON M3B 2M5

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
		PRC BARRIE CORP.		

DEBTOR NAME	BUSINESS NAME	ADDRESS	TORONTO	ONTARIO CORPORATION NO.
		33 YONGE STREET, SUITE 901		ON M5E 1G4

SECURED PARTY / LIEN CLAIMANT	ADDRESS	TORONTO	ON	M1V 3A1
	30 ST. CLAIR AVENUE WEST SUITE 700			

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
			X	X				

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.

GENERAL COLLATERAL DESCRIPTION	GUARANTEE AND POSTPONEMENT OF CLAIM IN RESPECT OF THE OBLIGATIONS OF PENADY (BARRIE) LTD. RELATING TO PROPERTY KNOWN AS NORTH BARRIE CROSSING SHOPPING CENTRE, LOCATED AT THE CORNER OF DUCKWORTH STREET

REGISTERING AGENT	CASSELS BROCK & BLACKWELL LLP (KCALBERY #8062-128)	ADDRESS	TORONTO	ON	M5H 3C2
		SUITE 2100, 40 KING STREET WEST			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crjfu 06/2019)

RUN NUMBER : 065
RUN DATE : 2020/03/05
ID : 20200305133127.67

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(8018)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PRC BARRIE CORP.
FILE CURRENCY : 04MAR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
706104513

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	2		20150514 1051 1590 5615		

01

02 DEBTOR

03 NAME

04 ADDRESS

05 DEBTOR

06 NAME

07 ADDRESS

08 SECURED PARTY /

09 LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION

11 MOTOR

12 VEHICLE

13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING

17 AGENT

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

BUSINESS NAME

ONTARIO CORPORATION NO.

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

BUSINESS NAME

ONTARIO CORPORATION NO.

CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE

YEAR MAKE MODEL V.I.N.

AND HIGHWAY 400, BARRIE, ONTARIO BEING PROPERTY IDENTIFIER NUMBERS
58830-0092, 58830-0096, 58830-0106, 58830-0109 AND 53380-0111 (LOAN
NOS. 186380, 190112 AND 189510).

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

6

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fu 06/2019)



RUN NUMBER : 065
RUN DATE : 2020/03/05
ID : 20200305133127.67

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 6
(0019)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PRC BARRIE CORP.
FILE CURRENCY : 04MAR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20180105 1702 1462 9024	
21 RECORD REFERENCED	FILE NUMBER	706104513			
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
			B RENEWAL	10	
23 REFERENCE		FIRST GIVEN NAME	INITIAL	SURNAME	
24 DEBTOR/ TRANSFEROR	BUSINESS NAME	PENADY (BARRIE) LTD			
25 OTHER CHANGE					
26 REASON/					
27 DESCRIPTION					
28					
02/ DEBTOR/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05 TRANSFEREE	BUSINESS NAME				
06					
04/07	ADDRESS				ONTARIO CORPORATION NO.
29 ASSIGNOR					
08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE					
09	ADDRESS				
	COLLATERAL CLASSIFICATION				
	CONSUMER		MOTOR VEHICLE	DATE OF	NO FIXED
10	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER
			INCLUDED	AMOUNT	MATURITY OR
					MATURITY DATE
11 MOTOR	YEAR	MAKE	MODEL	V-I-N.	
12 VEHICLE					
13 GENERAL					
14 COLLATERAL					
15 DESCRIPTION					
16 REGISTERING AGENT OR		THE EQUITABLE TRUST COMPANY			
17 SECURED PARTY/ LIEN CLAIMANT	ADDRESS	30 ST. CLAIR WEST AVE. SUITE# 700	TORONTO	ON	M4V3A1

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 7

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crj2tu 06/2019)



PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

RUN NUMBER : 065
RUN DATE : 2020/03/05
ID : 20200305133127.67

REPORT : PSSR060
PAGE : 7
(8020)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PRC BARRIE CORP.
FILE CURRENCY : 04MAR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20180109 1706 1462 0048	
21	RECORD REFERENCED	FILE NUMBER	706104513		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE DEBTOR/ TRANSFEROR	BUSINESS NAME	FIRST GIVEN NAME	INITIAL	SURNAME
24		MADY (BARRIE) INC.			
25	OTHER CHANGE REASON/ DESCRIPTION	CORRECTION TO NAME OF DEBTOR			
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06		BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08/09	ADDRESS	COLLATERAL CLASSIFICATION			
10	CONSUMER GOODS	MOTOR VEHICLE INCLUDED	DATE OF MATURITY	NO FIXED MATURITY DATE	
11	MOTOR VEHICLE GENERAL COLLATERAL DESCRIPTION	YEAR MAKE	MODEL	V.I.N.	
16	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	THE EQUITABLE TRUST COMPANY 30 ST. CLAIR WEST AVE. SUITE# 700	TORONTO	ON M4V3A1

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 8

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
 REGISTRAR OF PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj2fu 06/2019)



PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

RUN NUMBER : 065
RUN DATE : 2020/03/05
ID : 20200305133127.67

REPORT : PSSR060
PAGE : 8
(8021)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : PRC BARRIE CORP.
FILE CURRENCY : 04MAR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20180427 1410 1462 0880	
21	RECORD REFERENCED	FILE NUMBER	706104513		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED B RENEWAL	RENEWAL YEARS 5	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/TRANSFEROR	BUSINESS NAME	MADY (BARRIE) INC.		
25	OTHER CHANGE	REASON/DESCRIPTION			
02/05	DEBTOR/TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06	TRANSFEREE	BUSINESS NAME			ONTARIO CORPORATION NO.
04/07		ADDRESS			
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08		ADDRESS			
09	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF MATURITY	NO FIXED MATURITY DATE
10		GOODS INVENTORY	EQUIPMENT ACCOUNTS OTHER INCLUDED	AMOUNT	
11	MOTOR VEHICLE GENERAL COLLATERAL DESCRIPTION	YEAR MAKE	MODEL	V..I.N.	
16	REGISTERING AGENT OR SECURED PARTY/LIEN CLAIMANT	ADDRESS	THE EQUITABLE TRUST COMPANY 30 ST. CLAIR WEST AVE. SUITE# 700	TORONTO	ON M4V3A1

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 9

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
 REGISTRAR OF PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj2fu 06/2019)



RUN NUMBER : 065
 RUN DATE : 2020/03/05
 ID : 20200305133127.67

PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

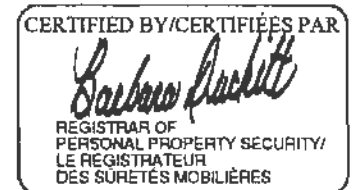
REPORT : PSSR060
 PAGE : 9
 (8022)

TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : PRC BARRIE CORP.
 FILE CURRENCY : 04MAR 2020

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
745748091	20181109 1631 1862 6367			
743795478	20180917 1030 1862 2238			
706104513	20150514 1051 1590 5615	20180105 1702 1462 9024	20180109 1706 1462 0048	20180427 1410 1462 0880

6 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



(c)15 06/2018



PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/4/2020
File Currency Date: 05/03/2020
Family(ies): 1
Page(s): 5

SEARCH : Business Debtor : MADY (BARRIE) INC.

The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/4/2020
File Currency Date: 05/03/2020
Family(ies): 1
Page(s): 5

SEARCH : Business Debtor : MADY (BARRIE) INC.

FAMILY : 1 OF 1 ENQUIRY PAGE : 1 OF 5
SEARCH : BD : MADY (BARRIE) INC.

00 FILE NUMBER : 706104513 EXPIRY DATE : 14MAY 2033 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20150514 1051 1590 5615 REG TYP: P PPSA REG PERIOD: 3
02 IND DOB : IND NAME:
03 BUS NAME: MADY (BARRIE) INC.

OCN :
04 ADDRESS : 1875 LESLIE STREE, UNIT 11
CITY : TORONTO PROV: ON POSTAL CODE: M3B 2M5
05 IND DOB : IND NAME:
06 BUS NAME: PRC BARRIE CORP.

OCN :
07 ADDRESS : 33 YONGE STREET, SUITE 901
CITY : TORONTO PROV: ON POSTAL CODE: M5E 1G4

08 SECURED PARTY/LIEN CLAIMANT :
EQUITABLE BANK
09 ADDRESS : 30 ST. CLAIR AVENUE WEST SUITE 700
CITY : TORONTO PROV: ON POSTAL CODE: M1V 3A1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE X X MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 GUARANTEE AND POSTPONEMENT OF CLAIM IN RESPECT OF THE OBLIGATIONS OF
14 PENADY (BARRIE) LTD. RELATING TO PROPERTY KNOWN AS NORTH BARRIE
15 CROSSING SHOPPING CENTRE, LOCATED AT THE CORNER OF DUCKWORTH STREET
16 AGENT: CASSELS BROCK & BLACKWELL LLP (KCALBERY #8062-128)
17 ADDRESS : SUITE 2100, 40 KING STREET WEST
CITY : TORONTO PROV: ON POSTAL CODE: M5H 3C2

FAMILY : 1 OF 1 ENQUIRY PAGE : 2 OF 5
SEARCH : BD : MADY (BARRIE) INC.

00 FILE NUMBER : 706104513 EXPIRY DATE : 14MAY 2033 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20150514 1051 1590 5615 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

13 AND HIGHWAY 400, BARRIE, ONTARIO BEING PROPERTY IDENTIFIER NUMBERS
14 58830-0092, 58830-0096, 58830-0106, 58830-0109 AND 53380-0111 (LOAN
15 NOS. 186380, 190112 AND 189510).

16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 1 OF 1 ENQUIRY PAGE : 3 OF 5
SEARCH : BD : MADY (BARRIE) INC.

FILE NUMBER 706104513
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20180105 1702 1462 9024
21 REFERENCE FILE NUMBER : 706104513
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 10 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: PENADY (BARRIE) LTD

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
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16 NAME : THE EQUITABLE TRUST COMPANY
17 ADDRESS : 30 ST. CLAIR WEST AVE. SUITE# 700
CITY : TORONTO PROV : ON POSTAL CODE : M4V3A1

FAMILY : 1 OF 1 ENQUIRY PAGE : 4 OF 5
SEARCH : BD : MADY (BARRIE) INC.

FILE NUMBER 706104513
REGISTRATION NUM REG TYPE
01 CAUTION : PAGE TOT 01 OF 001 MV SCHED: 20180109 1706 1462 0048
21 REFERENCE FILE NUMBER : 706104513
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: MADY (BARRIE) INC.

25 OTHER CHANGE:
26 REASON: CORRECTION TO NAME OF DEBTOR
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : THE EQUITABLE TRUST COMPANY
17 ADDRESS : 30 ST. CLAIR WEST AVE. SUITE# 700
CITY : TORONTO PROV : ON POSTAL CODE : M4V3A1

FAMILY : 1 OF 1 ENQUIRY PAGE : 5 OF 5
SEARCH : BD : MADY (BARRIE) INC.

FILE NUMBER 706104513
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20180427 1410 1462 0880
21 REFERENCE FILE NUMBER : 706104513
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: MADY (BARRIE) INC.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : THE EQUITABLE TRUST COMPANY
17 ADDRESS : 30 ST. CLAIR WEST AVE. SUITE# 700
CITY : TORONTO PROV : ON POSTAL CODE : M4V3A1

TAB J

APPENDIX J

LAND
REGISTRY
OFFICE #51

58830-0092 (LT)

PAGE 1 OF 4
PREPARED FOR Lstorm01
ON 2020/02/26 AT 15:40:08

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

PROPERTY DESCRIPTION: PART OF LOT 21 CONCESSION 3 (VESPra) BEING PARTS 5, 6 & 7 ON PLAN 51R35759; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 58830-0019

PIN CREATION DATE:

2008/02/14

OWNERS' NAMES

PENADY (BARRIE) LTD.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**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: 2001/09/24 **						
RO183788	1964/05/06	BYLAW				C
RO1001170	1988/05/13	AGREEMENT				C
RO1169034	1991/11/07	AGREEMENT			THE CORP. OF THE CITY OF BARRIE	C
RO1200481	1992/09/24	AGREEMENT			THE CITY OF BARRIE	C
51R35759	2007/11/13	PLAN REFERENCE				C
SC612948	2007/12/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	HOME DEPOT HOLDINGS INC.	C
SC663105	2008/07/14	PLAN CORRECTION		ASS'T EXAMINER OF SURVEYS		C
REMARKS: ORDER OF THE EXAMINER OF SURVEYS TO AMEND PLAN 51R35759						
SC1028712	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD. HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	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.

LAND
REGISTRY
OFFICE #51

58830-0092 (LT)

PAGE 2 OF 4
PREPARED FOR Lstorm01
ON 2020/02/26 AT 15:40:08

* 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
SC1028755	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	C
SC1031846	2012/12/18	TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS.</i>	\$6,374,152	HOME DEPOT HOLDINGS INC.	PENADY (BARRIE) LTD.	C
SC1031847	2012/12/18	APL ANNEX REST COV		PENADY (BARRIE) LTD.		C
SC1051680	2013/04/18	NOTICE	\$1	PENADY (BARRIE) LTD.		C
SC1184716	2014/12/24	CHARGE	\$30,000,000	PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
SC1184717	2014/12/24	NO ASSGN RENT GEN <i>REMARKS: SC1184716.</i>		PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
SC1186008	2015/01/07	NOTICE		LOBLAW PROPERTIES LIMITED		C
SC1194350	2015/02/23	NOTICE OF LEASE	\$1	PENADY (BARRIE) LTD.	THE TDL GROUP CORP.	C
SC1210287	2015/05/14	CHARGE	\$49,125,739	PENADY (BARRIE) LTD.	EQUITABLE BANK	C
SC1210288	2015/05/14	NO ASSGN RENT GEN <i>REMARKS: SC1210287.</i>		PENADY (BARRIE) LTD.	EQUITABLE BANK	C
SC1210395	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1210287</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210396	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1210287</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210397	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1210288</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210398	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1210288</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210520	2015/05/14	NOTICE OF LEASE		LAF CANADA COMPANY	LAF CANADA COMPANY	C
SC1253500	2015/10/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE		C
SC1253501	2015/10/20	POSTPONEMENT		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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58830-0092 (LT)

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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: SC1184717, SC1253500				
SC1253502	2015/10/20	POSTPONEMENT		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
		REMARKS: SC1210287, SC1253500				
SC1253503	2015/10/20	POSTPONEMENT		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
		REMARKS: SC1210288, SC1253500				
SC1253504	2015/10/20	POSTPONEMENT		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
		REMARKS: SC1184716 TO SC1253500				
SC1271000	2015/12/18	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD. PENADY (NORTH BARRIE) LIMITED CP REIT ONTARIO PROPERTIES LIMITED	ENBRIDGE GAS DISTRIBUTION INC.	C
SC1272955	2015/12/30	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD.	POWERSTREAM INC.	C
SC1272956	2015/12/30	POSTPONEMENT		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C
		REMARKS: SC1184716 TO SC1272955				
SC1272957	2015/12/30	POSTPONEMENT		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C
		REMARKS: SC1184717 TO SC1272955				
SC1272958	2015/12/30	POSTPONEMENT		EQUITABLE BANK	POWERSTREAM INC.	C
		REMARKS: SC1210287 TO SC1272955				
SC1272959	2015/12/30	POSTPONEMENT		EQUITABLE BANK	POWERSTREAM INC.	C
		REMARKS: SC1210288 TO SC1272955				
SC1275252	2016/01/13	POSTPONEMENT		LAF CANADA COMPANY	POWERSTREAM INC.	C
		REMARKS: SC1210520 TO SC1272955				
SC1282197	2016/02/11	POSTPONEMENT		THE TDL GROUP CORP.	POWERSTREAM INC.	C
		REMARKS: SC1194350 TO SC1272955				
SC1353259	2016/10/19	NOTICE	\$2	PENADY (BARRIE) LTD.		C
SC1368394	2016/12/05	NOTICE OF LEASE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED	PENADY (BARRIE) LTD.	C
SC1368395	2016/12/05	NOTICE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C
SC1368396	2016/12/05	NOTICE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C
		REMARKS: SC1210287				

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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
SC1368727	2016/12/06	NOTICE OF LEASE		PENADY (BARRIE) LTD.	1541396 ONTARIO INC.	C
SC1370879	2016/12/13	NO CHARGE LEASE <i>REMARKS: SC1368727.</i>	\$1,300,000	1541396 ONTARIO INC.	THE BANK OF NOVA SCOTIA	C
SC1508910	2018/05/07	NOTICE <i>REMARKS: SITE PLAN AGREEMENT</i>	\$2	THE CORPORATION OF THE CITY OF BARRIE		C
SC1508911	2018/05/07	POSTPONEMENT <i>REMARKS: SC1210287 TO SC1508910</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1508912	2018/05/07	POSTPONEMENT <i>REMARKS: SC1210288 TO SC1508910</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1508913	2018/05/07	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1508910</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1508914	2018/05/07	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1508910</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1518508	2018/06/19	NOTICE OF LEASE <i>REMARKS: EXPIRY DATE:MARCH 31, 2027</i>	\$2	PENADY (BARRIE) LTD.	THE SHERWIN-WILLIAMS COMPANY	C
SC1586826	2019/04/11	CERTIFICATE <i>REMARKS: SC1585811</i>		CONCORD PLUMBING & HEATING LTD.		C

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

PROPERTY DESCRIPTION: PART OF LOT 21 CONCESSION 3 (VESPra) BEING PARTS 22 & 23 ON PLAN 51R35759; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 58830-0043

PIN CREATION DATE:

2008/02/14

OWNERS' NAMES

PENADY (BARRIE) LTD.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**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: 2001/09/24 **						
RO183788	1964/05/06	BYLAW				C
RO1169379	1991/11/13	AGREEMENT			THE CITY OF BARRIE	C
51R35759	2007/11/13	PLAN REFERENCE				C
SC612948	2007/12/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	HOME DEPOT HOLDINGS INC.	C
SC663105	2008/07/14	PLAN CORRECTION		ASS'T EXAMINER OF SURVEYS		C
REMARKS: ORDER OF THE EXAMINER OF SURVEYS TO AMEND PLAN 51R35759						
SC1028712	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD. HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	C
SC1028755	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	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
SC1031846	2012/12/18	TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS.</i>	\$6,374,152	HOME DEPOT HOLDINGS INC.	PENADY (BARRIE) LTD.	C
SC1031847	2012/12/18	APL ANNEX REST COV		PENADY (BARRIE) LTD.		C
SC1051680	2013/04/18	NOTICE	\$1	PENADY (BARRIE) LTD.		C
SC1184716	2014/12/24	CHARGE	\$30,000,000	PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
SC1184717	2014/12/24	NO ASSGN RENT GEN <i>REMARKS: SC1184716.</i>		PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
SC1186008	2015/01/07	NOTICE		LOBLAW PROPERTIES LIMITED		C
SC1194350	2015/02/23	NOTICE OF LEASE	\$1	PENADY (BARRIE) LTD.	THE TDL GROUP CORP.	C
SC1210287	2015/05/14	CHARGE	\$49,125,739	PENADY (BARRIE) LTD.	EQUITABLE BANK	C
SC1210288	2015/05/14	NO ASSGN RENT GEN <i>REMARKS: SC1210287.</i>		PENADY (BARRIE) LTD.	EQUITABLE BANK	C
SC1210395	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1210287</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210396	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1210287</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210397	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1210288</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210398	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1210288</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210520	2015/05/14	NOTICE OF LEASE		LAF CANADA COMPANY	LAF CANADA COMPANY	C
SC1253500	2015/10/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE		C
SC1253501	2015/10/20	POSTPONEMENT <i>REMARKS: SC1184717, SC1253500</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253502	2015/10/20	POSTPONEMENT <i>REMARKS: SC1210287, SC1253500</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C

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58830-0096 (LT)

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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
SC1253503	2015/10/20	POSTPONEMENT <i>REMARKS: SC1210288, SC1253500</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253504	2015/10/20	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1253500</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1271000	2015/12/18	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD. PENADY (NORTH BARRIE) LIMITED CP REIT ONTARIO PROPERTIES LIMITED	ENBRIDGE GAS DISTRIBUTION INC.	C
SC1272955	2015/12/30	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD.	POWERSTREAM INC.	C
SC1272956	2015/12/30	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1272955</i>		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C
SC1272957	2015/12/30	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1272955</i>		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C
SC1272958	2015/12/30	POSTPONEMENT <i>REMARKS: SC1210287 TO SC1272955</i>		EQUITABLE BANK	POWERSTREAM INC.	C
SC1272959	2015/12/30	POSTPONEMENT <i>REMARKS: SC1210288 TO SC1272955</i>		EQUITABLE BANK	POWERSTREAM INC.	C
SC1275252	2016/01/13	POSTPONEMENT <i>REMARKS: SC1210520 TO SC1272955</i>		LAF CANADA COMPANY	POWERSTREAM INC.	C
SC1282197	2016/02/11	POSTPONEMENT <i>REMARKS: SC1194350 TO SC1272955</i>		THE TDL GROUP CORP.	POWERSTREAM INC.	C
SC1353259	2016/10/19	NOTICE	\$2	PENADY (BARRIE) LTD.		C
SC1368394	2016/12/05	NOTICE OF LEASE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED	PENADY (BARRIE) LTD.	C
SC1368395	2016/12/05	NOTICE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C
SC1368396	2016/12/05	NOTICE <i>REMARKS: SC1210287</i>	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C
SC1368727	2016/12/06	NOTICE OF LEASE		PENADY (BARRIE) LTD.	1541396 ONTARIO INC.	C
SC1370879	2016/12/13	NO CHARGE LEASE	\$1,300,000	1541396 ONTARIO INC.	THE BANK OF NOVA SCOTIA	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
SC1518508	2018/06/19	NOTICE OF LEASE	\$2	PENADY (BARRIE) LTD.	THE SHERWIN-WILLIAMS COMPANY	C
<i>REMARKS: SC1368727.</i> <i>REMARKS: EXPIRY DATE: MARCH 31, 2027</i>						

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

PROPERTY DESCRIPTION: PT LT 21 CON 3 VESPRE BEING PTS 12,13 & 14 PL 51R35759; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 58830-0100

PIN CREATION DATE:

2012/12/27

OWNERS' NAMES

PENADY (BARRIE) LTD.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**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: 2001/09/24 **						
RO183788	1964/05/06	BYLAW				C
RO1001170	1988/05/13	AGREEMENT				C
RO1169034	1991/11/07	AGREEMENT			THE CORP. OF THE CITY OF BARRIE	C
RO1200481	1992/09/24	AGREEMENT			THE CITY OF BARRIE	C
51R35759	2007/11/13	PLAN REFERENCE				C
SC612948	2007/12/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	HOME DEPOT HOLDINGS INC.	C
SC614148	2007/12/24	TRANSFER	\$12,857,931	HOME DEPOT HOLDINGS INC.	PENADY (BARRIE) LTD.	C
REMARKS: SEVERANCE CONSENT						
SC663105	2008/07/14	PLAN CORRECTION		ASS'T EXAMINER OF SURVEYS		C
REMARKS: ORDER OF THE EXAMINER OF SURVEYS TO AMEND PLAN 51R35759						

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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
SC1028712	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD. HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	C
		REMARKS: PTS 12, 13 & 14 51R35759				
SC1028755	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	C
SC1051680	2013/04/18	NOTICE	\$1	PENADY (BARRIE) LTD.		C
SC1068837	2013/07/10	NOTICE OF LEASE	\$2	PENADY (BARRIE) LTD.	MCDONALD'S RESTAURANTS OF CANADA LIMITED	C
SC1108607	2013/12/31	LR'S ORDER		LAND REGISTRAR, SIMCOE LAND REGISTRY OFFICE		C
		REMARKS: AMENDS THUMBAIL DESCRIPTION FROM "CON 4" TO "CON 3"				
SC1184716	2014/12/24	CHARGE	\$30,000,000	PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
SC1184717	2014/12/24	NO ASSGN RENT GEN		PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
		REMARKS: SC1184716.				
SC1186008	2015/01/07	NOTICE		LOBLAW PROPERTIES LIMITED		C
SC1194350	2015/02/23	NOTICE OF LEASE	\$1	PENADY (BARRIE) LTD.	THE TDL GROUP CORP.	C
SC1210287	2015/05/14	CHARGE	\$49,125,739	PENADY (BARRIE) LTD.	EQUITABLE BANK	C
SC1210288	2015/05/14	NO ASSGN RENT GEN		PENADY (BARRIE) LTD.	EQUITABLE BANK	C
		REMARKS: SC1210287.				
SC1210395	2015/05/14	POSTPONEMENT		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
		REMARKS: SC1184716 TO SC1210287				
SC1210396	2015/05/14	POSTPONEMENT		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
		REMARKS: SC1184717 TO SC1210287				
SC1210397	2015/05/14	POSTPONEMENT		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
		REMARKS: SC1184716 TO SC1210288				
SC1210398	2015/05/14	POSTPONEMENT		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
		REMARKS: SC1184717 TO SC1210288				
SC1210520	2015/05/14	NOTICE OF LEASE		LAF CANADA COMPANY	LAF CANADA COMPANY	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
SC1253500	2015/10/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE		C
SC1253501	2015/10/20	POSTPONEMENT <i>REMARKS: SC1184717, SC1253500</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253502	2015/10/20	POSTPONEMENT <i>REMARKS: SC1210287, SC1253500</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253503	2015/10/20	POSTPONEMENT <i>REMARKS: SC1210288, SC1253500</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253504	2015/10/20	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1253500</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1271000	2015/12/18	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD. PENADY (NORTH BARRIE) LIMITED CP REIT ONTARIO PROPERTIES LIMITED	ENBRIDGE GAS DISTRIBUTION INC.	C
SC1272955	2015/12/30	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD.	POWERSTREAM INC.	C
SC1272956	2015/12/30	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1272955</i>		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C
SC1272957	2015/12/30	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1272955</i>		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C
SC1272958	2015/12/30	POSTPONEMENT <i>REMARKS: SC1210287 TO SC1272955</i>		EQUITABLE BANK	POWERSTREAM INC.	C
SC1272959	2015/12/30	POSTPONEMENT <i>REMARKS: SC1210288 TO SC1272955</i>		EQUITABLE BANK	POWERSTREAM INC.	C
SC1275252	2016/01/13	POSTPONEMENT <i>REMARKS: SC1210520 TO SC1272955</i>		LAF CANADA COMPANY	POWERSTREAM INC.	C
SC1279390	2016/01/29	POSTPONEMENT <i>REMARKS: SC1068837 TO SC1272955</i>		MCDONALD'S RESTAURANTS OF CANADA LIMITED	POWERSTREAM INC.	C
SC1282197	2016/02/11	POSTPONEMENT <i>REMARKS: SC1194350 TO SC1272955</i>		THE TDL GROUP CORP.	POWERSTREAM INC.	C
SC1353259	2016/10/19	NOTICE	\$2	PENADY (BARRIE) LTD.		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
SC1368394	2016/12/05	NOTICE OF LEASE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED	PENADY (BARRIE) LTD.	C
SC1368395	2016/12/05	NOTICE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C
SC1368396	2016/12/05	NOTICE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C
	REMARKS: SC1210287					
SC1368727	2016/12/06	NOTICE OF LEASE		PENADY (BARRIE) LTD.	1541396 ONTARIO INC.	C
SC1370879	2016/12/13	NO CHARGE LEASE	\$1,300,000	1541396 ONTARIO INC.	THE BANK OF NOVA SCOTIA	C
	REMARKS: SC1368727.					
SC1518508	2018/06/19	NOTICE OF LEASE	\$2	PENADY (BARRIE) LTD.	THE SHERWIN-WILLIAMS COMPANY	C
	REMARKS: EXPIRY DATE: MARCH 31, 2027					

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

PROPERTY DESCRIPTION: PT LT 21 CON 3 VESPRE BEING PTS 28 & 30 PL 51R35759; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 58830-0095

PIN CREATION DATE:

2012/12/27

OWNERS' NAMES

PENADY (BARRIE) LTD.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**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: 2001/09/24 **						
RO183788	1964/05/06	BYLAW				C
SC614148	2007/12/24	TRANSFER	\$12,857,931	HOME DEPOT HOLDINGS INC.	PENADY (BARRIE) LTD.	C
REMARKS: SEVERANCE CONSENT						
SC663105	2008/07/14	PLAN CORRECTION		ASS'T EXAMINER OF SURVEYS		C
REMARKS: ORDER OF THE EXAMINER OF SURVEYS TO AMEND PLAN 51R35759						
SC1028712	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD. HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	C
REMARKS: PTS 17, 18, 20, 21, 25, 28, 30, 33, 34, 35 & 36 ON PLAN 51R35759						
SC1028755	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	C
SC1051680	2013/04/18	NOTICE	\$1	PENADY (BARRIE) LTD.		C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
SC1068837	2013/07/10	NOTICE OF LEASE	\$2	PENADY (BARRIE) LTD.	MCDONALD'S RESTAURANTS OF CANADA LIMITED	C
SC1184716	2014/12/24	CHARGE	\$30,000,000	PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
SC1184717	2014/12/24	NO ASSGN RENT GEN <i>REMARKS: SC1184716.</i>		PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
SC1186008	2015/01/07	NOTICE		LOBLAW PROPERTIES LIMITED		C
SC1194350	2015/02/23	NOTICE OF LEASE	\$1	PENADY (BARRIE) LTD.	THE TDL GROUP CORP.	C
SC1210287	2015/05/14	CHARGE	\$49,125,739	PENADY (BARRIE) LTD.	EQUITABLE BANK	C
SC1210288	2015/05/14	NO ASSGN RENT GEN <i>REMARKS: SC1210287.</i>		PENADY (BARRIE) LTD.	EQUITABLE BANK	C
SC1210395	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1210287</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210396	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1210287</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210397	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1210288</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210398	2015/05/14	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1210288</i>		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
SC1210520	2015/05/14	NOTICE OF LEASE		LAF CANADA COMPANY	LAF CANADA COMPANY	C
SC1253500	2015/10/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE		C
SC1253501	2015/10/20	POSTPONEMENT <i>REMARKS: SC1184717, SC1253500</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253502	2015/10/20	POSTPONEMENT <i>REMARKS: SC1210287, SC1253500</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253503	2015/10/20	POSTPONEMENT <i>REMARKS: SC1210288, SC1253500</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253504	2015/10/20	POSTPONEMENT		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD	
		REMARKS: SC1184716 TO SC1253500					
SC1271000	2015/12/18	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD. PENADY (NORTH BARRIE) LIMITED CP REIT ONTARIO PROPERTIES LIMITED	ENBRIDGE GAS DISTRIBUTION INC.	C	
SC1272955	2015/12/30	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD.	POWERSTREAM INC.	C	
SC1272956	2015/12/30	POSTPONEMENT		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C	
		REMARKS: SC1184716 TO SC1272955					
SC1272957	2015/12/30	POSTPONEMENT		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C	
		REMARKS: SC1184717 TO SC1272955					
SC1272958	2015/12/30	POSTPONEMENT		EQUITABLE BANK	POWERSTREAM INC.	C	
		REMARKS: SC1210287 TO SC1272955					
SC1272959	2015/12/30	POSTPONEMENT		EQUITABLE BANK	POWERSTREAM INC.	C	
		REMARKS: SC1210288 TO SC1272955					
SC1275252	2016/01/13	POSTPONEMENT		LAF CANADA COMPANY	POWERSTREAM INC.	C	
		REMARKS: SC1210520 TO SC1272955					
SC1279390	2016/01/29	POSTPONEMENT		MCDONALD'S RESTAURANTS OF CANADA LIMITED	POWERSTREAM INC.	C	
		REMARKS: SC1068837 TO SC1272955					
SC1282197	2016/02/11	POSTPONEMENT		THE TDL GROUP CORP.	POWERSTREAM INC.	C	
		REMARKS: SC1194350 TO SC1272955					
SC1353259	2016/10/19	NOTICE	\$2	PENADY (BARRIE) LTD.		C	
SC1368394	2016/12/05	NOTICE OF LEASE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED	PENADY (BARRIE) LTD.	C	
SC1368395	2016/12/05	NOTICE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C	
SC1368396	2016/12/05	NOTICE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C	
		REMARKS: SC1210287					
SC1368727	2016/12/06	NOTICE OF LEASE		PENADY (BARRIE) LTD.	1541396 ONTARIO INC.	C	
SC1370879	2016/12/13	NO CHARGE LEASE	\$1,300,000	1541396 ONTARIO INC.	THE BANK OF NOVA SCOTIA	C	
		REMARKS: SC1368727.					

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
SC1518508	2018/06/19	NOTICE OF LEASE	\$2	PENADY (BARRIE) LTD.	THE SHERWIN-WILLIAMS COMPANY	C
	REMARKS: EXPIRY DATE: MARCH 31, 2027					

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

PROPERTY DESCRIPTION: PT LT 21 CON 3 VESPRA BEING PTS 20, 21, 25, 35 & 36 51R35759, SUBJECT TO EASEMENT OVER PTS 35 & 36 51R35759 AS IN R01200479; SUBJECT TO AN EASEMENT AS IN SC1271000; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1272955; CITY OF BARRIE

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 58830-0108

PIN CREATION DATE:

2014/07/25

OWNERS' NAMES

PENADY (BARRIE) LTD.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**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: 2001/09/24 **						
RO183788	1964/05/06	BYLAW				C
RO1169379	1991/11/13	AGREEMENT			THE CITY OF BARRIE	C
RO1200479	1992/09/24	TRANSFER EASEMENT			THE CORPORATION OF THE CITY OF BARRIE	C
51R35759	2007/11/13	PLAN REFERENCE				C
SC612948	2007/12/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	HOME DEPOT HOLDINGS INC.	C
SC614148	2007/12/24	TRANSFER	\$12,857,931	HOME DEPOT HOLDINGS INC.	PENADY (BARRIE) LTD.	C
REMARKS: SEVERANCE CONSENT						
SC663105	2008/07/14	PLAN CORRECTION		ASS'T EXAMINER OF SURVEYS		C
REMARKS: ORDER OF THE EXAMINER OF SURVEYS TO AMEND PLAN 51R35759						
SC859961	2010/10/19	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD.	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
51R38283	2012/01/26	PLAN REFERENCE				C
SC1028712	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD. HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	C
		<i>REMARKS: PTS 17, 18, 20, 21, 25, 28, 30, 33, 34, 35 & 36 ON PLAN 51R35759</i>				
SC1028755	2012/12/04	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD HOME DEPOT HOLDINGS INC. LOBLAW PROPERTIES LIMITED	C
SC1051680	2013/04/18	NOTICE	\$1	PENADY (BARRIE) LTD.		C
SC1061856	2013/06/10	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE	PENADY (BARRIE) LTD.	C
SC1184716	2014/12/24	CHARGE	\$30,000,000	PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
SC1184717	2014/12/24	NO ASSGN RENT GEN		PENADY (BARRIE) LTD.	CHOICE PROPERTIES GP INC.	C
		<i>REMARKS: SC1184716.</i>				
SC1186008	2015/01/07	NOTICE		LOBLAW PROPERTIES LIMITED		C
SC1194350	2015/02/23	NOTICE OF LEASE	\$1	PENADY (BARRIE) LTD.	THE TDL GROUP CORP.	C
SC1210287	2015/05/14	CHARGE	\$49,125,739	PENADY (BARRIE) LTD.	EQUITABLE BANK	C
SC1210288	2015/05/14	NO ASSGN RENT GEN		PENADY (BARRIE) LTD.	EQUITABLE BANK	C
		<i>REMARKS: SC1210287.</i>				
SC1210395	2015/05/14	POSTPONEMENT		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
		<i>REMARKS: SC1184716 TO SC1210287</i>				
SC1210396	2015/05/14	POSTPONEMENT		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
		<i>REMARKS: SC1184717 TO SC1210287</i>				
SC1210397	2015/05/14	POSTPONEMENT		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
		<i>REMARKS: SC1184716 TO SC1210288</i>				
SC1210398	2015/05/14	POSTPONEMENT		CHOICE PROPERTIES GP INC.	EQUITABLE BANK	C
		<i>REMARKS: SC1184717 TO SC1210288</i>				
SC1210520	2015/05/14	NOTICE OF LEASE		LAF CANADA COMPANY	LAF CANADA COMPANY	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
SC1253500	2015/10/20	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE		C
SC1253501	2015/10/20	POSTPONEMENT <i>REMARKS: SC1184717, SC1253500</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253502	2015/10/20	POSTPONEMENT <i>REMARKS: SC1210287, SC1253500</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253503	2015/10/20	POSTPONEMENT <i>REMARKS: SC1210288, SC1253500</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1253504	2015/10/20	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1253500</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1271000	2015/12/18	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD. PENADY (NORTH BARRIE) LIMITED CP REIT ONTARIO PROPERTIES LIMITED	ENBRIDGE GAS DISTRIBUTION INC.	C
SC1272955	2015/12/30	TRANSFER EASEMENT	\$2	PENADY (BARRIE) LTD.	POWERSTREAM INC.	C
SC1272956	2015/12/30	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1272955</i>		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C
SC1272957	2015/12/30	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1272955</i>		CHOICE PROPERTIES GP INC.	POWERSTREAM INC.	C
SC1272958	2015/12/30	POSTPONEMENT <i>REMARKS: SC1210287 TO SC1272955</i>		EQUITABLE BANK	POWERSTREAM INC.	C
SC1272959	2015/12/30	POSTPONEMENT <i>REMARKS: SC1210288 TO SC1272955</i>		EQUITABLE BANK	POWERSTREAM INC.	C
SC1275252	2016/01/13	POSTPONEMENT <i>REMARKS: SC1210520 TO SC1272955</i>		LAF CANADA COMPANY	POWERSTREAM INC.	C
SC1282197	2016/02/11	POSTPONEMENT <i>REMARKS: SC1194350 TO SC1272955</i>		THE TDL GROUP CORP.	POWERSTREAM INC.	C
SC1353259	2016/10/19	NOTICE	\$2	PENADY (BARRIE) LTD.		C
SC1368394	2016/12/05	NOTICE OF LEASE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED	PENADY (BARRIE) LTD.	C
SC1368395	2016/12/05	NOTICE	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
SC1368396	2016/12/05	NOTICE <i>REMARKS: SC1210287</i>	\$2	MCDONALD'S RESTAURANTS OF CANADA LIMITED		C
SC1368727	2016/12/06	NOTICE OF LEASE		PENADY (BARRIE) LTD.	1541396 ONTARIO INC.	C
SC1370879	2016/12/13	NO CHARGE LEASE <i>REMARKS: SC1368727.</i>	\$1,300,000	1541396 ONTARIO INC.	THE BANK OF NOVA SCOTIA	C
SC1508915	2018/05/07	NOTICE	\$2	THE CORPORATION OF THE CITY OF BARRIE		C
SC1508916	2018/05/07	POSTPONEMENT <i>REMARKS: SC1210287 TO SC1508915</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1508917	2018/05/07	POSTPONEMENT <i>REMARKS: SC1210288 TO SC1508915</i>		EQUITABLE BANK	THE CORPORATION OF THE CITY OF BARRIE	C
SC1508918	2018/05/07	POSTPONEMENT <i>REMARKS: SC1184716 TO SC1508915</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF THE CITY OF BARRIE	C
SC1508919	2018/05/07	POSTPONEMENT <i>REMARKS: SC1184717 TO SC1508915</i>		CHOICE PROPERTIES GP INC.	THE CORPORATION OF CITY OF BARRIE	C
SC1518508	2018/06/19	NOTICE OF LEASE <i>REMARKS: EXPIRY DATE:MARCH 31, 2027</i>	\$2	PENADY (BARRIE) LTD.	THE SHERWIN-WILLIAMS COMPANY	C
SC1586826	2019/04/11	CERTIFICATE <i>REMARKS: SC1585811</i>		CONCORD PLUMBING & HEATING LTD.		C

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TAB K

APPENDIX K

**RSM Canada Limited as
Court Appointed Receiver and Manager of
Penady (Barrie) Ltd. and of certain of the assets,
undertakings and properties of PRC Barrie Corp.**

**Interim Statement of Receipts and Disbursements
For the period March 27, 2020 to April 30, 2020**

Receipts	
Advances from secured lender (1)	\$ 2,100,000
Cash on hand & bank	31,647
Rent	103,546
HST Collected	13,461
Interest Income	35
Total receipts	\$ <u>2,248,688</u>
Disbursements	
Insurance	\$ 18,364
Landscaping/Lot Maintenance	6,938
Miscellaneous	754
Property Management Fees	14,963
Property Taxes	1,948,598
Receiver's Fees	26,393
Repairs and Maintenance	1,139
Snow Removal	20,724
Waste Removal/Disposal	901
HST/PST Paid	10,800
Total disbursements	\$ <u>2,049,574</u>
Excess of Receipts over Disbursements	\$ <u><u>199,114</u></u>

Note

- (1) The amount of \$2,100,000 represents funds advanced by Choice Properties Limited Partnership under Receiver Certificate No. 1.

*This Appendix forms part of the First Report of the Receiver dated
May 8, 2020 and should only be read in conjunction therewith.*

CHOICE PROPERTIES LIMITED PARTNERSHIP
Applicant

-and- PENADY (BARRIE) LTD. and PRC BARRIE CORP.
Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]
Proceeding commenced at Toronto

MOTION RECORD OF THE RECEIVER
(Returnable May 20, 2020)
VOLUME I of II

BLANEY McMURTRY LLP
Barristers & Solicitors
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

Eric Golden LSO #38239M
(416) 593-3927 (Tel)
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(416) 593-2985 (Tel)
(416) 593-5437 (Fax)
Email: ckopach@blaney.com

Lawyers for RSM Canada Limited,
in its capacity as Court-appointed Receiver