

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

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

**B E T W E E N:**

**C&K MORTGAGE SERVICES INC. and CANADIAN WESTERN TRUST  
COMPANY**

Applicants

and

**IDEAL (BC) DEVELOPMENTS INC.**

Respondent

**APPLICATION RECORD**

November 30, 2021

**DICKINSON WRIGHT LLP**

Barristers & Solicitors

199 Bay Street

Suite 2200, Box 447

Commerce Court Postal Station

Toronto, ON M5L 1G4

**DAVID P. PREGER (36870L)**

Email: [dpreger@dickinsonwright.com](mailto:dpreger@dickinsonwright.com)

Tel: (416) 646-4606

**DAN A. POLIWODA (82323B)**

Email: [dpoliwoda@dickinsonwright.com](mailto:dpoliwoda@dickinsonwright.com)

Tel: 416-646-6870

Lawyers for the Applicants

**TO: SERVICE LIST**

## SERVICE LIST

TO: **IDEAL (BC) DEVELOPMENTS INC.**  
65 Allstate parkway, Unit 101  
Markham ON L3R 9X1

Shajiraj Nadarajalingam  
Email: [shaji@idealdevelopments.com](mailto:shaji@idealdevelopments.com)

Respondent

AND TO: **2490564 ONTARIO INC.**  
c/o Shajiraj Nadarajalingam  
65 Allstate Parkway  
Unit 101  
Markham, Ontario L3R 9X1  
Email: [shaji@idealdevelopments.com](mailto:shaji@idealdevelopments.com)

AND TO: **SHAJIRAJ NADARAJALINGAM**  
65 Allstate Parkway  
Unit 101  
Markham, Ontario L3R 9X1  
Email: [shaji@idealdevelopments.com](mailto:shaji@idealdevelopments.com)

AND TO: **FRIEDMAN LAW PROFESSIONAL CORPORATION**  
150 Ferrand Drive, Suite 800  
North York, Ontario M3C 3E5

William Friedman  
Email: [wf@friedmans.ca](mailto:wf@friedmans.ca)  
Tel: 416-496-3340 x 199

AND TO; **ALVAREZ & MARSAL CANADA INC.**  
200 Bay Street  
Toronto, ON M5J 2J1

Stephen Ferguson  
Email: [sferguson@alvarezandmarsal.com](mailto:sferguson@alvarezandmarsal.com)

Proposed Court-appointed Receiver

AND TO: **FIERA FP REAL ESTATE FINANCING LTD.**  
1 Adelaide Street East, Suite 600  
Toronto ON M5C 2V9

AND TO: **FEATURE CORP.**  
415 – 170 The Donway West  
Toronto ON M2C 2G3  
Email: [featurecorp@gmail.com](mailto:featurecorp@gmail.com)

AND TO: **FIJ LAW LLP**  
Barristers & Solicitors  
50 West Pearce Street, Suite 10  
Richmond Hill ON L4B 1C5

David Meirovici  
Email: [dmeirovici@fijlaw.com](mailto:dmeirovici@fijlaw.com)  
Tel: 905-763-3770 x 222

AND TO: **AMERICAN CORPORATION**  
Suite 1001, 980 Yonge Street  
Toronto Ontario M4W 3V8

AND TO: **GOWLING WLG (CANADA LLP)**  
1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto ON M5X 1G5

Matthew Karabus  
Email: [matthew.karabus@gowlingwlg.com](mailto:matthew.karabus@gowlingwlg.com)  
Tel: 416-369-6181

AND TO: **DEPARTMENT OF JUSTICE**  
The Exchange Tower  
130 King Street West  
Suite 3400, P.O. Box 36  
Toronto, Ontario M5X 1K6

Diane Winters  
Email: [diane.winters@justice.gc.ca](mailto:diane.winters@justice.gc.ca)

Tel: (416) 973-3172  
Fax: (416) 973-0810

AND TO: **MINISTRY OF FINANCE (ONTARIO)**

Legal Services Branch  
33 King Street West, 6th Floor  
Oshawa, Ontario L1H 8H5

Keviin O'Hara

Email: [kevin.ohara@ontario.ca](mailto:kevin.ohara@ontario.ca)

Tel: (905) 433-6934

Fax: (905) 436-4510

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Court File No. CV-21-

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

Electronically issued : 29-Nov-2021  
Délivré par voie électronique : 29-Nov-2021  
Toronto

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

**B E T W E E N:**

*(Court Seal)*

**C&K MORTGAGE SERVICES INC.  
and CANADIAN WESTERN TRUST COMPANY**

Applicants

- and -

**IDEAL (BC) DEVELOPMENTS INC.**

Respondent

**NOTICE OF APPLICATION**

TO THE RESPONDENT

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing (*choose one of the following*)

- ☐ In person
- ☐ By telephone conference
- ☒ By video conference

at the following location:

Commercial List Court, 330 University Avenue, Toronto, ON

<https://dickinsonwright.zoom.us/j/85708801501?pwd=NVVUYkdsbFBIRHNRZWpCU0dXbVpQQT09>



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Meeting ID: 857 0880 1501

Passcode: 599810

*(Courthouse address or telephone conference or video conference details, such as a dial-in number, access code, video link, etc. if applicable)*

on Tuesday, December 14, 2021, at 10:00 am, before a judge presiding over the Commercial List *(or on a day to be set by the registrar)*.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date November 29, 2021

Issued by

\_\_\_\_\_  
Local Registrar

Address of  
court office: Superior Court of Justice  
330 University Avenue, 9th Floor  
Toronto ON  
M5G 1R7

TO: **Ideal (BC) Developments Inc.**  
65 Allstate Parkway, Unit 101  
Markham ON L3R 9X1

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## APPLICATION

1. The Applicants make application for:
  - (a) if necessary, an Order abridging and validating the time for service and filing of this Notice of Application and the Application Record and dispensing with further service thereof;
  - (b) an Order, in the form attached hereto as Schedule “A”, appointing Alvarez & Marsal Canada Inc. Inc. as receiver and manager (in such capacities, the “**Receiver**”) of the assets, property and undertaking of the Respondent Ideal (BC) Developments Inc. (the “**Debtor**”), pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3 (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43 (the “**CJA**”), including, without limitation, the properties known municipally as 8, 10, 12, 14, 16, and 18 Bostwick Crescent, and 2, 6, and 8 Bond Crescent, in the Town of Richmond Hill, Ontario (collectively, the “**Properties**”);
  - (c) their costs of this proceeding, plus all applicable taxes; and
  - (d) such further and other relief as to this Honourable Court may seem just.
2. The grounds for the application are:
  - (a) The Debtor is the registered owner of the Properties. The Properties are an assembly of development land which the Debtor has been developing for construction of a

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residential community, consisting of 23 stacked townhomes and 49 freehold townhomes. Construction has not yet begun;

- (b) The Applicants are the Debtor's first-ranking secured creditors and hold a charge over the Properties in connection with a loan in the principal amount of \$15M (the "**Loan**"). The Loan matured on November 1, 2021 and has not been repaid. As of November 1, 2021, the aggregate amount outstanding under the Loan was \$15,465,787.96. The Loan bears interest at the rate of 10.75% per annum, calculated monthly, not in advance;
- (c) The Properties are blanketed with multiple charges, in favour of other secured creditors, whose charges rank subordinate to the Applicants' charge. The subordinates charges, collectively, secure the aggregate principal amount of \$11M at high rates of interest;
- (d) On August 4, 2021, the Debtor was charged with 10 counts of illegally acting as a builder in Richmond Hill, under section 6 of the *Ontario New Home Warranties Plan Act* and one count of failing to produce evidence described in a warrant under section 61(10) of the *New Home Construction Licensing Act* (Ontario) (the "**NHCLA**");
- (e) On September 9, 2021, the Registrar appointed under the NHCLA issued a notice of proposal to refuse to grant a licence to the Debtor, which will preclude the Debtor from building or selling new homes on the Properties;

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- (f) On November 2, 2021, the Applicants made written demand on the Debtor for payment of the sum of \$15,465,787.96 and issued a notice of intention to enforce security pursuant to section 244 of the *BIA*;
  - (g) The ten day period under section 244 of the *BIA* has expired;
  - (h) Given the Debtor's regulatory challenges, which will make it impossible for the Debtor build and sell new homes on the Properties, and the extent to which the Properties are leveraged with very expensive debt, it is just and convenient that a Receiver be appointed by this Honourable Court without delay to market and sell the Properties in a robust and transparent manner, having regard for the interests of all of the Debtor's stakeholders;
  - (i) Section 243(1) of the *BIA*, section 101 of the *CJA*, and Rules 3.02(1), 16.08 and 14.05(3)(d), ( e), (f), (g) and (h) of the *Rules of Civil Procedure*;
  - (j) Such further and other grounds as the lawyers may advise.
3. The following documentary evidence will be used at the hearing of the application:
- (a) The Affidavit of Gary Gruneir sworn November 29, 2021 and the Exhibits thereto;
  - (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

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November 29, 2021

**DICKINSON WRIGHT LLP**

Barristers & Solicitors

199 Bay Street

Suite 2200, Box 447

Commerce Court Postal Station

Toronto, ON M5L 1G4

**DAVID P. PREGER (36870L)**

Email: [dpreger@dickinsonwright.com](mailto:dpreger@dickinsonwright.com)

Tel: (416) 646-4606

**DAN A. POLIWODA (82323B)**

Email: [dpoliwoda@dickinsonwright.com](mailto:dpoliwoda@dickinsonwright.com)

Tel: 416-646-6870

Lawyers for the Applicants

**Schedule “A”**

Court File No. •

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

THE HONOURABLE • ) •, THE •  
JUSTICE • ) DAY OF •, 2021  
)

**C & K MORTGAGE SERVICES INC. and  
CANADIAN WESTERN TRUST COMPANY**

Applicants

- and -

**IDEAL (BC) DEVELOPMENTS INC.**

Respondent

**ORDER  
(appointing Receiver)**

THIS APPLICATION made by the Applicants for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “BIA”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “CJA”) appointing Alvarez & Marsal Canada Inc. as receiver and manager (in such capacities, the “Receiver”) without security, of all of the assets, undertakings and properties of the Respondent, Ideal (BC) Developments Inc. (the “Debtor”) acquired for, or used in relation to a business carried on by the Debtor, was heard this day by Zoom judicial videoconference due to the COVID-19 pandemic.

ON READING the affidavit of Gary Gruneir sworn November 29, 2021 and the Exhibits thereto and on hearing the submissions of counsel for the Applicants, no one appearing for • although duly served as appears from the affidavit of service of • sworn November •, 2021 and on reading the consent of Alvarez & Marsal Canada Inc. to act as the Receiver,

## **SERVICE**

1. THIS COURT ORDERS that the time for service of the Application Record and the Application 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, Alvarez & Marsal Canada Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including the lands and premises described in Schedule “A” attached hereto, and all proceeds thereof (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;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

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



- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to 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 \$200,000, provided that the aggregate consideration for all such transactions does not exceed \$800,000; 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 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 the Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor 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 Debtor, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “Records”) in

that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate 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 Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property 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 Debtor, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH THE RECEIVER**

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

### **CONTINUATION OF SERVICES**

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including

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

### **RECEIVER TO HOLD FUNDS**

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

### **EMPLOYEES**

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

**PIPEDA**

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

**LIMITATION ON ENVIRONMENTAL LIABILITIES**

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

**LIMITATION ON THE RECEIVER'S LIABILITY**

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

**RECEIVER'S ACCOUNTS**

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

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

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

**FUNDING OF THE RECEIVERSHIP**

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

consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “Receiver’s Borrowings Charge”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

24. 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**

25. 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 '<•>'.

26. 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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

27. 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.

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

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

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

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

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

---

**SCHEDULE "A"****LANDS AND PREMISES**

*PIN* 03196 - 0072 LT *Interest/Estate* Fee Simple  
*Description* PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS  
 IN R504810 ;  
*Address* 8 BOSTWICK CR RICHMOND HILL

*PIN* 03196 - 0073 LT *Interest/Estate* Fee Simple  
*Description* PT LT 63 PL 136 KING AS IN R209240  
*Address* 10 BOSTWICK CRESCENT RICHMOND HILL

*PIN* 03196 - 0074 LT *Interest/Estate* Fee Simple  
*Description* PT LT 64 PL 136 KING AS IN R530013 ;  
*Address* 12 BOSTWICK CR RICHMOND HILL

*PIN* 03196 - 0075 LT *Interest/Estate* Fee Simple  
*Description* PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ;  
 RICHMOND HILL  
*Address* 14 BOSTWICK CR RICHMOND HILL

*PIN* 03196 - 0076 LT *Interest/Estate* Fee Simple  
*Description* PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ;  
 RICHMOND HILL  
*Address* 8 BOND CRESCENT RICHMOND HILL

*PIN* 03196 - 0077 LT *Interest/Estate* Fee Simple  
*Description* PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ;  
 RICHMOND HILL  
*Address* 6 BOND CRESCENT RICHMOND HILL

*PIN* 03196 - 0078 LT *Interest/Estate* Fee Simple  
*Description* PT LT 66 PL 136 KING AS IN R690041 ;  
*Address* 16 BOSTWICK CR RICHMOND HILL

*PIN* 03196 - 0079 LT *Interest/Estate* Fee Simple  
*Description* PT LT 67 PL 136 KING AS IN R601987 ; RICHMOND HILL  
*Address* 18 BOSTWICK CRESCENT RICHMOND HILL

*PIN* 03196 - 0080 LT *Interest/Estate* Fee Simple  
*Description* PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, &  
 R601987 ;  
*Address* 2 BOND CRESCENT RICHMOND HILL

**SCHEDULE “B”**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. •

AMOUNT \$•

1. THIS IS TO CERTIFY that Alvarez & Marsal Canada Inc., the receiver (the “Receiver”) of the assets, undertakings and properties Ideal (BC) Developments Inc. (the “Debtor”), 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 •, 20• (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 [daily][monthly not in advance on the • day of each month] after the date hereof at a notional rate per annum equal to the rate of • per cent above the prime commercial lending rate of Bank of • from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the 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 •, 20•.

ALVAREZ & MARSAL CANADA INC.,  
solely in its capacity as Receiver of the Property,  
and not in its personal capacity

Per:

\_\_\_\_\_  
Name:

Title:

**C & K MORTGAGE SERVICES INC. et al.**  
Applicants

**IDEAL (BC) DEVELOPMENTS INC.**  
Respondent

Court File No.

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

**ORDER (APPOINTING RECEIVER)**

**DICKINSON WRIGHT LLP**  
Barristers & Solicitors  
199 Bay Street  
Suite 2200, P.O. Box 447  
Commerce Court Postal Station  
Toronto, Ontario, M5L 1G4

**DAVID P. PREGER (36870L)**  
Email: [dpreger@dickinsonwright.com](mailto:dpreger@dickinsonwright.com)  
Tel: (416) 646-4606

**DAN POLIWODA (82323B)**  
Email: [dpoliwoda@dickinsonwright.com](mailto:dpoliwoda@dickinsonwright.com)  
Tel: (416) 646-6870

Fax: (844) 670-6009

Lawyers for the Applicants

**C & K MORTGAGE SERVICES INC. et al.**  
Applicants

-and- **IDEAL (BC) DEVELOPMENTS INC.**  
Respondent

Court File No. CV-21-

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

PROCEEDING COMMENCED AT  
TORONTO

**NOTICE OF APPLICATION**

**DICKINSON WRIGHT LLP**

Barristers & Solicitors  
199 Bay Street  
Suite 2200, Box 447  
Commerce Court Postal Station  
Toronto, ON M5L 1G4

**DAVID P. PREGER (36870L)**

dpregier@dickinsonwright.com  
Tel: (416) 646-4606

**DAN A. POLIWODA (82323B)**

dpoliwoda@dickinsonwright.com  
Tel: 416-646-6870

Fax: 1-844-670-6009

Lawyers for the Applicants

# TAB 2



Court File No. CV-21-00672848-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

B E T W E E N:

**C & K MORTGAGE SERVICES INC.  
and CANADIAN WESTERN TRUST COMPANY**

Applicants

- and -

**IDEAL (BC) DEVELOPMENTS INC.**

Respondent

**AFFIDAVIT OF GARY GRUNEIR**  
*(Sworn November 29, 2021)*

I, **GARY GRUNEIR**, of the City of Markham, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am the President and principal broker of C & K Mortgage Services Inc., a licensed mortgage broker which carries on business as Rescom Capital (“**Rescom**”). I have been a broker of private mortgage loans for over 30 years. Rescom originated and administers the Loan

(hereinafter defined). As such, I have personal knowledge of the matters to which I hereinafter depose.

2. I am swearing this Affidavit in support of an application for the appointment of Alvarez & Marsal Canada Inc. as Court-appointed receiver and manager of the assets, undertakings and properties of the Respondent Ideal (BC) Developments Inc. (the “**Debtor**”), including the Properties (hereinafter defined).

### **The Properties**

3. The Debtor is the registered owner of properties known municipally as 8, 10, 12, 14, 16, and 18 Bostwick Crescent, and 2, 6, and 8 Bond Crescent, in the Town of Richmond Hill, Ontario (collectively, the “**Properties**”). Although the Properties comprise nine separate parcels with separate street addresses, they are an assembly of development land at the northwest corner of Bond Crescent and Yonge Street. The Debtor has been developing the Properties for construction of a residential community, consisting of 23 stacked townhomes and 49 freehold townhomes, although construction has not yet begun.

### **The Loan**

4. Rescom and Canadian Western Trust Company (collectively, the “**Applicants**”) are the Debtor’s first-ranking secured creditors in connection with a loan in the principal amount of \$15M (the “**Loan**”).

5. The Loan matured on November 1, 2021 and has not been repaid. As of November 1, 2021, the aggregate amount outstanding under the Loan was \$15,465,787.96. The Loan bears interest at the 10.75% per annum, calculated monthly, not in advance.

6. The Loan was given pursuant to a commitment letter dated September 29, 2020 (the “**Commitment**”). A copy of the Commitment is attached as **Exhibit A**.

### **Background**

7. The Loan proceeds were advanced to enable the Debtor to refinance prior first-ranking secured debt against the Properties that was owing to Romspen Investment Corporation (“**Romspen**”), after Romspen initiated a receivership application in the Commercial List on August 6, 2020. A copy of Romspen’s Notice of Application is attached as **Exhibit B**.

8. Romspen’s loan was given to assist the Debtor in refinancing prior secured debt owing to First Source Financial Management Inc. and Kingsett Mortgage Corporation, who had placed the Properties into receivership. A copy of the Order of Justice Hainey dated July 19, 2019 appointing KSV Kofman Inc. as receiver of the Properties is attached as **Exhibit C**. In connection with the advance of Romspen’s loan, KSV Kofman Inc. was discharged as receiver by Order of Justice McEwen dated August 29, 2019. A copy of the Discharge Order is attached as **Exhibit D**.

## Security for the Loan

9. As security for the Loan, the Applicants obtained, among other things, a first-ranking charge against the Properties on November 30, 2020, a copy of which is attached as **Exhibit E**. The Applicants also obtained a General Security Agreement from the Debtor, a copy of which is attached as **Exhibit F**.

## The LC Amount

10. The Commitment provided that \$1M of the Loan amount (the “**LC Amount**”) would be used by the Debtor to secure a letter of credit in favour of Tarion Corporation (“**Tarion**”). The quantum of the LC Amount was based on the Debtor’s objective at the time to post sufficient security with Tarion to build 20 townhomes (on the basis of \$50K per townhome). On the closing of the Loan transaction, the LC Amount (although advanced to the Debtor) was held in trust by Garfinkle Biderman LLP, pending the Debtor making arrangements with Tarion.

11. However, the LC Amount was not used by the Debtor for Tarion purposes. After closing, the Debtor’s principal, Shajiraj Nadarajalingam requested and I agreed to \$200K of the LC Amount being released to pay certain obligations of the Debtor relating to the Properties. Subsequently, Mr. Nadarajalingam requested and I agreed to the balance of the LC Amount being released to the Debtor on certain terms that were reflected in an agreement dated June 11, 2021 (the “**Agreement**”). A copy of the Agreement is attached as **Exhibit G**.

### Subordinate-Ranking Charges Against the Properties

12. The Properties are blanketed with charges that rank subordinate to the Applicants' charge in the order of priority set out in the following table. Copies of the charges (together with related transfers of charge and notices amending charges) are attached, respectively, as **Exhibits H through K**.<sup>1</sup>

Subordinate Ranking Charges						
Exhibit	Order of Priority	Instrument No(s)	Holder	Face Amount	Interest Rate	Date of Maturity
<b>H</b>	<b>2</b>	YR3002005 YR3132520	Fiera LP Real Estate Financing Ltd.	\$1,000,000	35%	On demand
<b>I</b>	<b>3</b>	YR2830041 YR2901113 YR3001386 YR3163171	Feature Corp.	\$3,000,000	17%	March 30, 2020
<b>J</b>	<b>4</b>	YR2944756 YR3001387 YR3163198	Feature Corp.	\$2,000,000	15%	March 30, 2020
<b>K</b>	<b>5</b>	YR3336826	American Corporation	\$5,000,000	20%	Not specified

### Personal Property Registrations

13. As appears from a *PPSA* search report in respect of the Debtor, the Applicants registered notice of their security under the GSA. The only other *PPSA* registrations against the Debtor,

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<sup>1</sup> Copies of the registered postponements affecting the priority of the charges are not attached. Copies of Notices of Assignment of Rents-General registered in connection with certain of the charges, including the Applicants' charge, are also not attached or reflected in the table, as I do not believe the Properties are generating rents.

which are registered subordinate in time to the Applicants' registration, are in favour Feature Corp. A copy of the search report, current as of November 15, 2021, is attached as **Exhibit L**.

### **Regulatory Issues Facing the Debtor**

14. According to my review of the website of the Home Construction Regulatory Authority (the "**HCRA**"), on August 4, 2021, the Debtor was charged with 10 counts of illegally acting as a builder in Richmond Hill, under section 6 of the *Ontario New Home Warranties Plan Act* and one count of failing to produce evidence described in a warrant under section 61(10) of the *New Home Construction Licensing Act* (Ontario) (the "**NHCLA**"). Copies of the relevant webpages from the HCRA's website are attached as **Exhibit M**.

15. To compound matters, I also note from the HCRA's website, that on September 9, 2021, the Registrar appointed under the NHCLA, issued a notice proposal to refuse to grant a licence to the Debtor, which will preclude the Debtor from building or selling new homes on the Properties. A copy of the Registrar's notice of proposal, which is also posted on the HCRA's website, is attached as **Exhibit N**.

### **Demand and Notice of Intention to Enforce Security**

16. On November 2, 2021, the Applicants made written demand on the Debtor for payment of the sum of \$15,465,787.96 and issued a notice of intention to security pursuant to section 244 of the *BIA*. Copies of the demand and BIA notice are attached, collectively, as **Exhibit O**.

**Need for a Court-appointed Receiver**

17. Given the Debtor's regulatory challenges, which will make it impossible for the Debtor build and sell new homes on the Properties, and the extent to which the Properties are leveraged with very expensive debt, I believe that it is just and convenient that a Receiver be appointed by this Honourable Court without delay to market and sell the Properties in a robust and transparent manner, having regard for the interests of all of the Debtor's stakeholders.

SWORN by videoconference, in the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on this 29th day of November, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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Commissioner for Taking Affidavits  
(or as may be)



---

**GARY GRUNEIR**

**C & K MORTGAGE SERVICES INC. et al.**  
Applicants

-and-

**IDEAL (BC) DEVELOPMENTS INC.**  
Respondent

Court File No. CV-21-00672848-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**PROCEEDING COMMENCED AT**  
**TORONTO**

**AFFIDAVIT OF GARY GRUNEIR**

**DICKINSON WRIGHT LLP**

Barristers & Solicitors  
199 Bay Street  
Suite 2200, P.O. Box 447  
Commerce Court Postal Station  
Toronto, Ontario, M5L 1G4

**DAVID P. PREGER (36870L)**

Email: [dpreg@rickinsonwright.com](mailto:dpreg@rickinsonwright.com)  
Tel: (416) 646-4606

**DAN POLIWODA (82323B)**

Email: [dpoliwoda@rickinsonwright.com](mailto:dpoliwoda@rickinsonwright.com)  
Tel: (416) 646-6870  
Fax: (844) 670-6009

Lawyers for the Applicants



This is Exhibit "A" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**



RESCOM Capital  
1670 Bayview Avenue, Suite 400  
Toronto, Ontario M4G 3C2

T. 416 485 2636  
F. 416 482 4043  
[www.rescomcapital.com](http://www.rescomcapital.com)

September 29, 2020

Ideal (BC) Developments Inc.  
Ideal (BC2) Developments Inc.  
2490564 Ontario Inc.  
Shajiraj Nadarajalingam  
1100 Rodick Road  
Markham, Ontario  
L3R 8C3

Dear Sir:

Re: 8-18 Bostwick Crescent and 2, 6 and Bond Crescent, Richmond Hill, Ontario

This letter will serve as our commitment to arrange blanket mortgage financing on the above captioned properties.

- Loan Amount:** FIFTEEN MILLION DOLLARS (\$15,000,000)
- Interest Rate:** 10.75 percent per annum, calculated and payable interest only monthly.
- Term:** 1 year
- Privileges:** The mortgage will be closed for six months and open thereafter upon receipt of 30 days written notice and payment of one month's interest bonus.
- Amortization:** Interest only.
- Security:**
1. A first mortgage on the lands and buildings known as 8-18 Bostwick Crescent and 2, 6 and \* Bond Crescent, Richmond Hill, Ontario.
  2. A first general assignment of rents.
  3. A first general security agreement in a form satisfactory to the lender's solicitor.
  4. The personal guarantee of Shajiraj Nadarajalingam..
  5. Corporate guarantees of Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc. and 2490564 Ontario Inc.
  6. An assignment of all plans, studies, and applications, related to the proposed development.
  7. An assignment of any letters of credit post as security to all municipal authorities.
  8. Such other reasonable documentation as the lender's solicitor may consider advisable.

**Advance of Funds:** The advance of funds will be made when the lender's solicitor can provide their certificate(s) of title and when all other conditions precedent to such advance as stated herein are satisfied. Advance of funds will be subject to the following conditions.

**Conditions:**

1. Satisfactory review of an appraisal report dated March 13, 2020, by Colliers International, indicating a combined as is value of \$24,230,000. It is a further condition for the making of this loan that the appraiser provide the lender with a Letter authorizing the lender that they may rely on the appraisal for lending purposes. The reliance letter must be addressed to C & K Mortgage Services Inc and Canadian Western Trust.
2. Satisfactory evidence that the properties are zoned to permit the proposed use and there are no outstanding work orders or notices of violations from any governmental departments. The mortgagor will provide all appropriate consents to obtain such information.
3. Satisfactory review of the project planner's report as to the development feasibility and status. This is to be reviewed by the lender's planner at a cost not to exceed \$5,000 plus HST. This will include reviewing the following:
  - a) Functioning Service Reports (FSR)
  - b) Satisfactory of Current Zoning By-Law
  - c) Geotechnical Investigation
  - d) Environmental Reports
  - e) Proposed Site Plan and drawings
  - f) PAC report
  - g) Planners Report for Development Application
  - h) Noise impact study
  - i) Planning Justification Report for Development
  - j) Any and all other development reports completed to date
4. All local improvement charges, realty taxes and other charges affecting the properties shall have been paid to the date of the advance of funds. The charge shall include a provision for the collection of property taxes by the lender, at the lender's option. Payment of taxes by the lender can be waived or asked for at any time during the term of the mortgage. The lender acknowledges that the outstanding realty taxes affecting the property in question will be satisfied out of the advance of funds hereunder.
5. All reasonable engineering, inspections, title, survey and legal customary expenses of the lender are for the account of and shall be paid by the borrower.
6. Satisfactory physical site inspection.
7. Title and all security must be satisfactory to the lender's solicitor.

HS  


8. Title insurance in a form satisfactory to the lender's solicitor.
9. The lender shall be provided with original or certified copies of insurance policies. The coverage, terms and insurance company must be satisfactory to the lender.
10. The borrower and guarantors shall provide financial and supporting information as the lender may require, including the following: Unaudited Financial Statements; and Net Worth Statements.
11. In the event of the borrower selling, transferring or conveying title to the lands, or if there is a change in the beneficial ownership, the mortgage will become due and payable, save and except the transfer from the current owner to a corporation of which the corporation shall have as its officer, director and majority shareholder, the borrower's shareholders with satisfactory evidence to the mortgagee. It is understood and agreed that such a transfer shall not relieve the borrower from its obligations.
12. In the event that any payment is returned to the lenders for any cause whatsoever, including there being insufficient funds in the borrower's account to cover same, the lender will be entitled to reimbursement for all bank charges related to the dishonoured cheque in addition, the lender or administrator's time for collection will be charged at a rate of \$300 per hour and all time will be docketed and charged to the borrower's account. These charges will apply to all administration costs related to any default under the mortgage including but not limited to collection costs related to late payments, insurance cancellation and work orders affecting the property.
13. Any payment (other than payment of the regular payments of interest) that is made after 1:00 p.m. on any date or 11:00 a.m. on a Friday or the business day preceding a statutory holiday, shall be deemed for the purpose of calculation of interest, to have been made and received on the next bank business day. For greater certainty, if funds are received (or deemed received) on a Friday after 11:00 a.m. or the day preceding a statutory holiday, interest will be payable to the next bank business day.
14. If at any time before or after the advance, there is or has been any material discrepancy or inaccuracy in any written information, statements or representations therefore made or furnished by or on behalf of the borrower, then the lender shall be entitled forthwith to cancel the lender's obligations hereunder or declare any monies therefore advanced with interest to be forthwith due and payable and retain all fees provided by the borrower.
15. In the event of default, Rescom Capital will be appointed as the lender's manager and will be entitled to a fee of \$300 per hour for its services and such fee will be charged to the borrower's account.



16. The borrower will complete and application on the lenders standard form and will provide photo identification for all guarantors and signing officers for the corporation.

17. If the borrower is a corporation, a list of every legal or beneficial owner of, or person who exercises direct or indirect control or direction over more than 25% of the voting rights attached to the outstanding voting securities of the corporation must be provided.

18. *These questions must be asked and answered to comply with the new regulations of the Financial Services Commission of Ontario (FSCO), that went into affect on July 1, 2018.*

Has the developer or any of the principals of the developer (directors, officers, owners, partners or majority shareholders) been involved in any of the following:

(a) Been convicted, found guilty of or currently charged with any criminal or regulatory offence under any law of any province, territory, state or country  
Yes/ No/?

(b) Currently the subject of any civil proceedings or any unsatisfied judgements imposed by a civil court in Canada or elsewhere, against the developer, against the principals personally, or against a business in which they have an interest in at least ten percent of the equity shares or ownership shares of the business? Yes/ No/

(c) Within the five years before the date of this form, bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person. Yes/ No/

(d) Been the subject of a regulatory investigation or proceeding, or has otherwise been subject to regulatory sanctions Yes/ No/

19. This commitment is open for acceptance until 5:00 PM on October 1, 2020.

20. The first advance must be drawn down and qualified for by October 15, 2020, failing which this letter of proposal will be terminated.

#### Special Conditions:

1. An amount equal to six months interest will be deducted from the advance to be applied as pre-paid interest for the first six months of the term. ~~\$ 1,000,000~~
2. ~~\$500,000~~ plus applicable fees, will be used to secure a letter of credit in favour of the Taron Warranty Corporation.

MS

MS

MS

This commitment is issued on the understanding that your acceptance will be accompanied by a cheque payable to Rescom Capital for \$75,000 which shall be deemed earned as a standby fee upon acceptance hereof and which will be credited toward the commission payable when the proceeds of the loan are advanced. The fee shall be forfeited if the loan is not proceeded with, due to any cause whatsoever other than the lender's default. Notwithstanding such retention, you shall remain liable for all fees and costs as referred to herein.

Yours truly,

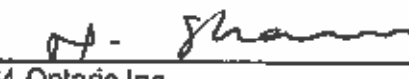
RESCOM CAPITAL

  
Gary Gruneir

The undersigned hereby accepts the above terms and conditions.  
Dated this 29 day of SEPT, 2020.

  
Ideal (BC) Developments Inc.

  
Ideal (BC2) Developments Inc.

  
2490584 Ontario Inc.

  
Shajiraj Nadarajalingam



RESCOM Capital  
1670 Bayview Avenue, Suite 400  
Toronto, Ontario M4G 3C2

T. 416 489 2636  
F. 416 482 4043  
[www.rescomcapital.com](http://www.rescomcapital.com)

September 29, 2020

Ideal (BC) Developments Inc  
Ideal (BC2) Developments Inc.  
2490564 Ontario Inc.  
Shajiraj Nadarajalingam  
1100 Rodick Road  
Markham, Ontario  
L3R 8C3

Dear Sir:

Re: 8-18 Bostwick Crescent and 2, 6 and Bond Crescent, Richmond Hill, Ontario

Further to our letter of proposal dated September 29, 2020, this letter forms part of the conditions thereof. Your costs in obtaining the loan shall be ~~\$500,000~~. Legal costs, inspection fees and disbursements are additional and such fees will be deducted from the first advance of funds. If the loan is not proceeded with, due to any cause whatsoever other than the lender's default, you shall remain liable for all fees and costs as referred to herein. \$465,000 465,000 465,000

Any fees earned as a result of acceptance of this Commitment Letter, together with any expenses or costs incurred by Rescom Capital, including but not limited to, appraisal, re-appraisal, inspections, re-inspections, title searches, plan review, soil tests, survey, environmental assessments and legal costs on a solicitor and its client basis, are deemed to be a charge on the Subject Property referred to herein and Rescom Capital may file and maintain a caveat on the title to the Subject Property to protect that charge and the Borrower(s) and Guarantor(s) do hereby mortgage to Rescom Capital the amount necessary to pay all fees and expenses as detailed herein as a charge against the Subject Property

Yours truly,  
Rescom Capital

Gary Groneir

The undersigned hereby accepts the above terms and conditions.  
Dated this 29 day of SEPT, 2020.

N. Shannig  
Ideal (BC) Developments Inc.

N. Shannig  
Ideal (BC2) Developments Inc.

N. Shannig  
2490564 Ontario Inc.

N. Shannig  
Shajiraj Nadarajalingam



This is Exhibit "B" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**



Court File No. CV-20-00645210-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

BETWEEN:

**ROMSPEN INVESTMENT CORPORATION**

Applicant

- and -

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

Respondents

**NOTICE OF APPLICATION**

**TO THE RESPONDENT(S)**


A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a date to be fixed by the commercial list before a judge presiding over the Commercial List. IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

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**IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.**

Date AUGUST 6, 2020 Issued by  Ray Williams, Registrar  
Local Registrar

Address of court office: Superior Court of Justice  
330 University Avenue, 9<sup>th</sup> Floor  
Toronto ON M5G 1R7

TO: **IDEAL (BC) DEVELOPMENTS INC.**  
1100 Rodick Road  
Markham, Ontario, L3R 8C3

AND **IDEAL (BC2) DEVELOPMENTS INC.**  
TO: 1100 Rodick Road  
Markham, Ontario, L3R 8C3

AND **2490564 ONTARIO INC.**  
TO: 1100 Rodick Road  
Markham, Ontario, L3R 8C3

AND **2490568 ONTARIO INC.**  
TO: 1100 Rodick Road  
Markham, Ontario, L3R 8C3

AND **SHAJIRAJ NADARAJALINGAM**  
TO: 1100 Rodick Road  
Markham, Ontario, L3R 8C3

AND **AMERICAN CORPORATION**  
TO: 5 Vernham Avenue  
Toronto, Ontario M2L 2B1

AND **FEATURE CORPORATION**  
TO: 415-170 The Donway West  
Toronto, Ontario M3C 2G3

AND **DEPARTMENT OF JUSTICE**  
TO: The Exchange Tower  
130 King Street West  
Suite 3400, P.O. Box 36  
Toronto, Ontario M5X 1K6  
**Attention: DIANE WINTERS**

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AND     **MINISTRY OF FINANCE (ONTARIO)**  
TO:     Legal Services Branch  
         33 King Street West, 6th Floor  
         Oshawa, Ontario L1H 8H5  
         **Attention: KEVIN O'HARA**

## APPLICATION

1. The Applicant makes application for:
  - (a) if necessary, an Order abridging the time for service and filing of this Notice of Application and the Application Record;
  - (b) an Order, in the form attached hereto as Schedule “A”, appointing Rosen Goldberg Inc. as Receiver of the assets, property and undertakings of the Respondents pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c.B-3 (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43 (the “**CJA**”);
  - (c) costs of this proceeding on an actual indemnity basis, plus all applicable taxes; and
  - (d) such further and other relief as to this Honourable Court may seem just.
2. The grounds for the application are:
  - (a) The Applicant advanced a loan to the Respondents in the principle amount of \$13,000,000;
  - (b) The Applicant’s loan is secured by first-ranking mortgages/charges over the real property owned by the Debtors municipally described as 2,6,and 8 Bond Crescent and 8,10, 12, 14, 16 and 18, Bostwick Crescent, Richmond Hill, Ontario ( the “**Properties**”);
  - (c) The Respondents have been in default of their financial obligations to the Applicant since April 1, 2020;
  - (d) As a result of the default by the Respondents in the performance of their obligations to the Applicant, the Applicant has issued a demand for payment of its loan and Notice of Intention to Enforce Security under section 244 of the BIA;

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- (e) The ten day notice period under section 244 of the BIA has expired;
  - (f) It is just and convenient to appoint a Receiver to take possession and control of the Respondents' assets;
  - (g) Section 243 of the *BIA*, 101 of the *CJA*, and Rules 3.02(1), and 14.05(3)(d)(e)(f)(g) and (h) of the *Rules of Civil Procedure*; and
  - (h) Such further and other grounds as counsel may advise and this Honourable Court may permit.
3. The following documentary evidence will be used at the hearing of the application:
- (a) The Affidavit of Blake Cassidy sworn August 6, 2020 and the Exhibits thereto;
  - (b) The Consent of Rosen Goldberg Inc. to act as Receiver; and
  - (c) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

August 6, 2020

**DICKINSON WRIGHT LLP**  
Barristers & Solicitors  
199 Bay Street  
Suite 2200, P.O. Box 447  
Commerce Court Postal Station  
Toronto, Ontario, M5L 1G4

**DAVID P. PREGER (36870L)**  
Email: [dpreger@dickinsonwright.com](mailto:dpreger@dickinsonwright.com)  
Tel: (416) 646-4606

**LISA S. CORNE (27974M)**  
Email: [lcorne@dickinsonwright.com](mailto:lcorne@dickinsonwright.com)  
Tel: (416) 646-4608  
Fax: (844) 670-6009

Lawyers for the Applicant

Schedule "A"

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990 C. C.43, AS AMENDED  
B E T W E E N:**

**ROMSPEN INVESTMENT CORPORATION**

Applicant

- and -

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

Respondents

**ORDER  
(Appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order appointing Rosen Goldberg Inc. as Receiver of the assets, property and undertakings of the Respondents, Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc., 2490564 Ontario Inc., and 2490568 Ontario Inc. (collectively, the "Debtors") acquired for, or used in relation to a business carried on by the Debtors, pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c.B-3 (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43 (the "CJA"), was heard this day by videoconference due to the COVID-19 crisis.

ON READING the Affidavit of Blake Cassidy sworn August 6 , 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one else on the service

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list appearing, although served as appears from the Affidavit of Service of      sworn      2020 and on reading the consent of Rosen Goldberg Inc. to act as the Receiver,

### **SERVICE**

1.      THIS COURT ORDERS that the time for service of the Notice of Application and 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, Rosen Goldberg Inc. is hereby appointed as receiver (the "Receiver"), without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including the lands and premises legally described in Schedule "A" hereto, and all proceeds thereof (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;
- (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;

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- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or disclaim or cease to perform any contracts of the Debtors, including, without limitation, agreements of purchase and sale entered into by the Debtors with respect to the Property ;
- (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 the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the 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;



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- (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) with the approval of this Court, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business, and in 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 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 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;

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- (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.

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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 DEBTORS OR THE PROPERTY**

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or

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with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property 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 all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

### **EMPLOYEES**

14. THIS COURT ORDERS that all employees of the 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**

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

such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

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

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

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

**RECEIVER'S ACCOUNTS**

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

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

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

**FUNDING OF THE RECEIVERSHIP**

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or

otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

24. 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**

25. 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.rosengoldberg.com/admin/companyview.php?company\\_id=56](http://www.rosengoldberg.com/admin/companyview.php?company_id=56).

26. 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



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last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

27. 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.

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

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

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

31. THIS COURT ORDERS that the 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' estates with such priority and at such time as this Court may determine.

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

33. THIS COURT ORDERS that this Order is effective from today's date and is not required to be entered.

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**SCHEDULE "A"*****PIN 03196 - 0080 LT***

*Description* PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070,  
B54438B, & R601987 ; TOWN OF RICHMOND HILL

*Address* 2 BOND CRESCENT RICHMOND HILL

***PIN 03196 - 0077 LT***

*Description* PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ;  
RICHMOND HILL

*Address* 6 BOND CRESCENT RICHMOND HILL

***PIN 03196 - 0076 LT***

*Description* PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ;  
RICHMOND HILL

*Address* 8 BOND CRESCENT RICHMOND HILL

***PIN 03196 - 0072 LT***

*Description* PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136  
KING AS IN R504810; TOWN OF RICHMOND HILL

*Address* 8 BOSTWICK CR RICHMOND HILL

***PIN 03196 - 0073 LT***

*Description* PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL

*Address* 10 BOSTWICK CRESCENT RICHMOND HILL

***PIN 03196 - 0074 LT***

*Description* PT LT 64 PL 136 KING AS IN R530013; TOWN OF RICHMOND HILL

*Address* 12 BOSTWICK CR RICHMOND HILL

***PIN 03196 - 0075 LT***

*Description* PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ;  
RICHMOND HILL

*Address* 14 BOSTWICK CR RICHMOND HILL

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***PIN 03196 - 0078 LT***

*Description* PT LT 66 PL 136 KING AS IN R690041; TOWN OF RICHMOND HILL

*Address* 16 BOSTWICK CR RICHMOND HILL

***PIN 03196 - 0079 LT***

*Description* PT LT 67 PL 136 KING AS IN R601987 ;  
RICHMOND HILL

*Address* 18 BOSTWICK CRESCENT RICHMOND HILL

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**SCHEDULE "B"****RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Rosen Goldberg Inc., the receiver (the "Receiver") of the assets, undertakings and properties of Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc., 2490564 Ontario Inc., and 2490568 Ontario Inc. (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 August, 2020 (the "Order") made in an application having Court file number \_\_\_\_\_, 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 the rate of \_\_\_\_\_ per cent.

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

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

6. The charge securing this certificate shall operate so as to permit the 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.

Rosen Goldberg Inc., solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

Per: \_\_\_\_\_  
Name:  
Title:

**ROMSPEN INVESTMENT CORPORATION**

Applicant

-and- **IDEAL (BC) DEVELOPMENTS INC., et al**

Respondents

Court File No. CV-20-00645210-00CL

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

**PROCEEDING COMMENCED AT  
TORONTO**

**ORDER  
(Appointing Receiver)**

**DICKINSON WRIGHT LLP**

Barristers & Solicitors  
199 Bay Street  
Suite 2200, P.O. Box 447  
Commerce Court Postal Station  
Toronto, Ontario, M5L 1G4

**DAVID P. PREGER (36870L)**

Email: [dpreger@dickinsonwright.com](mailto:dpreger@dickinsonwright.com)  
Tel: (416) 646-4606

**LISA S. CORNE (27974M)**

Email: [lcorne@dickinsonwright.com](mailto:lcorne@dickinsonwright.com)  
Tel: (416) 646-4608  
Fax: (844) 670-6009

Lawyers for the Applicant

**ROMSPEN INVESTMENT CORPORATIONS**  
Applicant

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

Court File No. CV-20-00645210-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
  
PROCEEDING COMMENCED AT  
**TORONTO**

**NOTICE OF APPLICATION**

**DICKINSON WRIGHT LLP**

Barristers & Solicitors  
199 Bay Street  
Suite 2200, P.O. Box 447  
Commerce Court Postal Station  
Toronto, Ontario, M5L 1G4

**DAVID P. PREGER (36870L)**

Email: [dpreger@dickinsonwright.com](mailto:dpreger@dickinsonwright.com)  
Tel: (416) 646-4606

**LISA S. CORNE (27974M)**

Email: [lcorne@dickinsonwright.com](mailto:lcorne@dickinsonwright.com)  
Tel: (416) 646-4608  
Fax: (844) 670-6009

Lawyers for the Applicant



This is Exhibit "C" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**



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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE

)

FRIDAY, THE 19<sup>TH</sup>

JUSTICE HAINES

)

)

DAY OF July, 2019

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

Applicants

- and -

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

Respondents

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

**ORDER  
(appointing Receiver)**

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

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

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

### **SERVICE**

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

### **APPOINTMENT**

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

### **RECEIVER'S POWERS**

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

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

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

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

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

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

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

- (j) to apply for any vesting order or other orders necessary to convey the Real Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Real Property;
- (k) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Real Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable or as this Court may require;
- (l) to register a copy of this Order against title to the Real Property;
- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority with respect to the Real Property and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (n) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in respect of the Real Property;
- (o) to make or cause to be made such appraisal and investigation of the Real Property as to enable the Receiver to examine any disposition or transfer of the Real Property prior to the date hereof; and

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

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

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

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

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

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

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY**

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

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

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

### **NO INTERFERENCE WITH THE RECEIVER**

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

### **CONTINUATION OF SERVICES**

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

### **RECEIVER TO HOLD FUNDS**

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

### **EMPLOYEES**

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



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

#### **PIPEDA**

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

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

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

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

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

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

#### **RECEIVER'S ACCOUNTS**

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

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

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

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

### **FUNDING OF THE RECEIVERSHIP**

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

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

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

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

## **SERVICE AND NOTICE**

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

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

## **GENERAL**

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

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

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

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

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

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

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



**CM CHIBA, Registrar**  
**Superior Court of Justice**

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

## SCHEDULE "A"

### RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

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

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

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

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

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

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

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

DATED the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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

Per: \_\_\_\_\_  
Name:  
Title:

FIRST SOURCE FINANCIAL MANAGEMENT INC. et al.  
Applicants

-and-

IDEAL (BC) DEVELOPMENTS INC. et al.  
Respondents

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**ORDER  
(APPOINTING RECEIVER)**

**LAX O'SULLIVAN LISUS GOTTLIEB LLP**  
Counsel  
Suite 2750, 145 King Street West  
Toronto ON M5H 1J8

**Andrew Winton** LSO#: 54473I  
awinton@lolg.ca

Tel: 416 644 5342

**Sapna Thakker** LSO#: 68601U  
sthakker@lolg.ca

Tel: 416 642 3132

Fax: 416 598 3730

Lawyers for the Applicants



This is Exhibit "D" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**



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

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

THE HONOURABLE

JUSTICE

*T. McBrown*

) THURS DAY, THE *2<sup>nd</sup>* DAY  
)  
) OF AUGUST, 2019

**BETWEEN:**

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

Applicants

- and -

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

Respondents

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

**RECEIVER DISCHARGE ORDER**

THIS MOTION, made by IDEAL (BC) DEVELOPMENTS INC., IDEAL (BC2) DEVELOPMENTS INC., IDEAL DEVELOPMENTS INC., 2490564 ONTARIO INC., and 2490568 ONTARIO INC. (the “Debtors”) for an order or orders (i) lifting the stay of proceedings contained in the Order of the Honourable Mr. Justice Hailey dated July 19, 2019, appointing KSV Kofman Inc. (“KSV”) as receiver and manager (the “Receiver”) of certain Property (the “Property”) of the Debtors (the “Receivership Order”), permitting the Debtor to redeem the mortgage in favour of the Applicant (the “Mortgage”) on or before August 28, 2019 (the “Redemption”) and (ii) discharging the Receiver and terminating the Receivership Order (the “Discharge”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Shajiraj Nadarajalingam sworn August 28, 2019, the consent of the Receiver and the applicants, filed, and on hearing submissions of counsel for the Debtors,

SERVICE:

1. THIS COURT ORDERS that the Debtors' motion in respect of the Discharge is properly returnable today and this Court hereby dispenses with further service thereof.

APPROVAL OF FEES AND DISBURSEMENTS

2. THIS COURT ORDERS that the fees and disbursements of the Receiver and its counsel, as set out in the Discharge Statement dated August 22, 2019, are hereby approved and that there shall be no administrative holdback for the fees and disbursements of KSV and its counsel in respect of statutory and other administrative obligations of KSV arising after Redemption.

3. THIS COURT ORDERS that all conduct and actions of the Receiver arising from and in connection with the Property, shall be and are hereby approved.

TERMINATION OF SALES PROCESS

4. THIS COURT ORDERS that any matters actions and claims in respect of the Receivership Order, the sales process in respect of the Property approved pursuant to the Order of Justice Penney dated August 19, 2019 but effective August 26, 2019, be and is hereby terminated.

RECEIVER'S DISCHARGE

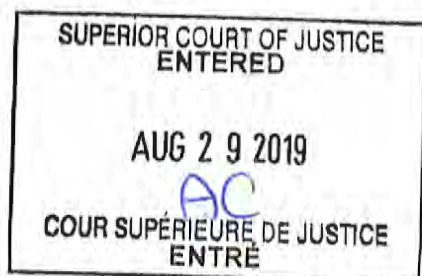
5. THIS COURT ORDERS that KSV shall be discharged as Receiver of the Property of the Debtors, provided however that notwithstanding its discharge as Receiver herein KSV shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all authorizations, approvals, protections and stays of proceedings in favour of KSV in its capacity as receiver and manager..

6. THIS COURT ORDERS that the Receiver's registration of the Receivership Order, registered as Instrument no. YR2993377 on August 8, 2019 against the title to the Property in the

Land Registry Office of York (No. 65) shall be and is hereby discharged and vacated from the title to Property.

7. THIS COURT ORDERS AND DECLARES that KSV is hereby released and discharged from any and all liability that KSV now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV while acting in its capacity as Receiver herein, including but not limited to any and all liability arising out of the application and first report, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, KSV is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

McE...



**FIRST SOURCE FINANCIAL  
MANAGEMENT INC. et al.**  
Applicants

- and -

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**ORDER  
(DISCHARGE RECIEVER)**

**FRIEDMAN LAW PROFESSIONAL  
CORPORATION**  
150 Ferrand Drive, Suite 800  
Toronto, Ontario M3C 3E5

**William Friedman** (LSO No.: 18420U)  
wf@friedmans.ca

**Judy Hamilton** (LSO No.: 39475S)  
jh@friedmans.ca  
Tel: 416-496-3340  
Fax: 416-497-3809

*Lawyers for the Respondents*

This is Exhibit "E" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**

Properties

PIN	03196 - 0072	LT	Interest/Estate	Fee Simple
Description	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;			
Address	8 BOSTWICK CR RICHMOND HILL			
PIN	03196 - 0073	LT	Interest/Estate	Fee Simple
Description	PT LT 63 PL 136 KING AS IN R209240			
Address	10 BOSTWICK CRESCENT RICHMOND HILL			
PIN	03196 - 0074	LT	Interest/Estate	Fee Simple
Description	PT LT 64 PL 136 KING AS IN R530013 ;			
Address	12 BOSTWICK CR RICHMOND HILL			
PIN	03196 - 0075	LT	Interest/Estate	Fee Simple
Description	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL			
Address	14 BOSTWICK CR RICHMOND HILL			
PIN	03196 - 0076	LT	Interest/Estate	Fee Simple
Description	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL			
Address	8 BOND CRESCENT RICHMOND HILL			
PIN	03196 - 0077	LT	Interest/Estate	Fee Simple
Description	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL			
Address	6 BOND CRESCENT RICHMOND HILL			
PIN	03196 - 0078	LT	Interest/Estate	Fee Simple
Description	PT LT 66 PL 136 KING AS IN R690041 ;			
Address	16 BOSTWICK CR RICHMOND HILL			
PIN	03196 - 0079	LT	Interest/Estate	Fee Simple
Description	PT LT 67 PL 136 KING AS IN R601987 ; RICHMOND HILL			
Address	18 BOSTWICK CRESCENT RICHMOND HILL			
PIN	03196 - 0080	LT	Interest/Estate	Fee Simple
Description	PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, & R601987 ;			
Address	2 BOND CRESCENT RICHMOND HILL			

Chargor(s)

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

Name

IDEAL (BC) DEVELOPMENTS INC.

Address for Service

65 Allstate Parkway  
Unit 101  
Markham, Ontario  
L3R 9X1

I, Shajiraj Nadarajalingam, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name	C & K MORTGAGE SERVICES INC.	an undivided share of \$14,000,000 / \$15,000,000
Address for Service	1670 Bayview Avenue Suite 400 Toronto, Ontario M4G 3C2	

Chargee(s)	Capacity	Share
Name	CANADIAN WESTERN TRUST COMPANY	an undivided share of \$1,000,000 /\$15,000,000
Address for Service	750 Cambie Street, Suite 300 Vancouver, British Columbia V6B 0A2	

Statements

Schedule: See Schedules

Provisions

Principal	\$15,000,000.00	Currency	CDN
Calculation Period	monthly, not in advance		
Balance Due Date	2021/11/01		
Interest Rate	10.75%		
Payments	\$134,375.00		
Interest Adjustment Date	2020 11 01		
Payment Date	first day of each and every month		
First Payment Date	2020 12 01		
Last Payment Date	2021 11 01		
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor	2490564 Ontario Inc. and Shajiraj Nadarajalingam		

Additional Provisions

Canadian Western Trust Company holds its undivided share of \$1,000,000.00 / \$15,000,000.00 in trust for RRIF 10133617 (Cecile Erlich).

Signed By

Kimberly Anne Gabriel

1 Adelaide Street E., Suite 801  
Toronto  
M5C 2V9

acting for  
Chargor(s)

Signed

2020 10 29

Tel 416-869-1234

Fax 416-869-0547

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

Submitted By

GARFINKLE, BIDERMAN LLP

1 Adelaide Street E., Suite 801  
Toronto  
M5C 2V9

2020 10 30

Tel 416-869-1234

Fax 416-869-0547

Fees/Taxes/Payment

Statutory Registration Fee	\$65.05
Total Paid	\$65.05

File Number

Chargee Client File Number : 2677-600



## SCHEDULE "A" - Additional Provisions

### 1. **Letter of Commitment**

Any reference in this Charge to the Commitment Letter or Letter of Commitment (the "Commitment Letter" or "Letter of Commitment") shall mean the Commitment Letter referable to this transaction dated September 29, 2020 (and any amendments thereto, if applicable).

This Charge shall secure any and all amounts owing by the Chargor to the Chargee pursuant to the Letter of Commitment.

All provisions of the Letter of Commitment are hereby incorporated into this Charge.

Any default by the Mortgagor with regard to any provision of the Letter of Commitment shall constitute a default under this Charge.

### 2. **Interest Rate**

The mortgage shall bear interest at the rate of 10.75% per annum, compounded and payable monthly, not in advance. Interest at the aforesaid rate on the amounts advanced from time to time shall be payable on the first day of each and every month day throughout the term of the Charge and the principal sum (with all unpaid accrued interest) shall become due and payable on November 1, 2021. The parties hereto acknowledge and agree that the Chargee shall not be deemed to reinvest any monthly or other payments received by it hereunder.

In case default shall be made in payment of any sum to become due for interest at any time appointed for payment in this Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity and judgment, shall bear interest at the rate provided for in this Charge. In the event the interest and compound interest are not paid one month from the time of default, a rest shall be made, and compound interest at the rate provided for in this Charge shall be payable on the aggregate amount then due, as well after as before maturity and judgment, and so on from time to time, and all such interest and compound interest shall be a charge upon the Charged Property.

The Chargee shall have the right to deduct from any advance, interest from the date of advance to the interest adjustment date.

### 3. **Prepayment Privilege**

Provided that this Charge shall be closed for the period of six months and thereafter, if the Charge is not in default, the Chargor shall have the right of prepaying the whole amount hereby secured upon thirty day's written notice by the Mortgagor to the Mortgagee and further upon payment of one month's interest on the amount so prepaid as a bonus.

### 4. **Default**

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

- (a) the Chargor makes default in the payment of the principal, interest or other monies hereby secured or any principal or interest payment and other monies owed by it to the Chargee;
- (b) the Chargor makes default in the payment of principal, interest or other monies secured by any other Charges registered against the Charged Property whether in priority to or subsequent to this Charge;
- (c) the Chargor makes material default in the observance or performance of any written covenant or undertaking heretofore or hereafter given by it to the Chargee, whether contained herein or not and pertaining to the assets or the financial condition of the Chargor and such default has not been cured within fifteen (15) days of written notice thereof being delivered to the Chargor;
- (d) if any statement, information (oral or written) or representation heretofore or hereafter made or given by or on behalf of the Chargor to the Chargee and pertaining to the assets or the financial condition of the Chargor, and whether contained herein or not is false, inaccurate and/or misleading in any material

respect;

- (e) an order is made or an effective resolution passed for the winding-up, liquidation, amalgamation or reorganization of the Chargor, or a petition is filed for the winding up of the Chargor;
- (f) the Chargor becomes insolvent or makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or the Chargor makes a bulk sale of its assets; or a bankruptcy petition or receiving order is filed or presented against the Chargor;
- (g) any proceedings with respect to the Chargor are commenced under the Companies' Creditors Arrangement Act;
- (h) any execution, sequestration, extent or any other process of any Court becomes enforceable against the Chargor or a distress or analogous process is levied upon the property and assets of the Chargor or any part thereof, which in the opinion of the Chargee is a substantial part, and remains unsatisfied for such period as would permit such property to be sold thereunder, less two (2) business days, provided that such process is not in good faith disputed and, in that event, if the Chargor shall desire to contest such process it shall give security to the Chargee which, in the absolute discretion of the Chargee, shall be deemed sufficient to pay in full the amount claimed in the event it shall be held to be a valid claim;
- (i) the Chargor ceases or threatens to cease to carry on its business or the Chargor commits or threatens to commit any act of bankruptcy or insolvency;
- (j) the property hereby mortgaged and charged (the "Charged Property") or any part thereof, other than sales of lots containing fully completed single family dwellings to bona fide purchasers for value, with prior written approval by the Chargee, which consent shall not be unreasonably withheld, are sold by the Chargor or if there is a change in the present effective voting control of the Chargor or a change in the beneficial ownership of the Chargor or the assets or any one of them;
- (k) the monies secured hereby, together with interest thereon shall not be repaid to the Chargee when due;
- (l) the Chargor makes any default with regard to any provision of the Commitment Letter.

## **5. Chargee May Remedy Default**

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

## **6. Construction Liens**

Provided also that upon the registration of any construction lien against title to the charged property which is not discharged within a period of thirty (30) days from the registration thereof, all monies hereby secured shall, at the option of the Chargee, forthwith become due and payable.

The Chargee may at its option, withhold from any advances for which the Chargor may have qualified, such holdbacks as the Chargee in its sole discretion, considers advisable to protect its position under the provisions of the Construction Act, R.S.O. 1990, c. C30 so as to secure its priority over any construction liens, until the Chargee is fully satisfied that all construction lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this clause shall be construed to make the Chargee an "owner" or "payer" as defined under the Construction Act, R.S.O. 1990, c. C30, nor shall there be, or be deemed to be, any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be made by the owner or payer shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of the Construction Act, R.S.O. 1990, c. C30.

## **7. Construction Loan Intentionally Deleted**

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

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

## 8. Environmental

- (a) "Hazardous Substances" includes:
  - (i) any substances that, if added to any water or emitted into the air would create or contribute to the creation of a condition of such water or air that is detrimental to its use by or to the health, safety or welfare of persons or animals or cause damage to plant life or Charged property;
  - (ii) any radioactive materials or explosives;
  - (iii) any substances declared from time to time to be hazardous, dangerous or toxic under any applicable federal, provincial or municipal law, by-law, regulation or other enactment, including without limitation, asbestos; and
  - (iv) any other substances which is or may become hazardous, toxic or dangerous to persons or Charged property.

- (b) The Chargor hereby represents, warrants, covenants and agrees to and with the Chargee that:
- (i) to the best of the knowledge of the Chargor after due and diligent inquiry, there are no Hazardous Substances on the Charged property no Hazardous Substances have ever been used, stored or located on the Charged property and no part of the Charged property is or has ever been contaminated by any Hazardous Substances;
  - (ii) no Hazardous Substances shall be brought onto or used on the Charged property without the prior written consent of the Chargee;
  - (iii) any Hazardous Substances brought onto the Charged property or used by any person on the Charged property shall be transported, used and stored only in accordance with all applicable laws, regulations, by-laws and other lawful requirements, prudent industrial standards and any other requirements of the Chargee;
  - (iv) no use of the Charged property will be allowed which may cause or increase the likelihood of the escape, seepage, leakage, spillage, release or discharge of any Hazardous Substances on, from or under the Charged property or permit any policy of insurance in respect to the Charged property to be cancelled; and
  - (v) the Chargor shall promptly notify the Chargee as soon as it knows or suspects that any Hazardous Substances have been brought onto the Charged property or that there is any actual, threatened or potential escape, seepage, leakage, spillage, release or discharge of any Hazardous Substances on, from or under the Charged property.
- (c) The Chargor shall indemnify and save harmless the Chargee, its officers, directors, employees, agents and shareholders against and from all loss, costs and damages (including, without limitation, all legal fees and disbursements) which they or any of them may suffer, incur or become liable for by reason of or arising out of the use, generation, storage, escape, seepage, leakage, spillage, release, disposal or presence on, from or under the Charged property of any Hazardous Substances including, without limitation the cost of any reports as to compliance with or breach of the provisions of this paragraph 8 which the Chargee, acting reasonably may obtain at any time and from time to time.

## 9. **Miscellaneous**

The Chargor agrees as follows:

- (a) The Chargor shall keep the Charged Property and buildings, erections and improvements thereon in good condition and repair according to the nature and description thereof, respectively, and the Chargee may, whenever it deems necessary, by its agent, enter upon and inspect the Charged Property and make such repairs as it deems necessary, and the reasonable cost of such inspection and repairs with interest at the rate aforesaid shall be added to the Charge debt and be payable forthwith and be a charge upon the Charged Property prior to all claims thereon subsequent to this Charge.
- (b) to pay taxes, utilities and other operating and maintenance costs and provide evidence thereof to the Chargee;
- (c) to perform all governmental requirements and obligations as required;
- (d) to deliver to the Chargee all reasonable financial information deemed necessary by the Chargee, when requested in writing by the Chargee acting reasonably;
- (e) to comply with all covenants and reporting requirements set out in the Commitment Letter;
- (f) to provide or comply with such other covenants and terms as the Chargee may reasonably require.

## 10. **Restriction on Transfer**

In the event of the Chargor selling, transferring or conveying title or its rights to a purchaser, transferee or grantee not approved by the Chargee or in the event of a change in the

legal or beneficial ownership of the Property, the Mortgagor or the Chargor, not approved in writing by the Chargee, then, at the sole option of the Chargee, all monies secured, together with all accrued and unpaid interest thereon and any other amounts due under this Charge shall become due and payable.

**11. Assignment of Condominium Voting Rights**

In the event that the property or any part thereof is or becomes a unit within a Condominium Corporation, the Chargee shall have all rights to vote on all matters relating to the said Condominium Corporation, in the place of and on behalf of the Chargor, and the Chargor hereby assigns unto the Chargee all such voting rights.

In the event that the property or any part thereof is or becomes a Common Element Condominium Corporation, the Chargee shall have all rights to vote on all matters relating to the said Common Element Condominium Corporation in the place of and on behalf of the Chargor, to the extent that the Chargor would have such rights, and the Chargor hereby assigns unto the Chargee all such voting rights.

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

**12. Subsequent Financing**

No financing subsequent to the Chargee's facilities shall be permitted, without the prior written consent of the Chargee which consent shall not be unreasonably withheld.

**13. NSF and Late Payment Charge**

In the event that any payment is returned to the lender for any cause whatsoever, including there being insufficient funds in the borrower's account to cover same, the lender will be entitled to reimbursement for all bank charges related to the dishonoured cheque in addition, the lender or administrator's time for collection will be charged at a rate of \$300 per hour and all time will be docketed and charged to the borrower's account. These charges will apply to all administration costs related to any default under the mortgage including but not limited to collection costs related to late payments, insurance cancellation and work orders affecting the property. All payments (other than regular monthly payments of interest) must be received no later than 1:00 PM or they shall be deemed earned the following business day. Payments being made on a Friday or on a business day preceding a statutory holiday must be received no later than 11:00 AM or they shall be deemed earned the following business day. For greater certainty, if funds are not received before the times stipulated herein, interest will continue to accrue to the next bank business day. All payments not made by the due date will be subject to the lender's administration costs in processing same.

**14. Default**

In the event default is made in the payment of any principal money, at the time or times provided herein, the Chargee will not be required to accept payment of the principal monies without first receiving three (3) months notice in writing or receiving three (3) months interest bonus in advance payment of the principal monies.

**15. Manager's Fee**

In the event of default herein, Rescom Capital will be appointed as the Chargee's Manager, at the Chargee's discretion and will be entitled to a fee of \$300.00 per hour for its services and such fee will be charged to the Chargor's account, and added to the amount owing under this Charge.

**16. Post-dated Cheques**

The Chargor shall supply a series of post-dated cheques to each of the Chargee(s) (or as directed) on or before the advance and any renewal or extension thereof.

**17. Statement Charge**

The Chargor shall pay to the Chargee the sum of \$100.00 for every statement requested by the Chargor, or any party on behalf of the Chargor or any party interested in the Charged Property and provided by the Chargee.

## **18. Commencing of Proceedings**

The Chargor shall pay to the Chargee (exclusive of legal costs) the sum of \$500.00 for each and every instance the Chargee is required to institute default or enforcement proceedings under this Charge.

## **19. Insurance**

Without limiting the generality of any provision of this Charge, the Chargor shall carry such liability, rental, boiler, fire and other insurance coverage in such amounts as required by the Chargee. Written evidence of continuance of such insurance from the insurer under such policy or policies to the effect that coverage has been extended for a minimum of at least one year and all premiums with respect to such extended term of such coverage have been paid for in full shall be produced to the Chargee at least thirty (30) days before expiration of any term of such respective policy; otherwise the Chargee may provide therefor and charge the premium paid and interest thereon at the rate provided in this Charge to the Chargor and the same shall be payable forthwith and shall also be a charge upon the Charged Property together with a penalty of \$500.00.

Notwithstanding any other provision to the contrary, statutory or otherwise, in the event of any moneys becoming payable pursuant to an insurance policy with respect to buildings located on the Charged Property, the Chargee may at its option require the said moneys to be applied by the Chargor in making good the loss or damage in respect of which the money is received, or in the alternative, may require that any or all of the moneys so received to applied in or towards satisfaction of any or all of the indebtedness secured hereunder whether or not the same has become due.

Provided also that the covenant for insurance hereinbefore contained shall provide that loss, if any, shall be payable to the said Chargee, as its interest may appear, subject to the Chargee's standard form of mortgage clause or the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance and form part thereof.

## **20. Payment of Taxes**

With respect to municipal taxes, school taxes and local improvement rates (hereinafter referred to as "**Taxes**") chargeable against the Charged Property, the Chargor covenants and agrees with the Chargee that:

- (a) The Chargee may deduct from any advance of the moneys secured by this Charge an amount sufficient to pay the Taxes which have become due and payable during any calendar year;
- (b) The Chargee may at its sole option estimate the amount of the Taxes chargeable against the Charged Property payable in each year and the Chargor shall forthwith upon demand of the Chargee pay to the Chargee one-twelfth (1/12) of the estimated annual amount of such Taxes on the dates on which instalments of principal and interest are payable during the term of this Charge commencing with the 1st day of the first full month of the term of this Charge. The Chargee may at its option apply such payments to the Taxes so long as the Chargor is not in default under any covenant or agreement contained in this Charge, but nothing herein contained shall obligate the Chargee to apply such payments on account of Taxes more often than yearly. Provided, however, that if the Chargor shall pay any sum or sums to the Chargee to apply on account of Taxes, and if before the same shall have been so applied, there shall be default by the Chargor in respect of any payment of principal or interest as herein provided, the Chargee may at its option apply such sum or sums in or towards payment of the principal and/or interest in default. If the Chargor desires to take advantage of any discounts or avoid any penalties in connection with the payment of Taxes, the Chargor may pay to the Chargee such additional amounts as are required for that purpose.
- (c) In the event that the Taxes actually charged in one (1) calendar year, together with any interest and penalties thereon, exceed the estimated amount, the Chargor shall pay to the Chargee on demand the amount required to make up the deficiency. The Chargee may at its option, pay any of the Taxes when payable, either before or after they are due, without notice, or may make

advances therefor in excess of the then amount of any credit held by the Chargee for the said Taxes. Any excess amount advanced by the Chargee shall be secured as an additional principal sum under this Charge and shall bear the same rate of interest as aforesaid until repaid by the Chargor.

- (d) The Chargor shall transmit to the Chargee forthwith after receipt of same the assessment notices, Tax bills and other notices affecting the imposition of Taxes upon the Charged Property
- (e) In no event shall the Chargee be liable for any interest on any amount paid to it as hereinbefore required and the moneys so received may be held with its own funds pending payment or application thereof as hereinbefore provided, provided that in the event that the Chargee does not utilize the funds received on account of Taxes in any calendar year, such amount or amounts may be held by the Chargee on account of any pre-estimate of Taxes required for the next succeeding calendar year, or at the Chargee's option the Chargee may repay such amount to the Chargor without any interest.
- (f) The Chargor shall in all instances be responsible for the payment of any and all penalties resulting out of any late payment of current Tax instalments or any arrears of Taxes, and at no time shall such penalty be the responsibility of the Chargee.
- (g) The Chargor shall deliver to the Chargee on or before December 31st in each such calendar year, written evidence from the taxing authority having jurisdiction with respect to the municipal realty Taxes levied and assessed against the Charged Property, such evidence to be to the effect that all Taxes for the current calendar year and any preceding calendar year have been paid in full. In the event of the failure of the Chargor to comply with the covenant as aforesaid, the Chargee shall be entitled to charge a servicing fee for each written enquiry directed to such taxing authority or the relevant taxation office for the purpose of ascertaining the status of the Tax account pertaining to the Charged Property, together with any costs payable to the taxing authority for such information. Such servicing fee is hereby agreed to be a fair and equitable one under the circumstances and is intended to cover the Chargee's administrative costs and shall not be deemed a penalty.

## 21. Appointment of a Receiver

**NOTWITHSTANDING** anything herein contained, it is declared and agreed that at any time, and from time to time, when there shall be default under the provisions of these presents, the Chargee may at such time, and from time to time, and with or without entering into possession of the Charged Property appoint in writing a receiver (the "**Receiver**" which term shall include a receiver/manager) of the Charged Property, or any part thereof, and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any such Receiver and appoint another in its place and stead, and in the making of any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. The Chargor hereby agrees and consents to the appointment of the Receiver of the Chargee's choice and without limitation, whether pursuant to this Charge, the Mortgages Act, the Construction Act, R.S.O. 1990, c. C30 or pursuant to the Courts of Justice Act (as the Chargee may at its sole option require). Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Charged Property and every part thereof.

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

- (a) a statutory declaration of an officer of the Chargee as to default under the provisions of these presents shall be conclusive evidence thereof absent manifest error;
- (b) every such Receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due with respect to the Charged Property,

and every part thereof, whether in respect of any tenancies created in priority to these presents or subsequent thereto;

- (c) the Chargee may from time to time fix the reasonable remuneration of every such Receiver who shall be entitled to deduct same out of the Charged Property or the proceeds thereof;
- (d) each such Receiver shall, so far as concerns responsibility and liability for its acts or omissions, be deemed to be the agent or attorney of the Chargor and in no event the agent of the Chargee;
- (e) the appointment of every such Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may be done by any such Receiver or the removal of any such Receiver or the termination of any such Receivership shall not have the effect of constituting the Chargee a chargee in possession with respect to the Charged Property or any part thereof;
- (f) the Receiver shall have the power to rent any portion of the Charged Property for such terms and subject to such provisions as it may deem advisable or expedient and in so doing such Receiver shall be acting as the attorney or agent of the Chargor and shall have the authority to execute any lease of any such premises in the name and on behalf of the Chargor;
- (g) every such Receiver shall have full power to complete any unfinished construction upon the Charged Property;
- (h) any such Receiver shall have full power to carry on or concur in the carrying on of the business of the Chargor, and to employ and discharge such agents, workmen, accountants and other individuals or companies as are required to carry on the said business, upon such terms and with such salaries, wages or remuneration as it shall think proper, and to repair and keep in repair the Charged Property and to do all necessary acts and things for the carrying on of the business of the Chargor and the protection of the Charged Property;
- (i) any such Receiver shall have the power to sell or lease or concur in selling or leasing the Charged Property, or any part thereof, and to carry any such sale or lease into effect by conveying in the name of or on behalf of the Chargor or otherwise; and any such sale may be made either at public auction or private sale as to the Receiver may seem best and any such sale may be made from time to time as to the whole or any part of the Charged Property; and the Receiver may make any stipulations as to title or conveyance or commencement of title or otherwise as it shall deem proper;
- (j) any such Receiver shall have the power to borrow money to carry on the business of the Chargor or to maintain the whole or any part of the Charged Property, in such amounts as the Receiver may from time to time deem necessary and in so doing, the Receiver may issue certificates that may be payable when the Receiver thinks expedient and shall bear interest as stated therein and the amounts from time to time payable under such certificates shall charge the Charged Property in priority to this Charge;
- (k) any such Receiver shall have the power to execute and prosecute all suits, proceedings and actions which the Receiver in its opinion considers necessary for the proper protection of the Charged Property, to defend all suits, proceedings and actions against the Chargor or the Receiver, to appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted and to appeal any suit, proceeding or action;
- (l) any such Receiver shall have the full power to manage, operate, amend, repair, alter or extend the Charged Property, or any part thereof, in the name of the Chargor for the purpose of securing the payment of rentals from the Charged Property or any part thereof;
- (m) any such Receiver out of the cash received by it with respect to the Charged Property or any part thereof shall pay in the following order:
  - (i) its reasonable remuneration;



- (ii) all payments reasonably made or incurred by the Receiver in connection with the management, operation, amendment, repair, alteration or extension of the Charged Property or any part thereof;
- (iii) in payment of interest, principal and other money which may from time to time be or become a charge upon the Charged Property in priority to moneys owing hereunder and all taxes, insurance premiums and every other proper expenditure made or incurred by it with respect to the Charged Property or any part thereof;
- (iv) in payment of all interest and arrears of interest and any other moneys remaining unpaid hereunder;
- (v) the residue of any money so received by the Receiver shall be applied to the principal sum or any other amounts from time to time owing under this Charge;
- (vi) subject to subparagraph (v) above, in the discretion of the Receiver, interest, principal and other moneys which may from time to time constitute a charge or encumbrance on the Charged Property subsequent in priority or subordinate to the interest of the Chargee under this Charge;

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

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

## **22. Payments**

- (a) All payments shall be applied firstly on account of interest calculated as aforesaid on the balance of the principal amount outstanding from time to time except that in the case of default hereunder, the Chargee may then apply any payment(s) received during default in whatever order it may elect as between taxes, interest, repairs, insurance, reasonable legal fees (on a solicitor and client basis) or any other payments made on behalf of the Chargor. All payments and charges and fees upon which H.S.T. is chargeable shall include an additional H.S.T. component.

## **23. Notice**

Any notice, election, demand, declaration or request which may or is required to be given or made pursuant to this Charge, shall (unless otherwise required by law or set out in this Charge) be given or made in writing and shall be served personally upon an individual party for whom it is intended or upon any executive officer of a corporate party for whom it is intended or mailed by prepaid registered mail:

- (a) in the case of the Chargor at:

65 Allstate Parkway, Unit 101  
Markham, Ontario L3R 9X1

Attention: Mr. Shajiraj Nadarajalingam

- (b) in the case of Chargee at:

C & K Mortgage Services Inc.  
1670 Bayview Avenue  
Suite 400  
Toronto, Ontario  
M4G 3C2

Attention: Mr. Gary Gruneir

Canadian Western Trust Company  
750 Cambie Street  
Suite 300  
British Columbia  
V6B 0A2

or such other address (or in the case of a corporate party in care of such other officer) as any party may from time to time advise the other parties hereto by notice in writing as aforesaid. The date of receipt of any such notice, election, demand, declaration or request, shall be the date of delivery of such notice, election, demand or request if delivered personally or if mailed as aforesaid shall be deemed to be the third juridical day next following the date of such mailing. If at the date of any such mailing there is a general interruption in the operation of the postal service in the Province of Ontario which does or is likely to delay the delivery by mail of such notice, election, demand or request, it shall be served personally.

24. **Invalidity**

If any of the terms, covenants or conditions of this Charge shall be void for any reason, it shall be severed from the remainder of the provisions hereof and the remaining provisions shall remain in full force and effect notwithstanding such severance.

25. **Power of Sale**

PROVIDED that in the event power of sale proceedings are taken, the Chargee as vendors may sell the property on terms and if the result is that any mortgages taken back are at a rate lower than the rate for the first and/or second mortgagee in the industry then the Chargee shall be entitled to sell these charges at a discount and the discount shall form part of the loss incurred by the Chargee and be recoverable against the Chorgor.

This is Exhibit "F" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**

## GENERAL SECURITY AGREEMENT

### 1. SECURITY INTEREST

- (a) For value received, Ideal (BC) Developments Inc. (the "Debtor"), hereby grants to C & K Mortgage Services Inc. and Canadian Western Trust Company (the "Lender"), by way of mortgage, charge, assignment and transfer, a security interest (the "Security Interest") in the undertaking of the Debtor and in all Goods (including all parts, accessories, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, and Securities now owned or hereafter owned or acquired by or on behalf of the Debtor (including such as may be returned to or repossessed by the Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (hereinafter collectively called "Collateral") all of which is derived from the real properties legally described in Schedule A attached hereto, including without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:
- i. all inventory of whatever kind and wherever situate ("Inventory");
  - ii. all equipment (other than Inventory) of whatever kind including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles;
  - iii. all book accounts and book debts, rents and leases, all Agreements of Purchase and Sale entered into or to be entered into and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor ("Debts");
  - iv. all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
  - v. all contractual rights and insurance claims and all goodwill, patents, trademarks, copyrights, and other industrial property;
  - vi. all contractual rights for the provision of materials, equipment and services including any applicable working drawings, plans, specifications, development and/or building approvals and permits;
  - vii. all monies other than trust monies lawfully belonging to others,
  - viii. Certificates and Interest Bearing Accounts;
  - viv. all property described in any schedule now or hereafter annexed hereto.
- (b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such term.
- (c) The terms "Goods", "Chattel Paper", "Documents of Title", "Equipment", "Consumer Goods", "Instruments", "Intangibles", "Securities", "Proceeds", "Inventory", and "Accession" whenever used herein shall be interpreted pursuant to their respective meanings when used in the Personal Property Security Act of Ontario, as amended from time to time (herein referred to as the "P.P.S.A."). Provided always that the term "Goods" when used herein shall not include "consumer goods" of the Debtor as that term is defined in the P.P.S.A. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The terms "Proceeds" whenever used herein and interpreted as above shall by way of example include trade-ins, equipment, cash, bank accounts, notes, chattel paper, goods, contract rights, accounts and any other personal property or obligation received when such collateral or proceeds are sold, exchanged, collected or otherwise disposed of.

## 2. **INDEBTEDNESS SECURED**

The Security Interest granted hereby secures payment and satisfaction of any and all obligations, indebtedness and liability of the Debtor to the Lender arising out of a mortgage loan of even date herewith and any ultimate unpaid balance thereof which mortgage is registered against the lands municipally known as 8-18 Bostwick Cres. and 2, 6 & 8 Bond Cres., Richmond Hill, Ontario as more particularly described on Schedule A attached hereto all in accordance with the commitment letter dated September 29, 2020 (hereinafter called the "Indebtedness").

## 3. **REPRESENTATIONS AND WARRANTIES OF DEBTOR**

The Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

- (a) The Collateral is genuine and owned by the Debtor free of all interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for those Encumbrances approved in writing by the Lender, prior to their creation or assumption;
- (b) Each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by the Debtor to the Lender from time to time as owing by each Account Debtor or by all Account Debtors except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against the Debtor which can be asserted against the Lender, whether in any proceeding to enforce Collateral or otherwise; and
- (c) The location specified as to business operations and records is accurate and complete and with respect to Goods constituting Collateral.

## 4. **COVENANTS OF THE DEBTOR**

So long as this Security Agreement remains in effect the Debtor covenants and agrees:

- (a) To defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep the Collateral free from all Encumbrances except for those Encumbrances that have been approved by the Lender, and not to sell, exchange, transfer, assign, lease, otherwise dispose of Collateral or any interest therein without the prior written consent of the Lender; which consent shall not be unreasonably withheld provided always that, until default, (as such term is defined in Section 8) the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory and, subject to Clause 6 hereof, use monies available to the Debtor;
- (b) To notify the Lender promptly of:
  - i. any material change in the information contained herein or in the Schedules hereto relating to the Debtor or Collateral;
  - ii. the details of any significant acquisition of Collateral;
  - iii. the details of any claims or litigation affecting Collateral;
  - iv. any material loss or damage to Collateral;
  - v. any default by any Account Debtor in payment or other performance of his obligations with respect to Collateral of which the Debtor is aware; and
  - vi. the return to or repossession by the Debtor of Collateral;
- (c) To keep the Collateral in good order, condition and repair subject to reasonable wear and tear and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral in any material respect or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- (d) To do, execute, acknowledge and deliver such financing statements and further

assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by the Lender of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

- (e) To pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Collateral as and when the same become due and payable;
- (f) To insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Lender shall reasonably direct with loss payable to the Lender and the Debtor, as insureds, as their respective interest may appear, and to pay all premiums therefor;
- (g) To prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an Accession to other property not covered by this Security Agreement;
- (h) To carry on and conduct the business of the Debtor in a lawful manner and so as to protect and preserve the Collateral, reasonable wear and tear excepted, and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at the Lender's request, acting reasonably, so as to indicate the Security Interest;
- (i) To deliver to the Lender, acting reasonably, from time to time promptly upon request:
  - i. any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
  - ii. all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;
  - iii. all financial statements prepared by or for the Debtor;
  - iv. all policies and certificates of insurance relating to Collateral; and
  - v. such information concerning Collateral, and the Debtor as the Lender may reasonably request;
- (j) To have the premises managed as a prudent owner would at all times.

##### 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with the Debtor's covenants herein and Clause 6 hereof, the Debtor may, until default, possess, operate, use, enjoy and deal with Collateral in the ordinary course of the Debtor's business in any manner not materially inconsistent with the provisions hereof; provided always that the Lender shall have the right at any time and from time to time to request in writing the state of the Collateral in any manner the Lender may consider appropriate and the Debtor agrees to furnish all information as the Lender may reasonably request in connection therewith.

##### 6. COLLECTION OF DEBTS

Before or after default under this Security Agreement, the Lender may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to the Lender. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement shall be received and held by the Debtor in trust for the Lender and shall be turned over to the Lender upon request.

##### 7. DISPOSITION OF MONIES

Subject to any application requirements of the P.P.S.A., all monies collected or received by the

Lender pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as the Lender, acting reasonably, deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Lender hereunder, and any surplus shall be accounted for as required by law.

#### 8. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder (hereinafter referred to as "default"):

- (a) The nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of the Debtor to observe or perform, in any material respect, any obligation, covenant, term, provision, or condition contained in this Security Agreement or any other document or agreement between the Debtor and the Lender relating to the Indebtedness unless same is cured within ten (10) days after the Debtor receives written notice of such default;
- (b) The bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by the Debtor; the appointment of a receiver or trustee for the Debtor or the institution by or against the Debtor of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act* (R.S.C. 1985, c. B-3) or otherwise;
- (c) Abandonment of the premises by the Debtor for a period in excess of eight (8) consecutive days and which the Debtor has not rectified within ten (10) days after delivery by the Lender to the Debtor of written notice of any abandonment.

#### 9. REMEDIES

- (a) Upon default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Lender and the Lender shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instruments appointing him, any such Receiver shall have the power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor wherein Collateral may reasonably be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on the Debtor's business or otherwise, as such Receiver shall, in his discretion, determine. Except as may be otherwise directed by the Lender, all monies received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.
- (b) Upon default, (as such term is defined in Section 8) the Lender may, either directly or indirectly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).
- (c) The Lender may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, (as such term is defined in Section 8) the Lender may sell, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Lender, acting reasonably, may deem reasonable.
- (d) In addition to those rights granted herein and in any other agreement now or

hereafter in effect between the Debtor and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that the Lender shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in the Lender's possession and shall not be liable or accountable for failure to do so.

- (e) The Debtor acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from the Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.
- (f) The Debtor agrees to pay all costs, charges and expenses reasonably incurred by the Lender or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating the Debtor's accounts, in preparing or enforcing this Security Agreement, taking custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any monies owing as a result of any borrowing by the Lender or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.
- (g) The Lender will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made, as may be required by the P.P.S.A.
- (h) Upon failure of the Debtor to have the Premises managed in accordance with clause 4(j) hereof, the Lender may, acting reasonably, but shall not be obligated to appoint such professional manager or managers, as it may deem necessary in its sole discretion, to manage the Premises at the sole expense of the Debtor.

#### 10. MISCELLANEOUS

- (a) The Debtor hereby authorizes the Lender to file such financing statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral) as the Lender may deem appropriate to perfect and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest, and the Debtor hereby irrevocably constitutes and appoints the Lender the true and lawful attorney of the Debtor, with the full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.
- (b) Upon the Debtor's failure to perform in any material aspect any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all such duties, and the Debtor shall pay to the Lender, promptly upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate per annum set forth in the said mortgage.
- (c) The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as the Lender may see fit without prejudice to the liability of the Debtor or the Lender's right to hold and realize the Security Interest. Furthermore, the Lender may demand, collect and sue on Collateral in either the Debtor's or the Lender's name on any and all cheques, commercial paper, and any other Instrument pertaining to or constituting Collateral.
- (d) No delay or omission by the Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other



right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Lender may remedy any default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

- (e) The Debtor waives protest of any Instrument constituting Collateral at any time held by the Lender on which the Debtor is in any way liable and, subject to Clause 9(g) hereof, notice of any other action taken by the Lender.
- (f) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- (g) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written Agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.
- (h) Subject to any provisions of this Agreement to the contrary, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given only if delivered to the party for whom it is intended at the principal address of such party herein set forth or as changed pursuant hereto or if sent by prepaid registered mail addressed to the party for whom it is intended at the principal address of such party herein set forth or as changed pursuant hereto. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purpose hereof.

The address of each party is as follows:

Debtor:

Ideal (BC) Developments Inc.  
65 Allstate Parkway, Unit 101  
Markham, Ontario L3R 9X1

Lender:

C & K Mortgage Services Inc.  
1670 Bayview Avenue, Suite 400  
Toronto, Ontario M4G 3C2

- (i) This Security Agreement and the security afforded hereby shall remain in full force and effect until all Indebtedness contracted for or created, shall be paid in full.
- (j) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.
- (k) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.
- (l) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.
- (m) Nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.
- (n) The Security Interest created hereby is intended to attach when this Security

Page 7

Agreement is signed by the Debtor and delivered to the Lender.

11. **COPY OF AGREEMENT**

The Debtor hereby acknowledges receipt of a copy of this Security Agreement.

IN WITNESS WHEREOF the Debtor has executed this Security Agreement under the hand of its authorized signing officers as of this ~~15th~~  
16th day of October, 2020.

**IDEAL (BC) DEVELOPMENTS INC.**

Per:           H. Shanmug            
Name: Shajiraj Nadarajalingam  
Title: President  
I have authority to bind the corporation.

## SCHEDULE A

Municipal Address	Legal description	PIN
8 BOSTWICK CR, RICHMOND HILL	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810; TOWN OF RICHMOND HILL <ul style="list-style-type: none"><li>Transfer YR222473 Planning Act Statements December 2, 2014 to Borrower</li></ul>	03196-0072 (LT)
10 BOSTWICK CRESCENT, RICHMOND HILL	PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL <ul style="list-style-type: none"><li>YR2206614 Planning Act Statements October 27, 2014 to Ideal (BC) Developments Inc.</li></ul>	03196-0073 (LT)
12 BOSTWICK CR, RICHMOND HILL	PT LT 64 PL 136 KING AS IN R530013; TOWN OF RICHMOND HILL <ul style="list-style-type: none"><li>YR2224724 Planning Act Statements December 2, 2014 to the Ideal (BC) Developments Inc.</li></ul>	03196-0074 (LT)
14 BOSTWICK CR, RICHMOND HILL	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345; RICHMOND HILL <ul style="list-style-type: none"><li>YR2224725 Planning Act Statements December 2, 2014 to Ideal (BC) Developments Inc.</li></ul>	03196-0075 (LT)
8 BOND CRESCENT, RICHMOND HILL	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070; RICHMOND HILL <ul style="list-style-type: none"><li>YR2388691 Planning Act Statements November 13, 2015 to 2490564 Ontario Inc.</li><li>YR3142295 to Ideal (BC) Developments Inc. September 18, 2020</li></ul>	03196-0076 (LT)
6 BOND CRESCENT, RICHMOND HILL	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B; RICHMOND HILL <ul style="list-style-type: none"><li>YR2379467 Planning Act Statements October 28, 2015 to Ideal (BC2)</li><li>YR3142297 Change of Name to Ideal (BC) Developments Inc.</li></ul>	03196-0077 (LT)
16 BOSTWICK CR, RICHMOND HILL	PT LT 66 PL 136 KING AS IN R690041; TOWN OF RICHMOND HILL <ul style="list-style-type: none"><li>YR2388693 Planning Act Statements November 13, 2015 to 2490564 Ontario Inc.</li><li>YR3142295 Transfer to Ideal (BC) Developments Inc. September 18, 2020</li></ul>	03196-0078 (LT)
18 BOSTWICK CRESCENT, RICHMOND HILL	PT LT 67 PL 136 KING AS IN R601987; RICHMOND HILL <ul style="list-style-type: none"><li>YR2388697 Planning Act Statements November 13, 2015 to 2490568 Ontario Inc.</li><li>YR3142296 to Ideal (BC) Developments Inc. September 9, 2020</li></ul>	03196-0079 (LT)
2 BOND CRESCENT, RICHMOND HILL	PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, & R601987; TOWN OF RICHMOND HILL <ul style="list-style-type: none"><li>YR2388689 Planning Act Statements November 13, 2015 to 2490564 Ontario Inc.</li></ul>	03196-0080 (LT)

SCHEDULE A

	<ul style="list-style-type: none"><li>YR3142295 to Ideal (BC) Developments Inc. September 18, 2020</li></ul>	
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This is Exhibit "G" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**

**THIS AGREEMENT** made as of the 11<sup>th</sup> day of June, 2021.

**BETWEEN:**

**C & K Mortgage Services Inc.**

(hereinafter called "C & K")

**OF THE FIRST PART;**

- and -

**IDEAL (BC) Developments Inc.**

(hereinafter called "Ideal")

**OF THE SECOND PART.**

**WHEREAS** C & K advanced the sum of \$15,000,000.00 to Ideal by way of a mortgage loan in the principal amount of Fifteen Million Dollars (\$15,000,000.00) secured against certain lands and premises in the City of Richmond Hill, Ontario as set out in Schedule A attached hereto (collectively, the "Properties") registered as Instrument Number YR3162185 on October 30, 2020 (the "Mortgage");

**AND WHEREAS** the sum of \$1,000,000.00 was held back from the Mortgage advance to be used for certain purposes;

**AND WHEREAS** only \$200,000.00 of the holdback has been released to date and Ideal is requesting the release of the remaining \$800,000.00;

**AND WHEREAS** C & K is willing to release the \$800,000.00 to Ideal rather than applying such sum against the principal amount of the Mortgage loan upon the following terms and conditions:

**NOW THEREFORE IN CONSIDERATION** of the covenants herein contained, and for other good and valuable consideration (the receipt of which is hereby acknowledged by each party hereto) it is agreed by and between the parties hereto as follows:

1. Ideal shall pay an interest rate of 15% per annum on the released \$800,000.00 (the "Holdback Amount") notwithstanding that the face rate of the Mortgage will remain as of 10.75% per annum, commencing from the date of this Agreement. For certainty, all of the terms and conditions of the Mortgage remain as is and are unamended and the interest rate for the balance of the principal amount of the Mortgage, other than the Holdback Amount, shall remain payable at the rate of 10.75% per annum pursuant to the terms of the Mortgage.
2. An interest rate differential payment of \$39,666.66 (the "Prepaid Interest") (which is calculated against the Holdback Amount of \$800,000 at the interest rate of 15% per annum at \$2,833.33 per month for 14 months commencing from the date of this Agreement) shall be deducted from the Holdback Amount. Any unused portion of the Prepaid Interest will be credited to Ideal's account when the Mortgage is repaid in full.
3. In addition to the Prepaid Interest, the balance of the Holdback Amount of \$800,000.00 shall be distributed as follows:
  - a. to pre-pay the interest on the Mortgage for 5 months, being the mortgage payments required for June 1, 2021, July 1, 2021, August 1, 2021, September 1, 2021 and October 1, 2021 based on the face rate of the Mortgage at the interest rate of 10.75% per annum in the total amount of \$671,875.00.
  - b. to pay to Rescom Mortgage Services a fee (which includes legal service) of \$20,000 plus applicable HST for securing this arrangement; and

- c. to retain the balance of the Holdback Amount being \$68,458.34 on account of fees to be charged by Masongsong Associates Engineering Limited for a study on sewer capacity (for which account the Borrower is responsible for payment in full of any balance owing after application of the \$68,458.34. In the event the amount retained for this purpose exceeds the fees charged by Masongsong Associates Engineering Limited, all such excess shall be credited to Ideal's account when the Mortgage is repaid in full.)  
(collectively, the "Additional Expenses").
4. The parties hereto agree that the amount of \$17,500 (the "Credit"), being the balance of the amount paid by Ideal to C & K in connection with the fee payable to Kindred Credit Union, shall be retained by C & K as a credit and can be used by C & K for the payment of any realty taxes payable in connection with the Properties. In the event that there is a balance remaining of the Credit after payment of the realty taxes, such balance shall be returned to Ideal.
5. All terms and conditions of the Mortgage will remain as is including the maturity date.
6. This Agreement shall be governed by the laws of the Province of Ontario and the parties hereto shall enure to the exclusive jurisdiction of the courts located in the City of Toronto, Province of Ontario.
7. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
8. This Agreement may be executed in counterparts and when so executed by all parties shall be of the same force and effect as if all parties had executed one and the same document. This Agreement may be signed by facsimile or electronic transmission and transmission of executed copies of this Agreement by facsimile or electronic transmission shall be deemed to have the same effect as delivery of an original executed copy to the party receiving the facsimile transmission or the electronic transmission.


IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

C & K Mortgage Services Inc.

  
Name: Gary Gruher  
Position: A.S.O.

I have authority to bind the Corporation

Ideal (BC) Developments Inc.

  
Name: Shajiraj Nadarajalingam  
Position: A.S.O.

I have authority to bind the Corporation



## Schedule "A"

Municipal Address	Legal description	PIN
8 BOSTWICK CR, RICHMOND HILL	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810; TOWN OF RICHMOND HILL	03196-0072 (LT)
10 BOSTWICK CRESCENT, RICHMOND HILL	PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL	03196-0073 (LT)
12 BOSTWICK CR, RICHMOND HILL	PT LT 64 PL 136 KING AS IN R530013; TOWN OF RICHMOND HILL	03196-0074 (LT)
14 BOSTWICK CR, RICHMOND HILL	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345; RICHMOND HILL	03196-0075 (LT)
8 BOND CRESCENT, RICHMOND HILL	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070; RICHMOND HILL	03196-0076 (LT)
6 BOND CRESCENT, RICHMOND HILL	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B; RICHMOND HILL	03196-0077 (LT)
16 BOSTWICK CR, RICHMOND HILL	PT LT 66 PL 136 KING AS IN R690041; TOWN OF RICHMOND HILL	03196-0078 (LT)
18 BOSTWICK CRESCENT, RICHMOND HILL	PT LT 67 PL 136 KING AS IN R601987; RICHMOND HILL	03196-0079 (LT)
2 BOND CRESCENT, RICHMOND HILL	PT LT 67 PL 136 KING AS IN K122033 EXCEPT R135070, B54438B, & R601987; TOWN OF RICHMOND HILL	03196-0080 (LT)

This is Exhibit "H" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**

Properties

PIN	03196 - 0072	LT	Interest/Estate	Fee Simple
Description	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;; TOWN OF RICHMOND HILL			
Address	8 BOSTWICK CR RICHMOND HILL			
PIN	03196 - 0073	LT	Interest/Estate	Fee Simple
Description	PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL			
Address	10 BOSTWICK CRESCENT RICHMOND HILL			
PIN	03196 - 0074	LT	Interest/Estate	Fee Simple
Description	PT LT 64 PL 136 KING AS IN R530013 ;; TOWN OF RICHMOND HILL			
Address	12 BOSTWICK CR RICHMOND HILL			
PIN	03196 - 0075	LT	Interest/Estate	Fee Simple
Description	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL			
Address	14 BOSTWICK CR RICHMOND HILL			
PIN	03196 - 0078	LT	Interest/Estate	Fee Simple
Description	PT LT 66 PL 136 KING AS IN R690041 ;; TOWN OF RICHMOND HILL			
Address	16 BOSTWICK CR RICHMOND HILL			
PIN	03196 - 0079	LT	Interest/Estate	Fee Simple
Description	PT LT 67 PL 136 KING AS IN R601987 ; RICHMOND HILL			
Address	18 BOSTWICK CRESCENT RICHMOND HILL			
PIN	03196 - 0080	LT	Interest/Estate	Fee Simple
Description	PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, & R601987 ;; TOWN OF RICHMOND HILL			
Address	2 BOND CRESCENT RICHMOND HILL			
PIN	03196 - 0077	LT	Interest/Estate	Fee Simple
Description	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL			
Address	6 BOND CRESCENT RICHMOND HILL			
PIN	03196 - 0076	LT	Interest/Estate	Fee Simple
Description	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL			
Address	8 BOND CRESCENT RICHMOND HILL			

Chargor(s)

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

Name

IDEAL (BC) DEVELOPMENTS INC.

Address for Service

1100 Rodick Road, Markham, Ontario,  
L3R 8C3

I, Shajiraj Nadarajalingam, President and Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Name

2490564 ONTARIO INC.

Address for Service

1100 Rodick Road, Markham, Ontario,  
L3R 8C3

I, Shajiraj Nadarajalingam, President and Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Name

2490568 ONTARIO INC.

Address for Service

1100 Rodick Road, Markham, Ontario,  
L3R 8C3

I, Shajiraj Nadarajalingam, President and Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargor(s)

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

Name

IDEAL (BC2) DEVELOPMENTS INC.

Address for Service

1100 Rodick Road, Markham, Ontario,  
L3R 8C3

I, Shajiraj Nadarajalingam, President and Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name

AMERCAN CORPORATION

Address for Service

Suite 607, 220 Duncan Mills Road, Toronto, Ontario, M3B 3J5

Statements

Schedule: See Schedules

Provisions

Principal

\$1,000,000.00

Currency

US

Calculation Period

Balance Due Date

DUE ON DEMAND

Interest Rate

Thirty-Five Percent (35%)

Payments

Interest Adjustment Date

Payment Date

First Payment Date

Last Payment Date

Standard Charge Terms

200033

Insurance Amount

Full insurable value

Guarantor

IDEAL DEVELOPMENTS INC. AND SHAJIRAJ NADARAJALINGAM

Signed By

Samuel Joseph Starkman

100 King Street West, Suite 1600  
Toronto  
M5X 1G5

acting for  
Chargor(s)

Signed

2019 08 29

Tel

416-862-7525

Fax

416-862-7661

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

Submitted By

Gowling WLG (Canada) LLP

100 King Street West, Suite 1600  
Toronto  
M5X 1G5

2019 08 29

Tel

416-862-7525

Fax

416-862-7661

Fees/Taxes/Payment

Statutory Registration Fee

\$64.40

Total Paid

\$64.40

File Number

Chargor Client File Number : T1019658

## SCHEDULE ADDITIONAL PROVISIONS

### 1. MORTGAGES ACT/LAND REGISTRATION REFORM ACT

If any of the short forms of words contained herein are also contained in Column One of Schedule B of the *Short Forms of Mortgages Act*, R.S.O. 1980, c. M.40 (as amended and replaced from time to time) and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in Column Two of Schedule B of the said Act distinguished by the same number and this Charge shall be interpreted as if the Short Forms of Mortgages Act were still in full force and effect. The implied covenants deemed to be included in a charge under subsection 7(1) of the *Land Registration Reform Act*, 1990, (as amended and replaced from time to time) shall be and are hereby expressly excluded from the terms of this Charge.

### 2. INDEBTEDNESS

For the purposes of this Charge, the term “**Indebtedness**” means the aggregate of all past, present and future indebtedness and liabilities of the Chargor to the Chargee (direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred, whether incurred as principal or surety, whether incurred alone or with another or others, and whether arising from dealings between the Chargee and the Chargor or from other dealings or proceedings by which the Chargee may become a creditor of the Chargor.

### 3. PAYMENT

- (a) The Chargor shall pay the Indebtedness to the Chargee ON DEMAND.
- (b) Except as otherwise agreed in writing, payments or other moneys received by the Chargee may be applied by it on any part of the Indebtedness determined by it from time to time, notwithstanding any contrary stipulation by the Chargor. The Chargee may from time to time revoke or alter any such application and reapply the amount in question on any other part of the Indebtedness determined by it.
- (c) The provisions of the Charge in no way prejudice or otherwise affect any right the Chargee may have independently of the Charge (whether pursuant to any agreement, promissory note, other instrument, any rule of law or otherwise whatsoever) to recover all or any part of the Indebtedness from the Chargor and, if the Indebtedness exceeds the amount secured (being the aggregate of (i) the Indebtedness, (ii) interest thereon at the Interest Rate calculated monthly both before and after default, demand, maturity and judgment, (iii) interest at the same rate on any interest or costs not paid when due and (iv) costs pursuant to the Standard Charge Terms) (the “**Secured Amount**”), the Chargee may conclusively determine what part of the Indebtedness (not exceeding the Amount Secured) shall be secured by the Charge and what part shall not be so secured.
- (d) The records maintained by the Chargee as to the date and amount of any Indebtedness advanced to or otherwise incurred by the Chargor from time to time (including any interest accrued thereon), and as to the amount of any payment thereof, shall constitute prima facie evidence of such dates and amounts.
- (e) Any demand for payment made by the Chargee pursuant to the Charge may be delivered personally to the Chargor or any employee or officer thereof or may be mailed, postage prepaid, to the address of the lands described in the Charge (the “**Property**”) or to the Chargor's most recent address appearing in the Chargee's records relating to the Charge. ANY SUCH DEMAND SHALL BE CONCLUSIVELY DEEMED TO HAVE BEEN GIVEN AND RECEIVED ON THE DATE OF SUCH DELIVERY OR THE FIFTH DAY AFTER SUCH MAILING.
- (f) The Chargor shall not, without the Chargee's express written consent, or except as otherwise provided for in this Charge, be entitled to pay all or any part of the Indebtedness prior to the date the same is payable pursuant to the provisions of this Charge.

## SCHEDULE ADDITIONAL PROVISIONS

### 4. COMPUTATION OF INTEREST

Interest will be calculated against the principle sum outstanding at the per annum interest rate provided for in Charge/Mortgage of Land to which this Schedule is attached (the "**Interest Rate**") calculated daily and payable monthly before as well as after maturity, default and judgment, with interest on overdue interest at the same rate as on the principal sum, and all other amounts payable by the Chargor hereunder and paying any taxes, rates, leases, charges, or assessments upon the said lands no matter by whom or what authority imposed and observing and performing all covenants, provisos and conditions herein contained.

### 5. PAYMENT

- (a) The Chargor shall pay the Indebtedness to the Chargee ON DEMAND.
- (b) Except as otherwise agreed in writing, payments or other moneys received by the Chargee may be applied by it on any part of the Indebtedness determined by it from time to time, notwithstanding any contrary stipulation by the Chargor. The Chargee may from time to time revoke or alter any such application and reapply the amount in question on any other part of the Indebtedness determined by it.
- (c) The provisions of the Charge in no way prejudice or otherwise affect any right the Chargee may have independently of the Charge (whether pursuant to any agreement, promissory note, other instrument, any rule of law or otherwise whatsoever) to recover all or any part of the Indebtedness from the Chargor and, if the Indebtedness exceeds the amount secured (being the aggregate of (i) the Indebtedness, (ii) interest thereon at the Interest Rate calculated monthly both before and after default, demand, maturity and judgment, (iii) interest at the same rate on any interest or costs not paid when due and (iv) costs pursuant to the Standard Charge Terms) (the "**Secured Amount**"), the Chargee may conclusively determine what part of the Indebtedness (not exceeding the Amount Secured) shall be secured by the Charge and what part shall not be so secured.
- (d) The records maintained by the Chargee as to the date and amount of any Indebtedness advanced to or otherwise incurred by the Chargor from time to time (including any interest accrued thereon), and as to the amount of any payment thereof, shall constitute prima facie evidence of such dates and amounts.
- (e) Any demand for payment made by the Chargee pursuant to the Charge may be delivered personally to the Chargor or any employee or officer thereof or may be mailed, postage prepaid, to the address of the lands described in the Charge (the "**Property**") or to the Chargor's most recent address appearing in the Chargee's records relating to the Charge. ANY SUCH DEMAND SHALL BE CONCLUSIVELY DEEMED TO HAVE BEEN GIVEN AND RECEIVED ON THE DATE OF SUCH DELIVERY OR THE FIFTH DAY AFTER SUCH MAILING.
- (f) The Chargor shall not, without the Chargee's express written consent, or except as otherwise provided for in this Charge, be entitled to pay all or any part of the Indebtedness prior to the date the same is payable pursuant to the provisions of this Charge.

### 6. CONTINUING SECURITY

The Charge shall, whether or not it secures a current or running account, be a general and continuing collateral security to the Chargee for payment of the Indebtedness in an amount not exceeding the Secured Amount and performance of the Chargor's other obligations under the Charge notwithstanding any fluctuation or change in the amount, nature or form of the Indebtedness or in the accounts relating thereto or in the bills of exchange, promissory notes and/or other obligations now or later held by the Chargee representing all or any part of the Indebtedness or in the names of the parties to such bills, notes and/or other obligations or that there is no Indebtedness outstanding at any particular time; and the Charge will not be deemed to have been redeemed or become void as a result of any such event or circumstance.

## SCHEDULE ADDITIONAL PROVISIONS

### 7. ADDITIONAL SECURITY, JUDGMENTS

- (a) The Charge is in addition to and not in substitution for any other security now or later held by the Chargee for all or any part of the Indebtedness. The Chargor agrees that the Charge shall not create any merger or discharge of any part of the Indebtedness or any other debt owing to the Chargee or of any mortgage, lien, pledge, security interest, bond, promissory note, bill of exchange or other security now or later held by the Chargee (whether from the Chargor or any other person). The Chargor further agrees that the Charge shall not in any way affect any other security now or later held by the Chargee for all or any part of the Indebtedness or the liability of any endorser or any other person, or any of the Chargee's remedies, in respect of any such lien, bond, bill of exchange, promissory note or other security, or any renewal thereof, held by the Chargee for or on account of all or any part of the Indebtedness.
- (b) The taking of a judgment or judgments against the Chargor in respect of any of the agreements or obligations contained in the Charge, or in respect of all or any part of the Indebtedness, or otherwise, shall not operate as a merger of such agreements or obligations or all or any part of the Indebtedness, or operate as a merger of or in any other way affect the security created by the Charge or any other security or the Chargee's right to pursue the Chargee's other remedies or to enforce the Chargor's other obligations (whether hereunder or otherwise) or the Chargee's right to interest on the Indebtedness at the Interest Rate. Any such judgment may provide that interest thereon shall be computed at the Interest Rate until such judgment is fully paid and satisfied.

### 8. DELAY, RELEASES, PARTIAL DISCHARGES, WAIVERS AND AMENDMENTS

The Chargee may increase, reduce, discontinue or otherwise vary the Chargor's credit arrangements, grant extensions of time or other indulgences, take and give up securities, abstain from taking, perfecting or registering securities, accept compositions and proposals, grant releases and discharges and otherwise deal with the Chargor and other persons (including without limitation any person to whom all or any part of the Property is transferred) and with any securities as the Chargee may see fit without affecting any of the Chargee's rights or remedies (hereunder or otherwise), the Chargor's liability under the Charge or the Chargor's liability to pay the Indebtedness. The Chargee may delay enforcing any of its rights under the Charge or any other document relating to the Indebtedness without losing or impairing those rights and may waive any breach of the Chargor's obligations under the Charge or any such document without affecting the Chargee's rights in respect of any other existing breach or any subsequent breach of the same or a different nature. No such waiver shall be effective unless made in writing and signed by an officer of the Chargee. The Chargee may release others from any liability to pay all or any part of the Indebtedness without releasing the Chargor. The Chargee may release its interest under the Charge in all or any part of the Property or any Lease (or any other collateral) whether or not the Chargee receives any value and shall be accountable to the Chargor only for moneys which the Chargee actually receives. If the Chargee releases its interest in part of the Property, the remainder of the Property shall continue to secure the Indebtedness in an amount not exceeding the Secured Amount and the Chargor's obligations under the Charge will continue unchanged. Indebtedness in an amount not exceeding the Secured Amount and the Chargor's obligations under the Charge will continue unchanged. No sale or other dealing with all or any part of the Property or any lease of the Property, and no amendment of the Charge or any other security agreement or instrument, and no amendment relating to the Indebtedness, will in any way affect the obligation of the Chargor or any other person to pay the Indebtedness.

### 9. EVENTS OF DEFAULT

In addition to the cases set out in the Standard Charge Terms, the Chargee may exercise all of the powers under the Charge and may at its option require immediate payment of principal and interest under the Charge after any obligation to the Chargee under any agreement that relates to the obligations secured by the Charge is not complied with.

## SCHEDULE ADDITIONAL PROVISIONS

### 10. **COMPLIANCE WITH CONSTRUCTION ACT**

In the event of any order or judgment (whether such order or judgment be on consent or otherwise) whereby any holdback deficiency, or any part thereof, under the *Construction Act*, 1990, (as it may be amended or replaced from time to time), is ordered, adjudged, or declared, to have priority over the within charge, the Chargee herein may, but without any obligation whatsoever so to do, pay such amount of the holdback deficiency which has priority over the within charge, and all costs, legal fees and expenses whatsoever (on a solicitor and client basis) pertaining to such payment, and the amount so paid by the Chargee, including all costs, legal fees and expenses pertaining to such payment of the holdback deficiency shall be a charge against the Property, and the amount so paid including the said costs, legal fees and expenses, shall be added to the principal amount of the Charge herein and interest shall be charged on such amount so paid at the Interest Rate chargeable herein, as amended from time to time, from the date of such payment; provided further, that upon payment of the amount mentioned in this paragraph, all monies owing under the within Charge shall immediately become fully due and payable, and the Chargee shall have the privilege of immediately exercising all of its remedies as contained in the within Charge and the *Mortgages Act*.

### 11. **RETURNED OR LATE CHEQUES**

In the event that any of the Chargor's cheques are not honoured when presented for payment to the Chargee or in the event that any payment cheque is received late so as to result in a late payment, the Chargor shall pay to the Chargee for each such late or returned cheque the sum of FIVE HUNDRED AND FIFTY DOLLARS (\$500.00) as a servicing fee as a liquidated amount to cover the Chargee's administrative costs with respect to same. In the event that the said cheque, which has not been honoured by the Chargor's bank or credit union, is not forthwith replaced by the Chargor, the Chargee shall be entitled to a further servicing fee for each written request which may be necessitated by the Chargor not forthwith replacing such dishonoured cheque. The aforementioned fee shall become part of the debt secured and shall bear interest at the Interest Rate set forth in this Charge.

### 12. **MORTGAGE COMMITMENT REMAINS IN EFFECT**

Provided further that the Chargor covenants and agrees that all the obligations, terms, covenants and stipulations (herein referred to as the "**terms**") on the part of the Chargor contained in the Commitment Letter between the Chargee and the Chargor form an integral part of this Charge and all such terms of the aforesaid commitment letter shall be deemed to be part of this Charge and of the same force and effect as if they were fully set forth herein, and the Chargor covenants and agrees to observe, keep and perform such terms, and failure on the part of the Chargor to observe, keep and perform such terms shall constitute an act of default hereunder and this Charge shall then be deemed to be in default.

### 13. **DISCHARGE PROVISIONS**

The Chargee shall have a reasonable time after payment of the Charge monies in full within which to prepare and execute a discharge of this Charge. Any discharge of this Charge shall be prepared by the Chargee at the Chargor's expense. All payments hereunder shall be made to the Chargee at the Chargee's address for service noted in the attached Charge. All prepayments of principal and other monies required to be made other than regular monthly mortgage payments are to be made by way of certified cheque, cash, bank draft or money order and interest as aforesaid shall continue to run on any payments received after 2:00 p.m. and shall not be credited until the following banking business day. The Chargee's administrative costs, legal costs and other expenses and costs incurred shall be paid by the Chargor prior to the Chargee being required to prepare the discharge contemplated herein.

### 14. **VALIDITY OF PROVISIONS**

If any provision of this Charge is held to any extent invalid or unenforceable, the remainder of this Charge, other than the provision which is held invalid or unenforceable, shall not be affected.



**SCHEDULE  
ADDITIONAL PROVISIONS**

**15. APPOINTMENT OF RECEIVER**

- (a) At any time after the security hereby constituted becomes enforceable, or the monies hereby secured shall have become payable, the Chargee may from time to time appoint by writing a Receiver of the Property, with or without Bond, and may from time to time remove the Receiver and appoint another in his stead, and any such Receiver appointed hereunder shall have the following powers:
- (i) To take possession of the Property and to collect the same and for such purpose to enter into and upon any property, buildings and premises where so ever and whatsoever and for such purpose to do any act and take any proceedings in the name of the Chargor or otherwise as he shall deem necessary;
  - (ii) To carry on or concur in carrying on the business of the Chargor, and to employ and discharge agents, workmen, accountants and others upon such terms and with such salaries, wages or remuneration as he shall think proper, and to repair and keep in repair the Property and to do all necessary acts and things for the carrying on of the business of the Chargor and the protection of the Property of the Chargor;
  - (iii) To sell or lease or concur in selling or leasing any or all of the Property, or any part thereof, and to carry any such sale or lease into effect by conveying in the name of or on behalf of the Chargor or otherwise; and any such sale may be made either at public auction or private sale as seen fit by the Receiver and any such sale may be made from time to time as to the whole or any part or parts of the Property; and he may make any stipulations as to title or conveyance or commencement of title or otherwise which he shall deem proper; and he may buy or rescind or vary any contracts for the sale of any part of the Property and may resell the same; and he may sell any of the same on such terms as to credit or part cash and part credit or otherwise as shall appear in his sole opinion to be most advantageous and at such prices as can reasonably be obtained therefor and in the event of a sale on credit neither he nor the Chargee shall be accountable for or charged with any monies until actually received;
  - (iv) To make any arrangement or compromise which the Receiver may think expedient in the interest of the Chargee and to consent to any modification or change in or omission from the provisions of this Charge and to exchange any part of parts of the Property for any other property suitable for the purposes of the Chargee and charged upon such terms as may seem expedient and either with or without payment or exchange of money or regard to the equality of the exchange or otherwise;
  - (v) To borrow money to carry on the business of the Chargor and to charge the whole or any part of the Property in such amounts as the Receiver may from time to time deem necessary and in so doing the Receiver may issue certificates that may be payable when the Receiver thinks expedient and shall bear interest as stated therein and the amounts from time to time payable under such certificates shall charge the Property in priority to this Charge;
  - (vi) To execute and prosecute all suits, proceedings and actions which the Receiver in his opinion considers necessary for the proper protection of the Property, to defend all suits, proceedings and actions against the Chargor or the Receiver, to appear in and conduct the prosecution and defense of any suit, proceeding or action then pending or thereafter instituted and to appeal any suit, proceeding or action;
  - (vii) To execute and deliver to the purchaser of any part or parts of the Property, good and sufficient deeds for the same, the Receiver hereby

## SCHEDULE ADDITIONAL PROVISIONS

being constituted the irrevocable attorney of the Chargor for the purpose of making such sale and executing such deed, and any such sale made as aforesaid shall be a perpetual bar both in law and equity against the Chargor, and all other persons claiming the Property or any part of parcels thereof by, from, through or under the Chargor, and the proceeds of any such sale shall be distributed in the manner hereinafter provided;

- (b) And it is agreed that no purchaser at any sale purporting to be made in pursuance of the aforesaid power or powers shall be bound or concerned to see or inquire whether any default has been made or continued, or whether any notice required hereunder has been given, or as to the necessity or expediency of the stipulations subject to which such sale shall have been made, or otherwise as to the propriety of such sale or regularity of its proceedings, or be affected by notice that no such sale default has been made or continues, or notice given as aforesaid, or that the sale is otherwise unnecessary, improper or irregular; and notwithstanding any impropriety or irregularity or notice thereof to such purchaser, the sale as regards such purchaser shall be deemed to be within the aforesaid power and be valid accordingly and the remedy (if any) of the Chargor, or of any party claiming by or under it, in respect of any impropriety or irregularity whatsoever in any such sale shall be in damages only.

The net profits of the business of the Chargor and the net proceeds of any sale of the Property or part thereof shall be applied by the Receiver subject to the claims of any creditors ranking in priority to this Charge:

- (i) Firstly, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by him of all or any of the powers foresaid including the reasonable remuneration of the Receiver and all amounts properly payable by him;
  - (ii) Secondly, in payment of all costs, charges and expenses payable hereunder;
  - (iii) Thirdly, in payment to the Chargee of the principal sum owing hereunder;
  - (iv) Fourthly, in payment to the Chargee of all interest and arrears of interest and any other monies remaining unpaid hereunder; and
  - (v) Fifthly, any surplus shall be paid to the Chargor; provided that, in the event that any party claims a charge against all or a portion of the surplus, the Receiver shall make such disposition of all or a portion of the surplus as the Receiver deems appropriate in the circumstances.
- (c) The Chargee shall not be liable to the Receiver for his remuneration costs, charges or expenses, and the Receiver shall not be liable for any loss howsoever arising unless the same shall be caused by his own gross negligence or willful default; and he shall, when so appointed, by notice in writing pursuant hereto, be deemed to be the agent of the Chargor and the Chargor shall be solely responsible for his acts and defaults and for his remuneration.

### 16. REALTY TAXES

The Chargor shall each year throughout the term of the Charge pay all municipal taxes levied upon the Property as the same fall due and furnish to the Chargee, within thirty (30) days after payment of such taxes in full, evidence of payment thereof.

### 17. SALE OF PROPERTY

In the event of any assignment, sale, transfer or conveyance of the Property, or a change of ownership or control of the Chargor, regardless of whether such change of ownership or control is beneficial or otherwise, then in such case the principal sum secured hereunder together with accrued interest thereon shall, at the option of the Chargee become due and payable.

SCHEDULE  
ADDITIONAL PROVISIONS

18. RESTRICTION ON FURTHER FINANCING

The Chargor agrees not to enter into, create, incur, assume, suffer or permit to exist any other charge, pledge or other form of financing of the Property and not to further encumber same in any manner without the prior written approval of the Chargee, which approval shall be in the sole discretion of the Chargee.

19. INSPECTIONS

The Chargee shall have access to and the right to inspect the Property at all reasonable times. The Chargor shall permit the Chargee to conduct, at the Chargor's expense, any and all tests, inspections, appraisals and environmental audits of the Property so as to determine and ensure compliance with the provisions of this paragraph including, without limitation, the right to conduct soil tests and to review and copy any records relating to the Property or the businesses and other activities conducted thereon at any time and from time to time.

20. OWNERSHIP OF PROPERTIES

THE FOLLOWING PROPERTIES ARE ALL OWNED BY IDEAL (BC) DEVELOPMENTS INC.:

Municipal Addresses	PINs
8 Bostwick Road	03196-0072(LT)
10 Bostwick Road	03196-0073(LT)
12 Bostwick Road	03196-0074(LT)
14 Bostwick Road	03196-0075(LT)

THE FOLLOWING PROPERTIES ARE ALL OWNED BY IDEAL (BC2) DEVELOPMENTS INC.:

Municipal Addresses	PINs
6 Bond Crescent	03196-0077(LT)

THE FOLLOWING PROPERTIES ARE ALL OWNED BY 2490564 ONTARIO INC.:

Municipal Addresses	PINs
16 Bostwick Road	03196-0078(LT)
2 Bond Crescent	03196-0080(LT)
8 Bond Crescent	03196-0076(LT)

THE FOLLOWING PROPERTIES ARE ALL OWNED BY 2490568 ONTARIO INC.:

Municipal Addresses	PINs
18 Bostwick Road	03196-0079(LT)

The applicant(s) hereby applies to the Land Registrar.

**Properties**

<i>PIN</i>	03196 - 0072    LT
<i>Description</i>	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;
<i>Address</i>	8 BOSTWICK CR RICHMOND HILL
<i>PIN</i>	03196 - 0073    LT
<i>Description</i>	PT LT 63 PL 136 KING AS IN R209240
<i>Address</i>	10 BOSTWICK CRESCENT RICHMOND HILL
<i>PIN</i>	03196 - 0074    LT
<i>Description</i>	PT LT 64 PL 136 KING AS IN R530013 ;
<i>Address</i>	12 BOSTWICK CR RICHMOND HILL
<i>PIN</i>	03196 - 0075    LT
<i>Description</i>	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL
<i>Address</i>	14 BOSTWICK CR RICHMOND HILL
<i>PIN</i>	03196 - 0076    LT
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL
<i>Address</i>	8 BOND CRESCENT RICHMOND HILL
<i>PIN</i>	03196 - 0077    LT
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL
<i>Address</i>	6 BOND CRESCENT RICHMOND HILL
<i>PIN</i>	03196 - 0078    LT
<i>Description</i>	PT LT 66 PL 136 KING AS IN R690041 ;
<i>Address</i>	16 BOSTWICK CR RICHMOND HILL
<i>PIN</i>	03196 - 0079    LT
<i>Description</i>	PT LT 67 PL 136 KING AS IN R601987 ; RICHMOND HILL
<i>Address</i>	18 BOSTWICK CRESCENT RICHMOND HILL
<i>PIN</i>	03196 - 0080    LT
<i>Description</i>	PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, & R601987 ;
<i>Address</i>	2 BOND CRESCENT RICHMOND HILL

**Source Instruments**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
YR3002005	2019 08 29	Charge/Mortgage

**Transferor(s)**

This transfer of charge affects all lands that the charge is against which are outstanding.

<i>Name</i>	AMERCAN CORPORATION
<i>Address for Service</i>	220 Duncan Mill Road Suite 607 Toronto, Ontario M3B 3J5

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

<b>Transferee(s)</b>	<i>Capacity</i>	<i>Share</i>
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<i>Name</i>	FIERA FP REAL ESTATE FINANCING FUND, L.P.
<i>Address for Service</i>	1 Adelaide Street East Suite 600 Toronto, Ontario M5C 2V9

Statements

The chargee transfers the selected charge for \$2.00.

Schedule: The Transferor and Transferee acknowledge and agree that the Charge transferred hereby to the Transferee is security for the obligations (the Obligations) of Jefferson Properties Limited Partnership (Jefferson), the Transferor and others to the Transferee pursuant to a commitment letter (the Commitment) dated November 22, 2019, as amended and assumed by Jefferson in accordance with the terms and conditions of a letter dated July 20, 2020 and all security delivered to the Transferee pursuant thereto. Upon repayment of the Obligations in full and cancellation of the Commitment and said security, the said Charge shall be re-transferred to the Transferee.

Signed By

Lynn Pender

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

acting for  
Transferor(s)

Signed    2020 08 24

Tel            416-864-9700

Fax            416-941-8852

I have the authority to sign and register the document on behalf of all parties to the document.

Lynn Pender

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

acting for  
Transferee(s)

Signed    2020 08 24

Tel            416-864-9700

Fax            416-941-8852

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

FOGLER, RUBINOFF LLP

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

2020 08 24

Tel            416-864-9700

Fax            416-941-8852

Fees/Taxes/Payment

Statutory Registration Fee

\$65.05

Total Paid

\$65.05

This is Exhibit "I" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**

LRO # 65 Charge/Mortgage

Registered as YR2830041 on 2018 05 24 at 13:18

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 7

**Properties**

<i>PIN</i>	03196 - 0072 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;; TOWN OF RICHMOND HILL		
<i>Address</i>	8 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0073 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL		
<i>Address</i>	10 BOSTWICK CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0074 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING AS IN R530013 ;; TOWN OF RICHMOND HILL		
<i>Address</i>	12 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0075 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL		
<i>Address</i>	14 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0076 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL		
<i>Address</i>	8 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0077 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL		
<i>Address</i>	6 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0078 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING AS IN R690041 ;; TOWN OF RICHMOND HILL		
<i>Address</i>	16 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0080 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, & R601987 ;; TOWN OF RICHMOND HILL		
<i>Address</i>	2 BOND CRESCENT RICHMOND HILL		

**Chargor(s)**

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

*Name* IDEAL (BC) DEVELOPMENTS INC.  
*Address for Service* 1100 Rodick Road  
 Markham, ON  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

*Name* IDEAL (BC2) DEVELOPMENTS INC.  
*Address for Service* 1100 Rodick Road  
 Markham, ON  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

*Name* 2490564 ONTARIO INC.  
*Address for Service* 1100 Rodick Road  
 Markham, ON  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

LRO # 65 **Charge/Mortgage**

Registered as YR2830041 on 2018 05 24 at 13:18

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 7

<b>Chargee(s)</b>	<b>Capacity</b>	<b>Share</b>
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Name FEATURE CORP.  
 Address for Service 415-170 The Donway West  
 Toronto, ON  
 M3C 2G3

<b>Statements</b>
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Schedule: See Schedules

<b>Provisions</b>
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Principal	\$2,000,000.00	Currency	CDN
Calculation Period	semi-annually, not in advance		
Balance Due Date	2018/11/22		
Interest Rate	17%		
Payments			
Interest Adjustment Date	2018 05 22		
Payment Date			
First Payment Date			
Last Payment Date	2018 11 22		
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor	Shajiraj Nadarajalingam		

<b>Signed By</b>
------------------

Nasim Akbari-Balderlou	50 West Pearce St Suite 10 Richmond Hill L4B 1C5	acting for Chargor(s)	Signed 2018 05 24
------------------------	--	--------------------------	-------------------

Tel 905-763-3770

Fax 905-763-3772

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

<b>Submitted By</b>
---------------------

FIJ LAW LLP	50 West Pearce St Suite 10 Richmond Hill L4B 1C5	2018 05 24
-------------	--	------------

Tel 905-763-3770

Fax 905-763-3772

<b>Fees/Taxes/Payment</b>
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Statutory Registration Fee	\$63.65
Total Paid	\$63.65



Ideal (BC) Developments Inc. is the registered owner and Chargor of 8, 10, 12 and 14 Bostwick Crescent, Richmond Hill to this Charge under PIN's 03196-0072 (LT), 03196-0073 (LT), 03196-0074 (LT) and 03196-0075 (LT);

Ideal (BC2) Developments Inc. is the registered owner and Chargor of 6 Bond Crescent, Richmond Hill to this Charge under PIN 03196-0077 (LT); and

2490564 Ontario Inc. is the registered owner and Chargor of 16 Bostwick Crescent, 2 and 8 Bond Crescent, Richmond Hill to this Charge under PIN's 03196-0078 (LT), 03196-0080 (LT) and 03196-0076 (LT)

## ADDITIONAL CHARGE PROVISIONS

### 1. PAYMENT

Subject to the terms and conditions stated herein, payment of the principal amount of this Charge including all interest and costs payable hereunder shall be due on the Balance Due Date.

### 2. NON-PAYMENT

In the event this Charge is not repaid in full or renewed on or before the Balance Due Date, without a formal renewal agreement being executed between the Chargee(s) and the Chargor(s), the Chargor(s) acknowledges and agrees that it shall be subject to and shall pay the Chargee(s)'s extension or monitoring fee of one (1%) per cent per month of the outstanding principal balance on the Balance Due Date which amount shall become due and payable on the sixteenth (16<sup>th</sup>) day following the Balance Due Date. If the said amount is not paid when due it shall be added to the principal balance of this Charge and bear interest thereafter, at the rate of interest herein provided. The receipt by the Chargee(s) of such payment shall not obligate the Chargee(s) to renew this Charge and this Charge shall thereafter become due and payable at any time upon fifteen (15) days' notice of demand for payment in full.

### 3. PREPAYMENT PRIVILEGE

The Chargor(s), when not in default hereunder, shall have the privilege of prepaying the whole of the balance owing on this Charge, with a penalty equal to the remaining interest owing on the loan for the length of the Initial Term or Renewal Term, as applicable.

### 4. DEFAULT

In the event there is any kind of default under this Charge and a collection letter is issued by the Chargee(s) or their lawyers, the Chargee(s) are entitled to a fee of Three Hundred (\$300.00) Dollars for each collection letter written, whether in connection with one default or more and any such amount so due and owing shall be a charge upon the property and shall bear interest at the rate set out in the within Charge.

### 5. OTHERS

(a) Upon a payout of the Charge in which the Chargee(s) are in receipt of the funds after 1:00 p.m., the Chargor(s) agrees to pay the interest up to an including the next business day.

(b) The Chargor(s) confirm that no portion of the subject lands will be used for farming purposes.

(c) A fee in favour of the Chargee(s) in the amount of One Thousand, Five Hundred (\$1,500.00) Dollars will be payable for each action or proceeding instituted under this Charge.

(d) A fee in favour of the Chargee(s) in the amount of Two Hundred (\$200.00) Dollars will be payable for administering maintenance and security of the property in the possession of the Chargee, per day.

### 6. MORTGAGE STATEMENTS

The Chargor(s) shall pay for each mortgage statement prepared for and provided by the Chargee(s) or their solicitors, on request, a fee of One Hundred and Fifty (\$150.00) Dollars for the preparation and provision of such statement. In addition, upon any assumption of the Charge, approved by the Chargee(s), the Chargor(s), shall pay to the Chargee(s) a fee of Three Hundred (\$300.00) Dollars for approving the assumption and amending their records to reflect the assumption of the Charge. The aforementioned fee shall be forthwith payable to the Chargee(s).

## 7. DISCHARGES

Upon payment in full of the herein Charge and any outstanding fees, the discharge of mortgage shall be prepared by the Chargee(s)' solicitors and the Chargee(s)' solicitors fees and disbursements of One Thousand (\$1,000.00) Dollars plus shall be paid by the Chargor(s).

## 8. RIGHT OF INSPECTION

The Chargor(s) shall permit the Chargee(s), or their agent or agents, at all reasonable times to make investigation or examination concerning the performance by the Chargor(s) of their obligations under this Charge and to have access to any and all of the buildings and improvements forming part of the mortgaged property for the purpose of inspecting or protecting the same. The Chargor(s) shall take all reasonable steps including, without limitation, legal proceedings, to protect their own right, title and interest in any of the mortgaged property and to enable the Chargee(s) to defend the interest of the Chargee(s) therein.

## 9. SUBSEQUENT ENCUMBRANCES

Subject to Section 16 below, the Chargor(s) shall not place subsequent encumbrances on the subject property without the prior written consent of the Chargee(s), otherwise, at the option of the Chargee(s), such mortgage loan shall become immediately due and payable in full.

## 10. COMMITMENT NON-TRANSFERABLE

The mortgage loan agreement and/or mortgage commitment is personal to the Chargor(s) and may not be transferred or otherwise assigned without the prior written consent of the Chargee(s).

## 11. REPRESENTATION AND CREDIT

By acceptance of the commitment, the Chargor(s) covenant that the representations, warranties and information submitted by them in connection with the mortgage loan is a full disclosure and are true and accurate. The Chargee(s), in their sole discretion, must be satisfied that no material change in the credit standing of the Chargor(s) has occurred prior to the advance. The Chargor(s) hereby authorize the Chargee(s) to have credit checks performed as the Chargee(s) desire from time to time.

## 12. INSURANCE

The Chargor(s) hereby covenant to deliver to the Chargee(s), within ten (10) days after having renewed or replaced any insurance, a binder letter or certified copy of the insurance policy evidencing the fire and liability coverage with respect to the mortgaged property. In the event that the Chargor(s) do not deliver to the Chargee(s) the aforementioned binder letter or certified copy of the insurance policy, as provided above, the Chargor(s) shall pay the sum of Three Hundred (\$300.00) Dollars as a liquidated amount to cover the Chargee(s)'s administrative costs and not as a penalty and such amount shall be immediately due and payable and shall be a charge upon the property and shall bear interest at the rate set out in the within Charge.

## 13. CROSS DEFAULT

The occurrence of an event of default under the provisions of this Charge, under any security document provided by the Chargor(s) or pursuant to any other charge or security document between the Chargor(s) and the Chargee(s), including any document pursuant to which the Chargor(s), their principals or affiliates, are a guarantor, shall be deemed to be an event of default under all such security documents and shall entitle the Chargee(s) to pursue its remedies under any or all of the aforesaid security documents.

#### 14. ASSIGNMENT BY CHARGEES

The Chargee(s) shall be entitled to transfer or assign this Charge to any third party without the consent of or notice to the Chargor(s).

#### 15. APPRAISALS AND REPORTS

The Chargor(s) hereby covenant to deliver to the Chargee(s), within ten (10) days after having completed any appraisal of the hereinbefore described lands, an appraisal report addressed to the Chargee(s) or containing an authorization in writing satisfactory to the Chargee(s) by the appraiser that the Chargee(s) can rely on the appraisal for lending purposes.

The Chargor(s) hereby covenant to deliver to the Chargee(s), within ten (10) days after having received any cost controller reports, a copy of such cost controller report containing an authorization in writing satisfactory to the Chargee(s) by the author of the report that the Chargee(s) can rely on the report for lending purposes.

#### 16. DEVELOPMENT PROVISIONS

(a) The Chargee(s) shall execute and deliver forthwith, without any fee or charge whatsoever, save for reasonable legal fees, and without any principal or interest repayment hereunder, such partial discharges of the Charge as may be reasonably required in connection with the giving of any road widenings, one foot reserves, park dedications, or other land contribution(s) to any governmental authorities, required as part of the development approval process in respect of the Property.

(b) The Chargee(s) shall execute and deliver forthwith, without any fee or charge whatsoever, save for reasonable legal fees, and without any principal or interest repayment hereunder, all consents and acknowledgments that may be reasonably required by the Chargor(s) to re-zone and/or subdivide the lands to permit the development thereof, or to register the lands under the Land Titles System and/or pursuant to the provisions of the Planning Act R.S.O. 1990, as amended, and/or any other legislation as well as any consents and acknowledgments reasonably required by the Chargor(s) in connection with the entering into of any subdivision agreement, condominium agreement, site plan agreement, engineering agreement, development agreement or similar agreement with any governmental authorities and/or any public or private utilities, and the mortgage holder shall also consent to, subordinate and postpone this Charge forthwith to and in favour of any easements or agreements now or hereafter granted to, or entered into with, any such governmental authorities and/or to any public or private utility authorities in respect of the provision of services to the lands, including but not limited to easements in connection with the installation, maintenance and/or repair of storm and sanitary sewers, gas, telephone, television, hydro-electric and water services and/or similar services together with any easements for access and egress purposes in favour of any property adjacent to the lands, all without any payment whatsoever, save for reasonable legal fees, provided however that the Chargee(s) shall not be responsible for any financial or other obligations incurred in connection therewith.

(c) Subject to the following, the Chargee(s) will subordinate, postpone and standstill the Charge to construction financing. This charge shall be a third charge behind construction financing provided that the total amount of the prior registered charge does not exceed Thirteen Million Dollars, and the Chargee(s) will execute any subordination, postponement and/or standstill agreement reasonably required by any prior registered chargee forthwith.

(d) Partial discharges of this Charge will be provided by the Chargee(s) upon written request by the Chargor(s) for the sale of each of the proposed dwelling units provided that the balance due on closing received from the sale of such dwelling unit, less: (i) all HST payable; (ii) legal fees along with disbursements and taxes thereon; (iii) any real estate commissions along with taxes thereon, (iv) and amounts collected for property taxes are paid first to discharge any construction financing registered in priority to this Charge, then this Charge.

(e) The Chargor(s) shall be entitled to demolish and remove any existing buildings and structures situate on the Property, and shall also be entitled to excavate, grade and/or commence and complete construction and servicing operations upon the Property, all without same being deemed an act of waste hereunder, and without triggering any payments thereunder and/or without such acts triggering any acceleration.

17. STANDARD CHARGE TERMS

In the event of any conflict or inconsistency between any provisions of the standard charge terms incorporated by reference in this Charge and this schedule, then the terms of this schedule shall prevail to the extent of any conflict or inconsistency.

**Properties**

**PIN** 03196 - 0072 LT  
**Description** PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;;  
TOWN OF RICHMOND HILL  
**Address** 8 BOSTWICK CR  
RICHMOND HILL

**PIN** 03196 - 0073 LT  
**Description** PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL  
**Address** 10 BOSTWICK CRESCENT  
RICHMOND HILL

**PIN** 03196 - 0074 LT  
**Description** PT LT 64 PL 136 KING AS IN R530013 ;; TOWN OF RICHMOND HILL  
**Address** 12 BOSTWICK CR  
RICHMOND HILL

**PIN** 03196 - 0075 LT  
**Description** PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL  
**Address** 14 BOSTWICK CR  
RICHMOND HILL

**PIN** 03196 - 0076 LT  
**Description** PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL  
**Address** 8 BOND CRESCENT  
RICHMOND HILL

**PIN** 03196 - 0077 LT  
**Description** PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL  
**Address** 6 BOND CRESCENT  
RICHMOND HILL

**PIN** 03196 - 0078 LT  
**Description** PT LT 66 PL 136 KING AS IN R690041 ;; TOWN OF RICHMOND HILL  
**Address** 16 BOSTWICK CR  
RICHMOND HILL

**PIN** 03196 - 0080 LT  
**Description** PT LT 67 PL 136 KING AS IN K122033 EXCEPT R135070, B54438B. & R601987 ;; TOWN  
OF RICHMOND HILL  
**Address** 2 BOND CRESCENT  
RICHMOND HILL

**Consideration**

**Consideration** \$2.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

**Name** IDEAL (BC) DEVELOPMENTS INC.  
**Address for Service** 1100 Rodick Road  
Markham, ON  
L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Name** IDEAL (BC2) DEVELOPMENTS INC.  
**Address for Service** 1100 Rodick Road  
Markham, ON  
L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Name** 2490564 ONTARIO INC.  
**Address for Service** 1100 Rodick Road  
Markham, ON  
L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

This document is not authorized under Power of Attorney by this party.

**Party To(s)***Capacity**Share*

Name FEATURE CORP.  
Address for Service 415-170 The Donway West  
Toronto, ON  
M3C 2G3

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

**Statements**

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, YR2830041 registered on 2018/05/24 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration number(s) YR2830041 and YR2830046

**Signed By**

Xiaona Chen 50 West Pearce St Suite 10 acting for Signed 2018 11 23  
Richmond Hill Applicant(s)  
L4B 1C5

Tel 905-763-3770

Fax 905-763-3772

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

**Submitted By**

FIJ LAW LLP 50 West Pearce St Suite 10 2018 11 23  
Richmond Hill  
L4B 1C5

Tel 905-763-3770

Fax 905-763-3772

**Fees/Taxes/Payment**

Statutory Registration Fee \$64.40  
Total Paid \$64.40

**File Number**

Party To Client File Number : 18-3303

## CHARGE AMENDING AGREEMENT

THIS AGREEMENT made in duplicate as of the 22<sup>nd</sup> day of November 2018.

BETWEEN:

**FEATURE CORP.**

hereinafter called the "Chargee"

OF THE FIRST PART

- and -

**IDEAL (BC) DEVELOPMENTS INC., IDEAL (BC2) DEVELOPMENTS INC., 2490564  
ONTARIO INC.**

hereinafter called the "Chargor"

OF THE SECOND PART

- and -

**SHAJIRAJ NADARAJALINGAM**

hereinafter called the "Guarantor"

OF THE THIRD PART

**WHEREAS** by a Charge/Mortgage of Land dated the 24<sup>th</sup> day of May, 2018, and registered in the Land Registry Office for the Regional Municipality of York (No. 65), as Instrument No. YR2830041 (the "Charge"), the Chargor did charge the lands described in Schedule "A" hereto and identified under Property Identifier Numbers 03196-0072 (LT), 03196-0073 (LT), 03196-0074 (LT), 03196-0075 (LT), 03196-0076 (LT), 03196-0077 (LT), 03196-0078 (LT), 03196-0080 (LT) (the "**Lands**") in favour of the Chargee, and guaranteed by the Guarantor, securing the payment of the principal sum of Two Million Dollars (\$2,000,000.00) with interest as therein set out upon the terms therein mentioned;



AND WHEREAS the Chargor and the Chargee have agreed to amend the Charge pursuant to the terms provided herein as of the date of this Charge Amending Agreement (the "Effective Date");

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the sum of Two Dollars (\$2.00) paid by each party hereto to each of the other parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. The parties hereto hereby acknowledge, confirm and agree that the foregoing recitals are true.
2. The principal amount as shown on the registered face page of the Charge shall be deleted and replaced with the new principal amount of Three Million Dollars (\$3,000,000.00) Dollars;
3. The Balancc Due Date, as well as the Last Payment Date as shown on the registered face page of the Charge shall be deleted, and replaced with May 22<sup>nd</sup>, 2019.
4. The Chargor hereby covenants with the Chargee to pay interest at the rate and in the manner provided in the Charge, including such balloon payment as necessary at the end of the Term, and to well and truly keep, observe, perform and fulfill all the covenants, provisos and agreements that the said Charge contained.
5. Provided that nothing herein contained shall in any way affect or prejudice the rights of the Chargee as against the Chargor, or as against any party to the Charge or as against any surety or other person whomsoever for the debt or any part thereof or as against any collateral which the Chargee may now or hereafter hold against the debt or any part thereof.
6. And also provided that nothing herein contained shall create any merger or alter the rights of the Chargee as against any subsequent encumbrancer or other person with an interest in the Lands nor affect the liability of any person not a party hereto who may be liable to

pay the said mortgage money or the rights of any such person all of which rights are hereby reserved.

7. In all other respects the parties hereto confirm that the covenants, agreements, clauses, terms, and conditions contained in the Charge, as amended from time to time, shall continue in full force and effect.
8. In construing this document, the words "Chargor" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein requires and all necessary grammatical changes, as the context requires, shall be deemed to be made.
9. The provision of this document shall enure to and be binding upon the executors, administrators, successors and assigns of each party and all covenants, liabilities and obligations shall be joint and several.
10. It is agreed that this Agreement may be executed in counterparts, each of which counterparts so executed shall constitute and be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original or telecopied form and the parties to this Agreement adopt any signatures received by receiving telecopier machine as original signatures of the parties.
11. Each of the parties shall execute and deliver all such further documents and do such other things as any other party may reasonably request to give full effect to this Agreement at the sole cost and expense of the requesting party.
12. This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

**[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

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)  
) H. Shammij  
) SHAJIRAJ NADARAJALINGAM  
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) IDEAL (BC) DEVELOPMENTS INC.  
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)

)  
) Per: H. Shammij  
) Name: Shajiraj Nadarajalingam  
) Title: President  
)  
)  
)

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) I have authority to bind the Corporation.  
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) IDEAL (BC2) DEVELOPMENTS INC.  
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)  
) Per: H. Shammij  
) Name: Shajiraj Nadarajalingam  
) Title: President  
)  
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) I have authority to bind the Corporation.  
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) 2490564 ONTARIO INC.  
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)  
) Per: H. Shammij  
) Name: Shajiraj Nadarajalingam  
) Title: President  
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)  
) I have authority to bind the Corporation.  
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)

) **FEATURE CORP.**

) Per: 

) Name: *Talia Khanania*

) Title: *Director*

) I have authority to bind the Corporation.

**SCHEDULE A**

1. PIN: 03196-0072 (LT)

PT LT 1 PL 138 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810,  
TOWN OF RICHMOND HILL

Municipally known as: 8 Bostwick Crescent, Richmond Hill

2. PIN: 03196-0073 (LT)

PT LT 63 PL 138 KING AS IN R209240; TOWN OF RICHMOND HILL

Municipally known as: 10 Bostwick Crescent, Richmond Hill

3. PIN: 03196-0074 (LT)

PT LT 64 PL 136 KING AS IN R530013; TOWN OF RICHMOND HILL

Municipally known as: 12 Bostwick Crescent, Richmond Hill

4. PIN: 03196-0075 (LT)

PT LT 64 PL 136 KING PT LT 65 PL 136 KING AS IN R406345; RICHMOND HILL

Municipally known as: 14 Bostwick Crescent, Richmond Hill

5. PIN: 03196-0076 (LT)

PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN RI35070; RICHMOND HILL

Municipally known as: 8 Bond Crescent, Richmond Hill

6. PIN: 03196-0077 (LT)

PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B; RICHMOND HILL

Municipally known as: 6 Bond Crescent, Richmond Hill

7. PIN: 03196-0078 (LT)

PT LT 66 PL 136 KING AS IN R690041; RICHMOND HILL

Municipally known as: 16 Bond Crescent, Richmond Hill

8. PIN: 03196-0080 (LT)

PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070; B54438B & R601987; TOWN  
OF RICHMOND HILL

Municipally known as: 2 Bond Crescent, Richmond Hill

**Properties**

<i>PIN</i>	03196 - 0072 LT
<i>Description</i>	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 :: TOWN OF RICHMOND HILL
<i>Address</i>	8 BOSTWICK CR RICHMOND HILL
<i>PIN</i>	03196 - 0073 LT
<i>Description</i>	PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL
<i>Address</i>	10 BOSTWICK CRESCENT RICHMOND HILL
<i>PIN</i>	03196 - 0074 LT
<i>Description</i>	PT LT 64 PL 136 KING AS IN R530013 :: TOWN OF RICHMOND HILL
<i>Address</i>	12 BOSTWICK CR RICHMOND HILL
<i>PIN</i>	03196 - 0075 LT
<i>Description</i>	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL
<i>Address</i>	14 BOSTWICK CR RICHMOND HILL
<i>PIN</i>	03196 - 0076 LT
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL
<i>Address</i>	8 BOND CRESCENT RICHMOND HILL
<i>PIN</i>	03196 - 0077 LT
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL
<i>Address</i>	6 BOND CRESCENT RICHMOND HILL
<i>PIN</i>	03196 - 0078 LT
<i>Description</i>	PT LT 66 PL 136 KING AS IN R690041 :: TOWN OF RICHMOND HILL
<i>Address</i>	16 BOSTWICK CR RICHMOND HILL
<i>PIN</i>	03196 - 0080 LT
<i>Description</i>	PT LT 67 PL 136 KING AS IN K122033 EXCEPT R135070, B54438B, & R601987 :: TOWN OF RICHMOND HILL
<i>Address</i>	2 BOND CRESCENT RICHMOND HILL

**Consideration**

*Consideration* \$2.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

*Name* IDEAL (BC) DEVELOPMENTS INC.  
*Address for Service* 1100 Rodick Road  
 Markham, Ontario  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

*Name* IDEAL (BC2) DEVELOPMENTS INC.  
*Address for Service* 1100 Rodick Road  
 Markham, Ontario, L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

*Name* 2490564 ONTARIO INC.  
*Address for Service* 1100 Rodick Road  
 Markham, Ontario, L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

LRO # 65 Notice

Registered as YR3001386 on 2019 08 28 at 12:12

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 6

Party To(s)	Capacity	Share
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Name FEATURE CORP.  
Address for Service 415 - 170 The Donway West  
Toronto, Ontario  
M3C 2G3

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

### Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, YR2830041 registered on 2018/05/24 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration number(s) YR2830041, YR2830046 and YR2901113

### Signed By

Yuk Shan Lee 50 West Pearce St Suite 10 acting for Signed 2019 08 28  
Richmond Hill Applicant(s)  
L4B 1C5

Tel 905-763-3770

Fax 905-763-3772

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

### Submitted By

FIJ LAW LLP 50 West Pearce St Suite 10 2019 08 28  
Richmond Hill  
L4B 1C5

Tel 905-763-3770

Fax 905-763-3772

### Fees/Taxes/Payment

Statutory Registration Fee \$64.40

Total Paid \$64.40



### Amendment Agreement

**TO:**       **Ideal (BC) Developments Inc.**  
               1100 Rodick Road  
               Markham, Ontario, L3R 8C3

**AND TO:**   **Ideal (BC2) Developments Inc.**  
               1100 Rodick Road  
               Markham, Ontario, L3R 8C3

**AND TO:**   **2490564 Ontario Inc.**  
               1100 Rodick Road  
               Markham, Ontario, L3R 8C3

**AND TO:**   **Shajiraj Nadarajalingam**  
               1100 Rodick Road  
               Markham, Ontario, L3R 8C3

**RE:**        Feature Corp. \$3,000,000.00 loan, bearing interest at 15.00% per annum (the  
               “**Loan**”) to Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc. and  
               2490564 Ontario Inc.

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**WHEREAS** pursuant to a Commitment Letter, dated May 14<sup>th</sup>, 2018 (the “**Commitment Letter**”), as amongst Feature Corp. (the “**Lender**”), Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc. and 2490564 Ontario Inc (collectively the “**Borrowers**”) and Shajiraj Nadarajalingam (the “**Guarantor**”), the Lender provided a Loan to the Borrower in accordance with the terms set out in the Commitment Letter and the Borrowers and Guarantor provided the Lender with the security set out therein;

**WHEREAS** the Commitment Letter was amended by the parties, pursuant to an Amendment Agreement, dated November 22<sup>nd</sup>, 2018 (the “**First Amendment**”);

**WHEREAS** the Commitment Letter was further amended by the parties, pursuant to an Amendment Agreement, dated March 29, 2019 (the “**Second Amendment**”);

**AND WHEREAS** effective August 23, 2019 (the “**Effective Date**”), the parties have agreed to further amend the provisions of the Commitment Letter, the First Amendment, the Second Amendment (collectively, the “**Commitment**”) and the security provided therein;

**NOW THEREFORE WITNESSETH** in consideration of the sum of TWO DOLLARS (\$2.00) exchanged between the above-named parties and the mutual covenants and agreements herein contained (the receipt and adequacy of which is hereby acknowledged), the parties agree to amend the Commitment as follows:

- 1.) The parties acknowledge and agree that the foregoing recitals are true and correct.
- 2.) The parties have agreed to extend the maturity date of the Loan to March 30<sup>th</sup>, 2020. (the "New Maturity Date")
- 3.) The Borrower shall pay a mortgage renewal fee at one percent (1.00%) of the principal balance of the Loan, being \$30,000.00 payable as follows:
  - (a) \$15,000.00 upon execution of the this Agreement; and
  - (b) \$15,000.00 on the New Maturity Date.
- 4.) The Borrower shall provide to the Lender additional post-dated cheques at eight (8.00%) of the Loan until the New Maturity Date, at which time the borrower will pay a one-time balloon payment on the expiry of the New Maturity Date of the remaining interest owing on the Loan from May 30<sup>th</sup>, 2019.
- 5.) In the event of any conflict or inconsistency between the terms of the Commitment Letter and the terms of this Amendment Agreement, the terms of this Amendment Agreement shall be paramount and prevail. Any terms used in this Amendment Agreement, and not otherwise defined herein, shall have the meanings ascribed to such terms as are provided in the Commitment Letter.
- 6.) Save and except as provided herein, the Commitment Letter and the security provided in connection therewith shall remain in full force and effect and unamended by the parties except to the extent provided herein.
- 7.) This Amendment Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterpart together shall constitute one and the same instrument and, notwithstanding the actual date of execution, shall be deemed to bear the date first written above.

*[Signature page to follow.]*

**THE PARTIES** hereto have duly executed this Agreement effective as of the date written above.

**FEATURE CORP.**

**Per:**

x

*I have authority to bind the Corporation*

**IDEAL (BC) DEVELOPMENTS INC.**

**Per:**

x

*I have authority to bind the Corporation*

**IDEAL (BC2) DEVELOPMENTS INC.**

**Per:**

x

*I have authority to bind the Corporation*

**2490564 ONTARIO INC.**

**Per:**

x

*I have authority to bind the Corporation*

**IDEAL DEVELOPMENTS INC.**

**Per:**

x

*I have authority to bind the Corporation*

**WITNESS:**

Name:

)  
)  
)  
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)  
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)

x

**SHAJIRAJ NADARAJALINGAM**

LRO # 65 Charge/Mortgage

Registered as YR3163171 on 2020 10 30 at 16:31

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 3

**Properties**

<i>PIN</i>	03196 - 0072	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;			
<i>Address</i>	8 BOSTWICK CR RICHMOND HILL			
<i>PIN</i>	03196 - 0073	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 63 PL 136 KING AS IN R209240			
<i>Address</i>	10 BOSTWICK CRESCENT RICHMOND HILL			
<i>PIN</i>	03196 - 0074	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING AS IN R530013 ;			
<i>Address</i>	12 BOSTWICK CR RICHMOND HILL			
<i>PIN</i>	03196 - 0075	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL			
<i>Address</i>	14 BOSTWICK CR RICHMOND HILL			
<i>PIN</i>	03196 - 0076	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL			
<i>Address</i>	8 BOND CRESCENT RICHMOND HILL			
<i>PIN</i>	03196 - 0077	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL			
<i>Address</i>	6 BOND CRESCENT RICHMOND HILL			
<i>PIN</i>	03196 - 0078	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING AS IN R690041 ;			
<i>Address</i>	16 BOSTWICK CR RICHMOND HILL			
<i>PIN</i>	03196 - 0079	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 67 PL 136 KING AS IN R601987 ; RICHMOND HILL			
<i>Address</i>	18 BOSTWICK CRESCENT RICHMOND HILL			
<i>PIN</i>	03196 - 0080	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 67 PL 136 KING AS IN K122033 EXCEPT R135070, B54438B, & R601987 ;			
<i>Address</i>	2 BOND CRESCENT RICHMOND HILL			

**Chargor(s)**

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

*Name* IDEAL (BC) DEVELOPMENTS INC.  
*Address for Service* 65 Allstate Parkway  
 Unit 101  
 Markham, Ontario  
 L3R 9X1

I, Shajiraj Nadarajalingam, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

**Chargee(s)***Capacity**Share*

*Name* FEATURE CORP.  
*Address for Service* 415 - 170 The Donway West  
 Toronto, Ontario  
 M3C 2G3

**Provisions**

<i>Principal</i>	\$3,000,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>	semi-annually, not in advance		
<i>Balance Due Date</i>	March 20, 2022		

LRO # 65 **Charge/Mortgage**

Registered as YR3163171 on 2020 10 30 at 16:31

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 3

**Provisions**

Interest Rate 15% per annum  
 Payments  
 Interest Adjustment Date  
 Payment Date  
 First Payment Date  
 Last Payment Date  
 Standard Charge Terms 200033  
 Insurance Amount Full insurable value  
 Guarantor 2490564 Ontario Inc., 2490568 Ontario Inc. and Shajiraj Nadrajalingam

**Additional Provisions**

See Schedules

**Signed By**

Yuk Shan Lee 50 West Pearce St Suite 10 acting for Signed 2020 10 30  
 Richmond Hill  
 L4B 1C5 Chargor(s)

Tel 905-763-3770

Fax 905-763-3772

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

**Submitted By**

FIJ LAW LLP 50 West Pearce St Suite 10 2020 10 30  
 Richmond Hill  
 L4B 1C5

Tel 905-763-3770

Fax 905-763-3772

**Fees/Taxes/Payment**

Statutory Registration Fee \$65.05  
 Total Paid \$65.05

## ADDITIONAL CHARGE PROVISIONS

### 1. CONTINUING SECURITY OF REGISTRATIONS

The Chargee hereby acknowledges and agrees that the purpose of the registration herein is to supplement such prior security of the Chargee as identified by Instrument Nos YR2830041, YR2901113, and YR3001386 (collectively, the "**Prior Instruments**"), including *inter alia* to amend the description of the properties listed in the "Properties" section of the Charge (collectively, the "Lands") so charged to now include the property municipally known as 18 Bostwick Cres. and legally described as:

**18 Bostwick Cres, Richmond Hill**

Legal Description: PT LT 67 PL 136 KING AS IN R601987;  
TOWN OF RICHMOND HILL

PIN: 03196-0079

("the "**18 Bostwick Property**")

all of which is in accordance with the terms of the 2020 \$3M Commitment Amendment Agreement, dated October 26<sup>th</sup>, 2020 and the Assumption, Amalgamation and Continuing Security Agreement, dated October 26<sup>th</sup>, 2020.

For greater certainty, the Chargee hereby acknowledges and agrees that, notwithstanding the Principal Amount as identified on the face of this Mortgage/Charge, no additional principal or monies have been advanced to the Chargor and that Chargor hereby confirms and acknowledges the Charge herein, along with the Prior Instruments, shall each continue in full force and effect, from and after the date of their registrations, without novation, as valid and binding obligations of the Chargor, enforceable against them in accordance with their terms, and upon all the Lands included in this Charge.

Provided that nothing herein shall in any way affect or prejudice the rights of the Chargee as against the Chargor, or as against any party to the Charge, or as against any surety or other person whomsoever for the debt or any part thereof or as against any collateral which the Chargee may now or hereafter hold against the debt or any part thereof.

Provided further that nothing herein shall create any merger or alter the rights of the Chargee as against any subsequent encumbrancer or other person with an interest in the Lands nor affect the liability of any person not a party hereto who may be liable to pay the said mortgage money or the rights of any such person all of which rights are hereby reserved.

### 2. DEVELOPMENT PROVISIONS

Any and all reference in the Prior Instruments or any additional provisions attached thereto to any agreement by the Chargee to postpone and stand behind construction financing shall be deleted.

### 3. CONFLICT

Notwithstanding the registration herein, the parties hereby confirm that the terms and conditions of the additional provisions, as may be attached or referred to in the Prior Instruments, continue in full force and effect. In the event of any conflict or inconsistency between any provisions herein, and the additional provisions as may be attached or referred to in the Prior Instruments, the terms of this schedule shall prevail to the extent of any conflict or inconsistency.

This is Exhibit “J” referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**

LRO # 65 **Charge/Mortgage**

Registered as YR2944756 on 2019 03 29 at 15:59

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 6

**Properties**

<i>PIN</i>	03196 - 0072 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;; TOWN OF RICHMOND HILL		
<i>Address</i>	8 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0073 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL		
<i>Address</i>	10 BOSTWICK CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0074 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING AS IN R530013 ;; TOWN OF RICHMOND HILL		
<i>Address</i>	12 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0075 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL		
<i>Address</i>	14 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0078 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING AS IN R690041 ;; TOWN OF RICHMOND HILL		
<i>Address</i>	16 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0080 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, & R601987 ;; TOWN OF RICHMOND HILL		
<i>Address</i>	2 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0077 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL		
<i>Address</i>	6 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0076 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL		
<i>Address</i>	8 BOND CRESCENT RICHMOND HILL		

**Chargor(s)**

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

*Name* IDEAL (BC) DEVELOPMENTS INC.  
*Address for Service* 1100 Rodick Road  
 Markham, ON  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

*Name* 2490564 ONTARIO INC.  
*Address for Service* 1100 Rodick Road  
 Markham, ON  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

*Name* IDEAL (BC2) DEVELOPMENTS INC.  
*Address for Service* 1100 Rodick Road  
 Markham, ON  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.



LRO # 65 **Charge/Mortgage**

Registered as YR2944756 on 2019 03 29 at 15:59

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 6

<b>Chargee(s)</b>	<b>Capacity</b>	<b>Share</b>
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<b>Name</b>	FEATURE CORP.
<b>Address for Service</b>	415 - 170 The Donway West Toronto, ON M3C 2G3

<b>Provisions</b>
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<b>Principal</b>	\$2,000,000.00	<b>Currency</b>	CDN
<b>Calculation Period</b>	semi-annually, not in advance		
<b>Balance Due Date</b>	2019/05/30		
<b>Interest Rate</b>	15% per annum		
<b>Payments</b>			
<b>Interest Adjustment Date</b>	2018 12 12		
<b>Payment Date</b>			
<b>First Payment Date</b>			
<b>Last Payment Date</b>	2019 05 30		
<b>Standard Charge Terms</b>	200033		
<b>Insurance Amount</b>	Full insurable value		
<b>Guarantor</b>	Shajiraj Nadarajalingam and Ideal Developments Inc.		

<b>Additional Provisions</b>
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See Schedules

<b>Signed By</b>
------------------

Yuk Shan Lee	50 West Pearce St Suite 10 Richmond Hill L4B 1C5	acting for Chargor(s)	Signed 2019 03 29
--------------	--	--------------------------	-------------------

Tel 905-763-3770

Fax 905-763-3772

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

<b>Submitted By</b>
---------------------

FIJ LAW LLP	50 West Pearce St Suite 10 Richmond Hill L4B 1C5	2019 03 29
-------------	--	------------

Tel 905-763-3770

Fax 905-763-3772

<b>Fees/Taxes/Payment</b>
---------------------------

<b>Statutory Registration Fee</b>	\$64.40
<b>Total Paid</b>	\$64.40

## ADDITIONAL CHARGE PROVISIONS

### 1. PAYMENT

Subject to the terms and conditions stated herein, payment of the principal amount of this Charge including all interest and costs payable hereunder shall be due on the Balance Due Date.

### 2. NON-PAYMENT

In the event this Charge is not repaid in full or renewed on or before the Balance Due Date and mortgage payments, without a formal renewal agreement being executed between the Chargee(s) and the Chargor(s), the Chargor(s) acknowledges and agrees that it shall be subject to and shall pay the Chargee(s)'s extension or monitoring fee of one (1%) per cent of the outstanding principal balance on the Balance Due Date which amount shall become due and payable on the sixteenth (16<sup>th</sup>) day following the Balance Due Date. If the said amount is not paid when due it shall be added to the principal balance of this Charge and bear interest thereafter, at the rate of interest herein provided. The receipt by the Chargee(s) of such payment shall not obligate the Chargee(s) to renew this Charge and this Charge shall thereafter become due and payable at any time upon fifteen (15) days' notice of demand for payment in full.

### 3. PREPAYMENT PRIVILEGE

The Chargor(s), when not in default hereunder, shall have the privilege of prepaying the whole of the balance owing on this Charge without any penalty and/or bonus and by giving 10 days' prior written notice to the Chargee.

### 4. DEFAULT

In the event there is any kind of default under this Charge and a collection letter is issued by the Chargee(s) or their lawyers, the Chargee(s) are entitled to a fee of Three Hundred (\$300.00) Dollars for each collection letter written, whether in connection with one default or more and any such amount so due and owing shall be a charge upon the property and shall bear interest at the rate set out in the within Charge.

### 5. OTHERS

(a) Upon a payout of the Charge in which the Chargee(s) are in receipt of the funds after 1:00 p.m., the Chargor(s) agrees to pay the interest up to and including the next business day.

(b) The Chargor(s) confirm that no portion of the subject lands will be used for farming purposes.

(c) A fee in favour of the Chargee(s) in the amount of One Thousand, Five Hundred (\$1,500.00) Dollars will be payable for any action or proceeding instituted under this Charge.

(d) A fee in favour of the Chargee(s) in the amount of Two Hundred (\$200.00) Dollars will be payable for administering maintenance and security of the property in the possession of the Chargee, per day.

### 6. MORTGAGE STATEMENTS

The Chargor(s) shall pay for each mortgage statement prepared for and provided by the Chargee(s) or their solicitors, on request, a fee of One Hundred and Fifty (\$150.00) Dollars for the preparation and provision of such statement. In addition, upon any assumption of the Charge, approved by the Chargee(s), the Chargor(s), shall pay to the Chargee(s) a fee of Three Hundred (\$300.00) Dollars for approving the assumption and

amending their records to reflect the assumption of the Charge. The aforementioned fee shall be forthwith payable to the Chargee(s).

#### 7. DISCHARGES

Upon payment in full of the herein Charge and any outstanding fees, the discharge of mortgage shall be prepared by the Chargee(s)' solicitors and the Chargee(s)' solicitors fees and disbursements of Five Hundred (\$500.00) Dollars plus shall be paid by the Chargor(s).

#### 8. RIGHT OF INSPECTION

The Chargor(s) shall permit the Chargee(s), or their agent or agents, at all reasonable times to make investigation or examination concerning the performance by the Chargor(s) of their obligations under this Charge and to have access to any and all of the buildings and improvements forming part of the mortgaged property for the purpose of inspecting or protecting the same. The Chargor(s) shall take all reasonable steps including, without limitation, legal proceedings, to protect their own right, title and interest in any of the mortgaged property and to enable the Chargee(s) to defend the interest of the Chargee(s) therein.

#### 9. SUBSEQUENT ENCUMBRANCES

Subject to Section 16 below, the Chargor(s) shall not place subsequent encumbrances on the subject property without the prior written consent of the Chargee(s), otherwise, at the option of the Chargee(s), such mortgage loan shall become immediately due and payable in full.

#### 10. COMMITMENT NON-TRANSFERABLE

The mortgage loan agreement and/or mortgage commitment is personal to the Chargor(s) and may not be transferred or otherwise assigned without the prior written consent of the Chargee(s).

#### 11. REPRESENTATION AND CREDIT

By acceptance of the commitment, the Chargor(s) covenant that the representations, warranties and information submitted by them in connection with the mortgage loan is a full disclosure and are true and accurate. The Chargee(s), in their sole discretion, must be satisfied that no material change in the credit standing of the Chargor(s) has occurred prior to the advance. The Chargor(s) hereby authorize the Chargee(s) to have credit checks performed as the Chargee(s) desire from time to time.

#### 12. INSURANCE

The Chargor(s) hereby covenant to deliver to the Chargee(s), within ten (10) days after having renewed or replaced any insurance, a binder letter or certified copy of the insurance policy evidencing the fire and liability coverage with respect to the mortgaged property. In the event that the Chargor(s) do not deliver to the Chargee(s) the aforementioned binder letter or certified copy of the insurance policy, as provided above, the Chargor(s) shall pay the sum of Three Hundred (\$300.00) Dollars as a liquidated amount to cover the Chargee(s)'s administrative costs and not as a penalty and such amount shall be immediately due and payable and shall be a charge upon the property and shall bear interest at the rate set out in the within Charge.

#### 13. CROSS DEFAULT

The occurrence of an event of default under the provisions of this Charge, under any security document provided by the Chargor(s) or pursuant to any other charge or security document between the Chargor(s) and the Chargee(s), including any document pursuant to which the Chargor(s), their principals or affiliates, are a guarantor, shall be deemed to

be an event of default under all such security documents and shall entitle the Chargee(s) to pursue its remedies under any or all of the aforesaid security documents.

#### 14. ASSIGNMENT BY CHARGEES

The Chargee(s) shall be entitled to transfer or assign this Charge to any third party without the consent of or notice to the Chargor(s).

#### 15. APPRAISALS AND REPORTS

The Chargor(s) hereby covenant to deliver to the Chargee(s), within ten (10) days after having completed any appraisal of the hereinbefore described lands, an appraisal report addressed to the Chargee(s) or containing an authorization in writing satisfactory to the Chargee(s) by the appraiser that the Chargee(s) can rely on the appraisal for lending purposes.

The Chargor(s) hereby covenant to deliver to the Chargee(s), within ten (10) days after having received any cost controller reports, a copy of such cost controller report containing an authorization in writing satisfactory to the Chargee(s) by the author of the report that the Chargee(s) can rely on the report for lending purposes.

#### 16. DEVELOPMENT PROVISIONS

(a) The Chargee(s) shall execute and deliver forthwith, without any fee or charge whatsoever, save for reasonable legal fees, and without any principal or interest repayment hereunder, such partial discharges of the Charge as may be reasonably required by the Chargor(s) to re-zone and/or subdivide the lands to permit the development thereof, or to register the lands under the Land Titles System and/or pursuant to the provisions of the Planning Act R.S.O. 1990, as amended, and/or any other legislation as well as any consents and acknowledgments reasonably required by the Chargor(s) in connection with the development approval process in respect of the Property.

(b) The Chargee(s) shall execute and deliver forthwith, without any fee or charge whatsoever, save for reasonable legal fees, and without any principal or interest repayment hereunder, all consents and acknowledgments that may be reasonably required by the Chargor(s) to re-zone and/or subdivide the lands to permit the development thereof, or to register the lands under the Land Titles System and/or pursuant to the provisions of the Planning Act R.S.O. 1990, as amended, and/or any other legislation as well as any consents and acknowledgments reasonably required by the Chargor(s) in connection with the entering into of any subdivision agreement, condominium agreement, site plan agreement, engineering agreement, development agreement or similar agreement with any governmental authorities and/or any public or private utilities, and the mortgage holder shall also consent to, subordinate and postpone this Charge forthwith to and in favour of any easements or agreements now or hereafter granted to, or entered into with, any such governmental authorities and/or to any public or private utility authorities in respect of the provision of services to the lands, including but not limited to easements in connection with the installation, maintenance and/or repair of storm and sanitary sewers, gas, telephone, television, hydro-electric and water services and/or similar services together with any easements for access and egress purposes in favour of any property adjacent to the lands, all without any payment whatsoever, save for reasonable legal fees, provided however that the Chargee(s) shall not be responsible for any financial or other obligations incurred in connection therewith.

(c) Subject to the following, the Chargee(s) will subordinate, postpone and standstill the Charge to construction financing. This charge shall be a third charge behind Feature Corp. and construction financing provided that the total amount of the prior registered charge does not exceed Fifteen Million and Five Hundred Thousand Dollars (\$15,500,000.00), and the Chargee(s) will execute any subordination, postponement and/or standstill agreement reasonably required by any prior registered chargee forthwith.

(d) Partial discharges of this Charge will be provided by the Chargee(s) upon written request by the Chargor(s) for the sale of each of the proposed dwelling units provided that the balance due on closing received from the sale of such dwelling unit, less: (i) all HST payable; (ii) legal fees along with disbursements and taxes thereon; (iii) any real estate commissions along with taxes thereon, (iv) and amounts collected for property taxes are paid first to discharge any construction financing registered in priority to this Charge, then this Charge.

(e) The Chargor(s) shall be entitled to demolish and remove any existing buildings and structures situate on the Property, and shall also be entitled to excavate, grade and/or commence and complete construction and servicing operations upon the Property, all without same being deemed an act of waste hereunder, and without triggering any payments thereunder and/or without such acts triggering any acceleration.

#### 17. STANDARD CHARGE TERMS

In the event of any conflict or inconsistency between any provisions of the standard charge terms incorporated by reference in this Charge and this schedule, then the terms of this schedule shall prevail to the extent of any conflict or inconsistency.

**Properties**

**PIN** 03196 - 0072 LT  
**Description** PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;; TOWN OF RICHMOND HILL  
**Address** 8 BOSTWICK CR  
 RICHMOND HILL

**PIN** 03196 - 0073 LT  
**Description** PT LT 63 PL 136 KING AS IN R209240; TOWN OF RICHMOND HILL  
**Address** 10 BOSTWICK CRESCENT  
 RICHMOND HILL

**PIN** 03196 - 0074 LT  
**Description** PT LT 64 PL 136 KING AS IN R530013 ;; TOWN OF RICHMOND HILL  
**Address** 12 BOSTWICK CR  
 RICHMOND HILL

**PIN** 03196 - 0075 LT  
**Description** PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL  
**Address** 14 BOSTWICK CR  
 RICHMOND HILL

**PIN** 03196 - 0076 LT  
**Description** PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL  
**Address** 8 BOND CRESCENT  
 RICHMOND HILL

**PIN** 03196 - 0077 LT  
**Description** PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL  
**Address** 6 BOND CRESCENT  
 RICHMOND HILL

**PIN** 03196 - 0078 LT  
**Description** PT LT 66 PL 136 KING AS IN R690041 ;; TOWN OF RICHMOND HILL  
**Address** 16 BOSTWICK CR  
 RICHMOND HILL

**PIN** 03196 - 0080 LT  
**Description** PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, & R601987 ;; TOWN OF RICHMOND HILL  
**Address** 2 BOND CRESCENT  
 RICHMOND HILL

**Consideration**

**Consideration** \$2.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

**Name** IDEAL (BC) DEVELOPMENTS INC.  
**Address for Service** 1100 Rodick Road  
 Markham, Ontario  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Name** IDEAL (BC2) DEVELOPMENTS INC.  
**Address for Service** 1100 Rodick Road  
 Markham, Ontario  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Name** 2490564 ONTARIO INC.  
**Address for Service** 1100 Rodick Road  
 Markham, Ontario  
 L3R 8C3

I, Shajiraj Nadarajalingam, President/Secretary, have the authority to bind the corporation.

LRO # 65 Notice

Registered as YR3001387 on 2019 08 28 at 12:12

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 6

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

This document is not authorized under Power of Attorney by this party.

**Party To(s)***Capacity**Share*

Name FEATURE CORP.  
 Address for Service 415 - 170 The Donway West  
 Toronto, Ontario  
 M3C 2G3

I, Talia Khanania, Director, have the authority to bind the corporation

This document is not authorized under Power of Attorney by this party.

**Statements**

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, YR2944756 registered on 2019/03/29 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration number(s) YR2944756 and YR2944763

**Signed By**

Yuk Shan Lee	50 West Pearce St Suite 10 Richmond Hill L4B 1C5	acting for Applicant(s)	Signed	2019 08 28
--------------	--	----------------------------	--------	------------

Tel 905-763-3770

Fax 905-763-3772

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

**Submitted By**

FIJ LAW LLP	50 West Pearce St Suite 10 Richmond Hill L4B 1C5	2019 08 28
-------------	--	------------

Tel 905-763-3770

Fax 905-763-3772

**Fees/Taxes/Payment**

Statutory Registration Fee \$64.40

Total Paid \$64.40

### Amendment Agreement

**TO:**           **Ideal (BC) Developments Inc.**  
                   1100 Rodick Road  
                   Markham, Ontario, L3R 8C3

**AND TO:**   **Ideal (BC2) Developments Inc.**  
                   1100 Rodick Road  
                   Markham, Ontario, L3R 8C3

**AND TO:**   **2490564 Ontario Inc.**  
                   1100 Rodick Road  
                   Markham, Ontario, L3R 8C3

**AND TO:**   **Ideal Developments Inc.**  
                   1100 Rodick Road  
                   Markham, Ontario, L3R 8C3

**AND TO:**   **Shajiraj Nadarajalingam**  
                   1100 Rodick Road  
                   Markham, Ontario, L3R 8C3

**RE:**           Feature Corp. \$2,000,000.00 loan, bearing interest at 15.00% per annum (the  
                   "Loan") to Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc. and  
                   2490564 Ontario Inc.

---

**WHEREAS** pursuant to a Commitment Letter, dated May 19<sup>th</sup>, 2017 (the "**Commitment Letter**"), as amongst Feature Corp. (the "**Lender**"), Ideal (RD) Developments Inc. and Ideal (RD2) Developments Inc. (the "**Original Borrowers**").

**WHEREAS** pursuant to an Assumption and Amendment Agreement dated February 13, 2019 (the "**Assumption Agreement**"), Ideal (BC) Developments Inc., Ideal (BC2) Developments Inc. and 2490564 Ontario Inc. (collectively the "**New Borrowers**") and Ideal Developments Inc. and Shajiraj Nadarajalingam (collectively, the "**Guarantors**"), the New Borrowers and Guarantors agreed to assume the responsibilities of the Commitment Letter and provide new security to the Lender as set out therein.

**AND WHEREAS** effective August 23, 2019 (the "**Effective Date**"), the parties have agreed to further amend the provisions of the Commitment Letter and the Assumption Agreement (collectively, the "**Commitment**") and the security provided therein;

**NOW THEREFORE WITNESSETH** in consideration of the sum of TWO DOLLARS (\$2.00) exchanged between the above-named parties and the mutual covenants and agreements herein

(H.S.)



contained (the receipt and adequacy of which is hereby acknowledged), the parties agree to amend the Commitment as follows:

- 1.) The parties acknowledge and agree that the foregoing recitals are true and correct.
- 2.) The parties have agreed to extend the maturity date of the Loan to March 30<sup>th</sup>, 2020. (the "New Maturity Date")
- 3.) The Borrower shall pay a mortgage renewal fee at one percent (1.00%) of the principal balance of the Loan, being \$20,000.00 payable as follows:
  - (a) \$10,000.00 upon execution of the this Agreement; and
  - (b) \$10,000.00 on the New Maturity Date.
- 4.) The Borrower shall provide to the Lender additional post-dated cheques at eight (8.00%) of the Loan until the New Maturity Date, at which time the borrower will pay a one-time balloon payment on the expiry of the New Maturity Date of the remaining interest owing on the Loan from May 30<sup>th</sup>, 2019.
- 5.) In the event of any conflict or inconsistency between the terms of the Commitment Letter and the terms of this Amendment Agreement, the terms of this Amendment Agreement shall be paramount and prevail. Any terms used in this Amendment Agreement, and not otherwise defined herein, shall have the meanings ascribed to such terms as are provided in the Commitment Letter.
- 6.) Save and except as provided herein, the Commitment Letter and the security provided in connection therewith shall remain in full force and effect and unamended by the parties except to the extent provided herein.
- 7.) This Amendment Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterpart together shall constitute one and the same instrument and, notwithstanding the actual date of execution, shall be deemed to bear the date first written above.

*[Signature page to follow.]*

(H.S.)

**THE PARTIES** hereto have duly executed this Agreement effective as of the date written above.

**FEATURE CORP.**

**Per:**

x 

*I have authority to bind the Corporation*

**IDEAL (BC) DEVELOPMENTS INC.**

**Per:**

x \_\_\_\_\_

*I have authority to bind the Corporation*

**IDEAL (BC2) DEVELOPMENTS INC.**

**Per:**

x \_\_\_\_\_

*I have authority to bind the Corporation*

**2490564 ONTARIO INC.**

**Per:**

x \_\_\_\_\_

*I have authority to bind the Corporation*

**WITNESS:**

\_\_\_\_\_  
Name:

)

)

)

)

)

)

x \_\_\_\_\_

**SHAJIRAJ NADARAJALINGAM**

THE PARTIES hereto have duly executed this Agreement effective as of the date written above.

FEATURE CORP.

Per:

x \_\_\_\_\_

*I have authority to bind the Corporation*

IDEAL (BC) DEVELOPMENTS INC.

Per:

x N. Shanmugam

*I have authority to bind the Corporation*

IDEAL (BC2) DEVELOPMENTS INC.

Per:

x N. Shanmugam

*I have authority to bind the Corporation*

2490564 ONTARIO INC.

Per:

x N. Shanmugam

*I have authority to bind the Corporation*

IDEAL DEVELOPMENTS INC.

Per:

x N. Shanmugam

*I have authority to bind the Corporation*

WITNESS:

P. Balachandran  
Name: PRASANTA BALACHANDRAN

x N. Shanmugam  
SHAJIRAJ NADARAJALINGAM

LRO # 65 Charge/Mortgage

Registered as YR3163198 on 2020 10 30 at 16:36

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 3

**Properties**

<i>PIN</i>	03196 - 0072 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;		
<i>Address</i>	8 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0073 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 63 PL 136 KING AS IN R209240		
<i>Address</i>	10 BOSTWICK CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0074 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING AS IN R530013 ;		
<i>Address</i>	12 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0075 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL		
<i>Address</i>	14 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0076 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL		
<i>Address</i>	8 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0077 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL		
<i>Address</i>	6 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0078 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING AS IN R690041 ;		
<i>Address</i>	16 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0079 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 67 PL 136 KING AS IN R601987 ; RICHMOND HILL		
<i>Address</i>	18 BOSTWICK CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0080 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 67 PL 136 KING AS IN K122033 EXCEPT R135070, B54438B, & R601987 ;		
<i>Address</i>	2 BOND CRESCENT RICHMOND HILL		

**Chargor(s)**

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

*Name* IDEAL (BC) DEVELOPMENTS INC.  
*Address for Service* 65 Allstate Parkway  
 Unit 101  
 Markham, Ontario  
 L3R 9X1

I, Shajiraj Nadarajalingam, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

**Chargee(s)***Capacity**Share*

*Name* FEATURE CORP.  
*Address for Service* 415 - 170 The Donway West  
 Toronto, Ontario  
 M2C 2G3

**Provisions**

<i>Principal</i>	\$2,000,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>	semi-annually, not in advance		
<i>Balance Due Date</i>	March 30, 2022		

LRO # 65 Charge/Mortgage

Registered as YR3163198 on 2020 10 30 at 16:36

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 3

**Provisions**

Interest Rate 15% per annum  
Payments  
Interest Adjustment Date  
Payment Date  
First Payment Date  
Last Payment Date  
Standard Charge Terms 200033  
Insurance Amount Full insurable value  
Guarantor Shajiraj Nadarajalingam, Ideal Developments Inc., 2490564 Ontario Inc.  
and 2490568 Ontario Inc.

**Additional Provisions**

See Schedules

**Signed By**

Yuk Shan Lee 50 West Pearce St Suite 10 acting for Signed 2020 10 30  
Richmond Hill  
L4B 1C5 Chargor(s)

Tel 905-763-3770

Fax 905-763-3772

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

**Submitted By**

FIJ LAW LLP 50 West Pearce St Suite 10 2020 10 30  
Richmond Hill  
L4B 1C5

Tel 905-763-3770

Fax 905-763-3772

**Fees/Taxes/Payment**

Statutory Registration Fee \$65.05  
Total Paid \$65.05

## ADDITIONAL CHARGE PROVISIONS

### 1. CONTINUING SECURITY OF PRIOR REGISTRATIONS

The obligations of the Borrower secured by the Charge herein shall be read in conjunction with, and not in addition to, those obligations of the Borrower secured by Instrument Nos YR2944756, and YR3001387 (the “**Prior Instruments**”), including *inter alia* to amend the description of the properties listed in the “Properties” section of the Charge (collectively, the “Lands”) so charged to now include the property municipally known as 18 Bostwick Cres, and legally described as:

**18 Bostwick Cres, Richmond Hill**

Legal Description: PT LT 67 PL 136 KING AS IN R601987;  
TOWN OF RICHMOND HILL

PIN: 03196-0079

(“the “**18 Bostwick Property**”)

all of which is in accordance with the terms of the 2020 \$3M Commitment Amendment Agreement, dated October 26<sup>th</sup>, 2020 and the Assumption, Amalgamation and Continuing Security Agreement, dated October 26<sup>th</sup>, 2020.

For greater certainty, the Chargee hereby acknowledges and agrees that, notwithstanding the Principal Amount as identified on the face of this Mortgage/Charge, no additional principal or monies have been advanced to the Chargor and that Chargor hereby confirms and acknowledges the Charge herein, along with the Prior Instruments, shall each continue in full force and effect, from and after the date of their registrations, without novation, as valid and binding obligations of the Chargor, enforceable against them in accordance with their terms, and upon all the Lands included in this Charge.

Provided that nothing herein shall in any way affect or prejudice the rights of the Chargee as against the Chargor, or as against any party to the Charge, or as against any surety or other person whomsoever for the debt or any part thereof or as against any collateral which the Chargee may now or hereafter hold against the debt or any part thereof.

Provided further that nothing herein shall create any merger or alter the rights of the Chargee as against any subsequent encumbrancer or other person with an interest in the Lands nor affect the liability of any person not a party hereto who may be liable to pay the said mortgage money or the rights of any such person all of which rights are hereby reserved.

### 2. DEVELOPMENT PROVISIONS

Any and all reference in the Prior Instruments or any additional provisions attached thereto to any agreement by the Chargee to postpone and stand behind construction financing shall be deleted.

### 3. CONFLICT

Notwithstanding the registration herein, the parties hereby confirm that the terms and conditions of the additional provisions, as may be attached or referred to in the Prior Instruments, continue in full force and effect. In the event of any conflict or inconsistency between any provisions herein, and the additional provisions as may be attached or referred to in the Prior Instruments, the terms of this schedule shall prevail to the extent of any conflict or inconsistency.

This is Exhibit "K" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**

LRO # 65 **Charge/Mortgage**

Received as YR3336826 on 2021 11 03 at 16:57

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 2

**Properties**

<i>PIN</i>	03196 - 0072 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS IN R504810 ;		
<i>Address</i>	8 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0073 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 63 PL 136 KING AS IN R209240		
<i>Address</i>	10 BOSTWICK CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0074 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING AS IN R530013 ;		
<i>Address</i>	12 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0075 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ; RICHMOND HILL		
<i>Address</i>	14 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0077 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ; RICHMOND HILL		
<i>Address</i>	6 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0078 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING AS IN R690041 ;		
<i>Address</i>	16 BOSTWICK CR RICHMOND HILL		
<i>PIN</i>	03196 - 0080 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 67 PL 136 KING AS IN K122033 EXCEPT R135070, B54438B, & R601987 ;		
<i>Address</i>	2 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0076 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ; RICHMOND HILL		
<i>Address</i>	8 BOND CRESCENT RICHMOND HILL		
<i>PIN</i>	03196 - 0079 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 67 PL 136 KING AS IN R601987; CITY OF RICHMOND HILL		
<i>Address</i>	18 BOSTWICK CRESCENT RICHMOND HILL		

**Chargor(s)**

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

*Name* IDEAL (BC) DEVELOPMENTS INC.  
*Address for Service* 65 Allstate Parkway, Suite 101  
 Markham, ON L3R 9X1

I, Shajiraj Nadarajalingam, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

**Chargee(s)***Capacity**Share*

*Name* AMERICAN CORPORATION  
*Address for Service* Suite 1001, 980 Yonge Street  
 Toronto, ON M4W 3V8

**Provisions**

<i>Principal</i>	\$5,000,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>	Yearly, Not in Advance		
<i>Balance Due Date</i>			
<i>Interest Rate</i>	20.0%		
<i>Payments</i>			
<i>Interest Adjustment Date</i>			



LRO # 65 Charge/Mortgage

Received as YR3336826 on 2021 11 03 at 16:57

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 2

**Provisions**

Payment Date

First Payment Date

Last Payment Date

Standard Charge Terms 200033

Insurance Amount Full insurable value

Guarantor Shajiraj Nadarajalingam

**Signed By**

Victor Aparicio Martins

135 Queens Plate Drive Suite 600 acting for  
Etobicoke Chargor(s)  
M9W 6V7

Signed 2021 11 03

Tel 416-746-4710

Fax 416-746-8319

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

**Submitted By**

Loopstra Nixon LLP

135 Queens Plate Drive Suite 600  
Etobicoke  
M9W 6V7

2021 11 03

Tel 416-746-4710

Fax 416-746-8319

**Fees/Taxes/Payment**

Statutory Registration Fee \$66.30

Total Paid \$66.30

This is Exhibit "L" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**

## Enquiry Result

File Currency: 15NOV 2021

All Pages ▾

[Show All Pages](#)**Note: All pages have been returned.**

Type of Search	Business Debtor								
Search Conducted On	IDEAL (BC) DEVELOPMENTS INC.								
File Currency	15NOV 2021								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	766652274	1	5	1	6	13OCT 2025			
<b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b>									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
766652274		001	2		20201013 0804 1793 9291	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	IDEAL (BC) DEVELOPMENTS INC.								
	Address				City	Province	Postal Code		
	65 ALLSTATE PARKWAY, UNIT 101				MARKHAM	ON	L3R9X1		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	C & K MORTGAGE SERVICES INC.								
	Address				City	Province	Postal Code		
	1670 BAYVIEW AVENUE, SUITE 400				TORONTO	ON	M4G3C2		
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			X
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	GENERAL SECURITY AGREEMENT, ASSIGNMENT OF PLANS AND LETTERS OF CREDIT AND GENERAL ASSIGNMENT OF RENTS AND LEASES IN CONNECTION WITH 8-18 BOSTWICK CRESCENT AND 2, 6 & 8 BOND CRESCENT, RICHMOND								

Registering Agent	Registering Agent			
	GARFINKLE, BIDERMAN LLP (KAG FILE NO. 2677-600)			
	Address	City	Province	Postal Code
	1 ADELAIDE ST. EAST, SUITE 801	TORONTO	ON	M5C2V9

CONTINUED

Type of Search	Business Debtor							174	
Search Conducted On	IDEAL (BC) DEVELOPMENTS INC.								
File Currency	15NOV 2021								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	766652274	1	5	2	6	13OCT 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
766652274		002	2		20201013 0804 1793 9291				
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	CANADIAN WESTERN TRUST COMPANY								
	Address				City	Province	Postal Code		
	C/O 1670 BAYVIEW AVENUE, SUITE 400				TORONTO	ON	M4G3C2		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	HILL, ONTARIO								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

END OF FAMILY

Type of Search	Business Debtor							175	
Search Conducted On	IDEAL (BC) DEVELOPMENTS INC.								
File Currency	15NOV 2021								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	766779966	2	5	3	6	15OCT 2023			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
766779966		001	001		20201015 1913 1862 2932	P PPSA	3		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	IDEAL (BC) DEVELOPMENTS INC.					5038228			
	Address				City	Province	Postal Code		
	65 ALLSTATE PARKWAY, UNIT 101				MARKHAM	ON	L3R 9X1		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	FEATURE CORP.								
	Address				City	Province	Postal Code		
	415 - 170 THE DONWAY WEST				TORONTO	ON	M3C 2G3		
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			X
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	FIJ LAW LLP								
	Address				City	Province	Postal Code		
	10-50 WEST PEARCE STREET				RICHMOND HILL	ON	L4B 1C5		

END OF FAMILY

Type of Search	Business Debtor							176	
Search Conducted On	IDEAL (BC) DEVELOPMENTS INC.								
File Currency	15NOV 2021								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	766779984	3	5	4	6	15OCT 2023			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
766779984		001	001		20201015 1913 1862 2934	P PPSA	3		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	IDEAL (BC) DEVELOPMENTS INC.					5038228			
	Address				City	Province	Postal Code		
	65 ALLSTATE PARKWAY, UNIT 101				MARKHAM	ON	L3R 9X1		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	FEATURE CORP.								
	Address				City	Province	Postal Code		
	415 - 170 THE DONWAY WEST				TORONTO	ON	M3C 2G3		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				X
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	FIJ LAW LLP								
	Address				City	Province	Postal Code		
	10-50 WEST PEARCE STREET				RICHMOND HILL	ON	L4B 1C5		

END OF FAMILY

Type of Search	Business Debtor							177		
Search Conducted On	IDEAL (BC) DEVELOPMENTS INC.									
File Currency	15NOV 2021									
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status			
	766779993	4	5	5	6	15OCT 2023				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN										
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period			
766779993		001	001		20201015 1913 1862 2935	P PPSA	3			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number				
	IDEAL (BC) DEVELOPMENTS INC.					5038228				
	Address				City	Province	Postal Code			
	65 ALLSTATE PARKWAY, UNIT 101				MARKHAM	ON	L3R 9X1			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number				
	Address				City	Province	Postal Code			
Secured Party	Secured Party / Lien Claimant									
	FEATURE CORP.									
	Address				City	Province	Postal Code			
	415 - 170 THE DONWAY WEST				TORONTO	ON	M3C 2G3			
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			X	
Motor Vehicle Description	Year	Make			Model		V.I.N.			
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent									
	FIJ LAW LLP									
	Address				City	Province	Postal Code			
	10-50 WEST PEARCE STREET				RICHMOND HILL	ON	L4B 1C5			

END OF FAMILY



Type of Search	Business Debtor							178	
Search Conducted On	IDEAL (BC) DEVELOPMENTS INC.								
File Currency	15NOV 2021								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	766780002	5	5	6	6	15OCT 2023			
<b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b>									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
766780002		001	001		20201015 1913 1862 2936	P PPSA	3		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	IDEAL (BC) DEVELOPMENTS INC.					5038228			
	Address				City	Province	Postal Code		
	65 ALLSTATE PARKWAY, UNIT 101				MARKHAM	ON	L3R 9X1		
Individual Debtor	Date of Birth	First Given Name			Initial		Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	FEATURE CORP.								
	Address				City	Province	Postal Code		
	415 - 170 THE DONWAY WEST				TORONTO	ON	M3C 2G3		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				X
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	FIJ LAW LLP								
	Address				City	Province	Postal Code		
	10-50 WEST PEARCE STREET				RICHMOND HILL	ON	L4B 1C5		

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This is Exhibit “M” referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**



← Back to HCRA website

← Back to Search Results

<u>Vendor/Builder Legal Name</u> ?	<u>Licensed</u> ?	✕ No
IDEAL (BC) DEVELOPMENTS INC.		
<u>Doing Business As Name</u> ?	<u>Licence Number</u>	N/A
IDEAL (BC) DEVELOPMENTS INC.	<u>Licence Status</u>	? Charged and/or Convicted
<u>Umbrella Company</u> ?	<u>Status Last Updated</u> ?	---
↗ Ideal Group	<u>Initially Licensed</u>	---

Overview

Properties

Condo Projects

Registrar Notices & Orders 1

Discipline & Appeals 0

Charges and/or Convictions 11

CHARGES AND/OR CONVICTIONS

The HCRA can lay charges under the New Home Construction Licensing Act (NHCLA), the Ontario New Home Warranties Plan Act (ONHWPA) or the Provincial Offences Act (POA). The Charge column shows the specific offence (section) under which a defendant was charged and convicted.

<b>Charge Date:</b> August 4, 2021
<b>Defendant:</b> Ideal (BC) Developments Inc.
<b>Defendant Location:</b> Markham, ON
<b>Offence Location:</b> Richmond Hill, ON
<b>Charge:</b> ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home
<b>Conviction Date:</b> ---
<b>Conviction Result:</b> ---
<b>Fine Amount:</b> ---
<b>Under Appeal:</b> ---

<b>Charge Date:</b> August 4, 2021
<b>Defendant:</b> Ideal (BC) Developments Inc.
<b>Defendant Location:</b> Markham, ON
<b>Offence Location:</b> Richmond Hill, ON
<b>Charge:</b> ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home
<b>Conviction Date:</b> ---
<b>Conviction Result:</b> ---
<b>Fine Amount:</b> ---
<b>Under Appeal:</b> ---

<b>Charge Date:</b> August 4, 2021
<b>Defendant:</b> Ideal (BC) Developments Inc.
<b>Defendant Location:</b> Markham, ON
<b>Offence Location:</b> Richmond Hill, ON
<b>Charge:</b> ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home
<b>Conviction Date:</b> ---
<b>Conviction Result:</b> ---
<b>Fine Amount:</b> ---
<b>Under Appeal:</b> ---

<b>Charge Date:</b> August 4, 2021
<b>Defendant:</b> Ideal (BC) Developments Inc.
<b>Defendant Location:</b> Markham, ON
<b>Offence Location:</b> Richmond Hill, ON
<b>Charge:</b> ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home
<b>Conviction Date:</b> ---
<b>Conviction Result:</b> ---
<b>Fine Amount:</b> ---
<b>Under Appeal:</b> ---

Under Appeal: ---

**Charge Date:** August 4, 2021  
**Defendant:** Ideal (BC) Developments Inc.  
**Defendant Location:** Markham, ON  
**Offence Location:** Richmond Hill, ON  
**Charge:** ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home  
**Conviction Date:** ---  
**Conviction Result:** ---  
**Fine Amount:** ---  
**Under Appeal:** ---

**Charge Date:** August 4, 2021  
**Defendant:** Ideal (BC) Developments Inc.  
**Defendant Location:** Markham, ON  
**Offence Location:** Richmond Hill, ON  
**Charge:** ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home  
**Conviction Date:** ---  
**Conviction Result:** ---  
**Fine Amount:** ---  
**Under Appeal:** ---

**Charge Date:** August 4, 2021  
**Defendant:** Ideal (BC) Developments Inc.  
**Defendant Location:** Markham, ON  
**Offence Location:** Richmond Hill, ON  
**Charge:** ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home  
**Conviction Date:** ---  
**Conviction Result:** ---  
**Fine Amount:** ---  
**Under Appeal:** ---

**Charge Date:** August 4, 2021  
**Defendant:** Ideal (BC) Developments Inc.  
**Defendant Location:** Markham, ON  
**Offence Location:** Richmond Hill, ON  
**Charge:** ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home  
**Conviction Date:** ---  
**Conviction Result:** ---  
**Fine Amount:** ---  
**Under Appeal:** ---

**Charge Date:** August 4, 2021  
**Defendant:** Ideal (BC) Developments Inc.  
**Defendant Location:** Markham, ON  
**Offence Location:** Richmond Hill, ON  
**Charge:** ONHWPA - Sec 6 - Illegally acted as a Builder of a New Home  
**Conviction Date:** ---  
**Conviction Result:** ---  
**Fine Amount:** ---  
**Under Appeal:** ---

**Charge Date:** August 4, 2021  
**Defendant:** Ideal (BC) Developments Inc.  
**Defendant Location:** Markham, ON  
**Offence Location:** Richmond Hill, ON



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← Back to Search Results

<u>Vendor/Builder Legal Name</u> ?	<u>Licensed</u> ?	✕ No
IDEAL (BC) DEVELOPMENTS INC.		
<u>Doing Business As Name</u> ?	<u>Licence Number</u>	N/A
IDEAL (BC) DEVELOPMENTS INC.	<u>Licence Status</u>	? Charged and/or Convicted
<u>Umbrella Company</u> ?	<u>Status Last Updated</u> ?	---
↗ Ideal Group	<u>Initially Licensed</u>	---

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CHARGES AND/OR CONVICTIONS

The HCRA can lay charges under the New Home Construction Licensing Act (NHCLA), the Ontario New Home Warranties Plan Act (ONHWPA) or the Provincial Offences Act (POA). The Charge column shows the specific offence (section) under which a defendant was charged and convicted.

**Charge Date:** August 4, 2021

**Defendant:** Ideal (BC) Developments Inc.

**Defendant Location:** Markham, ON

**Offence Location:** Richmond Hill, ON

**Charge:** Section 61 (10), Fail to produce evidence described in a warrant (NHCLA)

**Conviction Date:** ---

**Conviction Result:** ---

**Fine Amount:** ---

**Under Appeal:** ---

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CONTACT

[info@hcraontario.ca](mailto:info@hcraontario.ca)

(416) 487-HCRA (4272)  
Toll Free: [1-800-582-7994](tel:1-800-582-7994)

40 Sheppard Ave. W, Fourth Floor, Suite 400  
North York ON, M2N 6K9  
[View Map](#)

Mon to Fri 9:00-5:00

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This is Exhibit “N” referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**



Home Construction Regulatory Authority  
 40 Sheppard Avenue West, Fourth Floor, Suite 400  
 Toronto, ON M2N 6K9  
 Tel: 416-487-HCRA (4272) Fax: 416-352-7724

September 9, 2021

Delivered by email to: [bobby@ballantryhomes.com](mailto:bobby@ballantryhomes.com), [dhill@ballantryhomes.com](mailto:dhill@ballantryhomes.com),  
[shaji@idealdevelopments.com](mailto:shaji@idealdevelopments.com)

To: Ideal Developments Inc.  
 65 Allstate Pkwy, Suite 101  
 Markham, ON L3R 9X1

And to: Ideal (BC) Developments Inc.  
 20 Cachet Woods Court, Suite 6  
 Markham, ON L6C 3G1

And to: Ideal (MM) Developments Inc.  
 65 Allstate Pkwy, Suite 101  
 Markham, ON L3R 9X1

And to: Ideal (WC) Developments Inc.  
 65 Allstate Pkwy, Suite 101  
 Markham, ON L3R 9X1

Attention: Bobby Bhoola, David Hill, and Shajiraj Nadarajalingam

**Re: NOTICE OF PROPOSAL TO REFUSE TO GRANT AND RENEW LICENCE AND  
 TO IMPOSE CONDITIONS ON LICENCE**

**The Registrar proposes to refuse to grant a licence to Ideal (BC) Developments Inc. under section 40(1)(a) of the *New Home Construction Licensing Act, 2017* ("NHCLA").<sup>1</sup>**

**The Registrar proposes to refuse to renew the licences of Ideal (MM) Developments Inc. and Ideal (WC) Developments Inc. under section 40(1)(a) of the NHCLA.**

**The Registrar proposes to approve the renewal of Ideal Developments Inc. with a condition under section 40(3) of the NHCLA; namely, Ideal Developments Inc. will not carry on building or vending of homes except to complete the building of the**

<sup>1</sup> *New Home Construction Licensing Act, 2017*, SO 2017, c 33, Sched 1, available online here: [www.ontario.ca/laws/statute/17n33#BK44](http://www.ontario.ca/laws/statute/17n33#BK44)



home at the property legally known as LT 8 PL 6230 MARKHAM; S/T MA47179E MARKHAM, municipally known as 29 Rouge River Circle, Markham, ON.

The reasons for the proposal are attached as Appendix “A”.

### **Right to a Hearing**

If you dispute this decision, you have the right to request a hearing before the Licence Appeal Tribunal (“Tribunal”) about this proposal.

To request a hearing, you must deliver a Notice of Appeal form within 15 calendar days after this Notice of Proposal is delivered to you, addressed to the following:

Licence Appeal Tribunal  
PO Box 250  
Toronto, ON M7A 1N3  
LATregistrar@ontario.ca  
Phone: 416-326-1356  
Toll free: 1-888-444-0240  
TTY: Call the Bell Relay Service at 1-800-855-0511

AND

The Registrar  
Home Construction Regulatory Authority  
40 Sheppard Ave West, 4th Floor, Suite 400  
Toronto, ON M2N 6K9  
Legal@hcraontario.ca

**IMPORTANT NOTE:** This is a notice of proposed action. If you choose not to dispute this decision, the licences of Ideal (BC) Developments Inc., Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc. will be refused without any further advance notice to you.

Furthermore, the Registrar will apply the condition set out above to the licence of Ideal Developments Inc. without any further advance notice to you.

If the licences of Ideal (BC) Developments Inc., Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc. are refused, they will be prohibited from acting or holding themselves out as vendors or builders, offering to sell or transfer a new home, selling or transferring a new home, offering to construct a new home, or constructing a new home.

If the condition is applied to Ideal Developments Inc., it will be licensed under the NHCLA but will be required to comply with the condition.

The Notice of Appeal form and other information about hearings may be found on the Tribunal's website at <https://slasto-tsapno.gov.on.ca/lat-tamp/en/>.

When an applicant delivers a Notice of Appeal form within the timeline set out above, a legal proceeding before the Tribunal will commence. The Tribunal may direct the Registrar to carry out the proposal or may substitute its opinion. The Tribunal may also attach conditions to its order or to a licence.

The HCRA cannot advise you about the appeal process. If you dispute this decision, you have the right to retain a lawyer or paralegal to represent you.

Information about this proposal will be reported publicly on the HCRA website <https://www.hcraontario.ca/> and the Ontario Builder Directory <https://obd.hcraontario.ca/>.

### **Contact Information**

If you have any questions about the reasons for the proposal or wish to discuss this matter with the HCRA, please contact [Legal@hcraontario.ca](mailto:Legal@hcraontario.ca). If you have any questions about the appeal process or timelines, please contact the Tribunal at the contact information noted above.

Dated at Toronto this 9<sup>th</sup> day of September, 2021.



Wendy Moir Acheson  
Registrar, HCRA

## Appendix “A”

### REASONS

#### **Overview**

1. Ideal (BC) Developments Inc. (“Ideal (BC)”) has applied for a new licence as a vendor/builder under the NHCLA. Ideal (BC) has never been licensed under the NHCLA.
2. Ideal Developments Inc., Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc. are licensed as vendor/builders under the NHCLA and have applied for renewal of their licences.
3. Ideal (JS) Developments Inc. (“Ideal (JS)”) was, prior to the expiry of its licence on July 8, 2021, licensed as vendor/builder under the NHCLA. Prior to February 1, 2021, Ideal (JS) was registered as a vendor/builder under the Ontario New Home Warranties Plan Act (“ONHWPA”).
4. Hereafter, Ideal Developments Inc., Ideal (BC), Ideal (JS), Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc., are collectively referred to as “Ideal” except where specifically referenced otherwise.
5. Shajiraj Nadarajalingam (“Nadarajalingam”) is and was at all relevant times, a common officer, director, and interested person, in Ideal. He is and was at all relevant times, a common shareholder in Ideal, with a 100 percent share interest in each of Ideal Developments Inc., Ideal (JS), Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc. He is and was at all relevant times, a shareholder with a 50 percent share interest in Ideal (BC).
6. Bobby Bhoola (“Bhoola”) and David Hill (“Hill”) are and were at all relevant times, officers, directors and interested persons in Ideal (BC). Bhoola and Hill are and were at all relevant times, shareholders in Ideal (BC), each with a 25 percent share interest.
7. Under section 40(1)(a) of the NHCLA, the Registrar proposes to refuse to grant a licence to Ideal (BC) and proposes to refuse to renew the licences of Ideal (MM) Developments Inc. and Ideal (WC) Developments Inc.
8. Ideal Developments Inc. has begun construction of a home at the property legally known as LT 8 PL 6230 MARKHAM; S/T MA47179E MARKHAM, municipally known as 29 Rouge River Circle, Markham, ON.
9. Under section 40(3) of the NHCLA, the Registrar proposes to approve the renewal of Ideal Developments Inc. with the condition that Ideal Developments Inc. will not carry on building or vending of homes except to complete the building of the home at the property legally known as LT 8 PL 6230 MARKHAM; S/T MA47179E MARKHAM, municipally known as 29 Rouge River Circle, Markham, ON.

## **The HCRA**

10. The HCRA regulates new home vendors and builders in accordance with the NHCLA and with the principle of promoting the protection of the public interest.
11. Part of the HCRA's oversight function includes considering concerns raised about applicants and licensees, and taking appropriate action to protect the public as authorized by the NHCLA.

## **Grounds for the Proposal**

12. Under section 38(1)(c)(i) of the NHCLA, Ideal (BC) has carried on or is carrying on activities that are in contravention of the NHCLA; namely, holding itself out as a builder and vendor, and offering to build and entering into agreements of purchase and sale for new homes without a licence under the NHCLA, contrary to section 37 of the NHCLA.
13. Under section 38(1)(c)(ii) of the NHCLA, and section 4.1. of Regulation 631/20 to the NHCLA, Ideal (BC) will be carrying on activities that are in contravention of sections 10.2(2) and (4) of the ONHWPA if a licence was issued to Ideal (BC); namely, offering to commence constructing or constructing new homes without first having applied to enrol the homes in the Ontario New Home Warranties and Protection Plan ("Warranties Plan").
14. Under section 38(1)(c)(i) of the NHCLA, Ideal (BC) has carried on activities in contravention of the NHCLA; namely, failing to comply with a search warrant and failing to produce information or evidence or provide assistance to an investigator, contrary to section 61(2)(c) of the NHCLA.
15. Under section 38(1)(b)(iii) of the NHCLA, the conduct of Bhoola, Hill, and Nadarajalingam as officers, directors and interested persons in respect of Ideal does not afford reasonable grounds for belief that Ideal's business will be carried on in accordance with the law, and with integrity and honesty; namely, by permitting Ideal (BC) to carry on activities that are in contravention of the NHCLA, as described in paragraphs 12 and 13.
16. Under section 38(1)(b)(iii) of the NHCLA, the conduct of Nadarajalingam as an officer, director and interested person in respect of Ideal does not afford reasonable grounds for belief that Ideal's business will be carried on in accordance with the law, and with integrity and honesty; namely, by permitting Ideal (JS) to misrepresent to consumers information about agreements of purchase and sale.
17. Under section 38(1)(g) of the NHCLA, granting a licence to Ideal (BC) and a renewal to Ideal (MM) Developments Inc., and Ideal (WC) Developments Inc., is contrary to the public interest.

## **Particulars**

### **Entering into agreements of purchase and sale without a licence**

18. Contrary to section 37(1) of the NHCLA, Ideal (BC) did not obtain a licence from the Registrar before to entering into the following 10 agreements of purchase and sale for new homes:
  - a. September 9, 2020, POTL number 14 located at 14 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - b. November 26, 2020, POTL 45, 12 Bostwick Crescent, Richmond Hill for \$1,299,990.00
  - c. November 27, 2020, POTL 31, 8 Bostwick Crescent, Richmond Hill for \$1,299,990.00
  - d. December 20, 2020, POTL 29, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - e. December 21, 2020, POTL 26, 8 Bostwick Crescent, Richmond Hill for \$1,299,990.00
  - f. December 28, 2020, POTL 27, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - g. January 14, 2021, POTL 19, 8 Bostwick Crescent, Richmond Hill for \$1,249,990.00
  - h. January 15, 2021, POTL 21, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - i. January 27, 2021, POTL 23, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00
  - j. December 5, 2021, POTL 30, 8 Bostwick Crescent, Richmond Hill for \$1,199,990.00.
19. Ideal (BC) did not apply under the ONHWPA to enrol the homes identified in paragraph 18 in the Warranties Plan.

### **Failure to provide information or assistance to an investigator**

20. Under section 61(10) of the NHCLA, and in accordance with section 61(2)(c) of the NHCLA, where an investigator requires a person to produce information or evidence under a search warrant, the person shall produce the information or evidence. On June 9, 2021, a search warrant was issued authorizing an HCRA investigator to enter the premises of Ideal (BC) located at 20 Cachet Woods Court, Suite #6, Richmond Hill, ON ("Ideal BC Office") and to obtain the documents identified the warrant. On June 9, 2021, the investigator advised Nadarajalingam about the search warrant, described the documents that were required to be provided under the search warrant,

and requested assistance obtaining the documents required to be provided under the search warrant.

21. On June 14, 2021, the investigator attended the Ideal BC Office to execute the search warrant. Nadarajalingam provided documents on a USB key, which he advised contained all the documents required to be provided under the search warrant. Nadarajalingam did not provide all of the documents required under the search warrant; namely, two agreements of purchase and sale for the homes located at, POTL number 14 located at 14 Bostwick Crescent and POTL 30, located at 8 Bostwick Crescent, Richmond Hill.

### **Misrepresentations made to consumers by Ideal (JS)**

22. Between September 2015 and September 2020, inclusive, Ideal (JS) entered into approximately 71 agreements of purchase and sale with respect to properties described legally as:

PART LOTS B&C, PLAN 1916 DESIGNATED AS PART 3, PLAN 65R-37587; SUBJECT TO AN EASEMENT AS IN YR2622073; SUBJECT TO AN EASEMENT AS IN YR2644669; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2817498.

AND

BLOCK 1, PLAN 65M4637; SUBJECT TO AN EASEMENT AS IN YR2622073; SUBJECT TO AN EASEMENT AS IN YR2644669; SUBJECT TO AN EASEMENT IN GROSS AS IN YR2817498. ("the Properties").

23. Before the agreements of purchase and sale in respect of the Properties were completed, on August 24, 2020, Nadarajalingam authorized the transfer of title to the Properties from Ideal (JS) to 2011836 Ontario Corp. (the "Transferee"). Thereafter, between August 2020 and February 2021, inclusive, Ideal (JS) continued to represent itself, falsely, to purchasers as the vendor/builder and titleholder of the Properties, able to transfer title to the Properties in accordance with the agreements of purchase and sale, contrary to section 54 of the NHCLA.
24. On September 9, 2020, Ideal (JS) entered into a new agreement of purchase and sale with respect to one of the Properties, POTL 16. Ideal (JS) falsely represented to the purchaser that it was the vendor/builder and titleholder of that Property, able to transfer title to that Property in accordance with the agreement of purchase and sale, contrary to section 54 of the NHCLA.
25. After transferring title to the Properties to the Transferee on August 24, 2020, Ideal (JS) advertised incentives and offered discounted purchase prices if purchasers paid specific deposit amounts in respect of the Properties still for sale.
26. In February 2021, Ideal (JS) corresponded with consumers advising that title to the Properties had been transferred and that the agreements of purchase and sale in respect of the Properties would be assumed by the Transferee. Ideal (JS) did not disclose to consumers that the Transferee claimed the right to cancel the agreements

of purchase and sale in respect of the Properties, contrary to section 54 of the NHCLA.

### **Conclusion**

27. For the reasons stated above, and further to the mandate of the HCRA under section 3(3) of the NHCLA to maintain a fair, safe and informed marketplace and promote the protection of the public interest, the Registrar maintains that Ideal is not entitled to be licenced under the NHCLA. The reasons for this position include, without limitation to the above:

- a. The conduct of Bhoola, Hill, and Nadarajalingam as officers, directors and interested persons in respect of Ideal; namely, by permitting Ideal (BC) to carry on activities that are in contravention of the NHCLA
- b. The conduct of Nadarajalingam as an officer, director and interested person in respect of Ideal; namely, by permitting Ideal (JS) to misrepresent to consumers information about agreements of purchase and sale.

### **Amended or Additional Reasons or Particulars**

28. The Registrar may serve Ideal with amended or additional reasons or particulars of conduct or financial position.

## **Appendix “B”**

### **RELEVANT STATUTORY PROVISIONS**

#### **Conditions of licence**

- 39** A licence is subject to the conditions,
- (a) to which the applicant or licensee consents;
  - (b) that the registrar applies under subsection 40 (3), (4) or (6);
  - (c) that the Tribunal orders; or
  - (d) that are prescribed.

#### **Registrar’s powers with hearing**

- 40** (1) Subject to section 43, the registrar may refuse to license an applicant or renew the licence of a licensee if,
- (a) in the registrar’s opinion, the applicant or licensee is not entitled to a licence under subsection 38 (1); or [...]

#### **Conditions**

- (3) Subject to section 43, the registrar may,
  - (a) approve the licence or the renewal of a licence on the conditions that the registrar considers appropriate; and
  - (b) at any time, apply to a licence the conditions that the registrar considers appropriate. [...]

#### **Voluntary cancellation**

- 41** The registrar may cancel a licence upon the request in writing of the licensee and section 43 does not apply to the cancellation. [...]

#### **Notice of conditions or proposal**

- 43** (1) The registrar shall notify an applicant or licensee in writing if the registrar proposes to,
- (a) refuse, under subsection 40 (1), to grant or renew a licence;
  - (b) suspend or revoke a licence under subsection 40 (2) or 45 (1);
  - (c) apply conditions to a licence under subsection 40 (3) to which the licensee has not consented; or
  - (d) apply conditions to a licence under subsection 40 (4) or (6).

#### **Content of notice**

- (2) The notice shall set out the reasons for the registrar’s proposed action and shall state that the applicant or licensee is entitled to a hearing by the Tribunal if the applicant or licensee mails or delivers, within 15 days after service of the notice, a written request for a hearing to the registrar and to the Tribunal.



### **Service of notice**

(3) The notice shall be served on the applicant or licensee in accordance with section 81.

### **Service of hearing request**

(4) A request for a hearing under subsection (2) is sufficiently served if it is sent to the registrar and to the Tribunal by personal delivery, by registered mail or in accordance with the rules of the Tribunal.

### **Same**

(5) If service is made by registered mail, it shall be deemed to be made on the third day after the day of mailing.

### **Other methods**

(6) Despite subsection (4), the Tribunal may order any other method of service.

### **If no request for hearing**

(7) If the applicant or licensee does not request a hearing in accordance with subsection (2), the registrar may carry out the proposed action.

### **Hearing**

(8) If the applicant or licensee requests a hearing in accordance with subsection (2), the Tribunal shall hold the hearing and may, by order,

- (a) direct the registrar to carry out the registrar's proposed action; or
- (b) substitute its opinion for that of the registrar.

### **Powers of Tribunal**

(9) In addition to its powers under subsection (8), the Tribunal may attach conditions to its order or to a licence.

### **Parties**

(10) The registrar, the applicant or licensee and the other persons that the Tribunal specifies are parties to the proceedings under this section. [...]

### **Misrepresentations prohibited**

**54** No licensee shall make a false, misleading or deceptive representation in its advertising, documents or other prescribed materials.

**Service**

**81** (1) Any notice, order or request is sufficiently given or served if it is,

- (a) delivered personally;
- (b) sent by registered mail; or
- (c) sent by another manner if the sender can prove receipt of the notice, order or request.

**Deemed service**

(2) If service is made by registered mail, the service shall be deemed to be made on the third day after the day of mailing unless the person on whom service is being made establishes that the person did not, acting in good faith, through absence, accident, illness or other cause beyond the person's control, receive the notice, order or request until a later date.

**Exception**

(3) Despite subsections (1) and (2), the Tribunal may order any other method of service it considers appropriate in the circumstances.

This is Exhibit "O" referred to in the Affidavit of Gary Gruneir sworn by Gary Gruneir at the City of Toronto, in the Province of Ontario, before me on November 29, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

*Commissioner for Taking Affidavits (or as may be)*

**DAVID P. PREGER**



199 BAY STREET, SUITE 2200  
P.O. BOX 447, COMMERCE COURT POSTAL STATION  
TORONTO, ON CANADA M5L 1G4  
TELEPHONE: (416) 777-0101  
FACSIMILE: (416) 865-1398  
<http://www.dickinsonwright.com>

PAUL A. MUCHNIK  
PMUCHNIK@dickinsonwright.com  
(416) 777 4004

November 2, 2021

**PRIVILEGED AND CONFIDENTIAL**

Ideal (BC) Developments Inc.  
65 Allstate Parkway  
Unit 101  
Markham, Ontario L3R 9X1

2490564 Ontario Inc.  
c/o Shajiraj Nadarajalingam  
65 Allstate Parkway  
Unit 101  
Markham, Ontario L3R 9X1

Shajiraj Nadarajalingam  
65 Allstate Parkway  
Unit 101  
Markham, Ontario L3R 9X1

Shajiraj Nadarajalingam  
5 Ridgevale Drive  
Markham, Ontario L6B 1A8

Dear Sirs:

**Re: C & K Mortgage Services Inc. and Canadian Western Trust Company (collectively, the "Lenders") mortgage loan (the "Loan") to Ideal (BC) Developments Inc. (the "Debtor") on the security of the property municipally known as 8-18 Bostwick Crescent and 2-8 Bond Crescent, Richmond Hill, ON (collectively, the "Properties"), as guaranteed by 2490564 Ontario Inc. and Shajiraj Nadarajalingam (collectively, the "Guarantors")**

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We are solicitors for the Lenders, and confirm that the Loan matured on November 1, 2021 and has not been repaid.

Accordingly, we hereby make formal demand for payment of the indebtedness owing by the Debtor to the Lenders pursuant to the Loan, together with all interest accrued thereon, plus costs, legal fees and expenses which may be incurred by the Lenders in connection with the recovery of the indebtedness owing by the Debtor to it. Interest will continue to accrue until payment is received. The following is a breakdown of the outstanding indebtedness:

Principal as at October 1, 2021	\$15,000,000.00
Interest to November 1, 2021	\$ 137,208.33
Three months interest penalty	\$ 411,624.99
Statement Fees (3)	\$ 750.00
HST on Statement Fees	\$ 97.50
Late Payment Fee	\$ 200.00
HST on Late Payment Fee	\$ 26.00
NSF Fee	\$ 200.00
HST on NSF Fee	\$ 26.00
(Balance in trust)	(\$ 97,685.86)
Legal costs to Dickinson Wright LLP	\$ 13,341.00
<b>TOTAL</b>	<b>\$ 15,465,787.96</b>

Per diem interest of \$4,510.96 accrues on the amount outstanding after November 1, 2021.

We enclose the Notice of Intention to Enforce Security which is delivered pursuant to s. 244 of the *Bankruptcy and Insolvency Act* and the applicable rules and regulations.

In the event that payment, in full together with per diem interest, is not made as required on or before November 13, 2021, the Lenders reserve the right to take whatever measures it hereafter may consider necessary or appropriate to preserve and protect its interests and to pursue its remedies under its security, without further notice to the Debtor. Please govern yourself accordingly.

Yours truly,

**DICKINSON WRIGHT LLP**

Paul Muchnik



PAM/hh  
Enclosure.

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## NOTICE OF INTENTION TO ENFORCE A SECURITY

### Subsection 244(1) of the *Bankruptcy and Insolvency Act (Canada)*

**TO:** Ideal (BC) Developments Inc. (the “**Debtor**”)

**AND TO:** 2490564 Ontario Inc. and Shajiraj Nadarajalingam (collectively, the “**Guarantor**”)

**TAKE NOTICE THAT:**

1. C & K Mortgage Services Inc. and Canadian Western Trust Company (collectively, the “**Lenders**”), as secured creditors, intend to enforce their security on the insolvent person’s property described below:

Real property municipally known as 8-18 Bostwick Crescent and 2-8 Bond Crescent, Richmond Hill, ON (collectively, the “**Property**”); and

All present and future property, assets and undertaking of the Debtor including without limitation, accounts, books and records, chattel paper, documents of title, equipment, goods, instruments, intangibles (including intellectual property rights, contracts and permits), inventory, money, investment property, securities, contracts, licenses, agreements and real property located at the Property and as more fully described in the security agreements set out below.

2. The security that is to be enforced is the following (hereinafter referred to collectively as the “**Security**”):
  - a) Charge/Mortgage registered as Instrument No. YR3162185 in the Land Registration District of York Region on October 30, 2020, granted by the Debtor in favour of the Lenders;
  - b) Notice of Assignment of Rents-General registered as Instrument No. YR3162186 in the Land Registration District of York on October 30, 2020, granted by the Debtor in favour of the Lenders;
  - c) General Security Agreement granted by the Debtor in favour of the Lenders;
  - d) Guarantee granted by the Guarantor in favour of the Lenders; and
  - e) All ancillary security documents granted by the Debtor in favour of the Lenders.

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3. The total amount of indebtedness secured by the security is as follows:

Principal as at October 1, 2021	\$15,000,000.00
Interest to November 1, 2021	\$ 137,208.33
Three months interest penalty	\$ 411,624.99
Statement Fees (3)	\$ 750.00
HST on Statement Fees	\$ 97.50
Late Payment Fee	\$ 200.00
HST on Late Payment Fee	\$ 26.00
NSF Fee	\$ 200.00
HST on NSF Fee	\$ 26.00
(Balance in trust)	(\$ 97,685.86)
Legal costs to Dickinson Wright LLP	\$ 13,341.00
<b>TOTAL</b>	<b>\$ 15,465,787.96</b>

4. The Lenders will not have the right to enforce the Security until after the expiry of the 10 day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, Ontario, this 2nd day of November, 2021.

C & K MORTGAGE SERVICES INC. AND  
CANADIAN WESTERN TRUST COMPANY, by  
their solicitors, Dickinson Wright LLP, as  
authorized.

Per: 

Paul A. Muchnik

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OHIO      TENNESSEE      TEXAS      TORONTO      WASHINGTON DC



# TAB 3

Court File No. CV-21-00672848-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

B E T W E E N:

**C & K MORTGAGE SERVICES INC.  
and CANADIAN WESTERN TRUST COMPANY**

Applicants

- and -

**IDEAL (BC) DEVELOPMENTS INC.**

Respondent

**CONSENT**

Alvarez & Marsal Canada Inc. hereby consents to its appointment pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, and the terms of an order substantially in the form filed in the above proceeding, as receiver and manager, without security, of all of the assets, undertakings and properties of Ideal (BC) Developments Inc., including the lands and premises legally described in Schedule "A" hereto, and all proceeds thereof.

DATED the 29th day of November, 2021.

**ALVAREZ & MARSAL CANADA INC.**

Per: 

Name: Stephen Ferguson  
Title: Senior Vice President

**SCHEDULE "A"****LANDS AND PREMISES**

*PIN* 03196 - 0072 LT *Interest/Estate* Fee Simple  
*Description* PT LT 1 PL 136 KING; PT LT 62 PL 136 KING; PT LT 63 PL 136 KING AS  
 IN R504810 ;  
*Address* 8 BOSTWICK CR RICHMOND HILL

*PIN* 03196 - 0073 LT *Interest/Estate* Fee Simple  
*Description* PT LT 63 PL 136 KING AS IN R209240  
*Address* 10 BOSTWICK CRESCENT RICHMOND HILL

*PIN* 03196 - 0074 LT *Interest/Estate* Fee Simple  
*Description* PT LT 64 PL 136 KING AS IN R530013 ;  
*Address* 12 BOSTWICK CR RICHMOND HILL

*PIN* 03196 - 0075 LT *Interest/Estate* Fee Simple  
*Description* PT LT 64 PL 136 KING; PT LT 65 PL 136 KING AS IN R406345 ;  
 RICHMOND HILL  
*Address* 14 BOSTWICK CR RICHMOND HILL

*PIN* 03196 - 0076 LT *Interest/Estate* Fee Simple  
*Description* PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN R135070 ;  
 RICHMOND HILL  
*Address* 8 BOND CRESCENT RICHMOND HILL

*PIN* 03196 - 0077 LT *Interest/Estate* Fee Simple  
*Description* PT LT 66 PL 136 KING; PT LT 67 PL 136 KING AS IN B54438B ;  
 RICHMOND HILL  
*Address* 6 BOND CRESCENT RICHMOND HILL

*PIN* 03196 - 0078 LT *Interest/Estate* Fee Simple  
*Description* PT LT 66 PL 136 KING AS IN R690041 ;  
*Address* 16 BOSTWICK CR RICHMOND HILL

*PIN* 03196 - 0079 LT *Interest/Estate* Fee Simple  
*Description* PT LT 67 PL 136 KING AS IN R601987 ; RICHMOND HILL  
*Address* 18 BOSTWICK CRESCENT RICHMOND HILL

*PIN* 03196 - 0080 LT *Interest/Estate* Fee Simple  
*Description* PT LT 67 PL 136 KING AS IN KI22033 EXCEPT R135070, B54438B, &  
 R601987 ;  
*Address* 2 BOND CRESCENT RICHMOND HILL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**PROCEEDING COMMENCED AT**  
**TORONTO**

**CONSENT**

**DICKINSON WRIGHT LLP**  
Barristers & Solicitors  
199 Bay Street  
Suite 2200, P.O. Box 447  
Commerce Court Postal Station  
Toronto, Ontario, M5L 1G4

**DAVID P. PREGER (36870L)**  
Email: [dpreg@rickinsonwright.com](mailto:dpreg@rickinsonwright.com)  
Tel: (416) 646-4606

**DAN POLIWODA (82323B)**  
Email: [dpoliwoda@rickinsonwright.com](mailto:dpoliwoda@rickinsonwright.com)  
Tel: (416) 646-6870  
Fax: (844) 670-6009

Lawyers for the Applicants

C&K MORTGAGE SERVICES INC. et al.  
Applicants

-and-  
Respondent

IDEAL (BC) DEVELOPMENTS INC.

Court File No. CV-21-00672848-00CL

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

PROCEEDING COMMENCED AT  
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**APPLICATION RECORD**

**DICKINSON WRIGHT LLP**

Barristers & Solicitors  
199 Bay Street  
Suite 2200, Box 447  
Commerce Court Postal Station  
Toronto, ON M5L 1G4

**DAVID P. PREGER (36870L)**

dpreger@dickinsonwright.com  
Tel: (416) 646-4606

**DAN A. POLIWODA (82323B)**

dpoliwoda@dickinsonwright.com  
Tel: 416-646-6870

Tel: 416-777-0101

Fax: 1-844-670-6009

Lawyers for the Applicants