Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

MOTION RECORD

(Motion Returnable February 19, 2021 at 10:00 am via Zoom)

February 18, 2021

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Commerce Court Postal Station
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TAB 1

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

NOTICE OF MOTION

Rosen Goldberg Inc. in its capacity as the Court-appointed sales officer (the "**Sales Officer**") of the assets, undertakings and properties of the Respondents 6910 Hwy 7 Inc. ("**Hwy7**") and 6910 Highway Seven Limited Partnership (the "**LP**" and together with Hwy7 Inc., collectively, the "**Debtors**"), including the lands and premises municipally described as 6910 and 6950 Hwy. No. 7 East, in Markham (collectively, the "**Property**") will make a Motion to a Judge of the Commercial List, on Friday, February 19, 2021 at 10 a.m., or as soon after that time as the Motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard by videoconference.

At the following location

Join Zoom Meeting
https://zoom.us/j/91952800938?pwd=OWJKeWpxdldSeWpHbm54citIa3Qxdz09

Meeting ID: 919 5280 0938
Passcode: 241776

THE MOTION IS FOR:

1. If necessary, an Order abridging the time for service and validating service of this Notice of Motion and the Motion Record so that the Motion is properly returnable on February 19, 2021 and dispensing with further service thereof;

2. An Order approving the Sales Officer's Fifth Report dated February 17, 2021 and the activities and recommendations described therein, including the terms upon which the Sales Officer has agreed to grant extensions of time to complete the sale of the Property;

3. An Order authorizing the Sales Officer, when the sale of the Property is completed, to immediately distribute to Am-Stat Corporation ("**Am-Stat**") the amounts provided for in its statement, save and except for the amount claimed in respect of the acceleration charge of $604,074.99;

4. An Order authorizing the Sales Officer to set aside a reserve with respect to the acceleration charge pending further Order of this Court; and

5. Such further relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. Hwy7 is the registered owner of the Property, which it holds as a nominee for the benefit of the LP. The Property consists of 2 vacant parcels which together comprise approximately 20 acres of valuable development land located in Markham, Ontario, directly south of the Markham-Stouffville Hospital;

2. Am-Stat holds a first-ranking charge over the Property in connection with a loan to the Debtors in the principal amount of $24.163 million;

3. On September 8, 2020, the Sales Officer accepted an offer to purchase the Property (the "**Juniper APS**") from Juniper Capital Ltd. ("**Juniper**");

4. On October 22, 2020, Justice McEwen granted an Approval and Vesting Order, approving the transaction (the "**Transaction**") contemplated in the Juniper APS;

5. According to the terms of the Juniper APS, the Transaction was to have been completed on January 20, 2021;

6. On January 15, 2021, in connection with a request by Juniper to extend the closing date, the Sales Officer agreed to an extension until February 15, 2021 and Juniper agreed to pay a further deposit of $1.2 million on account of the purchase price and an extension fee of $219,211.00 to offset the carrying costs to the Debtors' estates associated with interest accrual under Am-Stat's charge and realty taxes during the period of the extension. All funds payable by Juniper in consideration for the extension were received by the Sales Officer;

7. On February 11, 2021, in connection with a further request by Juniper to extend the closing date, the Sales Officer agreed to an extension until February 19, 2021 and Juniper agreed to pay a further deposit of $1 million on account of the purchase price and a further extension fee of $51,025.00 to offset the associated carrying and professional costs to the Debtors' estates. Additionally, Juniper agreed to provide the Sales Officer by February 12, 2021 with proof that it was in funds to complete the Transaction. All funds payable by Juniper in consideration for the second extension were received by the Sales Officer;

8. With respect to proof of funds, the Sales Officer received a bank statement from Juniper, which together with the Juniper's mortgage financing commitment and the deposits which the Sales Officer is holding, suggest that sufficient funds will be available to complete the Transaction on February 19, 2021;

9. On February 18, 2021, the Sales Officer received a payout statement of $30,078,246.00 from Am-Stat, which includes an amount claimed in respect of an acceleration charge of $604,074.99 pursuant to Am-Stat's charge;

10. Given the timing, the Sales Officer has not had an opportunity to assess whether the acceleration charge is properly payable;

11. To avoid interest accrual under Am-Stat's charge eroding the sale proceeds (assuming the Transaction closes), the Sales Officer recommends that, save and except for the acceleration charge, it be authorized to distribute the amounts claimed in Am-Stat's statement, together with any per diem interest that may accrue prior to payment, immediately following closing.

12. The Sales Officer further recommends that it be authorized to hold the acceleration charge amount in reserve pending consideration of whether its properly payable and obtaining directions;

13. Rules 1.04, 2.01, 3.02, 41.05 of the *Rules of Civil Procedure*, section 249 of the *Bankruptcy and Insolvency Act* ; and

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

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

1. The Fifth Report of the Sales Officer dated February 18, 2021; and

2. Such further and other material as counsel may advise and this Honourable Court may permit.

February 18, 2021

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Lawyers for the Sales Officer, Rosen Goldberg Inc.

AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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TAB 2

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

FIFTH REPORT OF ROSEN GOLDBERG INC.

February 18, 2021

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

I. INTRODUCTION

1. By Order of Justice McEwen dated June 4, 2019, Rosen Goldberg Inc. was appointed as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of 6910 Hwy 7 Inc. ("**Hwy7**") and 6910 Highway Seven Limited Partnership (the "**LP**", and together with Hwy7 Inc., collectively, the "**Debtors**"), including the lands and premises municipally described as 6910 and 6950 Highway No. 7 East, in Markham, Ontario (the "**Property**"). The Order was obtained upon application by Am–Stat Corporation ("**Am-Stat**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*. A copy of the Order is attached as **Appendix A**.

II. TERMS OF REFERENCE

2. In preparing this Fifth Report, the Sales Officer has relied upon information from third party sources (collectively, the **"Information"**). Certain information contained in this Fifth Report may refer to, or be based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this proceeding, the Sales Officer has relied on this Information, and to the extent possible reviewed the Information for reasonableness. However, the Sales Officer has not audited or otherwise attempted to verify the accuracy and completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook and, accordingly, the Sales Officer expresses no opinion or other form of assurance in respect of the Information**.**

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

III. PURPOSE OF REPORT

3. This Fifth Report is being filed by the Sales Officer for the purpose of:

(a) reporting on and obtaining approval of the activities of the Sales Officer described in this Fifth Report, including the terms upon which the Sales Officer has agreed to grant extensions of time to complete the sale of the Property;

(b) obtaining authorization, when the sale of the Property is completed, to immediately distribute to Am-Stat the amounts provided for in its statement, save and except for the amount claimed in respect of an acceleration charge of $604,074.99; and

(c) obtaining authorization to set aside a reserve with respect to the acceleration charge pending further of the Court.

IV. BACKGROUND

4. Hwy7 is the registered owner of the Property, which it holds as a nominee for the benefit of the LP.

5. The Property consists of two vacant parcels, which together comprise approximately 20 acres of valuable development land in Markham, Ontario, directly south of the Markham-Stouffville Hospital.

6. Am-Stat holds a first-ranking charge over the Property in connection with a loan to the Debtors in the principal amount of $24.163 million.

7. As a result of the Debtors' failure to make interest payments to Am-Stat beginning on April 1, 2019, Am-Stat applied for the Sales Officer's appointment.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

8. As set out in the Receiver's Fourth Report, a copy of which is attached (without appendices) as **Appendix B**, on September 8, 2020, the Sales Officer accepted an offer to purchase the Property (the "**Juniper APS**") from Juniper Capital Ltd. ("**Juniper**"). The Juniper APS was the culmination of an initial marketing and sale process by the Sales Officer, which began in September of 2019 and ended in January of 2020 when an initial purchaser failed to waive conditions under an earlier agreement of purchase and sale, and a second marketing and sale process which began in June of 2020.

9. On October 22, 2020, Justice McEwen granted an Approval and Vesting Order, approving the transaction (the "**Transaction**") contemplated in the Juniper APS. A copy of the Approval and Vesting Order is attached as **Appendix C**. A copy of a related Administration Order granted by Justice McEwen on October 22, 2020, sealing an unredacted copy of the Juniper APS, is attached as **Appendix D**. A copy of Justice McEwen's endorsement of October 22, 2020 is attached as **Appendix E**.

10. According to the terms of the Juniper APS, the Transaction was to have been completed on January 20, 2021.

V. EXTENSIONS OF CLOSING DATE UNDER JUNIPER APS

11. On December 16, 2020, counsel for the Sales Officer was contacted by counsel for Juniper, who for the first time inquired whether the Sales Officer would be agreeable to extending the closing of the Transaction until February 19, 2021. As the Sales Officer was holding a deposit equivalent to five percent (5%) of the purchase price under the Juniper APS, and Juniper did not offer any consideration for the proposed extension, the Sales Officer was not inclined to agree to Juniper's request.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

12. On December 22, 2020, a representative of Juniper followed up directly with the Sales Officer and advised that although Juniper was working to achieve a closing on January 19, 2021, its mortgage lender might require additional time. The Sales Officer reiterated that it was not agreeable to an extension.

13. On January 14, 2021, a representative of Juniper emailed the Sales Officer a copy of a mortgage financing commitment addressed to Juniper dated January 12, 2021, pursuant to which, subject to various conditions being met, the lender agreed to finance approximately 54% of the purchase price payable under the Juniper APS to complete the Transaction. The funding date was February 19, 2021.

14. Juniper's extension request raised serious red flags with the Sales Officer regarding Juniper's financial ability to close. Upon weighing the time and risks associated with declaring Juniper's deposit forfeited and launching a third marketing and sale process, in consideration for agreeing to extend the closing date to February 15, 2021, the Sales Officer insisted on and Juniper agreed to pay a further deposit of $1.2 million on account of the purchase price. Juniper also agreed to pay an extension fee of $219,211.00 to offset the carrying costs to the Debtors' estates associated with interest accrual under Am-Stat's charge and realty taxes during the period of the extension. A copy of the executed agreement amending the Juniper APS dated January 15, 2021 (the "**First Amendment**") is attached as **Appendix F**. All funds payable under the First Amendment were subsequently received by the Sales Officer.

15. On February 11, 2021, the Sales Officer was again contacted by Juniper's representative, who requested a second extension of the closing to February 19, 2021. In consideration for agreeing to extend the closing date for another four days, the Sales Officer insisted on and Juniper agreed to pay a further deposit of $1 million on account of the purchase price and a further extension fee of $51,025.00 to offset the associated carrying and professional costs to the Debtors' estates.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Additionally, Juniper agreed to provide the Sales Officer by February 12, 2021 with proof that it was in funds to complete the Transaction. A copy of the executed second agreement amending the Juniper APS dated February 11, 2021 (the "**Second Amendment**") is attached as **Appendix G**. All funds payable under the Second Amendment were subsequently received by the Sales Officer.

16. With respect to proof of funds, the Sales Officer received a bank statement from Juniper, which together with the Juniper's mortgage financing commitment and the deposits which the Sales Officer is holding, suggest that sufficient funds will be available to complete the Transaction on February 19, 2021.

17. If the Transaction is not completed on February 19, 2021, the Sales Officer will revisit its options including treating the deposits from Juniper as forfeited and remarketing the Property.

VI. PROPOSED DISTRIBUTION TO AM-STAT

18. This morning (February 18, 2021), the Sales Officer received a payout statement of $30,078,246.00 from Am-Stat dated February 17, 2021, a copy of which is attached as **Appendix H**. The statement includes an amount claimed in respect of an acceleration charge of $604,074.99 pursuant to Am-Stat's charge. Given the timing, the Sales Officer has not had an opportunity to assess whether the acceleration charge is properly payable. The other amounts claimed in the statement appear to be in order, including the legal fees of Dickinson Wright LLP in obtaining the Sales Officer's appointment and the legal fees Meretsky Law, who have acted as counsel for Am-Stat throughout the proceedings. The legal fees, including the fees of Meretsky Law, and other charges are modest as compared to the amount owing under Am-Stat's charge and the purchase price payable by Juniper for the Property. They also appear to be reasonable given the extensive consultations that Meretsky Law has had with the Sales Officer as the proceedings have unfolded.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

19. To avoid interest accrual under Am-Stat's charge, which currently exceeds $8,700 per day, the Sale Officer recommends that, save and except for the acceleration charge, it be authorized to distribute the amounts claimed in Am-Stat's statement, together with any per diem interest that may accrue prior to payment, immediately following closing.

20. The Sales Officer further recommends that it be authorized to hold the acceleration charge amount in reserve. Upon considering whether the acceleration charge is properly payable and consulting with the Debtors' stakeholders, the Sales Officer will return to Court for directions.

VII. RECOMMENDATION

21. On the basis of the foregoing, the Sales Officer respectfully recommends that this Honourable Court grant the relief sought in paragraph 3 of this Fifth Report.

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 18th day of February, 2021.

ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS
COURT-APPOINTED SALES OFFICER OF
6910 HWY 7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Brahm Rosen

Appendix A

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	TUESDAY, THE 4TH
	)	
JUSTICE McEWEN	)	DAY OF JUNE, 2019

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

ORDER
(Appointing Sales Officer)

THIS APPLICATION made by the Applicant Am-Stat Corporation for an Order appointing Rosen Goldberg Inc. as sales officer (in such capacities, the "Sales Officer") without security, of all of the assets, undertakings and properties of the Respondents 6910 Hwy7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "Respondents"), was heard this day at Osgoode Hall, 130 Queen Street West, Toronto, Ontario.

ON READING the Affidavit of Philip H. Meretsky, Q.C. sworn May 1, 2019 and the Exhibits thereto and the Affidavit of Patrick Chan sworn May 16, 2019 and the Exhibits thereto on hearing the submissions of counsel for the Applicant, also appearing as agent for counsel for each of the Respondents, 2563111 Ontario Inc., 2334266 Ontario Inc. and Simon Kronenfeld, on

reading the consent of Rosen Goldberg Inc. to act as the Sales Officer and on being advised of the consent of each of the Respondents, 2563111 Ontario Inc., 2334266 Ontario Inc. and Simon Kronenfeld to the within Order, no one else on the service list appearing, although served as appears from the Affidavit of Service of Laura Micoli sworn May 2, 2019

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the *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, Rosen Goldberg Inc. is hereby appointed Sales Officer, without security, of all of the assets, undertakings and properties of the Respondents, including the lands and premises legally described in Schedule "A" hereto, and all proceeds thereof (the "Property").

SALES OFFICER'S POWERS

3. THIS COURT ORDERS that the Sales Officer 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 Sales Officer is hereby expressly empowered and authorized to do any of the following where the Sales Officer 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 enter into any agreements in relation to the Property, incur any obligations in the ordinary course of business in relation to the Property, or cease to perform any contracts of the Respondents in relation to the Property;

(c) to engage consultants, appraisers, agents, experts, accountants, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Sales Officer's powers and duties, including without limitation those conferred by this Order;

(d) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Sales Officer's name or in the name and on behalf of the Respondents, for any purpose pursuant to this Order;

(e) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Sales Officer in its discretion may deem appropriate;

(f) with the approval of this Court, to sell, convey, transfer, or assign the Property or any part or parts thereof out of the ordinary course of business, and in each such case, notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;

(g) 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;

(h) to report to, meet with and discuss with such affected Persons (as defined below) as the Sales Officer deems appropriate on all matters relating to the Property and the Sales Officer's administration, and to share information, subject to such terms as to confidentiality as the Sales Officer deems advisable;

(i) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(j) 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 Sales Officer, in the name of the Respondents; and

(k) 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 Sales Officer 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 Respondents, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE SALES OFFICER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Sales Officer 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 Respondents, 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 Sales Officer or permit the Sales Officer to make, retain and take away copies thereof and grant to the Sales Officer 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 Sales Officer 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 Sales Officer for the purpose of allowing the Sales Officer 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 Sales Officer in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Sales Officer. Further, for the purposes of this paragraph, all Persons shall provide the Sales Officer with all such assistance in gaining immediate access to the information in the Records as the Sales Officer may in its discretion require including providing the Sales Officer with instructions on the use of any computer or other system and providing the Sales Officer 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 SALES OFFICER

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 Sales Officer except with the written consent of the Sales Officer or with leave of this Court.

NO PROCEEDINGS AGAINST THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Property shall be commenced or continued except with the written consent of the Sales Officer or with leave of this Court and any and all Proceedings currently under way against or in respect of 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 Sales Officer, or affecting the Property, are hereby stayed and suspended except with the written consent of the Sales Officer 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 Sales Officer or the Respondents to carry on any business which the Respondents are not lawfully entitled to carry on, (ii) exempt the Sales Officer or the Respondents 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 SALES OFFICER

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

SALES OFFICER TO HOLD FUNDS

11. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Sales Officer 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 Sales Officer (the "Post Appointment Accounts") and the monies standing to the credit of such Post Appointment Accounts from time to time, net of any disbursements provided for herein, shall be held by the Sales Officer to be paid in accordance with the terms of this Order or any further Order of this Court.

LIMITATION ON ENVIRONMENTAL LIABILITIES

12. THIS COURT ORDERS that nothing herein contained shall require the Sales Officer 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 Sales Officer from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Sales Officer shall not, as a result of this Order or anything done in pursuance of the Sales Officer'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 SALES OFFICER'S LIABILITY

13. THIS COURT ORDERS that the Sales Officer 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 Sales Officer by section 14.06 of the BIA or by any other applicable legislation.

SALES OFFICER'S ACCOUNTS

14. THIS COURT ORDERS that the Sales Officer and counsel to the Sales Officer 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 Sales Officer and counsel to the Sales Officer shall be entitled to and are hereby granted a charge (the "Sales Officer'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 Sales Officer'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.

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

16. THIS COURT ORDERS that prior to the passing of its accounts, the Sales Officer 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 Sales Officer or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE SALES OFFICER'S ADMINISTRATION

17. THIS COURT ORDERS that the Sales Officer be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Sales Officer 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 "Sales Officer'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 Sales Officer's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

20. THIS COURT ORDERS that the monies from time to time borrowed by the Sales Officer pursuant to this Order or any further order of this Court and any and all Sales Officer'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 Sales Officer's Certificates.

SERVICE AND NOTICE

21. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: http://www.rosengoldberg.com/]www.rosengoldberg.com/admin/companyview.php?company_id=52.

22. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Sales Officer 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 Respondents' creditors or other interested parties at their respective addresses as last shown on the records of the Respondents 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

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

24. 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 Sales Officer 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 Sales Officer, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Sales Officer and its agents in carrying out the terms of this Order.

25. THIS COURT ORDERS that the Sales Officer 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 Sales Officer 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.

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

27. 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 Sales Officer 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.

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

JUN 04 2019

PER / PAR:

SCHEDULE "A"

LANDS AND PREMISES

PIN	70013-0216 LT	*Interest/Estate*	Fee Simple
Description	PT LT 11 CON 9 MARKHAM; PT LT 12 CON 9 MARKHAM AS IN R436658; MARKHAM		
Address	6920 HIGHWAY NO. 7 EAST MARKHAM		

PIN	70013-0215 LT	*Interest/Estate*	Fee Simple
Description	PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R517792; MARKHAM		
Address	6950 HIGHWAY NO. 7 EAST MARKHAM		

SCHEDULE "B"

SALES OFFICER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that Rosen Goldberg Inc., the sales officer (the "Sales Officer") of the assets, undertakings and properties 6910 Hwy7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "Respondents") acquired for, or used in relation to a business carried on by the Respondents, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 23rd day of May, 2019 (the "Order") made in an application having Court file number CV-19-619158-00CL, has received as such Sales Officer from the holder of this certificate (the "Lender") the principal sum of $_____, being part of the total principal sum of $_____ which the Sales Officer is authorized to borrow under and pursuant to the Order.

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

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Sales Officer 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 Sales Officer 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 Sales

Officer 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 Sales Officer to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Sales Officer 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 _____, 2019.

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

Per: _____

Name:

Title:

AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al
Respondents

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER
(Appointing Sales Officer)

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

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Fax: (844) 670-6009

Lawyers for the Applicant, Am-Stat Corporation

Appendix B

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

FOURTH REPORT OF ROSEN GOLDBERG INC.

October 15, 2020

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

I. INTRODUCTION

1. By Order of the Honourable Mr. Justice McEwen dated June 4, 2019, Rosen Goldberg Inc. was appointed as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of 6910 Hwy 7 Inc. ("**Hwy7**") and 6910 Highway Seven Limited Partnership (the "**LP**", and together with Hwy7 Inc., collectively, the "**Debtors**"), including the lands and premises municipally described as 6910 and 6950 Highway No. 7 East, in Markham, Ontario (the "**Property**"). The Order was obtained upon application by Am–Stat Corporation ("**Am-Stat**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*. A copy of the Order is attached as **Appendix A**.

II. TERMS OF REFERENCE

2. In preparing this Fourth Report, the Sales Officer has relied upon information from third party sources (collectively, the **"Information"**). Certain information contained in this Fourth Report may refer to, or be based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this proceeding, the Sales Officer has relied on this Information, and to the extent possible reviewed the Information for reasonableness. However, the Sales Officer has not audited or otherwise attempted to verify the accuracy and completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook and, accordingly, the Sales Officer expresses no opinion or other form of assurance in respect of the Information**.**

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

III. PURPOSE OF REPORT

3. This Fourth Report is being filed for the purpose of:

(a) reporting on and obtaining approval of the activities of the Sales Officer described in this Fourth Report, including, without limitation, the steps taken by the Sales Officer to market and sell the Property;

(b) seeking approval of the transaction (the "**Juniper Transaction**") contemplated in the Offer to Purchase made by Juniper Capital Ltd. ("**Juniper**") and accepted by the Sales Officer on September 8, 2020 (the "**Juniper APS**"), for the sale of the Property and vesting the Debtors' right, title and interest in the Property in and to Juniper or its permitted assignee upon the closing of the Juniper Transaction;

(c) obtaining authorization and direction, *nunc pro tunc*, for the Sales Officer to redact from the Fourth Report served on the parties named in the service list, (i) the unredacted copy of the Prior APS (hereinafter defined), which is attached as **Confidential Appendix 1**; (ii) the unredacted copy of the Juniper APS, which is attached as **Confidential Appendix 2**; (iii) the summary of offers received, which is attached as **Confidential Appendix 3**; and (ii) the reports of CBRE to the Sales Officer dated October 24, 2019 and August 24, 2020, copies of which are attached, respectively, as **Confidential Appendices 4 and 5**; and

(d) obtaining a sealing of the unredacted version of this Fourth Report, including the Confidential Appendices 1 through 5 filed with this Court from the public record, until the closing of the Juniper Transaction or further Order of this Court.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

IV. BACKGROUND

4. Hwy7 is the registered owner of the Property, which it holds as a nominee for the benefit of the LP.

5. The Property consists of two vacant parcels, which together comprise approximately 20 acres of valuable development land in Markham, Ontario, directly south of the Markham-Stouffville Hospital.

6. Am-Stat holds a first-ranking charge over the Property in connection with a loan to the Debtors in the principal amount of $24,163,000. As a result of the Debtors' failure to make interest payments to Am-Stat beginning on April 1, 2019, Am-Stat applied for the Sales Officer's appointment.

V. INITIAL MARKETING AND SALE PROCESS

7. Pursuant to a Marketing and Sale Process Approval Order of the Honourable Mr. Justice McEwen dated August 27, 2019, the Sales Officer implemented a process to market and sell the Property in accordance with the process described in its First Report dated August 16, 2019 (the "**First Report**"). A copy of the First Report (without appendices) is attached as **Appendix B**. A copy of the Marketing and Sale Process Approval Order is attached as **Appendix C**.

8. The Property was listed for sale with CBRE. The initial listing price was $75 million.

9. CBRE undertook the following marketing efforts:

- in conjunction with the Sales Officer, created a virtual data room containing due diligence information regarding the Property;

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

- prepared a promotional video in respect of the Property and nearby developments, amenities, transportation and road networks, featuring drone video footage and 3D animations;
- placed a 12' by 12' v-shaped sign on the Property;
- delivered an electronic individual campaign regarding the Property to 1,277 contacts in its database on September 16, 25, October 4, 9 and 16, 2019;
- delivered electronic weekly reports regarding all of its listings, including the Property, to 1,277 contacts in its database on September 17, 24, October 8, 15 and 22, 2019;
- placed a full page ad in the *Nova Res Urbis* ("NRU") Toronto and GTA newsletter, a membership-only publication for developers, builders, investors, contractors, and other industry representatives, on September 25, 2019;
- placed a full page ad of all of its listings, including the Property, in the NRU Toronto and GTA newsletter on September 13 and 18, 2019;
- advertised the Property on CBRE's website of available listings and on the website of the CBRE team responsible for listing the Property;
- prepared and sent 1,000 brochures regarding the Property to a targeted list of clients; and
- placed colour ads in the *Globe and Mail* on October 1 and 3, 2019.

10. As a result of these efforts, 69 interested parties viewed or clicked on CBRE's electronic individual campaign, many of them on multiple occasions. Fifteen interested parties signed confidentiality agreements and were given access to the data room.

11. As of October 23, 2019, three offers to purchase the Property were received by the Sales Officer, together with one letter of intent.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

VI. PRIOR APS

12. As reported in the Sales Officer's Second Report dated December 13, 2019 (the "**Second Report**"), a copy of which is attached (without appendices) as **Appendix D**, on November 18, 2019, the Sales Officer accepted an offer. Under the agreement of purchase and sale arising from the Sales Officer's acceptance of the offer (the "**Prior APS**"):

- the buyer's due diligence period was due to expire on January 3, 2020;
- the Sales Officer received a deposit equivalent to 5% of the purchase price;
- a further deposit equivalent to 5% of the purchase price was payable upon waiver of conditions; and
- the closing was to occur on March 19, 2020.

13. The purchase price payable under the Prior APS was the highest price offered for the Property. A redacted copy of the Prior APS is attached as **Appendix E**. An unredacted copy is attached as **Confidential Appendix 1**.

14. The Prior APS, the purchase price and the identity of the buyer were not disclosed in the Second Report. Rather, the Sales Officer reported that if, and when, the buyer waived its due diligence conditions, it would report more fully to the Court on the results of the marketing and sale process, the offers that were submitted, and the rationale for the Sales Officer's decision to enter into the Prior APS with the buyer.

15. On January 2, 2020, the buyer requested an extension to its due diligence period. The Sales Officer was agreeable to granting an extension but required a further deposit as a term thereof. The buyer was unwilling to pay an additional deposit and the Prior APS lapsed on January 3, 2020.

16. On January 11, 2020, the buyer approached the Sales Officer to advise that it had reconsidered and was willing to submit a further deposit in order to revive the Prior APS.

17. On January 13, 2020, an agreement reviving the Prior APS was executed, pursuant to which:

- the due diligence period was extended to January 27, 2020;
- a further deposit of $1.45 million was paid to the Sales Officer;
- the buyer agreed to pay a further deposit of $1.46 million upon waiver of conditions; and
- all other terms of the Prior APS remained the same and time remained of the essence.

18. On January 27, 2020, the buyer notified the Sales Officer that its due diligence conditions had not been satisfied and terminated the Prior APS. The deposits paid to the Sales Officer were subsequently returned to the buyer.

VII. COST SHARING OBLIGATIONS

19. As reported in the Sales Officer's Third Report dated June 9, 2020 (the "**Third Report**"), a copy of which is attached (without appendices) as **Appendix F**. In connection with terminating the Prior APS, the buyer expressed concern to CBRE with the quantum of cost sharing obligations associated with the Property.

20. The buyer shared with CBRE an analysis performed by WSP Canada Group Limited ("**WSP**"), consulting engineers for the local landowners' group, of the cost sharing obligations associated with the Property under certain costs sharing agreements to which the Property is subject. The cost sharing agreements address the landowners' contributions for their proportionate share of community and infrastructure facilities, including schools, parks, roads, external services and stormwater management. According to WSP, the cost obligations, including in particular the

parkland obligations attributable to the Property, are significant by virtue of the density that a developer of the Property would seek to achieve.

21. Upon reviewing WSP's analysis, the Sales Officer determined that it was necessary to gain a fuller understanding of the cost sharing obligations before re-marketing the Property, in view of their potential impact upon realization. The Sales Officer engaged Gerrits Engineering Limited ("**Gerrits**"), consulting engineers, to review the cost sharing agreements and WSP's analysis of the cost sharing obligations associated with the Property. Gerrits had previously consulted with the Sales Officer in relation to certain matters described in the Second Report.

22. On February 26, 2020, representatives of the Sales Officer and Gerrits met with a representative of WSP, the landowners group's manager, and several lawyers at Davies Howe LLP, including Kim Beckman, who acts as trustee for the landowners group (in such capacity, the "**Trustee**"). Prior to the meeting, the Sales Officer's counsel requested a breakdown of parkland obligations as between the Property and the neighbouring properties. Such information was never provided.

23. During the meeting, the Sales Officer was advised, among other things, that: (i) the Sales Officer's concern with the quantum of parkland contributions is not exclusive to the Property and that other members of the landowners group have been grappling with it, although it has not been a priority; (ii) that the matter would be placed on the agenda at the next landowners meeting to be held at the beginning of March; and (iii) that no representatives of the Property have historically been invited to attend the landowners meetings. The Sales Officer nonetheless requested an invitation to attend the upcoming meeting. No invitation was forthcoming. The Sales Officer followed up with the Trustee and asked to be included in future meetings of the landowners group but received no further communication from the Trustee.

24. As reported in the Third Report, in view of the seeming refusal on the part of the landowners group to respond to the Sales Officer's efforts to obtain greater transparency regarding cost

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

sharing, the Sales Officer was considering its options, including engaging a municipal lawyer, moving for advice and directions with respect to cost sharing and possibly moving to disclaim some or all of the cost sharing agreements as they affect the Property.

25. In the meantime, the Property had not been actively remarketed since the onset of the COVID 19 crisis, although CBRE and the Sales Officer did receive some expressions of interest and one offer, which was submitted on February 6, 2020. As the offer was received during the onset of the COVID 19 crisis, while the Property was not being actively marketed, and the Sales Officer considered the price offered to be unduly low, the Sales Officer did not engage in negotiations with the offeror.

VIII. ACTIVITIES OF SALES OFFICER

26. Since the activities described in the Third Report, the Sales Officer has undertaken the following activities:

- liaised further with CBRE regarding the impact of cost sharing obligations;
- instructed CBRE to relaunch the marketing and sale process and had ongoing communications with CBRE during the course thereof;
- dealt directly with prospective buyers, their agents and their counsel;
- liaised with Am-Stat and other stakeholders;
- had ongoing communication with the Sales Officer's counsel;
- attended at the Property;
- negotiated the Juniper APS in consultation with CBRE and the Sales Officer's counsel; and
- prepared this Fourth Report;

27. The Sales Officer's interim statement of receipts and disbursements for the period dated June 4,

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

2019 to September 21, 2020 is attached as **Appendix G**.

IX. RELAUNCHING OF MARKETING AND SALE PROCESS

28. The Sales Officer had continuing discussions with CBRE regarding the appropriateness of remarketing the Property in the current economic climate.

29. In June of 2020, CBRE advised that with the loosening of quarantine restrictions there were signs of liquidity in the marketplace and recommended that marketing efforts be initiated as soon as possible.

30. On June 18, 2020, Justice Conway approved the activities and recommendations described in the Third Report and authorized the Sales Officer to re-market the Property for sale. A copy of Justice Conway's Order is attached as **Appendix H**.

31. Marketing and sale efforts were thereupon relaunched. The Property was re-listed for sale with CBRE for $59 million. The listing price was determined with input from CBRE, having regard for the issue of cost sharing, the offers received during the initial marketing and sale process, and the impact of the pandemic on the market for development properties in the area.

32. CBRE undertook the following re-marketing efforts:

- delivered an electronic individual campaign regarding the Property to 1,470 contacts in its database on June 22, July 6, 20, 27, August 4, 10, 17, 25 and 31, 2020;
- delivered electronic weekly reports regarding all of its listings, including the Property, to 1,470 contacts in its database on June 23, 30, July 7, 14, 21, 28, August 4, 11 and 18, 2020; and
- placed colour ads in the *Globe and Mail* on August 18 and 20, 2020.

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33. CBRE continued to maintain the virtual data room, use the promotional video that was previously prepared and advertised the Property on its website and on the website of the CBRE team responsible for listing the Property. The existing signage also remained on the Property.

34. In tandem with the subsequent marketing and sale process, the Sales Officer, in consultation with its counsel, Gerrits and CBRE considered the appropriateness of devoting time and attention to attempting to reduce the magnitude of the cost sharing burden on the Property. In view of the ongoing accrual of realty taxes and interest under Am-Stat's first charge, and the uncertainty associated with achieving a reduction in cost sharing, the Receiver determined that the issue of cost sharing would be better left to a buyer.

35. As a result of CBRE's marketing efforts, 80 interested parties viewed or clicked on CBRE's electronic individual campaign, many of them on multiple occasions. As of August 24, 2020, 18 interested parties signed confidentiality agreements and were given access to the data room.

36. On September 3, 2020, the Sales Officer received an unconditional offer from Juniper. After some negotiation, the parties entered into the Juniper APS on September 8, 2020. A copy of the Juniper APS with the financial terms redacted is attached as **Appendix I**. An unredacted copy is attached as **Confidential Appendix 2**.

37. Juniper's offer was the only offer received during the subsequent marketing and sale process. For comparison purposes, a summary of all offers received, including those offers received during the initial marketing and sale process, the offer received on February 6, 2020, and the offer submitted by Juniper, which was accepted by the Sales Officer, is attached as **Confidential Appendix 3**.

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38. Copies of CBRE's reports to the Sales Officer dated October 24, 2019 and August 24, 2020 are attached, respectively, as **Confidential Appendix 4** and **Confidential Appendix 5**. The reports identify the names of interested parties, and in the case of CBRE's report dated October 24, 2019, the financial terms of the offers received as of that date.

39. The Juniper APS is subject to the Court approving the terms thereof and granting an order vesting the Debtors' right, title and interest in the Property in and to Juniper or its permitted assignee upon the closing of the Juniper Transaction. Closing is to occur ninety days following Court approval.

40. The purchase price payable under the Juniper APS is considerably lower than: (a) the opinions of value the Sales Officer obtained from all of the listing brokers that were invited to submit proposals to list the Property; (b) the appraised value of the Property, according to the independent July 19, 2019 appraisal which the Sales Officer obtained from PVCI; and (c) the most recent listing price of $59 million. The Sales Officer nonetheless determined that the best course was to accept Juniper's offer and recommends that the Juniper APS be approved for the following reasons:

- the Property was widely exposed to the market in two robust marketing and sale processes by a reputable listing broker;
- the Sales Officer does not believe that the Property will generate a superior offer through continued marketing;
- the ongoing accrual of realty taxes and interest under Am-Stat's first charge, and the cost, time and uncertainty associated with trying to achieve a reduction in cost sharing, weigh in favour of realizing on the Property presently;
- the Juniper APS is not subject to due diligence conditions in favour of Juniper;
- the Sales Officer is holding a significant deposit from Juniper; and
- Am-Stat supports the Juniper Transaction.

ROSEN GOLDBERG
INSOLVENCY & RESTRUCTURING

X. RECOMMENDATION

41. On the basis of the foregoing, the Sales Officer respectfully recommends that this Honourable Court grant the relief sought in paragraph 3 of this Fourth Report.

All of which is respectfully submitted,

Dated at Toronto, Ontario, this 15th day of October, 2020.

ROSEN GOLDBERG INC., SOLELY IN ITS CAPACITY AS
COURT-APPOINTED SALES OFFICER OF
6910 HWY 7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Brahm Rosen

Appendix C

Court File No. CV-19-619158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 22nd
	)	
JUSTICE McEWEN	)	DAY OF OCTOBER, 2020

B E T W E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by Rosen Goldberg Inc. in its capacity as the Court-appointed sales officer (the "**Sales Officer**") of the assets, undertakings and properties of the Respondents, 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated in the Offer to Purchase made by Juniper Capital Ltd. and accepted by the Sales Officer on September 8, 2020 (the "**Sale Agreement**"), for the sale of the lands and premises municipally described as 6910 and 6950 Hwy. No. 7 East, in Markham, Ontario and legally described in Schedule A hereto (collectively, the "**Property**"), and vesting the Debtors' right, title and interest in the Property in and to Juniper Cornell Holdings Inc. (the "**Purchaser**") upon the closing of the Transaction, was heard this day by judicial video conference due to the COVID-19 pandemic.

ON READING the Fourth Report of the Sales Officer dated October 15, 2020, on hearing the submissions of counsel for the Sales Officer, and on being advised that the Sales Officer's motion herein is not opposed by the Debtors, 2563111 Ontario Inc., 2334266 Ontario Inc. or Simian Kronenfeld, although served as appears from the affidavit of Janet Nairne sworn October 15, 2020, filed:

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

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Sales Officer is hereby authorized and approved, with such minor amendments as the Sales Officer may deem necessary. The Sales Officer is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Property to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Sales Officer's certificate to the Purchaser substantially in the form attached as Schedule B hereto (the "**Sales Officer's Certificate**"), all right, title and interest of the Debtors in and to the Property, shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice McEwen dated June 4, 2019; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D1 and Schedule D2 hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property.

4. THIS COURT ORDERS that upon the registration in Land Registry Office for the Land Titles Division of York Region (No. 65) of an Application for Vesting Order in the form prescribed by the *Land Titles Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Property in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Claims listed in Schedule C hereto.

5. THIS COURT ORDERS AND DIRECTS the Sales Officer to file with the Court a copy of the Sales Officer's Certificate, forthwith after delivery thereof.

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

7. THIS COURT ORDERS that, notwithstanding:

(a) the pendency of these proceedings;

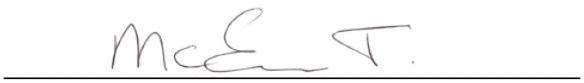
(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any of the Debtors and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of any of the Debtors;

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

8. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Sales Officer 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 Sales Officer, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Sales Officer and its agents in carrying out the terms of this Order.

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



Schedule A – Property

Legal Description

Land Title Division for the Land Registry Office of York Region

PIN 70013-0215 (LT)

PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R517792; MARKHAM

PIN 70013-0216 (LT)

PT LT 11 CON 9 PT LT 12 CON 9 MARKHAM AS IN R436658; MARKHAM

Schedule B – Form of Sales Officer's Certificate

Court File No. CV-19-619158-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

SALES OFFICER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice McEwen dated June 4, 2019, Rosen Goldberg Inc. was appointed as sales officer (the "**Sales Officer**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*, without security, of all the assets, undertakings and properties of 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "**Debtors**").

B. Pursuant to an Order of the Court dated October 22, 2020, the Court approved the transaction (the "**Transaction**") contemplated in the Offer to Purchase made by Juniper Capital Ltd. and accepted by the Sales Officer on September 8, 2020 (the "**Sale Agreement**"), for the sale of the lands and premises municipally described as 6910 and 6950 Highway No. 7 East, in Markham, Ontario (the "**Property**"), as more particularly described in the Sale Agreement, and vesting the Debtors' right, title and interest in the Property in and to Juniper Cornell Holdings Inc.

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

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

THE SALES OFFICER CERTIFIES the following:

1. The Purchaser has paid and the Sales Officer has received the Purchase Price for the Property payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Sales Officer and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Sales Officer.

4. This Certificate was delivered by the Sales Officer at _____ [TIME] on _____ , 2020.

Rosen Goldberg Inc., in its capacity as Sales Officer of the Property, and not in its personal capacity

Per: _____

Name: Brahm Rosen

Title: President

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

REGISTRATIONS TO BE DELETED FROM PINS 70013-0215 (LT) AND 70013-0216 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR2664265	2017/05/05	TRANSFER		2334266 ONTARIO INC.	6910 HWY7 INC.
YR2784762	2018/01/17	CHARGE	$24,163,000	6910 HWY7 INC.	AM-STAT CORPORATION
YR2784763	2018/01/17	CERTIFICATE		SIMION KRONENFELD	

Schedule D1 – Permitted Encumbrances, Easements and Restrictive Covenants related to the Real Property

(unaffected by the Vesting Order)

REGISTRATIONS TO BE PERMITTED ON PIN 04213-0215 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR691241	2005/08/29	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORT	
YR761759	2006/01/12	NOTICE		THE TORONTO UNITED CHURCH COUNCIL	KIM BECKMAN
YR1855914	2012/07/18	NOTICE		2334266 ONTARIO INC.	KIM BECKMAN THE TORONTO UNITED CHURCH COUNCIL
YR2786526	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2786549	2018/01/22	APL AMEND ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2968848	2019/06/05	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.
YR3050954	2019/12/24	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.

Schedule D2 – Permitted Encumbrances, Easements and Restrictive Covenants related to the Real Property

(unaffected by the Vesting Order)

REGISTRATIONS TO BE PERMITTED ON PIN 70013-0216 (LT)

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO
YR695229	2005/09/01	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF TRANSPORT	
YR761759	2006/01/12	NOTICE		THE TORONTO UNITED CHURCH COUNCIL	KIM BECKMAN
YR1855914	2012/07/18	NOTICE		2334266 ONTARIO INC.	KIM BECKMAN THE TORONTO UNITED CHURCH COUNCIL
YR2786526	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2786549	2018/01/22	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	6910 HWY7 INC. 2334266 ONTARIO INC.
YR2968848	2019/06/05	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.
YR3050954	2019/12/24	APL COURT ORDER		SUPERIOR COURT OF JUSTICE	ROSEN GOLDBERG INC.
YR3056971	2020/01/16	NOTICE		ROSEN GOLDBERG INC.	

AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

22 Oct 20

The Order shall go as per the draft filed and signed. It is unopposed.
I have reviewed the materials and heard submissions of counsel.
I agree that the proposed transaction is fair and reasonable. The Soundair principles have been met.

McEwen J.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

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

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

DAVID Z. SEIFER (77474F)
Email: dseifer@dickinsonwright.com
Tel: (416) 646-6468

Fax: (844) 670-6009

Lawyers for the Sales Officer, Rosen Goldberg Inc.

Appendix D

Court File No. CV-19-619 58-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 22nd
	)	
JUSTICE McEWEN	)	DAY OF OCTOBER, 2020

B E T W E E N:

AM-STAT CORPORATION

Applicant

- and -

6910 HWY7 INC. and 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP

Respondents

ADMINISTRATION ORDER

THIS MOTION, made by Rosen Goldberg Inc. in its capacity as sales officer (the "**Sales Officer**") of the assets, undertakings and properties of the Respondents, 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership (collectively, the "**Debtors**") was heard this day by judicial video conference due to the COVID-19 pandemic.

ON READING the Fourth Report of the Sales Officer dated October 15, 2020 (the "**Fourth Report**") and on hearing the submissions of counsel for the Sales Officer, and on being advised that the Sales Officer's motion herein is not opposed by the Debtors, 2563111 Ontario

Inc., 2334266 Ontario Inc. or Simian Kronenfeld, although served as appears from the affidavit of Janet Nairne sowrn October 15, 2020, filed:

SERVICE

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

SALES OFFICER'S ACTIVITIES

2. THIS COURT ORDERS that the Fourth Report and the activities, proposed activities and recommendations of the Sales Officer described in the Fourth Report, including, without limitation, the steps taken by the Sales Officer to market and sell the lands and premises municipally described as 6910 and 6950 Hwy. No. 7 East, in Markham, Ontario, are hereby approved.

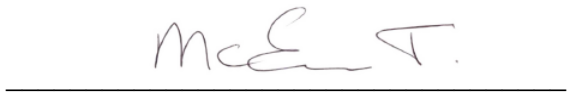
SEALING

3. THIS COURT ORDERS AND DECLARES that the Sales Officer is authorized and directed, *nunc pro tunc*, to redact from the Fourth Report served on the parties named in the service list, Confidential Appendices 1 through 5.

4. THIS COURT ORDERS AND DECLARES that the unredacted version of the Fourth Report, including the Confidential Appendices 1 through 5 shall be sealed, kept confidential, and shall not form part of the public record, but shall rather be placed separate and apart from all other contents of the Court File in a separately sealed envelope on which is affixed is a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be unsealed after the closing of the Transaction (as defined in the Fourth Report), or further Order of this Court.

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

nonetheless submit a formal order for original signing, entry and filing when the Court returns to regular operations.



AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

22 Oct 20

The order shall go as per the draft filed and signed. It is unopposed. The activities and related relief are approved. A sealing order shall go as the Sierra Club criteria have been met.

McEwen J.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ADMINISTRATION ORDER

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

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

DAVID Z. SEIFER (77474F)
Email: dseifer@dickinsonwright.com
Tel: (416) 646-6468

Fax: (844) 670-6009

Lawyers for the Sales Officer, Rosen Goldberg Inc.

Appendix E

Court File Number: CV-19-619158 00CL

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Am-Stat Corporation
Plaintiff(s)

AND

6910 Hwy 7 Inc et al
Defendant(s)

Case Management ☐ Yes ☑ No by Judge: _____

Counsel	Telephone No:	Facsimile No:
(Counsel slip will follow)		

☐ Order ☐ Direction for Registrar **(No formal order need be taken out)**
☐ Above action transferred to the Commercial List at Toronto **(No formal order need be taken out)**

☐ Adjourned to: _____
☐ Time Table approved (as follows):

At today's motion I approved the transaction/vesting with respect to the Property and the Interim Administration Order.

Counsel will provide me with the draft Orders in PDF format.

Mr Preger has agreed to circulate this endorsement.

The relief sought was unopposed.

22 Oct 20
Date

Judge's Signature

☑ Additional Pages one

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

The proposed sale meets the Soundair Criteria and an extensive marketing program was undertaken.

The activities of the Sales Officer are approved and the sealing order shall go as the Sierra Club criteria have been met

Judges Initials _____

Appendix F

Amendment to Offer to Purchase

Dated January 15, 2021

BETWEEN:

ROSEN GOLDBERG INC. in its capacity as court-appointed sales officer, without security, of certain real property of 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership, and not in its personal capacity or corporate capacity (the "**Vendor**")

- and –

JUNIPER CORNELL HOLDINGS INC. AS NOMINEE FOR JUNIPER CORNELL LP
(the "**Purchaser**")

Whereas:

A. The Vendor and Juniper Capital Ltd. entered into a offer to purchase dated September 8, 2020 (the "**Purchase Agreement**").

B. Juniper Capital Ltd. assigned its interest in the Purchase Agreement to the Purchaser.

C. The parties have agreed to amend the Purchase Agreement on the terms and conditions herein.

For good and valuable consideration,

1 **Definitions**. Capitalized Terms not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

2 The Purchase Agreement shall be amended as follows:

a. The Closing Date is extended from January 20, 2021 to February 15, 2021, with the time to remain of the essence;

b. The Purchaser agrees to pay to the Vendor a further deposit in the sum of $1,200,000.00 on or before January 19, 2021; and

c. The Purchaser agrees to further pay an extension fee in the sum of $219,211.00 and to pay this amount to the Vendor on or before January 19, 2021. This payment is not in any way to be characterized

or classified as a deposit and is not a deposit but will be immediately released to the Vendor and will not be credited as a deposit on closing.

3 **No other Amendments**. Except as amended by this Amendment, all other terms and conditions of the Purchase Agreement shall remain in full force and effect, and time shall remain of the essence.

4 Nothing in this Amendment shall be construed as novating any obligations, terms, and conditions of the Agreement, all of which obligations, terms, and conditions remain in full and effect, without any amendment or modification hereto, save and except only as expressly amended in this Amendment.

5 This Amendment shall be governed by the law in force in the Province of Ontario and the Laws of Canada applicable herein.

6 This Amendment shall be binding upon and enure to the benefit upon the parties, and their respective successors and permitted assigns.

7 This Amendment may be executed in on or more counterparts, each of which so executed will constitute an original and all of which will constitute one and the same agreement. This Amendment may be executed by the parties and transmitted by facsimile or other electronic means and if so executed and transmitted this Amendment will be for all purposes as effective as if the parties had delivered an executed original agreement.

THE PARTIES HAVE SIGNED BELOW to indicate their agreement.

[Signature Page Follows]

JUNIPER CORNELL HOLDINGS INC.

Per: _____
Name: Zhong Chi
Title: President

I have authority to bind the corporation.

JUNIPER CORNELL LP, by its general partner, Juniper Cornell Holdings Inc.

Per: _____
Name: Zhong Chi
Title: General Partner

I have authority to bind the corporation.

ROSEN GOLDBERG INC. IN ITS CAPACITY AS COURT-APPOINTED SALES OFFICER, WITHOUT SECURITY, OF CERTAIN REAL PROPERTY OF 6910 HWY 7 INC. AND 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP, AND NOT IN ITS PERSONAL CAPACITY OR CORPORATE CAPACITY

Per: _____
Name: Brahm Rosen
Title: President

I have authority to bind the Corporation

Appendix G

Second Amendment to Offer to Purchase

Dated Febryuary 11, 2021

BETWEEN:

ROSEN GOLDBERG INC. in its capacity as court-appointed sales officer, without security, of certain real property of 6910 Hwy 7 Inc. and 6910 Highway Seven Limited Partnership, and not in its personal capacity or corporate capacity (the "**Vendor**")

- and –

JUNIPER CORNELL HOLDINGS INC. AS NOMINEE FOR JUNIPER CORNELL LP
(the "**Purchaser**")

Whereas:

A. The Vendor and Juniper Capital Ltd. entered into a offer to purchase dated September 8, 2020 (the "**Agreement**").

B. Juniper Capital Ltd. assigned its interest in the Purchase Agreement to the Purchaser.

C. The Vendor and the Purchaser enterd into an amendment to offer to purchase dated January 15, 2021 (the "**Amendment**", together with the "Agreement", collectively, the " **Purchase Agreement**")

D. The parties agreed to amend the Purchase Agreement on the terms and conditions herein.

For good and valuable consideration,

1 **Definitions**. Capitalized Terms not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

2 The Purchase Agreement shall be amended as follows:

a. The Closing Date is extended from February 15, 2021 to February 19, 2021, with the time to remain of the essence;

b. The Purchaser agrees to pay to the Vendor a further deposit in the sum of $1,000,000.00 on or before February 12, 2021;

c. The Purchaser agrees to further pay an extension fee in the sum of $51,025.00 and to pay this amount to the Vendor on or before February 12, 2021. This payment is not in any way to be characterized or classified as a deposit and is not a deposit but will be immediately released to the Vendor and will not be credited as a deposit on closing; and

d. In addition to already providing the Vendor with particulars of the first mortgage financing arranged and to be advanced by Cameron Stephens Mortgage Capital Ltd. (Mortgage Loan No. 3843) in connection with the closing of the herein transaction in the approximate amount of $22,700,000.00 (the "**Mortgage Advance**"), the receipt of which particulars is acknowledged by the Vendor, the Purchaser agrees to provide the Vendor on or before February 12, 2021 proof of funds on deposit with the Purchaser or with related parties of the Purchaser to the herein transaction, the aggregate sum of which represent the balance of funds (net of the crediting of the deposits paid and being paid pursuant to this amendment) required to be paid over and above the Mortgage Advance to evidence for the Vendor that the Purchaser has the ability to complete the transaction on February 19, 2021.

3 **No other Amendments**. Except as amended by this Amendment, all other terms and conditions of the Purchase Agreement shall remain in full force and effect, and time shall remain of the essence.

4 Nothing in this Amendment shall be construed as novating any obligations, terms, and conditions of the Agreement, all of which obligations, terms, and conditions remain in full and effect, without any amendment or modification hereto, save and except only as expressly amended in this Amendment.

5 This Amendment shall be governed by the law in force in the Province of Ontario and the Laws of Canada applicable herein.

6 This Amendment shall be binding upon and enure to the benefit upon the parties, and their respective successors and permitted assigns.

7 This Amendment may be executed in on or more counterparts, each of which so executed will constitute an original and all of which will constitute one and the same agreement. This Amendment may be executed by the parties and transmitted by facsimile or other electronic means and if so executed and transmitted this Amendment will be for all purposes as effective as if the parties had delivered an executed original agreement.

THE PARTIES HAVE SIGNED BELOW to indicate their agreement.

[Signature Page Follows]

JUNIPER CORNELL HOLDINGS INC.

Per: _____
Name: Zhong Chi
Title: President

I have authority to bind the corporation.

JUNIPER CORNELL LP, by its general partner, Juniper Cornell Holdings Inc.

Per: _____
Name: Zhong Chi
Title: ASO

I have authority to bind the corporation.

ROSEN GOLDBERG INC. IN ITS CAPACITY AS COURT-APPOINTED SALES OFFICER, WITHOUT SECURITY, OF CERTAIN REAL PROPERTY OF 6910 HWY 7 INC. AND 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP, AND NOT IN ITS PERSONAL CAPACITY OR CORPORATE CAPACITY

Per: _____
Name: Brahm Rosen
Title: President

I have authority to bind the Corporation

JUNIPER CORNELL HOLDINGS INC.

Per: _____
Name:
Title:

I have authority to bind the corporation.

JUNIPER CORNELL LP, by its general partner, Juniper Cornell Holdings Inc.

Per: _____
Name:
Title:

I have authority to bind the corporation.

ROSEN GOLDBERG INC. IN ITS CAPACITY AS COURT-APPOINTED SALES OFFICER, WITHOUT SECURITY, OF CERTAIN REAL PROPERTY OF 6910 HWY 7 INC. AND 6910 HIGHWAY SEVEN LIMITED PARTNERSHIP, AND NOT IN ITS PERSONAL CAPACITY OR CORPORATE CAPACITY

Per: _____
Name: Brahm Rosen
Title: President

I have authority to bind the Corporation

Appendix H

Am-Stat Corporation
121 King Street West, Suite 2150
Toronto, Ontario M5H 3T9
Tel. 416-943-0808; Fax. 416-943-0811
(Licenced by Brokerage License No. 10066 and Administrator Licence No. 11254 under the Mortgage Brokerages, Lenders and Administrators Act, 2006)

MORTGAGE STATEMENT
FOR INFORMATION PURPOSES

TO: Rosen Goldberg Inc. (Brahm Rosen), Court-Appointed Sales Monitor

AND TO: Dickinson, Wright (David Preger), Solicitors for the Sales Monitor

AND TO: 6910 Hwy7 Inc., Borrower

Re: Am-Stat Corporation $24,163,000.00 first mortgage loan to 6910 Hwy7 Inc. – 6910 and 6950 Highway 7 East, Markham, Ontario (Pt Lot 11 Con 9 Markham; Part Lot 12, Con 9 Markham as in R436658, Markham, Ontario, being all of PIN 70013-0216 LT and Pt Lot 11 Con 9 Pt Lot 12 Con 9 Markham as in R517792, Markham, Ontario, being all of PIN 70013-0215 LT (the "Property") (#5045) – Mortgage Default

DATE: February 17, 2021

PRINCIPAL BALANCE outstanding March 1, 2019	$24,163,000.00
ACCRUED INTEREST from March 1, 2019 to February 17, 2021 (per attached calculation)	5,229,565.54
NSF FEE (per Commitment Letter dated September 1, 2017)	565.00
ACCELERATION CHARGE (per Section 29 of Schedule to Charge)	604,074.99
LEGAL FEES paid by Am-Stat to Dickinson, Wright, to date	45,750.26
LEGAL FEES paid by Am-Stat to Meretsky Law Firm, to date	14,342.10
LEGAL FEES payable to Meretsky Law Firm, for the period July 10, 2019 to September 22, 2020	14,398.11
LEGAL FEES payable to Meretsky Law Firm, for the period September 23, 2020 to date	3,390.00
STATEMENT FEE - $565.00 ($500 + HST) per statement (x4)	2,260.00

DISCHARGE FEE: 900.00

TOTAL AMOUNT REQUIRED to payout and discharge mortgage as at February 17, 2021 payable to AM-STAT CORPORATION **$30,078,246.00**

***See Note Below*

***NOTE:*

Plus:

i) Additional accrued compound interest subsequent to the date hereof until full repayment of the loan ($8,703.75/day for the month of February 2021).

AM-STAT CORPORATION

Per: _____

Ramona Burgess – A.S.O.

I have authority to bind the Corporation

E. & O.E.

Annual Interest Amount		10%	
Monthly Interest Amount		0.8333333%	
Initial Amount	$	24,163,000.00	as of 28 Feb 2019

Month	Accumulated Principal	Accumulated Interest
2/28/2019	$ 24,163,000.00	$ -
3/31/2019	$ 24,364,358.33	$ 201,358.33
4/30/2019	$ 24,567,394.65	$ 404,394.65
5/31/2019	$ 24,772,122.94	$ 609,122.94
6/30/2019	$ 24,978,557.30	$ 815,557.30
7/31/2019	$ 25,186,711.94	$ 1,023,711.94
8/31/2019	$ 25,396,601.21	$ 1,233,601.21
9/30/2019	$ 25,608,239.55	$ 1,445,239.55
10/31/2019	$ 25,821,641.55	$ 1,658,641.55
11/30/2019	$ 26,036,821.90	$ 1,873,821.90
12/31/2019	$ 26,253,795.41	$ 2,090,795.41
1/31/2020	$ 26,472,577.04	$ 2,309,577.04
2/29/2020	$ 26,693,181.85	$ 2,530,181.85
3/31/2020	$ 26,915,625.03	$ 2,752,625.03
4/30/2020	$ 27,139,921.91	$ 2,976,921.91
5/31/2020	$ 27,366,087.92	$ 3,203,087.92
6/30/2020	$ 27,594,138.65	$ 3,431,138.65
7/31/2020	$ 27,824,089.81	$ 3,661,089.81
8/31/2020	$ 28,055,957.23	$ 3,892,957.23
9/30/2020	$ 28,289,756.87	$ 4,126,756.87
10/31/2020	$ 28,525,504.84	$ 4,362,504.84
11/30/2020	$ 28,763,217.38	$ 4,600,217.38
12/31/2020	$ 29,002,910.86	$ 4,839,910.86
1/31/2021	$ 29,244,601.78	$ 5,081,601.78
2/17/2021	$ 29,392,565.54	$ 5,229,565.54

AM-STAT CORPORATION
Applicant

-and-

6910 HWY7 INC. et al.
Respondents

Court File No. CV-19-619158-00CL

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