

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER 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*, RSO 1990, c C.43, as amended**

MOTION RECORD

PAPAZIAN HEISEY MYERS

Barristers and Solicitors

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Financial, Inc.

TO: THE SERVICE LIST

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

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Courts of Justice Act, RSO 1990, c C.43, as amended**

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(as of November 11, 2021)**

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IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

AND IN THE MATTER OF AN APPLICATION UNDER 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*, RSO 1990, c C.43, as amended

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

and

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC**

Applicants

Respondents

Court File No.: CV-21-00670723-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced at Toronto

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Lawyers for the Court-Appointed Receiver

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

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**2738283 ONTARIO INC., 2738284 ONTARIO INC.
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Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
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of the *Courts of Justice Act*, RSO 1990, c C.43, as amended**

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	B	Statement of Claim dated November 10, 2020
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	D	Letter of Commitment dated July 22, 2020
	E	Receivership Order dated November 9, 2021

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

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- and -

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Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 as amended, and section 101
of the *Courts of Justice Act*, RSO 1990, c C.43, as amended**

NOTICE OF MOTION

Morris Group Financial, Inc. (“Morris Group”), which is not a party to these proceedings, will make a motion to the court on **Thursday, March 10, 2022 at 10:00 a.m.**, or as soon after that time as the motion can be heard.

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

- In writing under subrule 37.12.1 (1) because it is on consent, unopposed or made without notice;
- In writing as an opposed motion under subrule 37.12.1 (4);
- In person;
- By telephone conference;
- By video conference.

at the following location: Toronto.

THE MOTION IS FOR:

- 1) An order lifting the prohibition against the commencement of new proceedings against the Debtors (as that term is defined below) as established by a receivership order granted by Justice Penny on November 9, 2021 (the “Receivership Order”), permitting Morris Group to make an application under section 43 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “BIA”), for an order adjudging the Debtors bankrupts and appointing a trustee in bankruptcy in respect of the Debtors’ consolidated estates (the “Proposed Bankruptcy Application”).
- 2) An order lifting the stay of proceedings imposed by the Receivership Order, permitting Morris Group to continue an action commenced by it against the Debtors on November 10, 2020 in the Ontario Superior Court of Justice and bearing Court File No. CV-20-00651075-0000 (the “Action”).
- 3) If necessary, an order abridging the time for service of this notice of motion and motion record and validating service thereof;
- 4) Costs of this motion on a substantial indemnity scale;
- 5) Such further relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

- (a) 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the “Debtors”) are owned and operated by an individual named Blake Larsen.

- (b) Blake Larsen is the sole director, officer and controlling mind of the Debtors.
- (c) Morris Group commenced the Action on November 10, 2020. The Action is against:
 - i. the Debtors; and
 - ii. Blake Larsen personally, together with three other entities owned or operated by Blake Larsen (collectively, the “Larsen Defendants”).
- (d) The Action is in respect of unsecured debts owing by the Debtors and the Larsen defendants to Morris Group under a contract dated June 17, 2020.
- (e) On January 17, 2022, Morris Group learned of the Receivership Order.
- (f) Pursuant to the Receivership Order, MNP Ltd. (the “Receiver”) was appointed as receiver and authorized to, among other things, take possession of, take control over and sell the property of the Debtors for the benefit of the secured creditors, and specifically the real property owned by the Debtors and located at 664-674 Essa Rd. and 320-366 Mapleview Drive, Barrie, Ontario (the “Real Property”).
- (g) The Real Property is the only property of value owned by the Debtors.
- (h) Under the Receivership Order, no proceedings can be commenced or continued against the Debtors except with the written consent of the Receiver or with leave of the Court. To date, the Receiver has failed to provide such consent

- (i) The Receivership Order does not specifically authorize the Receiver to act as trustee in bankruptcy in respect of the Debtors' estates. To the contrary, the Receivership Order authorizes the Receiver to enter into agreements with "any trustee in bankruptcy appointed in respect of the Debtors". Thus the Receivership Order contemplates that a trustee-in-bankruptcy other than the Receiver may be appointed.
- (j) The sale of the Real Property will benefit the secured creditors; however, in the absence of an order appointing a trustee in bankruptcy for the Debtors, the remaining assets after the sale of the Real Property and the completion of the Receivership Order will be returned to the Debtors, to the detriment of all unsecured creditors, including Morris Group.
- (k) The Receiver cannot act as receiver for both the secured and the unsecured creditors of the Debtors. Such a situation would put the Receiver in a conflict.
- (l) The Debtors have committed an act of bankruptcy under section 43 of the BIA.
- (m) The Action was commenced one year prior to the Receivership Order and, but for the delays caused by the Debtors and the Larsen Defendants, the Action would have progressed significantly toward judgment. Particulars of these delays are as follows:
 - i. between November 2020 and January 2021, the Debtors and the Larsen Defendants evaded service of the statement of claim, forcing Morris Group to bring a motion for substituted service;

- ii. on April 21, 2021, a lawyer named John DaRe served counsel for Morris Group with a notice of intent to defend on behalf of the Debtors and the Larsen Defendants;
 - iii. on June 1, 2021, a law firm called Barriston LLP served counsel for Morris Group with a notice of change of lawyer on behalf of the Debtors and the Larsen Defendants;
 - iv. on June 16, 2021, Barriston LLP served counsel for Morris Group with a statement of defence on behalf of the Debtors and the Larsen Defendants;
 - v. between June 2021 and October 2021, counsel for Morris Group communicated regularly with Barriston LLP in an attempt to schedule discoveries in the Action;
 - vi. on October 21, 2021, prior to the successful scheduling of discoveries, Barriston LLP served counsel for Morris Group with a notice of motion, seeking to remove itself as counsel of record for the Debtors and the Larsen Defendants, with a return date of December 3, 2021;
 - vii. Barriston LLP failed to properly confirm the December 3, 2021 motion, resulting in the scheduling of a new return date of March 2, 2022.
- (n) Justice and equity demand that Morris Group be granted leave to:
- i. petition the Debtors into bankruptcy; and

- ii. continue prosecuting the Action.
- (o) *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, section 43.
- (p) Such further and other grounds as this Honourable Court deems just.

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

- (a) The affidavit of Parjot Benipal sworn March 1, 2022 and the exhibits thereto;
- (b) Such further and other material as counsel may advise and this Honourable Court may allow.

March 1, 2022

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Financial, Inc.

TO: THE SERVICE LIST

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Applicants

Respondents

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**
Proceeding commenced at TORONTO

NOTICE OF MOTION

PAPAZIAN HEISEY MYERS
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Financial, Inc.

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF

2738283 ONTARIO INC., 2738284 ONTARIO INC., and 2738285 ONTARIO INC.

of the City of Mississauga,
in the Province of Ontario

APPLICATION FOR A BANKRUPTCY ORDER

PAPAZIAN HEISEY MYERS
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**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF

2738283 ONTARIO INC., 2738284 ONTARIO INC., and 2738285 ONTARIO INC.

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	E	Statement of Claim dated November 10, 2020
	F	Receivership Order dated November 9, 2021
	G	Amended Notice and Statement dated December 2, 2021
	H	Consent from Pollard & Associates Inc. dated February 3, 2022

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF

2738283 ONTARIO INC., 2738284 ONTARIO INC., and 2738285 ONTARIO INC.

of the City of Mississauga,
in the Province of Ontario

APPLICATION FOR A BANKRUPTCY ORDER

The Applicant, Morris Group Financial, Inc. (a New York corporation) makes an application to the Court for an order substantially in the form attached hereto as Schedule “1” including, among other things, the following relief:

- A. that, if necessary, the time for service of this application record be abridged and that effective service thereof be validated;
- B. that, pursuant to section 43 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the “BIA”), 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the “Numbered Companies”), all of which are corporations incorporated pursuant to the laws of Ontario and all of which have registered head offices in Mississauga, Ontario, be adjudged bankrupts and that a Bankruptcy Order be made in respect of their property;
- C. that, pursuant to section 43 of the BIA, the bankruptcy proceedings as against the Numbered Companies be consolidated and that a single consolidated Bankruptcy Order bearing one court file number be issued in respect of the three Numbered Companies, authorizing the Trustee (as that term is defined below) to administer the bankrupt estates of the Numbered Companies as if such estates were a single bankrupt estate for the purpose of carrying out its administrative duties and responsibilities as trustee under the BIA, including without limitation:

- i. allowing meetings of creditors and inspectors in the bankrupt estates of the Numbered Companies to be convened via one combined advertisement and conducted jointly, provided that the results of any creditors' vote shall be separately tabulated for each such bankrupt estate;
- ii. authorizing the use of a consolidated form of proof of claim which directs creditors to identify the bankrupt estate in which a claim is made for voting and for distribution purposes;
- iii. authorizing the Trustee to issue consolidated reports in respect of the bankrupt estates of the Numbered Companies;
- iv. authorizing a consolidated making, filing, advertising and distribution of all filings and notices in the bankrupt estates of the Numbered Companies required under the BIA;
- v. providing for the election of a single group of inspectors for the consolidated bankrupt estates of the Numbered Companies, unless an objection is raised at the first meeting of creditors in which case separate groups of inspectors shall be elected for the bankrupt estate(s) in which an objection was raised;
- vi. authorizing the Trustee to open a single consolidated estate bank account for the Numbered Companies;
- vii. authorizing the Trustee to conduct all such other administrative duties and responsibilities to be carried out by a trustee in the administration of a bankrupt estate; and
- viii. authorizing and directing the Trustee to file all documents in respect of any of the bankrupt estates of the Numbered Companies in one court file bearing the court file number assigned by this court;

D. Such further and other relief as this Honourable Court may deem just.

The Applicant alleges:

1. THAT the Numbered Companies are justly and truly indebted to the Applicant in the amount of \$633,750.00 on account of liquidated damages pursuant to a contract as between the Numbered Companies and the Applicant dated June 17, 2020 (the “Contract”).
2. THAT the Numbered Companies, within the six months preceding the date of the filing of this Application, have committed the following acts of bankruptcy, namely:
 - (a) they have failed to meet their liabilities generally as they come due;
 - (b) they have failed to pay to the Applicant the liquidated damages owing under the Contract;
 - (c) they have failed to pay when due and outstanding the following secured debts:
 - i. \$15,237,743 owed to PS Holdings 1 LLC, PS Holdings 2 LLC and PS Holdings 3 LLC;
 - ii. \$1,383,620 owed to RPN Finance Corp. and 1938272 Ontario Inc.;
 - iii. \$350,000 owed to Computershare Trust Company of Canada;
 - iv. \$679,762 owed to SvN Architects + Planners Inc.;
 - v. \$160,986 owed to John DaRe;
 - vi. \$243,000 owed to Maria Louise Larsen.
 - (d) as a consequence of the aforementioned secured debts, this Honourable Court appointed a Receiver who, pursuant to a Receivership Order dated November 9, 2021, became authorized to, among other things, take possession of, exercise control over, and sell the property of the Numbered Companies.
3. THAT the Numbered Companies are closely held companies and that one individual – Blake Larsen – is the sole director and officer of each of the Numbered Companies.

4. THAT Pollard & Associates Inc. of the City of Richmond Hill (the “Trustee”), in the Province of Ontario, is qualified to act as Trustee for the Estates of the Numbered Companies and has agreed to act as such, and is acceptable to the Applicant.

DATED at Toronto, Ontario this 8th day of February, 2022.

MORRIS GROUP FINANCIAL, INC.
By its solicitors,
PAPAZIAN HEISEY MYERS

Per:
Lawyers for the Applicant

ISSUED at Toronto, Ontario this _____ day of February, 2022.

Registrar in Bankruptcy

TO: MNP Ltd.
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AND TO: 2738283 Ontario Inc, 2738283 Ontario
Inc. and 2738285 Ontario Inc.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

TAKE NOTICE that an Application for a
bankruptcy order in respect of your property will
be heard before the presiding Judge in Chambers
(or, if unopposed, before the Registrar in
Chambers) at 393 University Avenue, Toronto,
Ontario on the ____ day of _____, 2022, at the
hour of 10:00 in the forenoon or so soon thereafter
as the application can be heard.

AND TAKE NOTICE that if notice of cause
against the application is not filed in the court and
a copy thereof served on the solicitor for the
application creditor at least two days before the
hearing and if you do not appear at the hearing, the
court may make a bankruptcy order on such proof
of the statements in the application as the court
shall think sufficient.

DATED at Toronto this ____ day of February,
2022.

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
IN THE MATTER OF THE BANKRUPTCY
OF
2738283 ONTARIO INC., 2738284
ONTARIO INC., and 2738285 ONTARIO
INC.

of the City of Toronto,
in the Province of Ontario

APPLICATION FOR A
BANKRUPTCY ORDER

PAPAZIAN HEISEY MYERS
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Lawyers for the Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

ASSOCIATE JUSTICE)
)
) _____ DAY, THE _____
) DAY OF FEBRUARY, 2022

**IN THE MATTER OF THE BANKRUPTCY OF
2738283 ONTARIO INC., 2738284 ONTARIO INC., and 2738285 ONTARIO INC.**

of the City of Mississauga,
in the Province of Ontario

BANKRUPTCY ORDER

ON THE APPLICATION of Morris Group Financial, Inc., a creditor of 2738283 ONTARIO INC., 2738284 ONTARIO INC., and 2738285 ONTARIO INC. (the "Debtors"), filed on _____, 2022,

AND UPON READING the Application Record, the Affidavit of Verification of Joseph Grinkorn, sworn February 4, 2022, and the consent of Pollard & Associates Inc. to act as trustee in bankruptcy

And it appears that no materials were filed by the Debtors in this Application despite the Debtors having been served with the Applicant's Application and Affidavit of

Verification and Consent of the trustee, as sworn to by _____ in his affidavit of service dated _____, 2022, also filed;

AND IT APPEARING to the Court that the following acts of bankruptcy have been committed, namely that the Debtors have, within the six months preceding the date of filing of the bankruptcy application, ceased to meet their liabilities generally as they become due as they has failed to pay to the Applicant and to other creditors amounts lawfully owing to them.

1. **THIS COURT HEREBY ORDERS** that the Debtors, of the City of Mississauga, in the Province of Ontario, are hereby adjudged bankrupt by virtue of the bankruptcy order hereby made on this date.
 2. **THIS COURT FURTHER ORDERS** that Pollard & Associates Inc., of the Town of Richmond Hill, in the Province of Ontario, be appointed as trustee of the estates of the bankrupt Debtors.
 3. **THIS COURT FURTHER ORDERS** that the bankrupt estates of the Debtors are to be substantively consolidated.
 4. **THIS COURT FURTHER ORDERS** that the costs of the Applicant creditor be paid out of the estate of the bankrupt Debtors on taxation of the estate.
-

**IN THE MATTER OF THE
BANKRUPTCY OF
2738283 ONTARIO INC., 2738284
ONTARIO INC., and 2738285 ONTARIO
INC., of the City of Mississauga, in the
Province of Ontario**

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
Proceeding commenced at TORONTO**

BANKRUPTCY ORDER

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Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF

2738283 ONTARIO INC., 2738284 ONTARIO INC., and 2738285 ONTARIO INC.

of the City of Mississauga,

in the Province of Ontario

AFFIDAVIT OF VERIFICATION

I, Joseph Grinkorn, of the State of New York, MAKE OATH AND SAY:

Parties:

1. I am the Chief Executive Officer of the Applicant in these proceedings, Morris Group Financial, Inc., and as such have knowledge of the facts deposed to in this affidavit.
2. The Applicant is a corporation incorporated pursuant to the laws of New York. The Applicant carries on business as, among other things, a real estate investment firm.
3. 2738283 Ontario Inc., 2738284 Ontario Inc., and 2738285 Ontario Inc. (together, the "Numbered Companies") are Ontario corporations.
4. The Numbered Companies are closely held corporations controlled by an individual named Blake Larsen. I have reviewed the corporate profile reports kept by the Ministry of Government Services in respect of the three Numbered Companies and it appears to me that Blake Larsen is the sole director and officer of each of the Numbered Companies.

Copies of the corporate profile reports each of the three Numbered are attached together as Exhibit "A".

5. In all of my dealings with the Numbered Companies, Blake Larsen held himself out as the sole controlling mind of the three Numbered Companies.

Debts owing by the Numbered Companies to the Applicant:

6. On June 17, 2020, the Numbered Companies and the Applicant entered into a contract (the "Contract") whereby the Applicant agreed to seek, on the Numbered Companies' behalf, financing from a third party lender for a real estate development project at 664-674 Essa Rd. and 320-366 Mapleview Drive in Barrie, Ontario (the "Development Project"). A copy of the Contract is attached as Exhibit "B".
7. Pursuant to the Contract,
 - a) upon the execution of a letter of commitment between the Numbered Companies and the Lender, the Numbered Companies were required to pay to the Applicant a commitment fee (the "Commitment Fee") in an amount equal to 1% of the "Loan Amount" (as that term is defined below);
 - b) the Numbered Companies agreed not to pursue any other financing offers in respect of the Development Project for a period of 120 days from the date of execution of the Contract (the "Exclusivity Period"), failing which the Numbered Companies would be required to pay liquidated damages (the "Liquidated Damages") to the Applicant in an amount equal to 5% of the loan amount.
8. In July of 2020, the Applicant fulfilled its obligations under the Contract by arranging for a loan agreement as between the Numbered Companies and TriLend Inc. (the "Lender") for financing of the Development Project.
9. On July 22, 2020, the Numbered Companies executed a letter of commitment in which they agreed to the Lender's terms and conditions in respect of a loan in the amount of \$10,562,500.00 (the "Loan Amount"). A copy of the letter of commitment is attached as Exhibit "C".
10. As per the Contract, upon execution of the Lender's letter of commitment the Numbered Companies were obligated to pay the Commitment Fee to the Applicant in the amount of \$105,625.00, being 1% of the Loan Amount.

11. During the Exclusivity Period, the Numbered Companies sought financing from lenders unrelated to the Applicant or the Lender in respect of the very same Development Project. By doing so, the Numbered Companies breached the Contract and became liable to the Applicant for the Liquidated Damages in the amount of \$528,125.00, being 5% of the Loan Amount.
12. The Numbered Companies are thus indebted to the Applicant in an amount no less than \$633,750.00.
13. On September 14, 2020, the Applicant wrote to the Numbered Companies and demanded payment of the sum of \$633,750.00. A copy of the September 14, 2020 demand letter is attached as Exhibit "D".
14. On November 10, 2020, the Applicant commenced an action against the Numbered Companies in the Ontario Superior Court of Justice bearing Court File No. CV-20-00651075-0000 for recovery of the Commitment Fee and the Liquidated Damages, among other relief. A copy of the statement of claim in the action is attached as Exhibit "E".
15. To date, the amounts owing to the Applicant by the Numbered Companies remain outstanding in full.

The Receivership Order and Debts owing by the Numbered Companies to Others:

16. On January 17, 2022, the Applicant learned that pursuant to a Receivership Order dated November 9, 2021, this Honourable Court appointed a Receiver to, among other things, take possession of, take control over, and sell the property of the Numbered Companies. A copy of the Receivership Order is attached as Exhibit "F".
17. On December 2, 2021, the Receiver issued an Amended Notice and Statement setting out the amounts owed by the Numbered Companies to various creditors. The Amended Notice and Statement of the Receiver is attached as Exhibit "G".
18. As per the Amended Notice and Statement of the Receiver, the Numbered Companies owed the following outstanding debts to creditors:
 - a) \$15,237,743 owed to PS Holdings 1 LLC, PS Holdings 2 LLC and PS Holdings 3 LLC;
 - b) \$1,383,620 owed to RPN Finance Corp. and 1938272 Ontario Inc.;
 - c) \$350,000 owed to Computershare Trust Company of Canada;
 - d) \$679,762 owed to SvN Architects + Planners Inc.;
 - e) \$160,986 owed to John DaRe;

- f) \$243,000 owed to Maria Louise Larsen;
- g) Unknown amount owed to Alectra Utilities;
- h) Unknown amount owed to Canada Revenue Agency;
- i) \$11,666 owed to The Corporation of the City of Barrie.

Consent of Trustee:

19. I am advised by Angela Pollard, the President of Pollard & Associates Inc., and do verily believe, that Pollard & Associates Inc. of the City of Richmond Hill, in the Province of Ontario, is qualified to act as trustee for the Estates of the Numbered Companies and has agreed to act as such. A copy of this consent is attached to this affidavit and marked as Exhibit "I".

20. I am satisfied that Pollard & Associates Inc. is an acceptable trustee.

SWORN BEFORE ME by video conference in accordance with O. Reg. 431/20 under Commissioners for Taking Affidavits Act. I was located in Toronto, ON, and the deponent was located in ~~Toronto~~ ^{New York}, NY, when the oath was administered.
On FEB. 7, 2022

Justin Papazian
Commissioner for Taking Affidavits
(or as may be)
Justin Papazian LSO 61034T

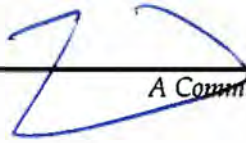


Joseph Grinkorn

This is Exhibit "A" To the Affidavit of

JOSEPH GRINKORN

Sworn this 4 day of February, 2022



A Commission, etc.

Justin Papazian - 61034T



Ministry of Government and
Consumer Services

Profile Report

2738283 ONTARIO INC. as of February 01, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2738283 ONTARIO INC.
Ontario Corporation Number (OCN)	2738283
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 21, 2020
Registered or Head Office Address	5510 Ambler Drive, 2, Mississauga, Ontario, Canada, L4W 2V1

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Barbara Duckitt

Director/Registrar

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Active Director(s)
Minimum Number of Directors 1
Maximum Number of Directors 10

Name Blake LARSEN
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Resident Canadian Yes
Date Began January 21, 2020

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Position Treasurer
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
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Corporate Name History

Name	2738283 ONTARIO INC.
Effective Date	January 21, 2020

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

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Expired or Cancelled Business Names

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Document List

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CIA - Initial Return PAF: BLAKE LARSEN - DIRECTOR	January 21, 2020
BCA - Articles of Incorporation	January 21, 2020

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Ministry of Government and
Consumer Services

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Status	Active
Date of Incorporation	January 21, 2020
Registered or Head Office Address	5510 Ambler Drive, 2, Mississauga, Ontario, Canada, L4W 2V1

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Resident Canadian Yes
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Active Business Names

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Expired or Cancelled Business Names

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Ministry of Government and
Consumer Services

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Active Director(s)

Minimum Number of Directors

1

Maximum Number of Directors

10

Name

Blake LARSEN

Address for Service

2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5

Resident Canadian

Yes

Date Began

January 21, 2020

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This is Exhibit "B" To the Affidavit of

JOSEPH GRINKORN

Sworn this 4 day of February, 2022



A. Commission, etc.

Justin Papazian - 61034T



JUNE 15, 2020

DELIVERED VIA EMAIL

PETROMAXX.
3347 282 STREET
LANGLEY BC V4W 3V9

Attention: BLAKE LARSON

Re: 664-674 Essa Rd & 320-366 Mapleview Drive Barrie ON Development Project.

Dear Mr Larson

You have requested that Morris Group Financial (the "Morris") or its affiliate, on behalf of one or more funds and/or accounts managed by its affiliates ("Lender") to underwrite and provide proposed offering as 664-674 Essa Rd & 320-366 Mapleview Drive Barrie ON (the "Property"). Morris Group Financial is an investment firm based in New York. It invests in various asset classes, including real estate in the United States and overseas.

This letter of offering (the "Letter of Offering") contains indicative terms and conditions under which one or more affiliates of Morris Group Financial would be prepared to provide a loan financing arrangement with respect to the Property.

This Letter of Offering (i) supersedes all prior discussions, agreements, arrangements, negotiations or understandings, whether oral or written, of the parties with respect to the Loan; (ii) shall be governed by the laws of the State of New York, without giving effect to the conflicts of law or choice of law provisions thereof; and (iii) may be signed in multiple counterparts and may be delivered by facsimile, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Property:	664-674 Essa Rd & 320-366 Mapleview Drive Barrie ON
Borrower:	2738283, Ontario Inc. and its affiliates
Sponsor:	Petromaxx
Purpose	The proceeds of the Loan shall be used to (i) Property Refinance (ii) other uses as may be approved by the Lender
Lender:	MGF Syndicate (the "Lender").
Loan Amount:	11,375,000 (the "Loan").



SERENDIPITY
GROUP

Facility	Senior first mtg.
Initial Term:	12 months
Extension Option	NA
Interest Rate and Payment:	The interest on the Loan shall be paid in monthly installments based on a current rate of 9.5% per annum (the "Interest")
Amortization:	NA
Equity Participation	NA
Security	Senior mortgage, security agreement on the Property and specific assignment of all material contracts, including but not limited to, all plans, specifications, development approvals, permits, licenses and agreements in respect of the Property
Prepayment	The Loan may be prepaid or repaid in whole but not in part at any time. The Lender shall require a TBD interest make-whole on the Loan Amount.
Advance Date	On or before July 22, provided that such date is subject to the receipt of all due-diligence materials listed in Schedule A, in the commitment, or otherwise requested by the Lender or its counsel, no later than 10 business days prior to such date.
Origination Fee	4% of the Loan initial balance, paid upon closing to MGF and Brokers from proceeds on or immediately after closing.
Offering Fee	0-2% of the Loan initial balance, paid upon closing to Lender from proceeds.
Broker fees	3% will be paid to Serendipity funding Inc or First equity financial group inc.



Commitment Fee	The Borrower shall pay 1% commitment fee contemporaneous when the Letter of Commitment is issued and executed. The fee is deducted from the origination fee.
Process Fee and Standby Deposit:	Will be payable contemporaneous with Sponsor and Borrower's return of an executed counterpart of the Letter, and allocated as follows: <ol style="list-style-type: none">1. (0%) the "Processing Fee" is non-refundable unless Lender arbitrarily elects not to pursue the loan due to Material Issues.2. TBD - the "Standby Deposit" is refundable, except to the extent described below:<p>Lender shall use the Standby Deposit to pay for Lender's fees, costs and expenses related to the Loan, including legal fees, title report fees, survey costs, and costs incurred in obtaining and/or reviewing due diligence materials, including, without limitation, appraisals, environmental and engineering reports, and travel costs (collectively, "Expenses"). Any amount of Diligence Fee that is not utilized to pay Lender's Expenses shall be refunded at closing.</p>
Exit Fee	TBD of the Loan initial balance, due and payable upon the earlier of (i) repayment of the loan or (ii) stated maturity.
Administration Fee	NA - per annum
Currency	All dollars are in Canadian Dollars
Reserve	Interest Reserve - TBD
Lender's Representative	The Lender will appoint MGF or its affiliate exclusively to present the Lender in discussions with the Borrower. The Lender's Representative shall take responsibility for liaising with all lenders matters requiring Lender Consent, and acting as a single point of contact for Borrower to dealing with Lender.
Reporting:	1. Annual financial statements within 90 days after fiscal year end; <ol style="list-style-type: none">1. Management prepared annual and quarterly financial statements within 45 days after fiscal year end and fiscal quarter end, as applicable;2. Other information and reports as reasonably required by Lender.



MORRIS GROUP

Confidentiality

In consideration of the Lender's issuance of this Letter of Offering at Borrower's and Sponsor's request, Borrower and Sponsor agree not to disclose, and to cause Related Parties (as defined below) not to disclose, either the fact that discussions or negotiations are taking place between the parties concerning the Loan or any of the terms, conditions, or other facts relating to the Loan, including the status thereof (all such information, whether written or oral and including this Letter of Offering and such other materials relating to the Loan as may hereafter be exchanged between the parties, the "Loan Information"), except that Loan Information may be disclosed to (a) employees or agents of Borrower or Sponsor; (b) any prospective joint venture partners, investors, or other providers of equity capital to Borrower; and (c) their respective attorneys, advisors and employees (all of whom collectively "Related Parties") who, in Sponsor's or Borrower's considered judgment, need to know such information for the purpose of causing the consummation of the transaction contemplated hereby. Related Parties shall be informed of the confidential nature of the Loan Information and shall be directed to keep the Loan Information in the strictest confidence and to use the Loan Information only for the purpose of causing the consummation of the transaction contemplated hereby. The terms set forth in this Letter of Offering are made available to Borrower and Sponsor solely for the evaluation of the transaction contemplated hereby. Oral or written disclosure of this Letter of Offering or its contents to any other lender shall be detrimental to Lender and shall be an explicit violation of this section. The obligations of Sponsor and Borrower under this paragraph shall survive the termination or expiration of this Letter of Offering.

Governing Law

New York State Law

R. [Signature] as stated in [Signature] 1/20/20 [Signature]

Exclusivity

In consideration of Lender and Representative's efforts with respect to further 2 week extension the potential loan, including without limitation, Lender's expenditure of time and expense in analyzing the potential loan, Sponsor agrees that until the earlier of (i) 120 days from the date that Sponsor executes this letter and (ii) the date on which Lender has notified Sponsor that it has elected not to provide the proposed loan (the "Exclusivity Period") Sponsor will not solicit, make, accept, negotiate, provide information for or otherwise pursue any offers for another financing in the form of debt. If Sponsor shall communicate with other lenders in the Exclusivity Period, Borrower agrees that Sponsor shall have an obligation to pay MGF 5% in liquidated damages. MGF also will have full exclusivity on future construction financing on the subject property starting July 5th, 2020

Conditions Precedent to Closing

Lender's determination to fund the Loan will be subject to Lender's sole and absolute discretion, including without limitation satisfaction of all conditions precedent deemed appropriate by Lender for financings of this type generally and for this transaction in particular including, but not limited to, the "Basic Conditions" set forth below and the due diligence and closing deliveries set forth on Schedule A attached hereto and made a part hereof. All of the due diligence information and reports to be



**FINANCIAL
GROUP**

provided to Lender hereunder must be in form and substance satisfactory to Lender in its sole discretion and the providers of such information and reports must be satisfactory to Lender in its sole discretion. Any and all due diligence materials shall be paid for directly by Sponsor and shall be commissioned by and addressed to Lender and its successors and assigns.

Basic Conditions:

- (1) Receipt of internal credit committee approval for the Loan by Lender.
- (2) The negotiation, execution and delivery of definitive Loan documentation satisfactory to Lender and Borrower each in its sole and absolute discretion.
- (3) No material adverse change shall have occurred in the business, assets, operations, condition (financial or otherwise) or prospects of Borrower, Sponsor, or their respective principals, or in the facts and information as represented or provided by Borrower and/or Sponsor as of the date hereof.
- (4) The absence of any action, suit, investigation or proceeding, pending or threatened, in any court or before any arbitrator or governmental authority that could have a material adverse effect on the Property, Borrower, Sponsor, or their respective principals or the transactions contemplated hereby or on the ability of any of them to perform their obligations under the documents to be executed in connection with the Loan.
- (5) No material adverse change in the banking, financial or capital markets as determined by the Lender in its sole and absolute discretion.
- (6) Review and approval by Lender of the management agreement.



MORRIS
GROUP

The foregoing is not intended to constitute a legal binding commitment to provide financing, or except with respect to the Jurisdiction, Exclusivity, Confidentiality, Process Fee and Standby Deposit clauses outlined below, create any binding obligation between the parties in the absence of a formal agreement supported by appropriate legal documentation.

As an acknowledgement of your acceptance of the terms and conditions presented in this Letter of Offering, please sign in the place indicated below and return an executed original of this Letter of Offering together with the Process Fee and Standby Deposit not later than June 19, 2020. If such an executed original of this Letter of Offering and the Process Fee and Standby Deposit is not received by Lender by 5:00 p.m. Eastern Time on June 19, 2020 this Letter of Offering shall be of no further force and effect.

If you have any questions, please do not hesitate to contact us. We look forward to working with you on this matter and providing the financing outlined above.

Sincerely



Joseph Grinkom, CEO
Morris Group Financial



MORRIS
GROUP

We hereby agree to the above noted terms and submit the standby deposit

Dated at TORONTO this 17 day of JUNE 2020

BORROWER:

2738283. 2738284. 2738285 Ontario inc.

Per. [Signature] BLAKE LARSEN
Name. RESIDENT
Title.

Per. _____
Name.
Title:

I/We have authority to bind the Corporation

**SPONSOR
PETROMAXX**

Per. [Signature] BLAKE LARSEN
Name. RESIDENT
Title

I have authority to bind the Corporation

Per. _____
Name.
Title

I have authority to bind the Corporation

This is Exhibit "C" To the Affidavit of

JOSEPH GRINKORN

Sworn this 4 day of February, 2022



A Commission, etc.

Justin Papazian - 61034T



TRILEND

RESIDENTIAL • COMMERCIAL • DEVELOPMENT

Commitment Letter

July 22, 2020

RE: Refinance of 664 Essa Road, Barrie ON, L4N 9E6 and 674 Essa Road, Barrie ON, L4N 9L5 and 320 and 326 Mapleview Drive West, Barrie ON, L4N 9E7 (subject property)

TriLend Inc. is pleased to advise that we are prepared to provide to the Borrower financing on the security of the Real Property subject -to-syndication and in accordance with the following terms and conditions.

Subject to the discovery of undisclosed information relevant to this mortgage loan, TriLend Inc. and/or its assigns ("the Lender") is pleased to provide a conditional mortgage commitment loan offer, subject to, but not limited to conditions contained herein.

This document is a ~~conditional~~ Mortgage Commitment Letter, conditional on areas of concern to the Lender/Mortgagee arising during the finalization of this loan, being resolved to the satisfaction of the Lender/Mortgagee. The Mortgagee has the absolute discretion to withdraw from this conditional commitment at any time prior to funding with no penalty or recourse by the Mortgagor (s) / Guarantor (s) against the Mortgagee

Borrower:

**2738283 ONTARIO INC
2738284 ONTARIO INC.
2738285 ONTARIO INC.**

Guarantor(s):

**Blake Larsen and 2738283 Ontario Inc. and
2738284 Ontario Inc. and 2738285 Ontario Inc.**

Lender:

TriLend Inc. and its investors

Address:

664 Essa Road, Barrie ON, 674 Essa Road, Barrie ON and
320 and 326 Mapleview Drive West (subject property)

Amount:

\$10,562,500.00

Amortization:

Not Applicable, interest only mortgage

Purpose of Loan:

Refinance of the subject property

To provide funding for the refinance relating to the Real Property secured by a first (1st) mortgage

Availability:

Available by way of a single advance of \$10,562,500.00 following completion of legal security in

TriLend Inc.

8830 Jane St., Vaughan, ON L4K 2M9

FSCO Brokerage #12788 FSCO Administrator #12832

CONFIDENTIAL 2020

Initials: 

support of this loan. It is anticipated that the closing will take place upon receipt of all requested satisfactory supporting documents and completion of all due diligence.

Term:

The loan shall be due 12 months from the date of advance. The Lender at its unfettered discretion may renew the mortgage for an additional 12-month term subject to a renewal fee. Any and all brokerage and legal fees associated with such renewal shall be borne by the borrower.

Interest Rate:

Nine and seventy-five one hundredths (9.75%) per annum, calculated monthly and payable interest only monthly. In this case, \$514,921.88 will be deducted from advance and will represent 6 month's payments.

The Borrower may prepay all or any part of the principal amount outstanding herein at any time upon providing the lesser of ~~three~~ two months' interest bonus, or the balance of interest, to the Lender.

The Guarantor(s), Blake Larsen, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. jointly and severally unconditionally guarantees payment to the Lender of all monies hereby secured and does further agree to postpone to and in favour of the Lender all present and future debts and liabilities direct or indirect, absolute or contingent, now or at any time hereafter due or owing from the Borrower to the Guarantor.

Conditions:

- i) Title to the Real Property to be satisfactory to the Lender and its solicitors in their absolute discretion;
- ii) The Borrower shall provide an up to date survey of the Real Property by no later than the closing date;
- iii) The Borrower shall provide its solicitor's opinion letter that all of the security documentation required hereunder has been properly authorized and executed and all of the obligations of the Borrower and the Guarantors are valid, binding and enforceable and further that all documents were executed in the office of the Borrower's solicitor and all of the parties are who they purport to be;
- iv) The Borrower to provide all corporate certificates and documentation in support of the loan as may be required by the Lender's solicitors;
- v) The Lender is to receive no adverse financial information with respect to the Borrower or any the Guarantors prior to closing or thereafter;
- vi) The Borrower shall provide to the Lender evidence that, as of the closing date, the Real Property will comply with all provincial regulations and there will be no outstanding work orders affecting the Real Property; and
- vii) The Borrower and Guarantor are to execute *all* of the security documentation provided for herein including the Lender's standard charge terms and any other documentation required by

TriLend Inc.

8830 Jane St., Vaughan, ON L4K 2M9
FSCO Brokerage #12788 FSCO Administrator #12832

Initials: 

the Lender or its solicitors to further secure the repayment of the indebtedness.

vii) The Borrower is to provide the following, all of which must be satisfactory to the Lender, prior to advance of funds:

1. Verification that borrower, and guarantor if applicable, do not owe CRA taxes (personally or corporately) or HST
2. Verification of ability to pay
3. Current original appraisal of addressed to TriLend Inc. reflecting a value of no less than \$16,250,000.00 TriLend Inc. will order all appraisals unless otherwise agreed or a satisfactory appraisal is already completed. If a satisfactory appraisal exists, TriLend Inc. requires a letter of transmittal addressed to "TriLend Inc. & its investors"
4. An invoice will be issued to the borrower for the full cost of the appraisal plus any applicable administration fees (if applicable)
5. Confirmation that the Private first mortgage does not exceed \$13,000,000.00 and is up to date for the subject property (664 Essa Road, Barrie ON, 674 Essa Road, Barrie ON and 320 and 326 Mapleview Drive West)
6. Confirmation that the Private second mortgage does not exceed \$1,200,000.00 and is up to date for the subject property (664 Essa Road, Barrie ON, 674 Essa Road, Barrie ON and 320 and 326 Mapleview Drive West)
7. Satisfactory interview with the Borrower(s)/Guarantor(s) to be conducted at a mutually convenient time. (if requested)
8. A deposit of \$105,625.00 is due upon acceptance of this commitment. The deposit is refundable under the following provisions:
In the event that the loan transaction is not completed through no fault of the Lender, the Borrower agrees to pay on demand the Lender's legal fees and disbursements as well as forfeit the deposit (\$105,625.00).
In the event that the loan transaction is not completed through no fault of the Borrower the Lender agrees to refund the deposit (\$105,625.00) minus any reasonable expenses incurred.
9. Satisfactory Phase I / Phase II Environment report and Geotechnical report (if applicable)
10. Planning review to the satisfaction of TriLend Inc. to be conducted by a TriLend approved planning consultant, at the borrower's expense.
11. Agreement of Purchase and Sale
12. Identification for all borrowers, scanned not faxed, front and back and clearly presented
13. Letter of direction for the Broker fee (if applicable)
14. Proof of fire insurance
15. Client's Solicitor details
16. SIGNED Disclosure to borrower, Amortization Schedule, and Consent Form to be provided by Broker prior to Solicitor Instruction
17. Broker to provide a satisfactory investor/lender disclosure for signature prior to close addressed to 'TriLend Inc. and its Investors'
18. All documentation is to be to the complete satisfaction of TriLend Inc. and its Solicitor.

TriLend Inc.

8830 Jane St., Vaughan, ON L4K 2M9

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- 19. This Commitment Letter may be executed in counterparts and all such counterparts shall for all purposes constitute one agreement binding all of the parties hereto, notwithstanding that all parties are not signatory to the same counterpart.
- 20. Title insurance at the expense of the Borrower.
- 21. The Borrower(s) and/or Guarantor(s) to have Independent Legal Representation
- 22. Borrower(s) and/or Guarantor(s) hereby acknowledge and direct TriLend Inc. or its designates to obtain all required information from third parties to facilitate the closing of this loan.

(ix) Any other reasonable documentation or security requested by TriLend Inc. not specified in this commitment.

Security:

The liability and indebtedness of the Borrower under the Loan and this Commitment shall be evidenced, governed and secured, as the case may be, by the following documents (the "Security Documents") completed in form and manner satisfactory to the Lender and its solicitors:

- i) First (1st) mortgage against the Real Property in the amount of \$10,562,500.00
- ii) First position General Assignment of Rents pledging the rental income of the Real Property as additional security for the repayment of the mortgage indebtedness; (if applicable)
- iii) General Security Agreement in favour of the Lender registered under the Personal Property Security Act providing a first position floating charge over the assets of the Borrower; (if applicable)
- iv) Assignment of Insurance with Loss Payable to the Lender;
- v) All supporting certificates, opinions and other documentation as the Lender or its solicitors may reasonably require.

Events of Default:

All of the standard Lender events of default shall be deemed included in the security documentation including but not limited to the following:

- a) the Borrower ceasing to carry on all or a substantial part of its business;
- b) the winding up, liquidation, bankruptcy, assignment into bankruptcy, or receivership of the Borrower or the levying of distress against the Borrower;
- c) re-organization, amalgamation, or transfer of ownership of the Borrower or the Real Property without the prior written consent of the Lender;

TriLend Inc.
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- d) failure of the Borrower to maintain adequate insurance coverage against the Real Property including but not limited to insurance for the renovation work to be performed;
- e) failure of the Borrower to repair the Real Property or any other assets secured under this commitment following notice from the Borrower;
- f) failure of the Borrower to keep the Real Property free of environmental contaminants;
- g) failure of the Borrower to pay real property taxes as they fall due; or
- h) failure of the Borrower to obtain any municipal approval required for the purchaser's intended development.
- i) Trilend Inc. shall charge a three (3) month bonus upon any event default including but not limited to non-renewal of the mortgage

The occurrence of any event of default under any security document referred to in this commitment letter shall be an event of default under all other security documents referred to herein.

Insurance:

The Borrower shall provide proof of insurance by a copy of the insurance policy or a certificate thereof confirmed by the insuring company, satisfactory to the Lender and subject to review by the Lender's insurance consultant. This letter of insurance must specifically provide for the insurance of the premises during the Borrower's intended renovation period.

Financial Statements:

If requested by the Lender, the Borrower is to provide financial statements within 120 days of its fiscal year end.

Income and Operating Statements:

If requested by the Lender, the Borrower is to provide annual income and operating statements for the Real Property and annual financial statements for the Guarantors.

Corporate Documentation:

The Borrower will provide such corporate documentation in support of the loan as may be required by the Lender's solicitors as they relate to this project.


Zoning:

The Borrower shall provide evidence satisfactory to the Lender to confirm that the Real Property complies with all applicable zoning and building by-laws.

Expropriation:

The Borrower shall acknowledge that the proceeds of any expropriation of all or any part of the Real Property shall be paid to the Lender at the option of the Lender subject to the rights of the

TriLend Inc.
8830 Jane St., Vaughan, ON L4K 2M9
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Initials 

first mortgage holder.

Access to Real Property:

The Lender shall have access to the Real Property at any time during the loan term with no less than 48 hours written notice to the borrower.

Representations:

The Borrower and the Guarantor represent and warrant that all statements made hereunder are completely accurate and in the event of any discrepancy, at the option of the Lender, this commitment letter shall become null and void.

Solicitors:

Our solicitors for the purpose of this mortgage transaction are Schneider Ruggiero Spencer Milburn LLP, or such other solicitors as the Lender may designate.

Fees:

By executing this commitment letter, the Borrower and the Guarantor unconditionally undertake to pay all fees and expenses (including legal fees) incurred or to be incurred in connection with this loan whether or not the loan is completed, and any funds are ever advanced hereunder.

The Borrower shall pay a Lender Fee of ^{FUNDING} \$316,875.00. Said fee shall be deemed to have been fully earned by the Lender upon ~~acceptance of this~~ commitment letter. The borrower hereby irrevocably directs the Lenders solicitor to pay from the closing proceeds, any outstanding balance of the subject fees. In the event that the loan transaction is not completed through no fault of the Lender, the Borrower agrees to pay on demand the full amount of the Lender Fee.

Independent Legal Advice:

The Borrower and the Guarantor acknowledge and agree that they have received independent legal advice prior to executing this Commitment and confirm that they have not looked to the Lender or the Lender's solicitor for any legal advice in connection with this transaction.

The Lender shall appoint a solicitor of its choosing. Any and all legal fees plus disbursement associated with the loan closing, ongoing monitoring, and repayment and discharge of this loan shall be borne by the Borrower.

Acceptance:

The Borrower and the Guarantor must execute this commitment prior to 8:00 p.m. on July 22, 2020 or at the option of the Lender, the commitment shall become null and void and of no further force or effect.

Cancellation:

This commitment, once accepted, shall expire on or about August 30, 2020 and unless an advance of loan proceeds is made on or before that date, the commitment may be cancelled at Lender's option.

TriLend Inc.

8830 Jane St., Vaughan, ON L4K 2M9

CCO Brokerage #12788 FSCO Administrator #12832

Initials  68

Survival of Representations and Warranties:

The representations, warranties, covenants and obligations herein set out shall not merge upon the execution and registration of the security documents and the advance of mortgage monies hereunder but shall survive until all obligations under this commitment, the mortgage as registered and any other security document executed in accordance herewith have been fully performed and all amounts outstanding to the Lender hereunder have been paid in full.

Costs:

The Borrower and the Guarantor shall be unconditionally responsible to pay all costs including but not limited to legal, appraisal, insurance consultants, environmental inspections, and any other costs incurred or to be incurred by the Lender in connection with this loan.

Authorization:

The Borrower for good and valuable consideration authorizes the Lender to accept telecopier communications on behalf of the Borrower as full and sufficient authority to act in accordance with communications as received by the Lender from the Borrower.

The Borrower shall be bound by all such telecopier communications from itself in the same manner and extent as if such communications were originally handwritten and signed by the Borrower and the Borrower shall hold the Lender at all times fully indemnified from all claims and demands in respect of all such instructions, in the event such telex, and telecopier communications, were made without authority or otherwise.

Neither anything contained herein nor the execution and registration of any security documents shall obligate the Lender to advance any monies hereunder. In addition, the advance of part or parts of the monies herein shall not obligate the Lender to advance any unadvanced portion thereof.

Yours very truly,
Cinzia Sorrenti
Cinzia Sorrenti
TriLend Inc.

Acknowledgement

We hereby acknowledge the terms and conditions set out above and understand and agree that this Commitment Letter is subject to Lender Due Diligence. Until such a time that the Lender formally acknowledges, in writing to the Borrower that the Lender is satisfied with the outcome of its due diligence, the Lender reserves the right to amend, change, or decline this Loan. All parties hereto shall hold in strict confidence and shall not make any disclosure to any third party any of the terms and conditions of this Commitment letter.

If you are in agreement with the above terms, please indicate such agreement by signing and forwarding to us a copy of the Commitment Letter together with a \$105,625.00

TriLend Inc
8830 Jane St., Vaughan, ON L4K 2M9
FSCO Brokerage #12788 FSCO Administrator #12832
CONFIDENTIAL 2020

Initials: 

Cheque made payable to TRILEND INC. as partial payment of the Lender fee. The Lender Fee shall be deemed to be fully earned upon acceptance of this Commitment Letter.

We the undersigned do hereby accept the loan and terms above and authorize you to instruct your solicitors to prepare the necessary documentation. We hereby submit with this signed Commitment a cheque in the amount of \$105,625.00 payable to TriLend Inc. In the event that the loan is advanced in accordance with the terms of this Commitment, the \$105,625.00 will be credited to the Borrower at the time of the first advance. In the event that the Borrower defaults in performing the Borrower's obligations herein contained, the said sum shall be forfeited by the Borrower to the Lender as liquidated damages and not as a penalty.

The Borrower and Guarantor acknowledge and agree that in consideration of the Lender furnishing this Commitment and providing the funding as contemplated hereunder, the Borrower and the Guarantor shall pay the following fees at the times and in the amounts as follows:

- a) lender fee to TriLend Inc. in the amount of 3.00% of the loan amount herein;
- b) legal fees to Schneider Ruggiero Spencer Milburn LLP, inclusive of disbursements, plus HST for preparation of the mortgage commitment and legal fees for the preparation and registration of security to secure this loan transaction

DATED this 22 day of July, 2020

2738283 ONTARIO INC.

Per: [Signature]
Name: BLAKE LADLEY
Title: President

I have the authority to bind the corporation

2738284 ONTARIO INC.

Per: [Signature]
Name: BLAKE LADLEY
Title: President

I have the authority to bind the corporation


2738285 ONTARIO INC.

Per: [Signature]
Name: BLAKE LADLEY
Title: President

I have the authority to bind the corporation

TriLend Inc.
8830 Jane St., Vaughan, ON L4K 2M9
FSCO Brokerage #12788 FSCO Administrator #12832
CONFIDENTIAL 2020

Initials: [Signature]

Per: 
Name: Blake Larsen (Guarantor)

Per: 
2738283 ONTARIO INC. (Guarantor)

Name:
Title: I have the authority to bind the corporation

Per: 
2738284 ONTARIO INC. (Guarantor)

Name: Blake Larsen
Title: President
I have authority to bind the corporation

Per: 
2738285 ONTARIO INC. (Guarantor)

Name: Blake Larsen
Title: President
I have authority to bind the corporation

This is Exhibit "D" To the Affidavit of

JOSEPH GRINKORN

Sworn this 4 day of February, 2022



A Commission, etc.

Justin Papazian - 61034T

September 14, 2020

Via Regular Mail

And Via Email to blake@petromaxx.ca

Blake Larsen
Petromaxx Construction Ltd.
5510 Ambler Drive
Suite #2
Mississauga, Ontario
L4W 2V1

Blake Larsen
2738283 Ontario Inc.
2738284 Ontario Inc.
2738285 Ontario Inc.
5510 Ambler Drive
Suite #2
Mississauga, Ontario
L4W 2V1

Mr. Larsen:

RE: Morris Group Financial
Demand for Unpaid Commissions and Liquidated Damages
664-674 Essa Rd. & 320 -366 Mapleview Drive, Barrie ON
2738283 Ontario Inc., 2738284 Ontario Inc., and 2738285 Ontario Inc. (the "Borrowers")
Petromaxx Construction Ltd. (the "Sponsor")

We are lawyers for Morris Group Financial.

On or about June 17, 2020, the above-noted numbered companies (the "Borrowers") and Petromaxx (the "Sponsor") entered into a contract with Morris whereby Morris agreed to seek financing on the Borrowers' behalf for a development project at 664-674 Essa Rd. & 320 -366 Mapleview Drive, Barrie, Ontario, subject to certain terms and conditions (the "Contract").

Morris fulfilled its obligations under the Contract. On July 22, 2020, the Borrowers signed a Commitment Letter with Trilend Inc. whereby Trilend agreed to lend the Borrowers \$10,562,500.00. For reasons not attributable to Morris or Trilend, the loan transaction did not close.

Pursuant to the Contract as between Petromaxx, the Borrowers and Morris, the Borrowers were required to pay a commitment fee equal to 1% of the loan amount to Morris upon execution of the Letter of Commitment. The commitment fee remains due and outstanding in the amount of \$105,625.00.

Pursuant to the Contract, Petromaxx agreed not to pursue other financing offers in respect of the subject property for a period of 120 days from the date of execution of the Contract (the "Exclusivity Period"), failing which Petromaxx would be required to pay liquidated damages to Morris in an amount equal to 5% of the loan amount. It has come to Morris' attention that Petromaxx did indeed pursue other financing offers in respect of the subject property during the Exclusivity Period and thus breached the Contract. Petromaxx is now liable to Morris for \$528,125.00 in liquidated damages.

In order to avoid the commencement of litigation for damages, interest and Morris' legal costs, please pay \$633,750.00 to Morris within 10 days of the date of this letter, failing which we are instructed to commence an action in the Ontario Superior Court of Justice without further notice.

Yours very truly,



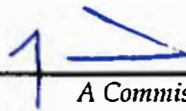
Justin Papazian

CC: *John Dare, john.dare@jolmdare.ca*

This is Exhibit "E" To the Affidavit of

JOSEPH GRINKORN

Sworn this 4 day of February, 2022



A Commission, etc.

Justin Papazian - 61034T



Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Electronically issued : 10-Nov-2020
Délivré par voie électronique
Toronto

MORRIS GROUP FINANCIAL, INC.

Plaintiff

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC., 2738285 ONTARIO INC.,
PETROMAXX CONSTRUCTION LTD., PETROMAXX MANAGEMENT LLP,
PETROMAXX CONSTRUCTION (ON) LLP and BLAKE LARSEN**

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiffs. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the plaintiffs' lawyer or, where the plaintiffs do not have a lawyer, serve it on the plaintiffs and file it, with proof of service, in this court office, **WITHIN TWENTY DAYS** after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. If you wish to defend this proceeding but are unable to pay legal fees, legal aid may be available to by contacting a local Legal Aid office.

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$500.00 for costs, within the time for serving and filing your Statement of Defence, you may move to have this proceeding dismissed by the Court. If you believe the amount claimed for costs is excessive, you may pay the Plaintiff's claim and \$100.00 for costs and have the costs assessed by the Court.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

DATE: November 6, 2020

Issued by: _____
Local registrar

Address of court office:
330 University Ave.
Toronto, ON M5G 1R8

TO: 2738283 ONTARIO INC.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
2738284 ONTARIO INC.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
2738285 ONTARIO INC.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
PETROMAXX CONSTRUCTION LTD.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
PETROMAXX MANAGEMENT LLP
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
PETROMAXX CONSTRUCTION (ON) LLP
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
BLAKE LARSEN
2608 Blackham Drive
Abbotsford, BC V2S 7J5

CLAIM

1. The plaintiff, Morris Group Financial, Inc., claims as against all defendants:
 - a) payment of the global sum of \$633,750.00, broken down as follows:
 - i. damages in the amount of \$105,625.00 for breach of contract;
 - ii. liquidated damages in the amount of \$528,125.00;
 - b) Pre- and post-judgment interest in accordance with the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
 - c) Costs of this action on a substantial indemnity basis; and
 - d) such further and other relief as may be necessary and which this Honourable Court may deem just.

THE PARTIES:

2. The plaintiff, Morris Group Financial, Inc. ("Morris Group") is a corporation duly incorporated under the laws of the state of New York. Morris Group carries on business throughout the world as a finance broker.
3. The defendants 2738283 Ontario Inc., 2738284 Ontario Inc., 2738285 Ontario Inc. (sometimes referred to together as the "Borrowers") and the defendant Petromaxx Construction Ltd. are Ontario corporations.
4. The defendants Petromaxx Management LLP and Petromaxx Construction (ON) LLP are extra-provincial limited liability partnerships with registered places of business in Ontario.
5. The defendants Petromaxx Construction Ltd., Petromaxx Management LLP and Petromaxx Construction (ON) LLP will sometimes be collectively referred to herein as "Petromaxx".

6. The Borrowers and Petromaxx carry on business in Ontario as construction and land development companies.
7. The defendant Blake Larsen (“Mr. Larsen”) is an individual residing in Ontario and:
 - a) is the sole officer and director of the Borrowers and of Petromaxx Construction Ltd.;
 - b) holds himself out publicly as the owner and president of Petromaxx; and
 - c) is the sole controlling mind of the Borrowers and of Petromaxx.
8. Morris Group pleads that the Borrowers and Petromaxx all carry on the same business in Ontario and have the same registered address in Ontario. Morris Group pleads that Mr. Larsen incorporated and founded the Borrowers and Petromaxx for the improper purpose of creating an unnecessarily complicated corporate structure so as to shield himself from personal liability. Morris Group pleads that the Borrowers and Petromaxx are alter egos or mere puppets of Mr. Larsen. Morris Group thus pleads that Mr. Larsen is personally liable for the debts and liabilities of the Borrowers and of Petromaxx.

THE CONTRACT:

9. On June 17, 2020, the Borrowers and Petromaxx entered into a contract with Morris Group (the “Contract”) whereby Morris Group agreed to seek, on the Borrowers’ behalf, financing from a third party lender for a Petromaxx development project at 664-674 Essa Rd. and 320-366 Mapleview Drive, in Barrie, Ontario (the “Development Project”).
10. Mr. Larsen signed the Contract on behalf of the Borrowers and Petromaxx.
11. Pursuant to the Contract,
 - a) the Borrowers were required to pay to Morris Group a commitment fee (the “Commitment Fee”) in an amount equal to 1% of the loan amount upon the execution of a letter of commitment as between the Borrowers and the eventual lender; and

- b) Petromaxx agreed not to pursue any other financing offers in respect of the Development Project for a period of 120 days from the date of execution of the Contract (the “Exclusivity Period”), failing which Petromaxx would be required to pay liquidated damages to Morris Group in an amount equal to 5% of the loan amount (the “Liquidated Damages”).

BREACH OF CONTRACT BY THE BORROWERS AND PETROMAXX:

12. In or around July of 2020, Morris Group fulfilled its obligations under the Contract by arranging a loan agreement as between the Borrowers and TriLend Inc. (the “Lender”) for financing of the Development Project.
13. On July 22, 2020, the Borrowers executed a commitment letter (the “Commitment Letter”) in which they agreed to the Lender’s terms and conditions in respect of a loan in the amount of \$10,562,500.00 (the “Loan Amount”). Mr. Larsen signed the Letter of Commitment on behalf of the Borrowers and also in his personal capacity as guarantor.
14. Upon execution of the Letter of Commitment, the Borrowers were obligated under the Contract to pay the Commitment Fee to Morris Group in the amount of \$105,625.00, being 1% of the Loan Amount.
15. During the Exclusivity Period, Petromaxx sought financing (from lenders unconnected to Morris Group) in respect of the very same Development Project. By doing so, Petromaxx breached the Contract and is liable to Morris Group for the Liquidated Damages in the amount of \$528,125.00, being 5% of the Loan Amount.
16. Despite several demands for payment made by Morris Group to the Borrowers, Petromaxx and Mr. Larsen for payment of the Commitment Fee and the Liquidated Damages, these debts remain due and outstanding in their entirety.
17. The Borrowers, Petromaxx and Mr. Larsen are liable to Morris Group for the sum of \$633,750.00.
18. Morris Group pleads that it is entitled to serve this statement of claim on Mr. Larsen outside of Ontario without leave as he carries on business in Ontario and the claims against him are in respect of a contract that was made in Ontario and a breach of contract

that was committed in Ontario. Morris Group relies upon Rule 17.02 (f) and (p) of the *Rules of Civil Procedure* in support of its service of this statement of claim outside Ontario.

19. Morris Group proposes that the trial of this action be conducted in Toronto.

November 6, 2020

PAPAZIAN HEISEY MYERS
Barristers and Solicitors
Suite 510, 121 King Street West
P.O. Box 105
Toronto, Ontario M5H 3T9

Justin Papazian (LSUC #61034T)
Tel: (416) 601-2716
Fax: (416) 601-1818

Lawyers for the Plaintiff

MORRIS GROUP FINANCIAL, INC.

- and -

2738283 ONTARIO INC., 2738284 ONTARIO
INC., 2738285 ONTARIO INC., PETROMAXX
CONSTRUCTION LTD., PETROMAXX
MANAGEMENT LLP, PETROMAXX
CONSTRUCTION (ON) LLP and BLAKE
LARSEN

Plaintiff

Defenda

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced at Toronto

STATEMENT OF CLAIM

PAPAZIAN HEISEY MYERS
Barristers and Solicitors
Suite 510, 121 King Street West
Standard Life Centre
P.O. Box 105
Toronto, Ontario M5H 3T9

Justin Papazian
(LSUC #61034T)
Tel: (416) 601-2716
Fax: (416) 601-1818

Solicitors for the Plaintiff

This is Exhibit "F" To the Affidavit of

JOSEPH GRINKORN

Sworn this 4 day of February, 2022



A Commissioner, etc.

Justin Papazian - 61034T

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) TUESDAY, THE 9th
JUSTICE PENNY) DAY OF NOVEMBER, 2021

BETWEEN:

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants



- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER 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, RSO 1990, c C.43, as amended**

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the applicants, PS Holdings 1 LLC, PS Holdings 2 LLC and PS Holdings 3 LLC (collectively, 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 MNP

Ltd. (“MNP”) as receiver (in such capacity, the “Receiver”) without security, of the real and personal property, rights and claims of the respondents, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the “Debtors”) described in Schedule “A” to the Receivership Order, including all proceeds thereof (collectively, the “Property”), was heard this day by videoconference due to the COVID-19 pandemic.

ON READING the affidavit of Paul Sadlon Jr. sworn October 18, 2021 and the Exhibits thereto and on hearing the submissions of counsel for the Applicants, the Debtors, SvN Architects + Planners Inc. and the proposed Receiver, and John DaRe appearing for himself, no one else appearing although duly served as appears from the affidavits of service and other proof of service, filed, and on reading the consent of MNP to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the notice of application 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, MNP is hereby appointed Receiver, without security, of 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 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 cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, listing agents and brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the 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 any of 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;
- (j) to market any or all of the Property, including by:
 - (i) obtaining three (3) listing proposals from listing agents or brokers experienced in selling property similar to the Property in the same market as the Property;
 - (ii) engaging the listing agent or broker that the Receiver in its discretion deems has submitted the best listing proposal to advertise and solicit offers in respect of the Property or any part or parts thereof (the "**Realtor**");

- (iii) entering into a listing agreement with the Realtor;
 - (iv) establishing in consultation with the Realtor such terms and conditions of sale as the Receiver in its discretion may deem appropriate, including listing price, marketing strategy and deadline for offers, if 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 \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; 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 Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other

persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

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

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

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

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 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 Debtors or the 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, 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

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 any of the Debtors, 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, 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.

12. THIS COURT ORDERS that, without limiting the generality of the foregoing, no insurer providing insurance to the Debtors or their directors or officers shall terminate or fail to renew such insurance on the existing terms thereof provided that such insurer is paid any premiums, as would be paid in the normal course, in connection with the continuation or renewal of such insurance at current prices, subject to reasonable annual increases in the ordinary course with respect to such premiums.

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 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 (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 '<https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>') 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.mnpdebt.ca/2738283-ontario-inc-et-al'.

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 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 any 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 full indemnity basis to be paid by the Receiver from the Debtors' estates 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.

33. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing.



A handwritten signature in black ink, appearing to read "Perry J.", is written above a horizontal line.

SCHEDULE "A"
DESCRIPTION OF PROPERTY

"Property" means all of the present and future legal and beneficial right, title, estate and interest in and to:

- (a) the real property municipally known as 320 Mapleview Drive West, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730-0303 (LT);
- (b) the real property municipally known as 692 Essa Road, Barrie, Ontario and legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730-0304 (LT);
- (c) the real property municipally known as 664 Essa Road, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730-0240 (LT); and
- (d) the real property municipally known as 674 Essa Road, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730-0297 (LT),

together with all buildings, structures, fixtures and improvements of any nature or kind now or hereafter located in, on or under such lands, and all equipment, leases, rents and all other appurtenances thereto, and including all interests, appurtenant or otherwise, held now or in the future by the Debtors in lands adjacent to or used in connection with such lands and premises or in which the Debtors now or in the future have any interest or to which the Debtors are now or may in the future become entitled.

Without limiting the foregoing, “**Property**” also includes all of the following real and personal property, rights and claims and in each case, both present and after acquired: (i) all material agreements, permits and approvals relating to such Property or its development, management or operation; (ii) all expropriation proceeds relating to such Property; (iii) all insurance proceeds and any unearned insurance premiums relating to such Property; (iv) all surveys, drawings, designs, reports, studies, environmental site assessments, tests, plans and specifications relating to such Property; and (v) all renewals, substitutions, improvements, accessions, attachments, additions, replacements and proceeds to, of or from each of the foregoing components of the Property or any part thereof and all conversions of such Property or the security constituted thereby.

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP, the receiver (the "**Receiver**") of the real and personal property, rights and claims of the respondents, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the "**Debtors**") described in Schedule "A" to this Receivership Order and 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 November 2021 (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__.

MNP, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

PS HOLDINGS 1 LLC et al.

-and- 2738283 ONTARIO INC. et al.
Applicant

Respondents
Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**Proceeding commenced at
Toronto**

**ORDER
(Appointing Receiver)**

FASKEN MARTINEAU DuMOULIN LLP
Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto, ON M5H 2T6

Aubrey E. Kauffman (LSO: 18829N)
akauffman@fasken.com

Daniel Richer (LSO: 75225G)
dricher@fasken.com

Tel: 416 865 4445

Fax: 416 364 7813

Lawyers for the applicants

This is Exhibit "G" To the Affidavit of

JOSEPH GRINKORN

Sworn this 4 day of February, 2022



A Commission, etc.

Justin Papazian - 61034T

Estates: 32-159273
32-159275
32-159276



COURT FILE # CV-21-00670723-00CL

AMENDED NOTICE AND STATEMENT OF THE RECEIVER
(SEC. 245 (1) AND SEC. 246(1) OF THE ACT)

**IN THE MATTER OF THE RECEIVERSHIP OF
2738283 ONTARIO INC., 2738284 ONTARIO INC. AND 2738285 ONTARIO INC.**

The Receiver gives notice and declares that:

1. On November 9, 2021, MNP Ltd. (“MNP”) became the receiver (the “Receiver”) in respect of the property of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (each a “Debtor” and collectively, the “Debtors”), each an insolvent person, that is described below:
 - a) The real and personal property, rights and claims of the Debtors, including the real property known municipally as 320 Mapleview Dr. W. Barrie, ON, 664 Essa Rd., Barrie, ON, 674 Essa Rd., Barrie, ON, and 692 Essa Rd., Barrie, ON (collectively the “Barrie Lands”).
2. MNP became the Receiver of the property described above by virtue of an Order (the “Receivership Order”) of the Ontario Superior Court of Justice (the “Court”) dated November 9, 2021.
3. The Receiver took control of the Property described above upon issuance of the Receivership Order by the Court on the 10th day of November, 2021.
4. The following information relates to the receivership:
 - a) Address of insolvent person: 5510 Ambler Drive, Suite 2, Mississauga, ON L4W 2V1
 - b) Principal line of business: Land development
 - c) Location of the business: 5510 Ambler Drive, Suite 2, Mississauga, ON L4W 2V1
 - d) Amount (approximate) owed by the Debtors to each creditor who holds a security on the property described above:

PS Holdings 1 LLC, PS Holdings 2 LLC and PS Holdings 3 LLC	\$15,237,743
RPN Finance Corp. & 1938272 Ontario Inc.	1,383,620
Computershare Trust Company of Canada	350,000
SvN Architects + Planners Inc.	679,762
John DaRe	160,986
Maria Louise Larsen	243,000



LICENSED INSOLVENCY TRUSTEES
SUITE 300, 111 RICHMOND STREET W, TORONTO ON, M5H 2G4
1.877.251.2922 T: 416.596.1711 F: 416.596.7894 MNPdebt.ca

- e) The list of other creditors of the insolvent person and the amount owed to each creditor and the total amount due by the Debtors are as follows:

Alectra Utilities	Unknown
Canada Revenue Agency	Unknown
The Corporation of the City of Barrie	\$11,666

- f) The intended plan of action of the Receiver during the receivership is to comply with the sale process described in the Receivership Order. Accordingly, the Receiver is soliciting three marketing proposals from experienced real estate brokers with respect to the Barrie Lands and will subsequently commence a sale process.

- g) Contact person for the Receiver:

Attention: Deborah Hornbostel
Phone: 416.515.3885
Email: Deborah.hornbostel@mnp.ca

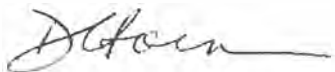
A copy of the Receivership Order and other details are available at
<https://mnpdebt.ca/en/corporate/corporate-engagements/2738283-ontario-inc-et-al>

Dated at Toronto, Ontario this 2nd day of December, 2021.

MNP LTD.

Court-appointed receiver of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc.
and not in its personal or corporate capacity.

Per:



Deborah Hornbostel, CPA, CA, CIRP, LIT, CFE
Senior Vice- President

This is Exhibit "H" To the Affidavit of

JOSEPH GRINKORN

Sworn this 4 day of February, 2022



A handwritten signature in blue ink, appearing to read 'Justin Papazian', is written over a horizontal line.

A Commission, etc.

Justin Papazian - 61034T

Court File No:

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY

IN THE MATTER OF THE BANKRUPTCY OF
2738283 ONTARIO INC., 2738284 ONTARIO INC., AND 2738285 ONTARIO INC.,
OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

CONSENT TO ACT AS TRUSTEE

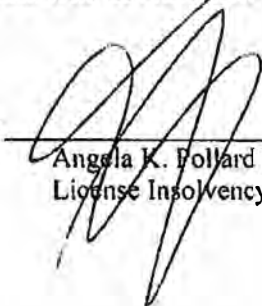
POLLARD & ASSOCIATES INC., hereby consents:

1. to act as Trustee for the estates of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. (the "Bankrupt Estates"); and
2. to an order substantively consolidating the Bankrupt Estates.

Date: February, 3, 2022

POLLARD & ASSOCIATES INC.

Per



Angela K. Follard – President
License Insolvency Trustee

**IN THE MATTER OF THE
BANKRUPTCY OF
2738283 ONTARIO INC., 2738284
ONTARIO INC., and 2738285 ONTARIO
INC., of the City of Mississauga, in the
Province of Ontario**

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
Proceeding commenced at TORONTO**

AFFIDAVIT OF VERIFICATION

PAPAZIAN HEISEY MYERS
Barristers and Solicitors
Suite 510, 121 King Street West
P.O. Box 105
Toronto, Ontario M5H 3T9

Justin Papazian, (LSO) #61034T
Tel: (416) 601-2716
Fax: (416) 601-1818
Email: jpapazian@phmlaw.com

Lawyers for the Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
Commercial List**

B E T W E E N:

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER 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, RSO 1990, c C.43, as amended**

AFFIDAVIT OF PARJOT BENIPAL

I, PARJOT BENIPAL, of the City of Brampton, in the Province of Ontario, MAKE OATH
AND SAY:

Parties:

1. I am a lawyer at the law firm Papazian Heisey Myers. Justin Papazian and Michael Myers have carriage of this matter for my firm. I have worked closely with Mr. Papazian and Mr. Myers on this file. I have reviewed the file and discussed it with them in making this affidavit, and as such I have knowledge of the matters to which I testify.
2. Morris Group Financial, Inc. (“Morris Group”) is a New York corporation.
3. 2738283 Ontario Inc., 2738284 Ontario Inc., and 2738285 Ontario Inc. (together, the “Numbered Companies”) are Ontario corporations.
4. The Numbered Companies are closely held corporations controlled by an individual named Blake Larsen. I have reviewed the corporate profile reports kept by the Ministry of Government Services in respect of the three Numbered Companies and it appears to me that Blake Larsen is the sole director and officer of each of the Numbered Companies. Copies of the corporate profile reports each of the three Numbered are attached together as **Exhibit “A”**.

5. I am advised by Joseph Grinkorn, principal of Morris Group, that in all of his dealings with the Numbered Companies, Blake Larsen held himself out as the sole controlling mind of the three Numbered Companies.

The Action

6. On November 10, 2020, Morris Group commenced an action in the Ontario Superior Court of Justice against the Numbered Companies, Blake Larsen and three other entities controlled by Blake Larsen. A copy of the statement of claim is attached as **Exhibit "B"**.
7. Morris Group's claim is for \$633,750.00.
8. In the Action, Morris Group claims:
 - (a) that on June 17, 2020, the Numbered Companies and Morris Group entered into a contract (the "Contract") whereby Morris Group agreed to seek, on the Numbered Companies' behalf, financing from a third party lender for a real estate development project at 664-674 Essa Rd. and 320-366 Mapleview Drive in Barrie, Ontario (the "Development Project"). A copy of the Contract is attached as **Exhibit "C"**; and
 - (b) that, pursuant to the Contract:
 - (i) upon the execution of a letter of commitment between the Numbered Companies and the Lender, the Numbered Companies were required to pay to Morris Group a commitment fee (the "Commitment Fee") in an amount equal to 1% of the "Loan Amount" (as that term is defined below); and
 - (ii) the Numbered Companies agreed not to pursue any other financing offers in respect of the Development Project for a period of 120 days from the date of execution of the Contract (the "Exclusivity Period"), failing which the Numbered Companies would be required to pay liquidated damages (the "Liquidated Damages") to Morris Group in an amount equal to 5% of the loan amount;

- (c) that In July of 2020, Morris Group fulfilled its obligations under the Contract by arranging for a loan agreement as between the Numbered Companies and TriLend Inc. (the “Lender”) for financing of the Development Project;
 - (d) that on July 22, 2020, the Numbered Companies executed a letter of commitment in which they agreed to the Lender’s terms and conditions in respect of a loan in the amount of \$10,562,500.00 (the “Loan Amount”). A copy of the letter of commitment is attached as **Exhibit “D”**;
 - (e) that upon execution of the Lender’s letter of commitment, the Numbered Companies were obligated to pay the Commitment Fee to Morris Group in the amount of \$105,625.00, being 1% of the Loan Amount;
 - (f) that during the Exclusivity Period, the Numbered Companies sought financing from lenders unrelated to Morris Group or the Lender in respect of the very same Development Project and that by so doing, the Numbered Companies breached the Contract and became liable to the Applicant for the Liquidated Damages in the amount of \$528,125.00, being 5% of the Loan Amount.
9. Throughout the course of the Action, the Numbered Companies and Blake Larsen have engaged in conduct that has unnecessarily delayed Morris Group’s prosecution of the Action.
10. But for these delay tactics, I verily believe that the Action would have progressed significantly toward judgment. Particulars of these delays are as follows:
- (a) between November 2020 and January 2021, the Numbered Companies and Blake Larsen evaded service of the statement of claim, forcing Morris Group to bring a motion for substituted service;

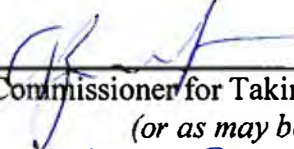
- (b) on April 21, 2021, a lawyer named John DaRe served my firm with a notice of intent to defend on behalf of the Numbered Companies, Blake Larsen and the other defendants;
 - (c) on June 1, 2021, a law firm called Barriston LLP served my firm with a notice of change of lawyer on behalf of the Numbered Companies, Blake Larsen and the other defendants;
 - (d) on June 16, 2021, Barriston LLP served my firm with a statement of defence;
 - (e) between June 2021 and October 2021, my firm communicated regularly with Barriston LLP in an attempt to schedule discoveries in the Action;
 - (f) on October 21, 2021, Barriston LLP served my firm with a notice of motion, with a return date of December 3, 2021, seeking to remove itself as counsel of record for the Numbered Companies, Blake Larsen and the other defendants;
 - (g) Barriston LLP failed to properly confirm the December 3, 2021 motion, resulting in the scheduling of a new return date of March 2, 2022.
11. On November 9, 2021, Justice Penny granted an order (the “Receivership Order”) pursuant to which MNP Ltd. (the “Receiver”) was appointed as receiver of the property of the Numbered Companies. A copy of the Receivership Order is attached as **Exhibit “E”**.
 12. My firm learned of the Receivership Order on January 17, 2022.
 13. Pursuant to the Receivership Order, the Receiver is authorized to, among other things, take possession of, take control over and sell the property of the Numbered Companies for the benefit of the secured creditors, and specifically the real property owned by the Numbered Companies and located at 664-674 Essa Rd. and 320-366 Mapleview Drive in Barrie (the “Real Property”).

14. I am advised by Joseph Grinkorn, principal of Morris Group, and do verily believe that, the Real Property is the only property of value owned by the Numbered Companies.
15. Under the Receivership Order, no proceedings can be commenced or continued against the Numbered Companies except with the written consent of the Receiver or with leave of the Court.
16. The Receivership Order does not specifically authorize the Receiver to act as trustee in bankruptcy in respect of the Numbered Companies' estates. To the contrary, the Receivership Order authorizes the Receiver to enter into agreements with any trustee in bankruptcy appointed in respect of the Numbered Companies. Thus it appears to me that the Receivership Order contemplates that a trustee in bankruptcy other than the Receiver shall be appointed.
17. The sale of the Real Property will benefit the secured creditors; however, in the absence of an order appointing a trustee in bankruptcy for the estates of the Numbered Companies, the remaining assets after the sale of the Real Property and the completion of the Receivership Order will be returned to the Numbered Companies, to the detriment of all unsecured creditors, including Morris Group.
18. I verily believe that the Receiver would be conflicted if it acted on behalf of both the secured and unsecured creditors. The Receiver's obligation under the Receivership Order is to maximize the repayment of debts owing to the secured creditors. Each dollar that the Receiver spends in so doing potentially harms the unsecured creditors by reducing the amount of surplus funds available to those unsecured creditors.
19. Morris Group seeks to lift the stay of proceedings in order to:
 - (a) petition the Numbered Companies into bankruptcy; and
 - (b) continue prosecuting the Action.
20. The lifting of the stay for these purposes will not prejudice the secured creditors, the Receiver or any party to the Receivership Order.

21. If the stay is lifted for these purposes, Morris Group will not interfere with the interests of the secured creditors. Morris Group has no interest in or claim on the Real Property.
22. Morris Group simply seeks to liquidate its claim by way of judgment in the Action.
23. Morris Group will not enforce its judgment during the receivership or bankruptcy process.

SWORN BEFORE ME by video conference in accordance with O. Reg. 431/20 under Commissioners for Taking Affidavits Act. I was located in Toronto, ON, and the deponent was located in Toronto, ON, when the oath was administered.

On March 1st, 2022



Commissioner for Taking Affidavits
(or as may be)

A. Ben Forrest -28025B

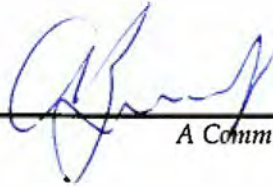


PARJOT BENIPAL

This is Exhibit "A" To the Affidavit of

PARJOT BENIPAL

Sworn this ^{5th} day of March, 2022



A Commission, etc.



Ministry of Government and
Consumer Services

Profile Report

2738283 ONTARIO INC. as of February 01, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2738283 ONTARIO INC.
Ontario Corporation Number (OCN)	2738283
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 21, 2020
Registered or Head Office Address	5510 Ambler Drive, 2, Mississauga, Ontario, Canada, L4W 2V1

Certified a true copy of the record of the Ministry of Government and Consumer Services.

A handwritten signature in cursive script, appearing to read "Barbara Duckitt".

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)
Minimum Number of Directors 1
Maximum Number of Directors 10

Name Blake LARSEN
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Resident Canadian Yes
Date Began January 21, 2020

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Suzanne Ruckitt

Director/Registrar

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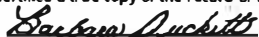
Active Officer(s)

Name Blake LARSEN
Position President
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Date Began January 21, 2020

Name Blake LARSEN
Position Treasurer
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Date Began January 21, 2020

Name Blake LARSEN
Position Secretary
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Date Began January 21, 2020

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Corporate Name History

Name	2738283 ONTARIO INC.
Effective Date	January 21, 2020

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Barbara Duckitt

Director/Registrar

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Barbara Duckett

Director/Registrar

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Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Sarban Luckitt

Director/Registrar


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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: JOHN DARE - OTHER	February 05, 2020
CIA - Initial Return PAF: BLAKE LARSEN - DIRECTOR	January 21, 2020
BCA - Articles of Incorporation	January 21, 2020

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Government and Consumer Services.



Director/Registrar

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Profile Report

2738284 ONTARIO INC. as of February 01, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2738284 ONTARIO INC.
Ontario Corporation Number (OCN)	2738284
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 21, 2020
Registered or Head Office Address	5510 Ambler Drive, 2, Mississauga, Ontario, Canada, L4W 2V1

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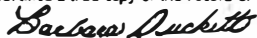
Director/Registrar

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Active Director(s)
Minimum Number of Directors 1
Maximum Number of Directors 10

Name Blake LARSEN
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Resident Canadian Yes
Date Began January 21, 2020

Certified a true copy of the record of the Ministry of Government and Consumer Services.



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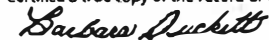
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Position Secretary
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Date Began January 21, 2020

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Corporate Name History

Name

2738284 ONTARIO INC.

Effective Date

January 21, 2020

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Sachse Ruckitt

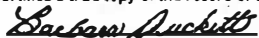
Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Government and Consumer Services.



Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Barbara Duckitt

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of Corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: JOHN DARE - OTHER	February 05, 2020
CIA - Initial Return PAF: BLAKE LARSEN - DIRECTOR	January 21, 2020
BCA - Articles of Incorporation	January 21, 2020

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Suzanne Duckitt

Director/Registrar

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Ministry of Government and
Consumer Services

Profile Report

2738285 ONTARIO INC. as of February 01, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2738285 ONTARIO INC.
Ontario Corporation Number (OCN)	2738285
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 21, 2020
Registered or Head Office Address	5510 Ambler Drive, 2, Mississauga, Ontario, Canada, L4W 2V1

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Barbara Duckett

Director/Registrar

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Active Director(s) 1
Minimum Number of Directors 1
Maximum Number of Directors 10

Name Blake LARSEN
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Resident Canadian Yes
Date Began January 21, 2020

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Barbara Duckett

Director/Registrar

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Active Officer(s)

Name Blake LARSEN
Position President
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Date Began January 21, 2020

Name Blake LARSEN
Position Treasurer
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Date Began January 21, 2020

Name Blake LARSEN
Position Secretary
Address for Service 2608 Blackham Drive, Abbotsford, British Columbia,
Canada, V2S 7J5
Date Began January 21, 2020

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Suzanne Duckett

Director/Registrar

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Corporate Name History

Name	2738285 ONTARIO INC.
Effective Date	January 21, 2020

Certified a true copy of the record of the Ministry of Government and Consumer Services.

Suzanne Duchette

Director/Registrar

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Active Business Names

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Certified a true copy of the record of the Ministry of Government and Consumer Services.

Barbara Duckitt

Director/Registrar

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Expired or Cancelled Business Names

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Certified a true copy of the record of the Ministry of Government and Consumer Services.

Sarban Duckitt

Director/Registrar

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This is Exhibit "B" To the Affidavit of

PARJOT BENIPAL

Sworn this ^{5th} day of March, 2022



A Commission, etc.



Court File No./N° du dossier du greffe: CV-20-00651075-0000

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Electronically issued
Délivré par voie électronique : 10-Nov-2020
Toronto

MORRIS GROUP FINANCIAL, INC.

Plaintiff

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC., 2738285 ONTARIO INC.,
PETROMAXX CONSTRUCTION LTD., PETROMAXX MANAGEMENT LLP,
PETROMAXX CONSTRUCTION (ON) LLP and BLAKE LARSEN**

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiffs. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the plaintiffs' lawyer or, where the plaintiffs do not have a lawyer, serve it on the plaintiffs and file it, with proof of service, in this court office, **WITHIN TWENTY DAYS** after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. If you wish to defend this proceeding but are unable to pay legal fees, legal aid may be available to by contacting a local Legal Aid office.

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$500.00 for costs, within the time for serving and filing your Statement of Defence, you may move to have this proceeding dismissed by the Court. If you believe the amount claimed for costs is excessive, you may pay the Plaintiff's claim and \$100.00 for costs and have the costs assessed by the Court.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

DATE: November 6, 2020

Issued by: _____
Local registrar

Address of court office:
330 University Ave.
Toronto, ON M5G 1R8

TO: 2738283 ONTARIO INC.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
2738284 ONTARIO INC.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
2738285 ONTARIO INC.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
PETROMAXX CONSTRUCTION LTD.
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
PETROMAXX MANAGEMENT LLP
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
PETROMAXX CONSTRUCTION (ON) LLP
5510 Ambler Drive, Suite 2
Mississauga, ON L4W 2V1

AND TO:
BLAKE LARSEN
2608 Blackham Drive
Abbotsford, BC V2S 7J5

CLAIM

1. The plaintiff, Morris Group Financial, Inc., claims as against all defendants:
 - a) payment of the global sum of \$633,750.00, broken down as follows:
 - i. damages in the amount of \$105,625.00 for breach of contract;
 - ii. liquidated damages in the amount of \$528,125.00;
 - b) Pre- and post-judgment interest in accordance with the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
 - c) Costs of this action on a substantial indemnity basis; and
 - d) such further and other relief as may be necessary and which this Honourable Court may deem just.

THE PARTIES:

2. The plaintiff, Morris Group Financial, Inc. (“Morris Group”) is a corporation duly incorporated under the laws of the state of New York. Morris Group carries on business throughout the world as a finance broker.
3. The defendants 2738283 Ontario Inc., 2738284 Ontario Inc., 2738285 Ontario Inc. (sometimes referred to together as the “Borrowers”) and the defendant Petromaxx Construction Ltd. are Ontario corporations.
4. The defendants Petromaxx Management LLP and Petromaxx Construction (ON) LLP are extra-provincial limited liability partnerships with registered places of business in Ontario.
5. The defendants Petromaxx Construction Ltd., Petromaxx Management LLP and Petromaxx Construction (ON) LLP will sometimes be collectively referred to herein as “Petromaxx”.

6. The Borrowers and Petromaxx carry on business in Ontario as construction and land development companies.
7. The defendant Blake Larsen (“Mr. Larsen”) is an individual residing in Ontario and:
 - a) is the sole officer and director of the Borrowers and of Petromaxx Construction Ltd.;
 - b) holds himself out publicly as the owner and president of Petromaxx; and
 - c) is the sole controlling mind of the Borrowers and of Petromaxx.
8. Morris Group pleads that the Borrowers and Petromaxx all carry on the same business in Ontario and have the same registered address in Ontario. Morris Group pleads that Mr. Larsen incorporated and founded the Borrowers and Petromaxx for the improper purpose of creating an unnecessarily complicated corporate structure so as to shield himself from personal liability. Morris Group pleads that the Borrowers and Petromaxx are alter egos or mere puppets of Mr. Larsen. Morris Group thus pleads that Mr. Larsen is personally liable for the debts and liabilities of the Borrowers and of Petromaxx.

THE CONTRACT:

9. On June 17, 2020, the Borrowers and Petromaxx entered into a contract with Morris Group (the “Contract”) whereby Morris Group agreed to seek, on the Borrowers’ behalf, financing from a third party lender for a Petromaxx development project at 664-674 Essa Rd. and 320-366 Mapleview Drive, in Barrie, Ontario (the “Development Project”).
10. Mr. Larsen signed the Contract on behalf of the Borrowers and Petromaxx.
11. Pursuant to the Contract,
 - a) the Borrowers were required to pay to Morris Group a commitment fee (the “Commitment Fee”) in an amount equal to 1% of the loan amount upon the execution of a letter of commitment as between the Borrowers and the eventual lender; and

- b) Petromaxx agreed not to pursue any other financing offers in respect of the Development Project for a period of 120 days from the date of execution of the Contract (the “Exclusivity Period”), failing which Petromaxx would be required to pay liquidated damages to Morris Group in an amount equal to 5% of the loan amount (the “Liquidated Damages”).

BREACH OF CONTRACT BY THE BORROWERS AND PETROMAXX:

12. In or around July of 2020, Morris Group fulfilled its obligations under the Contract by arranging a loan agreement as between the Borrowers and TriLend Inc. (the “Lender”) for financing of the Development Project.
13. On July 22, 2020, the Borrowers executed a commitment letter (the “Commitment Letter”) in which they agreed to the Lender’s terms and conditions in respect of a loan in the amount of \$10,562,500.00 (the “Loan Amount”). Mr. Larsen signed the Letter of Commitment on behalf of the Borrowers and also in his personal capacity as guarantor.
14. Upon execution of the Letter of Commitment, the Borrowers were obligated under the Contract to pay the Commitment Fee to Morris Group in the amount of \$105,625.00, being 1% of the Loan Amount.
15. During the Exclusivity Period, Petromaxx sought financing (from lenders unconnected to Morris Group) in respect of the very same Development Project. By doing so, Petromaxx breached the Contract and is liable to Morris Group for the Liquidated Damages in the amount of \$528,125.00, being 5% of the Loan Amount.
16. Despite several demands for payment made by Morris Group to the Borrowers, Petromaxx and Mr. Larsen for payment of the Commitment Fee and the Liquidated Damages, these debts remain due and outstanding in their entirety.
17. The Borrowers, Petromaxx and Mr. Larsen are liable to Morris Group for the sum of \$633,750.00.
18. Morris Group pleads that it is entitled to serve this statement of claim on Mr. Larsen outside of Ontario without leave as he carries on business in Ontario and the claims against him are in respect of a contract that was made in Ontario and a breach of contract

that was committed in Ontario. Morris Group relies upon Rule 17.02 (f) and (p) of the *Rules of Civil Procedure* in support of its service of this statement of claim outside Ontario.

19. Morris Group proposes that the trial of this action be conducted in Toronto.

November 6, 2020

PAPAZIAN HEISEY MYERS
Barristers and Solicitors
Suite 510, 121 King Street West
P.O. Box 105
Toronto, Ontario M5H 3T9

Justin Papazian (LSUC #61034T)
Tel: (416) 601-2716
Fax: (416) 601-1818

Lawyers for the Plaintiff

MORRIS GROUP FINANCIAL, INC.

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO
INC., 2738285 ONTARIO INC., PETROMAXX
CONSTRUCTION LTD., PETROMAXX
MANAGEMENT LLP, PETROMAXX
CONSTRUCTION (ON) LLP and BLAKE
LARSEN**

Plaintiff

Defenda

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced at Toronto**

STATEMENT OF CLAIM

**PAPAZIAN HEISEY MYERS
Barristers and Solicitors
Suite 510, 121 King Street West
Standard Life Centre
P.O. Box 105
Toronto, Ontario M5H 3T9**

**Justin Papazian
(LSUC #61034T)
Tel: (416) 601-2716
Fax: (416) 601-1818**

Solicitors for the Plaintiff

This is Exhibit "C" To the Affidavit of

PARJOT BENIPAL

Sworn this ¹⁷ day of March, 2022



A Commission, etc.



MORRIS
GROUP

JUNE 15, 2020

DELIVERED VIA EMAIL

PETROMAXX.
3347 262 STREET
LANGLEY BC V4W 3V9

Attention: BLAKE LARSON

Re: 664-674 Essa Rd & 320-366 Mapleview Drive Barrie ON Development Project.

Dear Mr Larson

You have requested that Morris Group Financial (the "Morris") or its affiliate, on behalf of one or more funds and/or accounts managed by its affiliates ("Lender") to underwrite and provide proposed offering as 664-674 Essa Rd & 320-366 Mapleview Drive Barrie ON (the "Property"). Morris Group Financial is an investment firm based in New York. It invests in various asset classes, including real estate in the United States and overseas.

This letter of offering (the "Letter of Offering") contains indicative terms and conditions under which one or more affiliates of Morris Group Financial would be prepared to provide a loan financing arrangement with respect to the Property.

This Letter of Offering (i) supersedes all prior discussions, agreements, arrangements, negotiations or understandings, whether oral or written, of the parties with respect to the Loan; (ii) shall be governed by the laws of the State of New York, without giving effect to the conflicts of law or choice of law provisions thereof; and (iii) may be signed in multiple counterparts and may be delivered by facsimile, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Property:	664-674 Essa Rd & 320-366 Mapleview Drive Barrie ON
Borrower:	2738283, Ontario Inc. and its affiliates
Sponsor:	Petromexx
Purpose	The proceeds of the Loan shall be used to (i) Property Refinance (ii) other uses as may be approved by the Lender
Lender:	MGF Syndicate (the "Lender").
Loan Amount:	11,375,000 (the "Loan").



**FIRST
EQUITY
GROUP**

Facility	Senior first mtg.
Initial Term:	12 months
Extension Option	NA
Interest Rate and Payment:	The Interest on the Loan shall be paid in monthly installments based on a current rate of 9.5% per annum (the "Interest")
Amortization:	NA
Equity Participation	NA
Security	Senior mortgage, security agreement on the Property and specific assignment of all material contracts, including but not limited to, all plans, specifications, development approvals, permits, licenses and agreements in respect of the Property
Prepayment	The Loan may be prepaid or repaid in whole but not in part at any time. The Lender shall require a TBD interest make-whole on the Loan Amount.
Advance Date	On or before July 22, provided that such date is subject to the receipt of all due-diligence materials listed in Schedule A, in the commitment, or otherwise requested by the Lender or its counsel, no later than 10 business days prior to such date.
Origination Fee	4% of the Loan initial balance, paid upon closing to MGF and Brokers from proceeds on or immediately after closing.
Offering Fee	0-2% of the Loan initial balance, paid upon closing to Lender from proceeds.
Broker fees	3% will be paid to Serendipity funding Inc or First equity financial group Inc.



MGF
GROUP

Commitment Fee

The Borrower shall pay 1% commitment fee contemporaneous when the Letter of Commitment is issued and executed. The fee is deducted from the origination fee.

Process Fee and Standby Deposit:

Will be payable contemporaneous with Sponsor and Borrower's return of an executed counterpart of the Letter, and allocated as follows:

1. (0%) the "Processing Fee" is non-refundable unless Lender arbitrarily elects not to pursue the loan due to Material Issues.
2. TBD - the "Standby Deposit" is refundable, except to the extent described below:

Lender shall use the Standby Deposit to pay for Lender's fees, costs and expenses related to the Loan, including legal fees, title report fees, survey costs, and costs incurred in obtaining and/or reviewing due diligence materials, including, without limitation, appraisals, environmental and engineering reports, and travel costs (collectively, "Expenses"). Any amount of Diligence Fee that is not utilized to pay Lender's Expenses shall be refunded at closing.

Exit Fee

TBD of the Loan initial balance, due and payable upon the earlier of (i) repayment of the loan or (ii) stated maturity.

Administration Fee

NA - per annum

Currency

All dollars are in Canadian Dollars

Reserve

Interest Reserve - TBD

Lender's Representative

The Lender will appoint MGF or its affiliate exclusively to present the Lender in discussions with the Borrower. The Lender's Representative shall take responsibility for liaising with all lenders matters requiring Lender Consent, and acting as a single point of contact for Borrower to dealing with Lender.

Reporting:

1. Annual financial statements within 90 days after fiscal year end;
1. Management prepared annual and quarterly financial statements within 45 days after fiscal year end and fiscal quarter end, as applicable;
2. Other information and reports as reasonably required by Lender.



MURKIN GROUP

Confidentiality

In consideration of the Lender's issuance of this Letter of Offering at Borrower's and Sponsor's request, Borrower and Sponsor agree not to disclose, and to cause Related Parties (as defined below) not to disclose, either the fact that discussions or negotiations are taking place between the parties concerning the Loan or any of the terms, conditions, or other facts relating to the Loan, including the status thereof (all such information, whether written or oral and including this Letter of Offering and such other materials relating to the Loan as may hereafter be exchanged between the parties, the "Loan Information"), except that Loan Information may be disclosed to (a) employers or agents of Borrower or Sponsor, (b) any prospective joint venture partners, investors, or other providers of equity capital to Borrower, and (c) their respective attorneys, advisors and employees (all of whom collectively "Related Parties") who, in Sponsor's or Borrower's considered judgment, need to know such information for the purpose of causing the consummation of the transaction contemplated hereby. Related Parties shall be informed of the confidential nature of the Loan Information and shall be directed to keep the Loan Information in the strictest confidence and to use the Loan Information only for the purpose of causing the consummation of the transaction contemplated hereby. The terms set forth in this Letter of Offering are made available to Borrower and Sponsor solely for the evaluation of the transaction contemplated hereby. Oral or written disclosure of this Letter of Offering or its contents to any other lender shall be detrimental to Lender and shall be an explicit violation of this section. The obligations of Sponsor and Borrower under this paragraph shall survive the termination or expiration of this Letter of Offering.

Governing Law

New York State Law

R. [Signature] at start in 170 sep

Exclusivity

In consideration of Lender and Representative's efforts with respect to the potential loan, including without limitation, Lender's expenditure of time and expense in analyzing the potential loan, Sponsor agrees that until the earlier of (i) 120 days from the date that Sponsor executes this letter and (ii) the date on which Lender has notified Sponsor that it has elected not to provide the proposed loan (the "Exclusivity Period"), Sponsor will not solicit, make, accept, negotiate, provide information for or otherwise pursue any offers for another financing in the form of debt. Sponsor shall communicate with other lenders in the Exclusivity Period. Borrower agrees that Sponsor shall have an obligation to pay MGF 5% in liquidated damages. MGF also will have full exclusivity on future construction financing on the subject property. (with) further 2 week extension starting July 5th, 2020

Conditions Precedent to Closing

Lender's determination to fund the Loan will be subject to Lender's sole and absolute discretion, including without limitation satisfaction of all conditions precedent deemed appropriate by Lender for financings of this type generally and for this transaction in particular including, but not limited to, the "Basic Conditions" set forth below and the due diligence and closing deliveries set forth on Schedule A attached hereto and made a part hereof. All of the due diligence information and reports to be



**TRORRIS
GROUP**

provided to Lender hereunder must be in form and substance satisfactory to Lender in its sole discretion and the providers of such information and reports must be satisfactory to Lender in its sole discretion. Any and all due diligence materials shall be paid for directly by Sponsor and shall be commissioned by and addressed to Lender and its successors and assigns.

Basic Conditions:

- (1) Receipt of internal credit committee approval for the Loan by Lender.
- (2) The negotiation, execution and delivery of definitive Loan documentation satisfactory to Lender and Borrower each in its sole and absolute discretion.
- (3) No material adverse change shall have occurred in the business, assets, operations, condition (financial or otherwise) or prospects of Borrower, Sponsor, or their respective principals, or in the facts and information as represented or provided by Borrower and/or Sponsor as of the date hereof.
- (4) The absence of any action, suit, investigation or proceeding, pending or threatened, in any court or before any arbitrator or governmental authority that could have a material adverse effect on the Property, Borrower, Sponsor, or their respective principals or the transactions contemplated hereby or on the ability of any of them to perform their obligations under the documents to be executed in connection with the Loan.
- (5) No material adverse change in the banking, financial or capital markets as determined by the Lender in its sole and absolute discretion.
- (6) Review and approval by Lender of the management agreement.



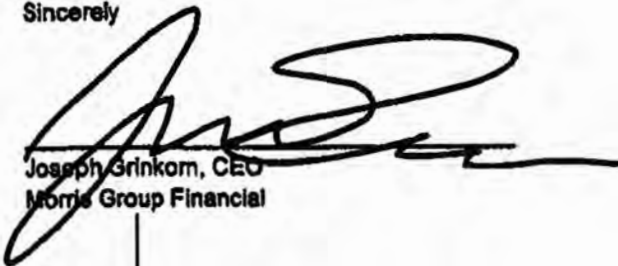
MORRIS
GROUP

The foregoing is not intended to constitute a legal binding commitment to provide financing, or except with respect to the Jurisdiction, Exclusivity, Confidentiality, Process Fee and Standby Deposit clauses outlined below, create any binding obligation between the parties in the absence of a formal agreement supported by appropriate legal documentation.

As an acknowledgement of your acceptance of the terms and conditions presented in this Letter of Offering, please sign in the place indicated below and return an executed original of this Letter of Offering together with the Process Fee and Standby Deposit not later than June 19, 2020. If such an executed original of this Letter of Offering and the Process Fee and Standby Deposit is not received by Lender by 5:00 p.m. Eastern Time on June 19, 2020 this Letter of Offering shall be of no further force and effect.

If you have any questions, please do not hesitate to contact us. We look forward to working with you on this matter and providing the financing outlined above.

Sincerely



Joseph Grinkom, CEO
Morris Group Financial



MORRIS
GROUP

We hereby agree to the above noted terms and submit the standby deposit.

Dated at TORONTO this 17 day of JUNE, 2020

BORROWER:

2738283. 2738284. 2738285 Ontario inc.

Per: [Signature]
Name: BLAKE LARSEN
Title: PRESIDENT

Per: _____
Name: _____
Title: _____

I/We have authority to bind the Corporation

**SPONSOR
PETROMAXX**

Per: [Signature]
Name: BLAKE LARSEN
Title: PRESIDENT

I have authority to bind the Corporation

Per: _____
Name: _____
Title: _____

I have authority to bind the Corporation

This is Exhibit "D" To the Affidavit of

PARJOT BENIPAL

Sworn this 1st day of March, 2022



A Commission, etc.



TRILEND

RESIDENTIAL • COMMERCIAL • DEVELOPMENT

Commitment Letter

July 22, 2020

RE: Refinance of 664 Essa Road, Barrie ON, L4N 9E6 and 674 Essa Road, Barrie ON, L4N 9L5 and 320 and 326 Mapleview Drive West, Barrie ON, L4N 9E7 (subject property)

TriLend Inc. is pleased to advise that we are prepared to provide to the Borrower financing on the security of the Real Property subject -to-syndication and in accordance with the following terms and conditions.

Subject to the discovery of undisclosed information relevant to this mortgage loan, TriLend Inc. and/or its assigns ("the Lender") is pleased to provide a conditional mortgage commitment loan offer, subject to, but not limited to conditions contained herein.

This document is a conditional Mortgage Commitment Letter, conditional on areas of concern to the Lender/Mortgagee arising during the finalization of this loan, being resolved to the satisfaction of the Lender/Mortgagee. The Mortgagee has the absolute discretion to withdraw from this conditional commitment at any time prior to funding with no penalty or recourse by the Mortgagor (s) / Guarantor (s) against the Mortgagee

- Borrower:** 2738283 ONTARIO INC
2738284 ONTARIO INC.
2738285 ONTARIO INC.
- Guarantor(s):** Blake Larsen and 2738283 Ontario Inc. and
2738284 Ontario Inc. and 2738285 Ontario Inc.
- Lender:** TriLend Inc. and its investors
- Address:** 664 Essa Road, Barrie ON, 674 Essa Road, Barrie ON and
320 and 326 Mapleview Drive West (subject property)
- Amount:** \$10,562,500.00
- Amortization:** Not Applicable, interest only mortgage
- Purpose of Loan:** Refinance of the subject property

To provide funding for the refinance relating to the Real Property secured by a first (1st) mortgage

Availability:

Available by way of a single advance of \$10,562,500.00 following completion of legal security in

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support of this loan. It is anticipated that the closing will take place upon receipt of all requested satisfactory supporting documents and completion of all due diligence.

Term:

The loan shall be due 12 months from the date of advance. The Lender at its unfettered discretion may renew the mortgage for an additional 12-month term subject to a renewal fee. Any and all brokerage and legal fees associated with such renewal shall be borne by the borrower.

Interest Rate:

Nine and seventy-five one hundredths (9.75%) per annum, calculated monthly and payable interest only monthly. In this case, \$514,921.88 will be deducted from advance and will represent 6 month's payments.

The Borrower may prepay all or any part of the principal amount outstanding herein at any time upon providing the lesser of three two months' interest bonus, or the balance of interest, to the Lender.

The Guarantor(s), Blake Larsen, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. jointly and severally unconditionally guarantees payment to the Lender of all monies hereby secured and does further agree to postpone to and in favour of the Lender all present and future debts and liabilities direct or indirect, absolute or contingent, now or at any time hereafter due or owing from the Borrower to the Guarantor.

Conditions:

- i) Title to the Real Property to be satisfactory to the Lender and its solicitors in their absolute discretion;
- ii) The Borrower shall provide an up to date survey of the Real Property by no later than the closing date;
- iii) The Borrower shall provide its solicitor's opinion letter that all of the security documentation required hereunder has been properly authorized and executed and all of the obligations of the Borrower and the Guarantors are valid, binding and enforceable and further that all documents were executed in the office of the Borrower's solicitor and all of the parties are who they purport to be;
- iv) The Borrower to provide all corporate certificates and documentation in support of the loan as may be required by the Lender's solicitors;
- v) The Lender is to receive no adverse financial information with respect to the Borrower or any the Guarantors prior to closing or thereafter;
- vi) The Borrower shall provide to the Lender evidence that, as of the closing date, the Real Property will comply with all provincial regulations and there will be no outstanding work orders affecting the Real Property; and
- vii) The Borrower and Guarantor are to execute all of the security documentation provided for herein including the Lender's standard charge terms and any other documentation required by

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the Lender or its solicitors to further secure the repayment of the indebtedness.

vii) The Borrower is to provide the following, all of which must be satisfactory to the Lender prior to advance of funds:

1. Verification that borrower, and guarantor if applicable, do not owe CRA taxes (personally or corporately) or HST
- 2. Verification of ability to pay
3. Current original appraisal of addressed to TriLend Inc. reflecting a value of no less than \$16,250,000.00 TriLend Inc. will order all appraisals unless otherwise agreed or a satisfactory appraisal is already completed. If a satisfactory appraisal exists, TriLend Inc. requires a letter of transmittal addressed to "TriLend Inc. & its investors"
4. An invoice will be issued to the borrower for the full cost of the appraisal plus any applicable administration fees (if applicable)
5. Confirmation that the Private first mortgage does not exceed \$13,000,000.00 and is up to date for the subject property (664 Essa Road, Barrie ON, 674 Essa Road, Barrie ON and 320 and 326 Mapleview Drive West)
6. Confirmation that the Private second mortgage does not exceed \$1,200,000.00 and is up to date for the subject property (664 Essa Road, Barrie ON, 674 Essa Road, Barrie ON and 320 and 326 Mapleview Drive West)
7. Satisfactory interview with the Borrower(s)/Guarantor(s) to be conducted at a mutually convenient time. (if requested)
8. A deposit of \$105,625.00 is due upon acceptance of this commitment. The deposit is refundable under the following provisions:
In the event that the loan transaction is not completed through no fault of the Lender, the Borrower agrees to pay on demand the Lender's legal fees and disbursements as well as forfeit the deposit (\$105,625.00).
In the event that the loan transaction is not completed through no fault of the Borrower the Lender agrees to refund the deposit (\$105,625.00) minus any reasonable expenses incurred.
9. Satisfactory Phase I / Phase II Environment report and Geotechnical report (if applicable)
10. Planning review to the satisfaction of TriLend Inc. to be conducted by a TriLend approved planning consultant, at the borrower's expense.
11. Agreement of Purchase and Sale
12. Identification for all borrowers, scanned not faxed, front and back and clearly presented
13. Letter of direction for the Broker fee (if applicable)
14. Proof of fire insurance
15. Client's Solicitor details
16. SIGNED Disclosure to borrower, Amortization Schedule, and Consent Form to be provided by Broker prior to Solicitor Instruction
17. Broker to provide a satisfactory investor/lender disclosure for signature prior to close addressed to 'TriLend Inc. and its Investors'
18. All documentation is to be to the complete satisfaction of TriLend Inc. and its Solicitor.

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- 19. This Commitment Letter may be executed in counterparts and all such counterparts shall for all purposes constitute one agreement binding all of the parties hereto, notwithstanding that all parties are not signatory to the same counterpart.
- 20. Title insurance at the expense of the Borrower.
- 21. The Borrower(s) and/or Guarantor(s) to have independent Legal Representation
- 22. Borrower(s) and/or Guarantor(s) hereby acknowledge and direct TriLend Inc. or its designates to obtain all required information from third parties to facilitate the closing of this loan.

(x) Any other reasonable documentation or security requested by TriLend Inc. not specified in this commitment.

Security:

The liability and indebtedness of the Borrower under the Loan and this Commitment shall be evidenced, governed and secured, as the case may be, by the following documents (the "Security Documents") completed in form and manner satisfactory to the Lender and its solicitors:

- i) First (1st) mortgage against the Real Property in the amount of \$10,582,500.00
- ii) First position General Assignment of Rents pledging the rental income of the Real Property as additional security for the repayment of the mortgage indebtedness; (if applicable)
- iii) General Security Agreement in favour of the Lender registered under the Personal Property Security Act providing a first position floating charge over the assets of the Borrower; (if applicable)
- iv) Assignment of Insurance with Loss Payable to the Lender;
- v) All supporting certificates, opinions and other documentation as the Lender or its solicitors may reasonably require.

Events of Default:

All of the standard Lender events of default shall be deemed included in the security documentation including but not limited to the following:

- a) the Borrower ceasing to carry on all or a substantial part of its business;
- b) the winding up, liquidation, bankruptcy, assignment into bankruptcy, or receivership of the Borrower or the levying of distress against the Borrower;
- c) re-organization, amalgamation, or transfer of ownership of the Borrower or the Real Property without the prior written consent of the Lender;

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- a) failure of the Borrower to maintain adequate insurance coverage against the Real Property including but not limited to insurance for the renovation work to be performed;
 - e) failure of the Borrower to repair the Real Property or any other assets secured under this commitment following notice from the Borrower;
 - f) failure of the Borrower to keep the Real Property free of environmental contaminant;
 - g) failure of the Borrower to pay real property taxes as they fall due, or
 - h) failure of the Borrower to obtain any municipal approval required for the purchaser's intended development.
- i) TriLend Inc. shall charge a three (3) month bonus upon any event default including but not limited to non-renewal of the mortgage

The occurrence of any event of default under any security document referred to in this commitment letter shall be an event of default under all other security documents referred to herein.

Insurance:

The Borrower shall provide proof of insurance by a copy of the insurance policy or a certificate thereof confirmed by the insuring company, satisfactory to the Lender and subject to review by the Lender's insurance consultant. This letter of insurance must specifically provide for the insurance of the premises during the Borrower's intended renovation period.

Financial Statements:

If requested by the Lender, the Borrower is to provide financial statements within 120 days of its fiscal year end.

Income and Operating Statements:

If requested by the Lender, the Borrower is to provide annual income and operating statements for the Real Property and annual financial statements for the Guarantors.

Corporate Documentation:

The Borrower will provide such corporate documentation in support of the loan as may be required by the Lender's solicitors as they relate to this project.

Zoning:

The Borrower shall provide evidence satisfactory to the Lender to confirm that the Real Property complies with all applicable zoning and building by-laws.

Expropriation:

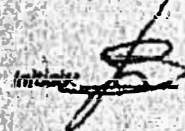
The Borrower shall acknowledge that the proceeds of any expropriation of all or any part of the Real Property shall be paid to the Lender at the option of the Lender subject to the rights of the

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first mortgage holder

Access to Real Property:

The Lender shall have access to the Real Property at any time during the loan term with no less than 48 hours written notice to the borrower.

Representations:

The Borrower and the Guarantor represent and warrant that all statements made hereunder are completely accurate and in the event of any discrepancy, at the option of the Lender, this commitment letter shall become null and void.

Solicitors:

Our solicitors for the purpose of this mortgage transaction are Schneider Ruggiero Spencer Milburn LLP, or such other solicitors as the Lender may designate.

Fees:

By executing this commitment letter, the Borrower and the Guarantor unconditionally undertake to pay all fees and expenses (including legal fees) incurred or to be incurred in connection with this loan whether or not the loan is completed, and any funds are ever advanced hereunder.

The Borrower shall pay a Lender Fee of ^{FUNDING} \$316,875.00. Said fee shall be deemed to have been fully earned by the Lender upon ~~acceptance~~ ^{of this} commitment letter. The borrower hereby irrevocably directs the Lenders solicitor to pay from the closing proceeds, any outstanding balance of the subject fees. In the event that the loan transaction is not completed through no fault of the Lender, the Borrower agrees to pay on demand the full amount of the Lender Fee.

Independent Legal Advice:

The Borrower and the Guarantor acknowledge and agree that they have received independent legal advice prior to executing this Commitment and confirm that they have not looked to the Lender or the Lender's solicitor for any legal advice in connection with this transaction.

The Lender shall appoint a solicitor of its choosing. Any and all legal fees plus disbursement associated with the loan closing, ongoing monitoring, and repayment and discharge of this loan shall be borne by the Borrower.

Acceptance:

The Borrower and the Guarantor must execute this commitment prior to 8:00 p.m. on July 22, 2020 or at the option of the Lender, the commitment shall become null and void and of no further force or effect.

Cancellation:

This commitment, once accepted, shall expire on or about August 30, 2020 and unless an advance of loan proceeds is made on or before that date, the commitment may be cancelled at Lender's option.

Survival of Representations and Warranties:

The representations, warranties, covenants and obligations herein set out shall not merge upon the execution and registration of the security documents and the advance of mortgage monies hereunder but shall survive until all obligations under this commitment, the mortgage as registered and any other security document executed in accordance herewith have been fully performed and all amounts outstanding to the Lender hereunder have been paid in full.

Costs:

The Borrower and the Guarantor shall be unconditionally responsible to pay all costs including but not limited to legal, appraisal, insurance consultants, environmental inspections, and any other costs incurred or to be incurred by the Lender in connection with this loan.

Authorization:

The Borrower for good and valuable consideration authorizes the Lender to accept telecopier communications on behalf of the Borrower as full and sufficient authority to act in accordance with communications as received by the Lender from the Borrower.

The Borrower shall be bound by all such telecopier communications from itself in the same manner and extent as if such communications were originally handwritten and signed by the Borrower and the Borrower shall hold the Lender at all times fully indemnified from all claims and demands in respect of all such instructions, in the event such telex, and telecopier communications, were made without authority or otherwise.

Neither anything contained herein nor the execution and registration of any security documents shall obligate the Lender to advance any monies hereunder. In addition, the advance of part or parts of the monies herein shall not obligate the Lender to advance any unadvanced portion thereof.

Yours very truly,
Cinzia Sorrenti
Cinzia Sorrenti
TriLend Inc.

Acknowledgement

We hereby acknowledge the terms and conditions set out above and understand and agree that this Commitment Letter is subject to Lender Due Diligence. Until such a time that the Lender formally acknowledges, in writing to the Borrower that the Lender is satisfied with the outcome of its due diligence, the Lender reserves the right to amend, change, or decline this Loan. All parties hereto shall hold in strict confidence and shall not make any disclosure to any third party any of the terms and conditions of this Commitment letter.

If you are in agreement with the above terms, please indicate such agreement by signing and forwarding to us a copy of the Commitment Letter together with a \$105,625.00

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Cheque made payable to TRILEND INC. as partial payment of the Lender fee. The Lender Fee shall be deemed to be fully earned upon acceptance of this Commitment Letter.

We the undersigned do hereby accept the loan and terms above and authorize you to instruct your solicitors to prepare the necessary documentation. We hereby submit with this signed Commitment a cheque in the amount of \$105,625.00 payable to TriLend Inc in the event that the loan is advanced in accordance with the terms of this Commitment, the \$105,625.00 will be credited to the Borrower at the time of the first advance. In the event that the Borrower defaults in performing the Borrower's obligations herein contained, the said sum shall be forfeited by the Borrower to the Lender as liquidated damages and not as a penalty.

The Borrower and Guarantor acknowledge and agree that in consideration of the Lender furnishing this Commitment and providing the funding as contemplated hereunder, the Borrower and the Guarantor shall pay the following fees at the times and in the amounts as follows:

- a) lender fee to TriLend Inc. in the amount of 3.00% of the loan amount herein;
- b) legal fees to Schneider Ruggiero Spencer Milburn LLP, inclusive of disbursements, plus HST for preparation of the mortgage commitment and legal fees for the preparation and registration of security to secure this loan transaction

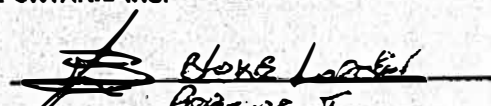
DATED this 22 day of July, 2020

2738283 ONTARIO INC.

Per: 
Name: Blake Laidler
Title: President

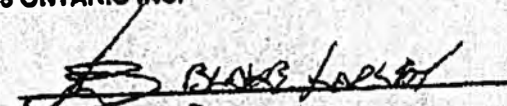
I have the authority to bind the corporation

2738284 ONTARIO INC.

Per: 
Name: Blake Laidler
Title: President

I have the authority to bind the corporation

2738285 ONTARIO INC.

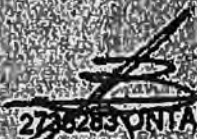
Per: 
Name: Blake Laidler
Title: President


I have the authority to bind the corporation


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Per: 
Name: Blake Larsen (Guarantor)

Per: 
Name: 2738253 ONTARIO INC. (Guarantor)
Title: I have the authority to bind the corporation

Per: 
Name: Blake Larsen
Title: PRESIDENT
I have authority to bind the corporation

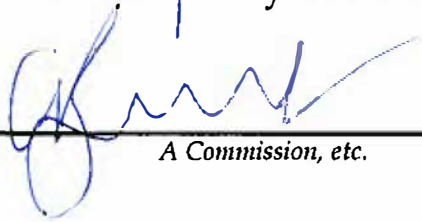
Per: 
Name: Blake Larsen
Title: PRESIDENT
I have authority to bind the corporation



This is Exhibit "E" To the Affidavit of

PARJOT BENIPAL

Sworn this 4th day of March, 2022



A Commission, etc.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) TUESDAY, THE 9th
JUSTICE PENNY) DAY OF NOVEMBER, 2021

BETWEEN:

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants



- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER 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, RSO 1990, c C.43, as amended**

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the applicants, PS Holdings 1 LLC, PS Holdings 2 LLC and PS Holdings 3 LLC (collectively, 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 MNP

Ltd. (“MNP”) as receiver (in such capacity, the “Receiver”) without security, of the real and personal property, rights and claims of the respondents, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the “Debtors”) described in Schedule “A” to the Receivership Order, including all proceeds thereof (collectively, the “Property”), was heard this day by videoconference due to the COVID-19 pandemic.

ON READING the affidavit of Paul Sadlon Jr. sworn October 18, 2021 and the Exhibits thereto and on hearing the submissions of counsel for the Applicants, the Debtors, SvN Architects + Planners Inc. and the proposed Receiver, and John DaRe appearing for himself, no one else appearing although duly served as appears from the affidavits of service and other proof of service, filed, and on reading the consent of MNP to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the notice of application 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, MNP is hereby appointed Receiver, without security, of 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 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 cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, listing agents and brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the 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 any of 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;
- (j) to market any or all of the Property, including by:
 - (i) obtaining three (3) listing proposals from listing agents or brokers experienced in selling property similar to the Property in the same market as the Property;
 - (ii) engaging the listing agent or broker that the Receiver in its discretion deems has submitted the best listing proposal to advertise and solicit offers in respect of the Property or any part or parts thereof (the "**Realtor**");

- (iii) entering into a listing agreement with the Realtor;
 - (iv) establishing in consultation with the Realtor such terms and conditions of sale as the Receiver in its discretion may deem appropriate, including listing price, marketing strategy and deadline for offers, if 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 \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; 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 Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other

persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “Persons” and each being a “Person”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

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

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

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

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 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 Debtors or the 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, 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

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 any of the Debtors, 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, 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.

12. THIS COURT ORDERS that, without limiting the generality of the foregoing, no insurer providing insurance to the Debtors or their directors or officers shall terminate or fail to renew such insurance on the existing terms thereof provided that such insurer is paid any premiums, as would be paid in the normal course, in connection with the continuation or renewal of such insurance at current prices, subject to reasonable annual increases in the ordinary course with respect to such premiums.

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 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 (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 '<https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>') 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.mnpdebt.ca/2738283-ontario-inc-et-al'.

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 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 any 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 full indemnity basis to be paid by the Receiver from the Debtors' estates 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.

33. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing.



A handwritten signature in black ink, appearing to read "Perry J.", is written above a horizontal line.

SCHEDULE "A"
DESCRIPTION OF PROPERTY

"Property" means all of the present and future legal and beneficial right, title, estate and interest in and to:

- (a) the real property municipally known as 320 Maplevue Drive West, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730-0303 (LT);
- (b) the real property municipally known as 692 Essa Road, Barrie, Ontario and legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730-0304 (LT);
- (c) the real property municipally known as 664 Essa Road, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730-0240 (LT); and
- (d) the real property municipally known as 674 Essa Road, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730-0297 (LT),

together with all buildings, structures, fixtures and improvements of any nature or kind now or hereafter located in, on or under such lands, and all equipment, leases, rents and all other appurtenances thereto, and including all interests, appurtenant or otherwise, held now or in the future by the Debtors in lands adjacent to or used in connection with such lands and premises or in which the Debtors now or in the future have any interest or to which the Debtors are now or may in the future become entitled.

Without limiting the foregoing, “**Property**” also includes all of the following real and personal property, rights and claims and in each case, both present and after acquired: (i) all material agreements, permits and approvals relating to such Property or its development, management or operation; (ii) all expropriation proceeds relating to such Property; (iii) all insurance proceeds and any unearned insurance premiums relating to such Property; (iv) all surveys, drawings, designs, reports, studies, environmental site assessments, tests, plans and specifications relating to such Property; and (v) all renewals, substitutions, improvements, accessions, attachments, additions, replacements and proceeds to, of or from each of the foregoing components of the Property or any part thereof and all conversions of such Property or the security constituted thereby.

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP, the receiver (the "**Receiver**") of the real and personal property, rights and claims of the respondents, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the "**Debtors**") described in Schedule "A" to this Receivership Order and 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 November 2021 (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__.

MNP, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

PS HOLDINGS 1 LLC et al.

-and- 2738283 ONTARIO INC. et al.
Applicant

Respondents
Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**Proceeding commenced at
Toronto**

**ORDER
(Appointing Receiver)**

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- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Applicants

Respondents

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

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- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Applicants

Respondents

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

MOTION RECORD

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