

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP, FSP
HOLDINGS INC. and LANA STODDART

Respondents

APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act* RSC 1985, c B-3 and Section 101 of the *Courts of Justice Act* RSO 1990, c C-43

**MOTION RECORD
(Motion Returnable April 25, 2016)**

April 14, 2016

DLA PIPER (CANADA) LLP
Barristers & Solicitors
1 First Canadian Place
100 King Street West, Suite 6000
P.O. Box 367
Toronto ON M5X 1E2

Jennifer A. Whincup (LSUC# 60326W)

Tel: 416-365-3425

Fax: 416-369-5240

jennifer.whincup@dlapiper.com

Lawyers for the Receiver

TO: **THE ATTACHED SERVICE LIST**

SERVICE LIST

TO: **MACDONALD SAGER MANIS LLP**
Barristers and Solicitors
150 York Street
Suite 800
Toronto ON M5H 3S5

Howard F. Manis (LSUC# 34366V)
hmanis@msmlaw.ca
Tel: 416-364-1553
Fax: 416-364-1453

Lawyers for the Applicant

AND TO: **SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP**
3421 Line 1 North
Oro-Medonte ON L4M 4Y8

Respondent

AND TO: **FSP HOLDINGS INC.**
3421 Line 1 North
Oro-Medonte ON L4M 4Y8

Respondent

AND TO: **LANA STODDART**
3421 Line 1 North
Oro-Medonte ON L4M 4Y8

lstoddart@settlersghost.com

Respondent

AND TO: **JOHN BARZO**
Barrister & Solicitor
205 - 60 Collier Street
Barrie, ON L4M 1G8

Tel: 705-733-6245
Fax: 705-730-0009

jbarzo@barzolaw.com

Lawyer for Hilary Mills, unsecured creditor

AND TO: **GREG AZEFF**
Fogler Rubinoff LLP
Lawyers
TD Centre North Tower
77 King St. W
Suite 3000, PO Box 95
Toronto, ON M5K 1G8

Tel: 416-354-3716
Fax: 416-941-8852

gazeff@fogers.com

Lawyer for Hilary Mills, unsecured creditor

AND TO: **MITCHELL, BARDYN & ZALUCKY LLP**
Barristers & Solicitors
3029 Bloor Street West, Suite 200
Toronto, ON M8X 1C5

Harry Perlis
Tel: 416-234-9111 ext. 233
Fax: 416-234-9114

harry.perlis@mbzlaw.com

Lawyer for Theodor Pochwalowski et al., 2nd Mortgagee

AND TO: **LYNDA MCLAREN**
Box 242
Sebringville, ON N0K 1X0

lyndamclaren@outlook.com

AND TO: **ROBERT (R.A.) CAMPBELL**
bandbcampbell@sympatico.ca

Tel: 705 790 4508

AND TO: **HER MAJESTY IN RIGHT OF ONTARIO REPRESENTED BY THE
MINISTER OF FINANCE**
3 - 1400 Blair Place
Ottawa ON
K1J 9B8

Kevin O'Hara
kevin.ohara@ontario.ca
Tel: 905-433-6934
Fax: 905-436-4510

AND TO: **CANADA REVENUE AGENCY**
c/o Department of Justice
The Exchange Tower
130 King Street West
Suite 3400
Toronto, ON M5X 1K6

Diane Winters
diane.winters@justice.gc.ca
Tel: 416.973.3172

Peter Zevenhuizen
peter.zevenhuizen@justice.gc.ca
Tel: 416.952.8563

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP, FSP
HOLDINGS INC. and LANA STODDART

Respondents

APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act* RSC 1985, c B-3 and Section 101 of the *Courts of Justice Act* RSO 1990, c C-43

NOTICE OF MOTION

Ira Smith Trustee & Receiver Inc., as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, including undertakings and properties of Settlers’ Ghost Golf Club Limited Partnership and FSP Holdings Inc. (the “**Debtors**”) will make a Motion to a Judge presiding over the Commercial List on April 25, 2016 at 10:00 a.m. or as soon after that time as the Motion can be heard at the court house, 330 University Avenue, 7th Floor, Toronto, Ontario, M5G 1R7.

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

[] in writing under subrule 37.12.1(1) because it is ;

[] in writing as an opposed motion under subrule 37.12.1(4);

[X] orally.

THE MOTION IS FOR

- (a) An Order substantially in the form of the draft order attached hereto as Schedule "A" for the following relief:
- (i) abridging the time for service of the Notice of Motion and all of the materials filed in support at this motion, such that this motion is properly returnable on April 25, 2016, and dispensing with any further service thereof;
 - (ii) sealing appendices "H", "M", "P" and "U" attached to the First Report with the Court (the "**Confidential Appendices**");
 - (iii) approving the fees and disbursements of the Receiver and its counsel, DLA Piper (Canada) LLP;
 - (iv) approving the Receiver's Statement of Receipts and Disbursements for the period of December 15, 2015 to March 31, 2016; and
 - (v) approving the sale transaction (the "**Transaction**") contemplated by the offer to purchase between Pace Savings and Credit Union Limited ("**Pace Savings**") and the Receiver, as more particularly described in the first report of the Receiver, dated April 14, 2016 (the "**First Report**"); and
- (b) Such further and other relief as to this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

The Parties

- (a) The debtor, Settlers' Ghost Golf Club Limited Partnership ("**Settlers' Ghost**"), owns and operates the Settlers' Ghost Golf Club, a golf facility located at 3421 1 Line N, Barrie, Ontario (the "**Property**"). The Property consists of an 18-hole golf course, merchandise shop, a restaurant and various other buildings;
- (b) The debtor, FSP, is the general partner of Settler's Ghost and was appointed as trustee to hold title to the property on behalf of the beneficial owner, Settler's Ghost;
- (c) The applicant, Pace Savings, is a secured lender to Settler's Ghost in connection with a loan in the principal amount of \$3,130,000.00 (the "**Loan**"). As at April 13, 2016, the amount owing under the Loan was \$3,029,234.60, plus unbilled legal fees (the "**Indebtedness**");
- (d) As the general partner of Settlers' Ghost, FSP is indebted to Pace Savings for the full amount of the Indebtedness;

The Appointment of the Receiver

- (e) On or about December 7, 2015, Pace Savings brought an application for, among other things, appointing the Receiver, and seeking judgment against the individual respondent pursuant to a personal guarantee of the obligations of Settlers' Ghost to Pace Savings;

- (f) The Honourable Justice Conway granted an order appointing the Receiver on December 15, 2015. This order was amended on December 18, 2015 to correct the name of Settlers' Ghost and include FSP as general partner of Settlers' Ghost;
- (g) The Receiver, among other activities described in the First Report, have retained a bailiff to inventory and appraise the chattels and fixtures at the Property as well as consultants to conduct a review of operations at the Property. The Receiver also updated a prior appraisal of Settler's Ghost;
- (h) The Receiver has allowed the continuance of the Company's employees and has facilitated arrangements to allow the Company to continue remuneration of its employees;
- (i) On or about March 14, 2016 Pace Savings indicated that it was no longer willing to fund the Receiver to continue with the mandate provided for in the Order, as amended. Pace Savings also indicated that it would not consent to a DIP lender obtaining secured ahead in priority to Pace Savings;
- (j) On or about March 16, 2016, the Receiver reached out to the stakeholders on the original service list and known to the Limited Partners requesting that if the recipient of the letter or a party known to them wished to submit an offer to purchase the Receiver's right, title and interest in the Company's assets, properties, and undertakings, such party should forthwith submit the offer to purchase directly to the Receiver;

- (k) The Receiver did not obtain any written expressions of interest, letters of intent, or offers to purchase in response to this request (the offer to purchase discussed, below);

The Offer to Purchase

- (l) On or about April 13, 2016, Pace Savings submitted an offer to purchase substantially all of the assets of Settlers' Ghost (the "**Offer to Purchase**");
- (m) Some of the key terms of the Offer to Purchase include:
 - (i) **Purchase Price:** The amount of the outstanding indebtedness to the Applicant as at the time of Closing, plus the amount of outstanding Receiver's Certificates, plus the amount of any claims ranking in priority to that of the Applicant, including the costs of this receivership administration.
 - (ii) **Deposit:** The Receiver's Borrowings under the Court approved Receiver's Certificates.
 - (iii) **Purchaser's Conditions:** The Agreement is conditional to the Purchaser for a period of twenty one (21) days following the Receiver's acceptance and is subject to the Purchaser satisfying itself in its sole, absolute and unfettered discretion with all matters relating to the Property.
 - (iv) **Court Approval:** The Agreement is conditional upon the approval of this Honourable Court.

- (v) **Adjustments:** There will be no adjustments on the sale.
- (vi) **Closing:** Closing shall take place on the later of the date which is ten (10) days following Approval of the Agreement by the Court and issuance of the Vesting Order, and the waiver of the Purchaser's Conditions, or such earlier or later date as the parties or their respective solicitors may actually agree upon in writing.
- (vii) **Assignment:** Save and except for the completion of this transaction by a company to be incorporated by the Purchaser, the Purchaser shall not have the right to assign its rights under this Agreement without the Vendor's prior written consent, which consent may be unreasonably withheld.
- (viii) **Other:** The Purchaser will provide its undertaking and indemnity to the Receiver to pay for any liabilities incurred by the Receiver in this Receivership administration which remain unpaid as of the Closing date, the costs of the receivership administration including the professional fees and disbursements in addition to any charges ranking in priority to the security of the Applicant.
- (n) There are limited prospects for a sale of the assets of the Debtors where the Receiver is no longer funded by Pace Savings, and it seems unlikely that any other entity will agree to fund the receivership of the Debtors;

- (o) The Receiver believes that the Offer to Purchase does represent fair value for the assets, properties and undertakings of the Golf Course, given the constraints of being unable to conduct a full sales process;
- (p) The Receiver has received a few informal inquiries regarding the sale of the assets. The Receiver has advised such parties that although no formal sales process has been undertaken, the Receiver is willing to review any non-binding letter of intent such party may wish to provide to the Receiver for the purchase of the assets.
- (q) To date, no written expression of interest or offer to purchase has been received by the Receiver, other than the Offer to Purchase submitted by Pace Savings.
- (r) The Receiver and Pace Savings support the closing of the Sale Transaction;

Sealing Order

- (s) The Confidential Appendices to the First Report contain commercially sensitive information which in the Receiver's view should be sealed pending further order of this Court as the release of this information could prejudice the stakeholders of the Debtors, particularly if the transaction contemplated by the Sale Agreement does not close; and
- (t) Such further and other grounds as the lawyers may advise.

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

- (a) First Report
- (b) Such further and other evidence as the lawyers may advise and this Honourable Court permit.

April 14, 2016

DLA PIPER (CANADA) LLP
Barristers & Solicitors
1 First Canadian Place
100 King Street West, Suite 6000
P.O. Box 367
Toronto ON M5X 1E2

Jennifer A. Whincup (LSUC# 60326W)
Tel: 416-365-3425
Fax: 416-369-5240
jennifer.whincup@dlapiper.com

Lawyers for the Receiver

TO: **THE ATTACHED SERVICE LIST**

SERVICE LIST

TO: **MACDONALD SAGER MANIS LLP**
Barristers and Solicitors
150 York Street
Suite 800
Toronto ON M5H 3S5

Howard F. Manis (LSUC# 34366V)
hmanis@msmlaw.ca
Tel: 416-364-1553
Fax: 416-364-1453

Lawyers for the Applicant

AND TO: **SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP**
3421 Line 1 North
Oro-Medonte ON L4M 4Y8

Respondent

AND TO: **FSP HOLDINGS INC.**
3421 Line 1 North
Oro-Medonte ON L4M 4Y8

Respondent

AND TO: **LANA STODDART**
3421 Line 1 North
Oro-Medonte ON L4M 4Y8

lstoddart@settlersghost.com

Respondent

AND TO: **JOHN BARZO**
Barrister & Solicitor
205 - 60 Collier Street
Barrie, ON L4M 1G8

Tel: 705-733-6245
Fax: 705-730-0009

jbarzo@barzolaw.com

Lawyer for Hilary Mills, unsecured creditor

AND TO: **GREG AZEFF**
Fogler Rubinoff LLP
Lawyers
TD Centre North Tower
77 King St. W
Suite 3000, PO Box 95
Toronto, ON M5K 1G8

Tel: 416-354-3716
Fax: 416-941-8852

gazeff@fogers.com

Lawyer for Hilary Mills, unsecured creditor

AND TO: **MITCHELL, BARDYN & ZALUCKY LLP**
Barristers & Solicitors
3029 Bloor Street West, Suite 200
Toronto, ON M8X 1C5

Harry Perlis
Tel: 416-234-9111 ext. 233
Fax: 416-234-9114

harry.perlis@mbzlaw.com

Lawyer for Theodor Pochwalowski et al., 2nd Mortgagee

AND TO: **LYNDA MCLAREN**
Box 242
Sebringville, ON N0K 1X0

lyndamclaren@outlook.com

AND TO: **ROBERT (R.A.) CAMPBELL**
bandbcampbell@sympatico.ca

Tel: 705 790 4508

AND TO: **HER MAJESTY IN RIGHT OF ONTARIO REPRESENTED BY THE
MINISTER OF FINANCE**

3 - 1400 Blair Place
Ottawa ON
K1J 9B8

Kevin O'Hara

kevin.ohara@ontario.ca

Tel: 905-433-6934

Fax: 905-436-4510

AND TO: **CANADA REVENUE AGENCY**

c/o Department of Justice
The Exchange Tower
130 King Street West
Suite 3400
Toronto, ON M5X 1K6

Diane Winters

diane.winters@justice.gc.ca

Tel: 416.973.3172

Peter Zevenhuizen

peter.zevenhuizen@justice.gc.ca

Tel: 416.952.8563

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

-and-

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP
et al.

Respondents

Court File No. CV-15-11212-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

DLA PIPER (CANADA) LLP

Barristers & Solicitors
1 First Canadian Place
100 King Street West, Suite 6000
P.O. Box 367
Toronto ON M5X 1E2

Jennifer A. Whincup (LSUC# 60326W)

jennifer.whincup@dlapiper.com

Tel: 416-365-3425

Fax: 416-369-5240

Lawyers for the Receiver

TAB 2

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

**APPLICATION UNDER SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY*
ACTRSC 1985, C B-3 AND SECTION 101 OF THE *COURTS OF JUSTICE ACTRSO*
1990, C C-43**

BETWEEN

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

-and-

**SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP, FSP HOLDINGS INC.
AND LANA STODDART**

Respondents

**FIRST REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP
and FSP HOLDINGS INC.**

DATED APRIL 14, 2016

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**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**FIRST REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP and FSP HOLDINGS
INC.**

DATED APRIL 14, 2016

1.0 INTRODUCTION

1. This report (the “**First Report**”) is filed by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as Court-appointed Receiver and Manager (the “**Receiver**”), 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**”), without security, of all of the assets, including undertakings and properties of Settlers’ Ghost Golf Club Limited Partnership (the “**LP**”) and FSP Holdings Inc. (“**FSP**”) (collectively the “**Company**” or the “**Debtor**”).

2. The Honourable Madam Justice Conway made an order dated December 15, 2015 (the “**Appointment Date**”) appointing the Receiver, initially as Receiver of the LP (the “**LP Receivership Order**”). A copy of the LP Receivership Order and Her Honour’s endorsement are attached hereto as **Exhibit “A”**.



3. Following service of its Application Record for the appointment of a Receiver, the Applicant, Pace Savings & Credit Union Limited (the “**Applicant**” or “**Pace**”) realized that it had omitted FSP as a Respondent in the proceedings and moved to amend the original Application and the LP Receivership Order as to style of cause, Respondents and named parties over whose assets the Receiver would be appointed.

4. The Honourable Madam Justice Conway made two orders dated December 18, 2015 (the “**Amended Order Date**”) to amend the LP Appointment Order (the “**Amending Order**”) and appointing the Receiver, as Receiver of the Debtor (the “**Receivership Order**”). A copy of the Amending Order, the Receivership Order and Her Honour’s endorsement are attached hereto as **Exhibit “B”**.

1.1 Purpose of this Report

5. The purpose of this First Report is to report to this Honourable Court on:
- i. the actions and activities of ISI as the Receiver since December 15, 2015;
 - ii. the Receiver’s retainer of Mr. David Graham and Ms. Mary-Pat Quilty, as day-to-day management to assist the Receiver (collectively referred to herein as “**Management**”);
 - iii. the Receiver’s retainer of 2357383 Ontario Inc. (“**235**”), as consultant to assist the Receiver;

- iv. the Applicant's position and Offer to Purchase the assets of the debtor, for the real property and golf course described as 3421 McNutt Road, Barrie, ON (the "**Property**") and chattels as defined and described in this First Report (the "**Sale**");
- v. the accounting for the receipts and disbursements of the Receiver from December 15, 2015 to March 15, 2016; and the fees and costs to date incurred by the Receiver and its legal counsel, DLA Piper (Canada) LLP, ("**DLAP**").

1.2 Disclaimer

6. In preparing this First Report, the Receiver, where stated, has relied upon information obtained from and discussions with employees, contractors and other third parties as stated herein (collectively, the "**Information**"). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information and expresses no opinion, or other form of assurance, in respect of the Information. As indicated herein, notwithstanding having served the principal of the Debtor, Ms. L. Stoddart, with a copy of the Receivership Order, Ms. Stoddart has chosen not to meet with the Receiver (but rather delegated that task to the day-to-day management) and has failed to supply the books and records of the Company which she initially identified as being in her possession. Certain books and records were located on the premises of the Property and, the Receiver has collected certain data from third parties and from operating the Property to be able to determine the financial position of the Company and the Property and to accumulate the Information.

7. This report is prepared solely for the use of the Court and the stakeholders in this proceeding, for the purpose of assisting the Court in making a determination whether to approve the actions and activities of the Receiver, and other relief being sought. It is based on the Receiver's analysis of information provided to it by Management, Directors, staff, and contractors of the Debtor, and other third parties as stated herein, which included unaudited financial statements and internal financial reporting. The Receiver's procedures did not constitute an audit or financial review engagement of the Debtor's financial reporting. Where stated, the Receiver has relied upon the Information in reaching the conclusions set out in this report.

2.0 BACKGROUND AND OVERVIEW

2.1 Operations

8. The Company's principal asset is the Property, a 114.025 acre site featuring a par 72, 18-hole golf course (the "**Golf Course**"). As described above, the Property is located at 3421 McNutt Road, RR#1, Barrie, Ontario, in the township of Oro-Medonte.

9. The Property also includes undeveloped forest land, an irrigation holding pond, deep well pump and structure, parking lot, maintenance facility, century old barn, 650 sq. ft. pro-shop, 2520sq. ft. restaurant and other ancillary structures and features related to the golf course operation. The Golf Course lacks its own driving range, and leases adjacent land for that purpose.

10. The Golf Course operates seasonally, weather permitting, April through October. The Golf Course is open to the public for play at a rate per round sold directly or through a number of



third-party discounters. Additionally, memberships allowing unlimited play per season can be purchased. At the Appointment Date approximately 100 memberships were pre-paid. The Golf Course features active men's and women's league play.

11. During the off season the restaurant remains open for dinner, four days a week. Other than for Management, all staff, including the rotational winter food and beverage employees, are either contract, part time or seasonal employees. Most are local to the area and work at near-by winter recreation facilities when the Golf Course is not operating. In addition to paid staff, during full operations, there are volunteer starters and rangers who ensure timely play, adherence to rules and look after limited upkeep. The volunteers receive points in exchange for their service which can be exchanged for incentives like rounds of golf or food.

12. The Company owns various furniture and chattels related to its food and golf operations and it leases 58 golf carts for player use as well as an assortment of maintenance vehicles and equipment. The carts, vehicles and equipment are leased from Maxium Financial Services Inc. who has designed a golf course leasing program to allow flexible payment terms structured to recognize the cash flow needs of a seasonal business operation. Attached hereto as **Exhibit "C"** is a copy of the leases.

2.2 Ownership Structure

13. FSP was incorporated on January 26, 2001. FSP's minute book indicates that at the appointment date Ms. L. Stoddart (also known as Ms. L. Bertram) was the sole Director and Officer and Ms. Stoddart and a Mr. R. Bertram each own 200 shares of FSP.



14. The LP was formed by agreement dated August 22, 2003 between FSP as General Partner, Robert Campbell, Initial Limited Partner and as third parties, all subsequent limited partners (the “**LP Agreement**”). A copy of the LP Agreement is attached hereto as **Exhibit “D”**.

15. Although not updated since September 22, 2008, attached hereto as **Exhibit “E”** is a copy of the LP partnership register, with the partners’ addresses redacted for privacy. It lists 34 parties who hold between them 50 units, subscribed at the rate of \$50,000 per unit. Most unit holders hold between 1 and 3 units, and Ms. Stoddart holds 9 units.

3.0 ACTIVITIES OF THE RECEIVER

3.1 *Initial site visit*

16. On December 15, 2015, following issuance of the LP Receivership Order, the Receiver contacted the Principal of the Debtor, Ms. Stoddart via email, to advise of its appointment and to arrange to meet with her at the Property to take possession of the Property, related chattels and fixtures and any and all books and records related thereto as provided for in the LP Receivership Order. Ms. Stoddart advised that due to her current state of health she was under advice of her doctor not to engage in any stress-inducing activities, which she considered this to be, and delegated the task of meeting with representatives of the Receiver to the Company’s managers, Mr. D. Graham and Ms. M.P. Quilty, both of whom are also unit holders of the LP.

17. The Receiver requested that Ms. Stoddart ensure that any and all books and records or assets of the Debtor in her possession or control be delivered by her to Mr. Graham or Ms. Quilty for surrender to the Receiver. Ms. Stoddard replied that the Receiver will be able to get what it



needs from Mr. Graham and or Ms. Quilty. A copy of the Receiver's email exchange with Ms. Stoddart is attached hereto as **Exhibit "F"**.

18. On December 16, 2015 representatives of the Receiver attended at the Property and met with Mr. Graham, the Business Manager and Ms. Quilty, the Golf Pro. The Receiver took possession of the necessary books and records located at the Property, and discussed operations with Management.

19. The Receiver also retained: (i) S. Wilson & Co. Bailiffs Limited ("**Wilson**") whose representatives took an inventory of the chattels and fixtures located upon the Property (and subsequently provided the Receiver with an appraisal of such items) and advising on securing the Property; (ii) a locksmith to change the keys to all building locks; and (iii) an IT consultant to perform a backup of all computers on site, to opine on IT security and implement any necessary changes to improve security.

20. As the only means to communicate with Ms. Stoddart was by her business email address the Receiver allowed the email address to remain functional but deactivated her remote access to the Company's network and server. After considering the Company's requirements of its computer systems, including discussions with the IT consultant and Management, the Receiver was satisfied the steps taken provided adequate protection from potential malice while allowing for the integrity of ongoing operations.



3.2 Additional steps taken

21. The Receiver obtained from the Applicant the details of the Debtor's bank account held at the Toronto-Dominion Bank ("TD") and corresponded with TD's centralized insolvency department to quickly effect a freeze of the account, immediately upon its appointment.

22. After meeting with Management and learning: (i) that there were outstanding payroll cheques that the Receiver wished to honour; and (ii) that most of the revenue was generated by credit card sales; the Receiver determined that it would provide the best continuity to ongoing operations for the Receiver to take control of the existing TD account rather than set up new banking arrangements including suspending and replacing agreements with the credit and debit card processors.

23. The Receiver communicated with TD to stop payment of certain outstanding cheques it did not wish to honour, to discontinue the existing signing authorities and client cards and create new signatories, either one of Messers. B. Smith or M. Wolfe, of the Receiver. This process took far longer than anticipated due to internal issues with TD and the paperwork they presented to the Receiver. In the interim many payroll cheques that the Receiver wished to have honoured were declined and had to be replaced by the Receiver.

24. The protocol put in place by the Receiver has it approving purchase orders submitted by Management. All cheques are prepared by Management and are sent to the Receiver for approval and signing by one of the Receiver's authorized signatories.

25. The Receiver recognized the need for Management's experience and various certifications they hold that allows for continuity of operations. The Receiver determined that Mr. Graham and Ms. Quilty each earned approximately \$60,000 per annum, and with Pace's approval and subject to the approval of this Honourable Court, the Receiver entered into agreements with Management to retain them as contractors. Attached hereto as **Exhibit "G"** are the fully executed contractor agreements with Management.

26. The Receiver contacted the Company's external accountant and legal counsel to make them aware of the Receivership Order and requesting they deliver to the Receiver any books and records or other property of the Company in their possession or control. Legal counsel delivered to the Receiver the Minute books for FSP and the LP. The external accountant provided the most recent financial statements, although they were already in the Receiver's possession.

27. The Receiver obtained from Wilson both the inventory listing and its opinion of value of the Company's chattels and leased equipment. Attached hereto as **Exhibit "H"** are the Wilson appraisals. The Receiver requests that the Exhibit be sealed until after the closing of a sales transaction for reasons of confidentiality.

28. Based on the value that Wilson appraised the leased assets to be worth, the Receiver believes that there may be substantial equity in certain leases for golf carts and turf equipment and negative equity in one lease for a promotional beverage cart. This opinion does not take into account any present or future value of money calculations, depreciation or the mechanical fitness of the leased equipment as Wilson performed a visual inspection only.



3.3 *Insurance*

29. ISI contacted A. McAfee & Associates Insurance Brokers Ltd. (“**McAfee**”), the insurance broker who placed the insurance coverage for the Company on the Property. The broker confirmed that the Company had paid the premium in full and that ISI would be added as a named insured to the existing policy. The broker subsequently advised that although ISI was recognized as standing in the shoes of the Debtor, due to the nature of the policy, it cannot have more than one named insured. A copy of the insurance policy is appended hereto as **Exhibit “I”**. As indicated therein there are at least seven separate subscribing insurers, under multiple separate agreements that form the coverage provided under the policy.

30. On January 22, 2016 during a subsequent visit to the property, Management advised the Receiver that the barn located on the Property, where the leased carts are stored, sustained wind damage over Christmas, and that they have concerns regarding the structural integrity of the barn. The Receiver requested that the contractor who has maintained the barn be called to examine the structure. The contractor assessed that significant damage had been caused and that it would be less expensive to build a new barn than to repair the existing structure.

31. Following receipt of that oral report, the Receiver contacted McAfee to discuss the situation given the potential risk. After considering McAfee’s advice the Receiver filed a claim for loss.

32. An adjuster from Crawford and Company was assigned and on February 1, 2016 the Receiver met at the Property with the adjuster, its engineer and the contractor who maintained



the barn. It was observed that a load bearing portion of an exterior wall was not resting on the foundation, and was displaced outwards. Consequently the structure lacked support as originally designed and had non designed forces acting upon other structural portions and cladding. The contractor, who exclusively builds and repairs barns, believed wind acted upon the barn and caused a vacuum effect that displaced the structural member. The engineer and adjuster felt that deterioration of the foundation played a role in the failure.

33. The adjuster requested that all of the golf carts be removed from the barn. The Receiver directed Mr. Graham to carry this out and has advised the Receiver that this has been completed.

34. On February 16, 2016 the adjuster advised the Receiver that the lead examiner does not believe the damage was caused by wind and therefor the loss cannot be considered for coverage. A copy of the engineer's report is attached hereto as **Exhibit "J"**. There was significant delay in receiving this reports as the insurance risk is covered by five insurers on this portion of the risk and pre-approval was required for the report to be released to the Receiver. As of the date of this First Report, the Receiver has yet to receive from the adjuster, its report prepared by its lead examiner, although the Receiver has requested same.

3.4 Retainer of 235

35. ISI determined that the retainer of a consultant experienced in the golf industry and the operation of golf courses was required to review the operations and provide a report to the Receiver on the existing operations, with recommendations on how to improve operations and maximize profit, while also advising on the suitability of any potential sales process the Receiver



was considering undertaking. 235's principals, Mr. Steve Ralph and Mr. Gerard Wasslen (the "Consultants") have substantial experience in the golf industry. A summary of their experience and qualifications are attached hereto as **Exhibit "K"**. Representatives of the Receiver and 235 negotiated the terms of and entered into a consulting agreement, all subject to the approval of this Honourable Court. A copy of the consulting agreement is attached hereto as **Exhibit "L"**.

36. The Receiver met with the Consultants both on site and in the Receiver's office. The Consultants carried out the review of the Company's operations, financial statements and has interviewed Management. The Consultants prepared a report which was presented first to the Receiver in draft and discussed with the Receiver. After such presentation and discussion, the Consultants' final report was presented to both the Receiver and to the Applicant for discussion. Attached hereto as sealed **Exhibit "M"** is a copy of the Consultants' report. The Receiver requested that the Consultants discuss their views of value with the Receiver only, and not contain any such information in their report. The Receiver requests that the Exhibit be sealed until after the closing of a sales transaction for reasons of confidentiality.

3.5 Cash flow and borrowings

37. After meeting with Management the Receiver reviewed historical financial records and a forward looking cash flow prepared by Management. The Receiver, in consultation with the Applicant determined that the base food and beverage operation is essentially break-even but because of the seasonal nature of the golf course, the business as a whole runs cash-flow negative due to certain fixed costs, Management costs and overhead costs.

38. In consultation with the Applicant it was determined that keeping the food and beverage operations running enhances goodwill, maintains continuity consistent with maximizing value of the assets, preserves jobs and retains key staff who work doing both the winter and summer seasons.

39. Based on the Receiver's experience, even if the operations were shut down during the winter, costs would be incurred to ensure that the property was maintained and occupied consistent with a prudent operator and as required by the insurance policy. The Applicant agreed with the Receiver's recommendations and agreed, consistent with the golf course's historic operations, to allow ongoing food and beverage operations and the retainer of two management personnel, through the end of March and fund any operating shortfall through borrowing under Receiver's Certificates as provided for in the Appointment Order.

40. Accordingly the Receiver has allowed the continuance of the Company's winter food and beverage employees and two management personnel and has facilitated arrangements to allow the Company to continue remuneration of its employees.

41. As of the date of this First Report the Receiver has issued four Receiver's Certificates, and has borrowed to date the sum of \$62,000 from the Applicant, and has available remaining borrowing capacity of \$188,000 provided for under the Appointment Order.

3.6 Lack of co-operation from Ms. Stoddart

42. As previously reported the principal of the Company, Ms. Stoddart, has refused to meet with the Receiver and had delegated that task to Management. While satisfied with the co-



operation received from Management, it became apparent that Ms. Stoddart may be in possession of certain books and records not previously delivered to the Receiver, specifically details of an insurance policy on the life of Ms. Stoddart where the Company may be the beneficiary. On January 20, 2016 the Receiver renewed its request for Ms. Stoddart to deliver all books, records or property belonging to or pertaining to the Company, in her possession or control. In response Ms. Stoddart confirmed she had documents relating to the LP, specifically meeting minutes.

43. On March 24, 2016 in response to a further renewed request by the Receiver, Ms. Stoddart replied that on closer inspection she has no records as described by the Receiver in her possession.

3.7 Opening of the Course

44. Following meeting with the Consultants at the Property in January, the Consultants advised the Receiver that early planning with the intent to open the course for the 2016 season would be a proactive step and either enhance value or at a minimum preserve and not deteriorate value. The Receiver shared this with the Applicant and although a plan for a sales process had yet to be discussed, the Applicant was supportive of taking steps to “maintain status quo” including but not limited to selling memberships, advising members and league players of continuing operations, booking tournaments and other private events, filing all regulatory reporting, and preparing equipment and the course itself for regular operations.

45. The instruction to prepare for opening was communicated to Management and at the date of this First Report preparations are underway to acquire pro-shop inventory, perform maintenance on equipment and order greens keeping chemicals and supplies. The irrigation report was filed with the regulatory body over the winter and membership sales and tournament bookings have been opened up. Since the Appointment Date, there has been limited interest in booking tournaments and only a few memberships have been sold. Management believes that the future uncertainty created by the Receivership is responsible as compared to such sales in prior years.

3.8 Canada Revenue Agency (“CRA”)

46. The Receiver contacted CRA to set up new “0002” extension accounts for filings. CRA advised that the Debtor is in arrears with respect to both payroll remittances and Harmonized Sales Tax (“HST”). Consequently new accounts, using the Debtor’s primary business number and the “0002” extension have been established for both payroll and HST so as to separate the Receiver’s current remittances from the Debtor’s accrued liabilities. As of the date of this First Report the Receiver is current with its reporting, filings and remittances for payroll (both employer contribution and source deductions) and HST since its appointment.

47. The Receiver notes that the HST and payroll accounts are in the personal name of the Debtor’s principal, Lana Bertram. The Receiver is solely the Receiver of the Debtor and not Lana Bertram aka Lana Stoddart in any capacity.

48. T4’s for 2015 were prepared by Management and issued to the Debtor’s employees.



49. CRA conducted audits of the payroll and HST accounts for both the Debtor and the new Receiver's account. CRA apportioned wages earned after December 15, 2015 to the new payroll account and created amended T4s to account for the split period. CRA determined the Receiver to be in compliance.

50. Attached hereto as **Exhibit "N"** are CRA's demands concerning the accounts of "Lana Bertram, sometime carrying on business as Settlers' Ghost Limited Partnership and Settlers' Ghost Golf Club". CRA has assessed the HST liability of Lana Bertram to be \$129,189.36 of which they assert \$117,827.90 is a trust claim. CRA has assessed the payroll liability of Lana Bertram to be \$36,009.34 of which they assert \$26,265.08 is a trust claim.

51. Consistent with the Receiver's review of other documentation, including, the amended 2015 T4's prepared by CRA, third party demands issued by CRA to Pace and a letter dated February 2, 2016 issued by CRA to the Receiver, relating to payroll and HST arrears, CRA indicates that the employer and the taxpayer for HST purposes is Lana Bertram.

52. The Receiver has reviewed the draft 2014 financial statements for the golf course business prepared by the external accountant, Powell Jones LLP. The financial statement is in the name of "Settler's Ghost Golf Club Limited Partnership" as approved and issued by its General Partner, FSP. The Company's internal accounting records are consistent with the draft financial statements showing ownership of the Property and other assets.

53. The Receiver has reviewed a Parcel Register (Abbreviated) For Property Identifier search dated December 15, 2015, provided to the Receiver by the Applicant's legal counsel, indicating that FSP is the sole owner of the Property and the grantor of charges in favour of the Applicant.

54. The Application Record contains, *inter alia*, a letter from independent legal counsel, Page, Martin LLP dated December 4, 2015 addressed to ISI opining on the security of the Applicant¹. The opinion states, subject to the qualifications and reservations expressed therein, that the General Security Agreement in favour of the Applicant provides a continuing security interest in the assets of the debtor, Settlers' Ghost Golf Club Limited Partnership.

55. Given the above, on April 5, 2016, the Receiver wrote to CRA seeking clarification on the legal name of the taxpayer that CRA believes is indebted to CRA for the outstanding HST liability. Attached as **Exhibit "O"** is a copy of the Receiver's letter, without enclosures.

56. That same day, Ms. P. Davey of CRA contacted the Receiver by telephone and advised that: (i) a CRA field auditor mistakenly changed the name of the account in error and that Ms. Davey was taking steps to have the name changed back to the name of the LP as the taxpayer in arrears; and (ii) CRA was looking to the assets in the hands of the Receiver with respect to its source deduction and HST trust claims. The Receiver is awaiting CRA's written confirmation.

¹ See Exhibit "U" to the Applicant's Motion Record dated December 7, 2015.

4.0 PROPOSED SALES TRANSACTION

57. ISI discussed with the Applicant the need to obtain a current appraisal. The Applicant advised that DTZ Barnicke Niagara Limited (“**DTZ**”) had previously performed an appraisal for the Company and has experience with the Property. ISI retained DTZ, to prepare an updated appraisal of the Property (the “**Appraisal**”). A copy of the Appraisal is attached hereto as **Exhibit “P”**. The Receiver requests that the Exhibit be sealed until after the closing of a sales transaction for reasons of confidentiality.

58. The Receiver has relied upon the Appraisal as a basis for the Receiver’s recommendations in discussions with the Consultants and the Applicant in a meeting to strategize and seek support for a proposed sales process. The Receiver cautioned the Applicant that based on its experience although the Appraisal would typically be used in evaluating offers to purchase, the marketplace is a truer indicator of value ascribed by a potential purchaser. The Receiver and the Consultants also advised that it expected a knowledgeable purchaser would submit an offer which took into account any capital improvement expenditures such potential purchaser believed would have to be made.

59. The Receiver sought the advice of the Consultants who concurred with the Receiver’s understanding of the potential range of value. The Consultants made it clear that this value could only be obtained after an investment was made in the infrastructure and not the Golf Course in its current state.



60. On March 15, 2016 legal counsel for the Applicant wrote to the Receiver advising that:

(i) the Applicant is not prepared to support continued operational losses; (ii) is opposed to a DIP lender priming their secured position; and (iii) the Applicant, or its nominee, intends to submit an offer to purchase the Receiver's right, title and interest in the assets forming the Golf Club. A copy of the letter is attached hereto as **Exhibit "Q"**.

61. Given this situation, on March 16, 2016, the Receiver wrote to all stakeholders on the original Service List and to the known Limited Partners advising that:

- i. the Applicant does not wish to fund projected operational losses but rather wishes to make an offer to purchase to the Receiver for the Receiver's right, title and interest, if any, in the assets, properties and undertaking of the Company;
- ii. the Applicant is opposed to any form of DIP lender loaning funds to the Receiver under the Court-approved Receiver's Certificate, which would provide such DIP lender with a priority position over the Applicant;
- iii. the Receiver's legal counsel has obtained a Court date on March 29, 2016 for the Receiver's motion, and the Receiver has started to prepare its First Report to Court, in which the Receiver will be providing, inter alia, the Court and the stakeholders with its analysis and recommendations in connection with the putative offer to purchase by the Applicant; and
- iv. requesting that if the recipient of the letter or a party known to them wishes to submit an offer to purchase the Receiver's right, title and interest in the

Company's assets, properties, and undertakings, such party should forthwith submit the offer to purchase directly to the Receiver.

62. Attached hereto as **Exhibit "R"** is a copy of the Receiver's letter dated March 16, 2016.

63. As a final executed offer was not received from the Applicant by the deadline to serve material for a March 29th motion date, the Receiver sent a follow up letter on March 23, 2016, advising of the postponement of a court hearing to a date in late April. Attached hereto as **Exhibit "S"** is a copy of the Receiver's letter dated March 23, 2016.

5.0 THE OFFER OF PACE OR ITS ASSIGNEE

64. On April 13, 2016, the Receiver obtained a mortgage statement from the Applicant indicating that the indebtedness outstanding to it from the LP effective April 13, 2016 is the amount of \$3,029,234.60. Attached hereto as **Exhibit "T"** is a copy of the payout statement.

65. On April 13, 2016, the Applicant provided the Receiver with a final Agreement of Purchase and Sale (the "APS"). The major elements of Pace's APS can be described as follows:

- i. **Purchase Price:** The amount of the outstanding indebtedness to the Applicant as at the time of Closing, plus the amount of outstanding Receiver's Certificates, plus the amount of any claims ranking in priority to that of the Applicant, including the costs of this receivership administration.
- ii. **Deposit:** The Receiver's Borrowings under the Court approved Receiver's Certificates.

- iii. **Purchaser's Conditions:** The Agreement is conditional to the Purchaser for a period of twenty one (21) days following the Receiver's acceptance and is subject to the Purchaser satisfying itself in its sole, absolute and unfettered discretion with all matters relating to the Property.
- iv. **Court Approval:** The Agreement is conditional upon the approval of this Honourable Court.
- v. **Adjustments:** There will be no adjustments on the sale.
- vi. **Closing:** Closing shall take place on the later of the date which is ten (10) days following Approval of the Agreement by the Court and issuance of the Vesting Order, and the waiver of the Purchaser's Conditions, or such earlier or later date as the parties or their respective solicitors may actually agree upon in writing.
- vii. **Assignment:** Save and except for the completion of this transaction by a company to be incorporated by the Purchaser, the Purchaser shall not have the right to assign its rights under this Agreement without the Vendor's prior written consent, which consent may be unreasonably withheld.
- viii. **Other:** The Purchaser will provide its undertaking and indemnity to the Receiver to pay for any liabilities incurred by the Receiver in this Receivership administration which remain unpaid as of the Closing date, the costs of the receivership administration including the professional fees and disbursements in addition to any charges ranking in priority to the security of the Applicant.

66. Attached hereto as **Exhibit “U”** is a copy of the APS. The Receiver requests that the Exhibit be sealed until after the closing of a sales transaction for reasons of confidentiality.

67. The Receiver advises this Honourable Court that the Pace APS does represent fair value for the assets, properties and undertakings of the Golf Course. The Receiver bases this on the findings from the Appraisal. However, since no sales process has been undertaken, without exposure to the marketplace, the Receiver does not know if there is any other party who would be prepared to submit a similar or better offer.

68. The Receiver has received a few informal inquiries regarding the sale of the assets. The Receiver has advised such parties that although no formal sales process has been undertaken, the Receiver is willing to review any non-binding letter of intent such party may wish to provide to the Receiver for the purchase of the assets.

69. Although the Receiver has received some inquiries both before and after the issuance of the Receiver’s March 16, 2016 letter described above, as of this date, no party has submitted a written expression of interest or offer to purchase other than as described herein.

6.0 RECEIVER’S STATEMENT OF RECEIPTS AND DISBURSEMENTS

70. As described in this First Report the Receiver has been utilizing a combination of Receiver’s Borrowing Certificates and food and beverage revenue to operate the Company’s business. Attached as **Exhibit “V”** is the Receiver’s Statement of Receipts and Disbursements for the period December 15, 2015 to March 31, 2016.



7.0 PROFESSIONAL FEES AND DISBURSEMENTS

71. Attached as **Exhibit “W”** is a copy of the Affidavit of Mr. Ira Smith in connection with the Receiver’s fee and disbursements including the detailed statement of account for the period from December 15, 2015 to April 12, 2016 in the amount of \$95,131.39 (inclusive HST). No funds have been advanced on account of the fee and disbursements.

72. Attached as **Exhibit “X”** is a copy of the Affidavit of Mr. Bruce Darlington in connection with DLAP’s fee and disbursements including the detailed statements of account for the period December 8, 2015 to March 30, 2016 in the amount of \$35,782.62 (inclusive of HST). No funds have been advanced on account of DLAP’s fee and disbursements.

8.0 OTHER MATTERS

73. In accordance with Subsections 245(1) and 246(1) of the BIA, on December 21, 2015, the Receiver’s statutory report (the “**BIA Report**”) was sent by ordinary mail to the Debtor, the Office of the Superintendent of Bankruptcy and all known creditors and limited partners of the Debtor. Attached as **Exhibit “Y”** to this First Report is a copy of the BIA Report.

74. The Receiver retained the Company’s external accountant, Powell Jones LLP to prepare 2015 year-end financial statements, T2 corporate tax return and T5013 statements of partnership income (loss). All returns and filings were submitted in accordance with CRA’s filing deadlines, including the issuance of the individual limited partners’ respective T5013 statements or partnership income (loss) to each of them.



75. At the request of the Applicant, the Receiver has been providing it with weekly reporting on operations and any other matters of importance in this receivership administration.

9.0 CONCLUSION AND RECOMMENDATIONS

76. For the reasons set out in this First Report, the Receiver respectfully requests that this Honourable Court approve:

- i. this First Report and the actions and activities of the Receiver described herein since December 15, 2015;
- ii. the Receiver's retainer of 253, the Consultants, Powell Jones LLP and the Appraiser;
- iii. the Receiver's retainer of Management, assisting the Receiver;
- iv. the APS to purchase the Property by the Purchaser, as described and included herein;
- v. the Receiver completing the sale to Pace, or its assignee as described herein;
- vi. the Receiver having the authority to file an assignment in bankruptcy for one or both of LP and FSP, and ISI having the authority to act as the licensed insolvency trustee;
- vii. the Receiver terminating the two agreements entered into with Management in accordance with their terms and conditions without notice, concurrent with the

sale of the Property, if approved by this Honourable Court, should the Purchaser not wish to continue the retainer of Ms. Quilty and Mr. Graham under those agreements;


- viii. the accounting for the receipts and disbursements of the Receiver from December 15, 2015 to March 31, 2016; and
- ix. the fees and costs to date incurred by the Receiver and its legal counsel, DLAP.

** ** **

All of which is respectfully submitted at Toronto, Ontario this 14th day of April, 2016.

IRA SMITH TRUSTEE & RECEIVER INC.

solely in its capacity as Court-Appointed Receiver and Manager of
Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc.
and not in its personal Capacity

Per:  Digitally signed by Brandon Smith
DN: cn=Brandon Smith, o, ou,
email=brandon@irasmithinc.com, c=CA
Date: 2016.04.14 14:27:58 -04'00'

Senior Vice-President



EXHIBIT "A"

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE *MADAM*)
JUSTICE *CONWAY*)

TUESDAY, THE 15TH DAY
OF DECEMBER, 2015

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and



**SETTLER'S GHOST LIMITED PARTNERSHIP
AND LANA STODDART**

Respondents

ORDER
(Appointing Receiver)

THIS MOTION made by the Applicant, PACE SAVINGS & CREDIT UNION LIMITED, 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 IRA SMITH TRUSTEE & RECEIVER INC. as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets, including undertakings and properties of SETTLER'S GHOST LIMITED PARTNERSHIP (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of SUZANNE HYDE sworn December 7, 2015 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and upon being

advised of the consent of the Respondents, and upon reading the consent of IRA SMITH TRUSTEE & RECEIVER INC. to act as the Receiver,

APPOINTMENT

1. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, IRA SMITH TRUSTEE & RECEIVER INC. is hereby appointed Receiver, without security, for all of the assets, including undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and over the property of the Debtor located at 3421 1 Line N, Barrie, Ontario (the "Property").

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

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

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$300,000.00; 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,]¹ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

(l) to run a sales process for the Property;

(m) 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;

(n) 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;

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

to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

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

5. 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.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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 DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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 Debtor, 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 Debtor or statutory or regulatory mandates for the supply of goods and/or services, including

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

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from 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

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of 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

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

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and 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.²

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

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

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

24. THIS COURT ORDERS that 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, facsimile

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

GENERAL

25. 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 here under.

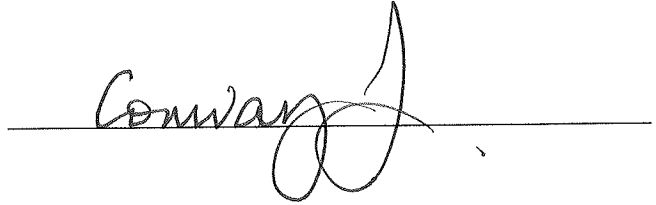
26. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

27. 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.

28. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, peace officers, 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.

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

30. 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.



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



DEC 15 2015

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

THIS IS TO CERTIFY that IRA SMITH TRUSTEE & RECEIVER INC., the Receiver (the "Receiver") of the assets, including undertakings and properties SETTLER'S GHOST LIMITED PARTNERSHIP acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the 15th day of December, 2015 (the "Order") made in an action 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.

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.

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.

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

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.

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.

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__.

IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as Receiver of the Property,
and not in its personal capacity

Per: _____

Name: Ira Smith

Title: President

PACE SAVINGS & CREDIT UNION LIMITED

V. SETTLER'S GHOST LIMITED PARTNERSHIP et al.

Court File No. CV-15-11212-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

ORDER

MACDONALD SAGER MANIS LLP

Lawyers

Suite 800, 150 York Street
TORONTO, ON M5H 3S5

Telephone: (416) 364-1553

Telefax: (416) 364-1453

Howard F. Manis

Direct: (416) 364-5289

LSUC: 34366V

Lawyers for the Applicant

PACE SAVINGS & CREDIT UNION LIMITED

-and-

SETTLER'S GHOST LIMITED PARTNERSHIP
AND LANA STODDART

Applicants

Respondents

Court File No. CV-15-11212-00CL

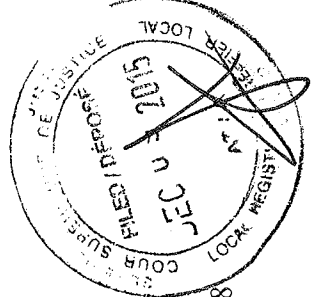
Dec 15/15

Dec 15/15

- H. Manis, for Pace
 - S. Friedman, for Stoddart.
- Unopposed.

Having reviewed the material filed to the court from Mr. Dible dated Dec 8/15, and the material filed in conversion to a judicial sale. OTC assigned by me. Counsel may return to me @ 9:30 on Dec 15/15. Re adding general partner to the style of case.

Conway J



ONTARIO

SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

APPLICATION RECORD

matter being unopposed,
MACDONALD SAGER MANIS LLP

Lawyers and Trade-mark Agents
150 York Street, Suite 800
Toronto, Ontario, M5H 3S5

Telephone: (416) 364-1553
Telefax: (416) 354-1453

Howard F. Manis

Direct: (416) 364-5289

LSUC: 34366V

Lawyers for the Applicant

EXHIBIT "B"

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MADAM)
JUSTICE CONWAY)
FRIDAY, THE 18TH DAY
OF DECEMBER, 2015

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

**SETTLER'S GHOST LIMITED PARTNERSHIP
AND LANA STODDART**

Respondents

ORDER

THIS MOTION made by the Applicant for an Order amending the Notice of Application and the style of cause of the within proceeding, was heard this day at 330 University Avenue, 8th Floor, Toronto, Ontario,

UPON READING the Motion Record of the Applicant, filed, and **UPON HEARING** the submissions of counsel for the Applicant, no one appearing for the Respondents or the proposed Respondent, FSP Holdings Inc., although duly served with the Motion Record,

1. **THIS COURT ORDERS THAT** the FSP Holdings Inc. be and is hereby added as a party Respondent in the within Application.

2. **THIS COURT ORDERS THAT** the style of cause of the within Application be and is hereby amended to the following:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

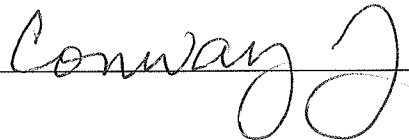
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP,
FSP HOLDINGS INC. and LANA STODDART

Respondents

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



DEC 18 2015



PACE SAVINGS & CREDIT UNION LIMITED

V. SETTLER'S GHOST LIMITED PARTNERSHIP et al.

Court File No. CV-15-11212-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

ORDER

MACDONALD SAGER MANIS LLP

Lawyers

Suite 800, 150 York Street
TORONTO, ON M5H 3S5

Telephone: (416) 364-1553

Telefax: (416) 364-1453

Howard F. Manis

Direct: (416) 364-5289

LSUC: 34366V

Lawyers for the Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MADAM)
JUSTICE CONWAY)

FRIDAY, THE 18TH DAY
OF DECEMBER, 2015

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP,
FSP HOLDINGS INC. and LANA STODDART

Respondents

AMENDED ORDER
(Appointing Receiver)

THIS MOTION made by the Applicant, PACE SAVINGS & CREDIT UNION LIMITED, 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 IRA SMITH TRUSTEE & RECEIVER INC. as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets, including undertakings and properties of SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP and FSP HOLDINGS INC. (the "Debtors") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of SUZANNE HYDE sworn December 7, 2015 and the Exhibits thereto, the affidavit of Doron Noah sworn December 15, 2105 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and upon being advised of the consent of the Respondents, and upon reading the consent of IRA SMITH TRUSTEE & RECEIVER INC. to act as the Receiver,

APPOINTMENT

1. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, IRA SMITH TRUSTEE & RECEIVER INC. is hereby appointed Receiver, without security, for all of the assets, including undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof and over the property of the Debtors located at 3421 1 Line N, Barrie, Ontario (the "Property").

RECEIVER'S POWERS

2. 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, 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 Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and

negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$300,000.00; 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,]¹ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to run a sales process for the Property;
- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and 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

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

4. 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.

5. 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.

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

secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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 is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, 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.

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from 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

13. 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

14. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the 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

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of 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

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

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and 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.²

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

19. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates

and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

24. THIS COURT ORDERS that 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, facsimile transmission or email 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

25. 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 here under.

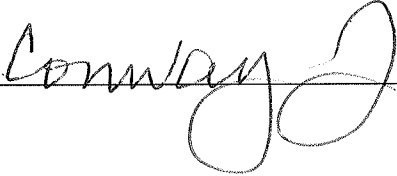
26. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

27. 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.

28. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, peace officers, 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.

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

30. 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.



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



DEC 10 2015

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

THIS IS TO CERTIFY that IRA SMITH TRUSTEE & RECEIVER INC., the Receiver (the "Receiver") of the assets, including undertakings and properties SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP and FSP HOLDINGS INC. acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the 15th day of December, 2015 (the "Order") made in an action 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.

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.

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.

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

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.

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.

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__.

IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as Receiver of the Property,
and not in its personal capacity

Per: _____

Name: Ira Smith

Title: President

PACE SAVINGS & CREDIT UNION LIMITED

-and-

**SETTLER'S GHOST LIMITED PARTNERSHIP
AND LANA STODDART**

Applicants

Respondents

Court File No. CV-15-11212-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**AMENDED ORDER
(Appointing Receiver)**

MACDONALD SAGER MANIS LLP

Lawyers and Trade-mark Agents
150 York Street, Suite 800
Toronto, Ontario, M5H 3S5

Telephone: (416) 364-1553
Telefax: (416) 354-1453

Howard F. Manis

Direct: (416) 364-5289
LSUC: 34366V

Lawyers for the Applicant

10/15

PACE SAVINGS & CREDIT UNION LIMITED

-and-

SETTLER'S GHOST LIMITED PARTNERSHIP
AND LANA STODDART

Applicants

Respondents

Court File No. CV-15-11212-00CL

Dec 18/15 H. Manis, for Apps.
unopposed though properly
 served
 OTG adding FSP & amending style
 of course. OTG granting
 amended Rec. Order. Both as
 signed by me.

Conway J.

ONTARIO

SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

MOTION RECORD

MACDONALD SAGER MANIS LLP
Lawyers and Trade-mark Agents
150 York Street, Suite 800
Toronto, Ontario, M5H 3S5

Telephone: (416) 364-1553
Telefax: (416) 354-1453

Howard F. Manis
Direct: (416) 364-3289
LSUC: 34366V

Lawyers for the Applicant

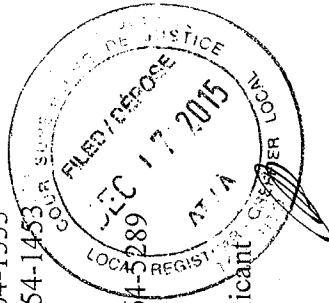


EXHIBIT "C"



LEASE SCHEDULE

MAXIUM FINANCIAL SERVICES INC.
 30 Vogel Road, Unit #1
 Richmond Hill, Ontario L4B 3K6
 PHONE: (905) 780-6150 FAX: (905) 780-6273
 www.maxium.net

Customer No.	102862
Lease Schedule No.	1
Schedule No.	15R

LESSEE	CO-LESSEE
Settler's Ghost Golf Club Limited Partnership by its General Partner FSP Holdings Inc. 3421 Line 1 North, RR #1 Barrie, ON L4M 4Y8 PHONE 705-725-3616 FAX 705-725-5790 CONTACT Lara Stoddart	N/A

CONTRACT INFORMATION				
QUANTITY	SUPPLIER	INVOICE #	DESCRIPTION	EQUIPMENT COST
1	Maxium Financial	Refinance of 1-15	Toro Groundsmaster 4500D s/n S280000693	\$12,382.00
EQUIPMENT COST				\$12,382.00

PAYMENT DETAILS							
COMMENCEMENT DATE		May-01-2015	TERM		30	Monthly In Advance	
NO. OF RENTAL PAYMENTS	FROM DATE (INCLUSIVE)	TO DATE (INCLUSIVE)	RENT	PST	GST	HST	TOTAL PAYMENT
1	May-01-2015	May-01-2015	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	Jun-01-2015	Oct-01-2015	\$807.00	\$0.00	\$0.00	\$104.91	\$911.91
6	Nov-01-2015	Apr-01-2016	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-01-2016	Oct-01-2016	\$807.00	\$0.00	\$0.00	\$104.91	\$911.91
6	Nov-01-2016	Apr-01-2017	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-01-2017	Oct-01-2017	\$807.00	\$0.00	\$0.00	\$104.91	\$911.91

FAIR MARKET VALUE PURCHASE PRICE	After payment #	30	due	Oct-31-2017
for a deemed Fair Market Value of \$ 1.00	or the Fair Market Value determined by Maxium at least 30 days prior to the due date for payment # 30			
SECURITY DEPOSIT:	\$0.00			

All payments are to be made by Pre-authorized Payment Plan to: Maxium Financial Services Inc

PLEASE ATTACH A SAMPLE VOID CHEQUE

The undersigned acknowledges that, unless otherwise notified in writing, this contract is subject to credit approval by Maxium Financial Services Inc. which shall be evidenced by the acceptance and execution below by Maxium Financial Services Inc.

The undersigned acknowledges they have read the Master Lease Agreement, understand it, agrees to be bound by all the Terms and Conditions, agrees that this Schedule to Master Lease Agreement forms part of the Master Lease Agreement and is authorized to sign.

ACCEPTED BY:

MAXIUM FINANCIAL SERVICES INC.

Settler's Ghost Golf Club Limited Partnership by its General Partner FSP Holdings Inc.

BY: *Anna Cappadocia*
 NAME: Anna Cappadocia
 TITLE: Vice President, Administration
 DATE: 05/27/15

BY: *Lara Stoddart*
 NAME: Lara Stoddart
 TITLE: President
 DATE: May 15, 2015



DELIVERY AND ACCEPTANCE CERTIFICATE

MAXIUM FINANCIAL SERVICES INC.
30 Vogel Road, Unit #1
Richmond Hill, Ontario L4B 3K8
PHONE: (905) 780-6180 FAX: (905) 780-6273

Customer No. 102862
Lease Agreement No. 1
Schedule No. 15R

By signing this Delivery and Acceptance Certificate, You acknowledge having read Your supplier's agreement and understand it.
You also agree all of the items:

- 1) have been delivered and / or installed;
2) are in good operating order and condition;
3) are in all respects satisfactory; and
4) have been accepted.

EQUIPMENT DESCRIPTION
MANUFACTURER / DESCRIPTION / SERIAL NUMBERS

1 Toro Groundsmaster 4500D
s/n S280000693

INSURANCE INFORMATION

You certify that the Equipment is insured for its full replacement cost as outlined in the agreement, under the policy detailed below:

AGENT/BROKER:
PHONE NO.: FAX NO.:
INSURANCE CO.:
POLICY NO.:

DELIVERY DATE: 19-Sep-08

Settler's Ghost Golf Club Limited Partnership
by its General Partner FSP Holdings Inc.

BY: [Signature]
NAME: Lara Stoddart
TITLE: President

LEASE AGREEMENT



MAXIUM FINANCIAL SERVICES INC.
 30 Vogel Road, Unit #1
 Richmond Hill, Ontario L4B 3K6
 PHONE: (905) 780-6160 FAX: (905) 780-6273
 www.maxium.net

Customer No.	102862
Lease Agreement No.	1
Schedule No.	18

LESSEE Settler's Ghost Golf Club Limited Partnership by its General Partner FSP Holdings Inc. 3421 Line 1 North, RR #1 Barrie, ON L4M 4Y8 PHONE 705-725-3616 FAX 705-835-5790 CONTACT Lana Stoddart	CO-LESSEE
---	------------------

CONTRACT INFORMATION				
QUANTITY	SUPPLIER	INVOICE #	DESCRIPTION	EQUIPMENT COST
58	Turf Care		2013 Yamaha Gas Golf Cars a/n JWV8 311244, 313002, 003, 007, 027, 035, 037, 056, 058, 059, 060, 066, 067, 069, 070, 074, 076, 078, 079, 081, 083, 084, 088, 098, 099, 100, 214, 240, 248, 259, 261, 262, 263, 264, 265, 266, 267, 268, 270, 271, 273, 274, 275, 278, 279, 280, 281, 282, 283, 284, 285, 291, 314115, 134, 173, 174, 181, 198	\$253,170.00
EQUIPMENT COST				\$253,170.00

PAYMENT DETAILS							
COMMENCEMENT DATE	Dec-15-2012		TERM	59 Monthly in Advance			
NO. OF RENTAL PAYMENTS	FROM DATE (INCLUSIVE)	TO DATE (INCLUSIVE)	RENT	PST	GST	HST	TOTAL PAYMENT
5	Dec-15-2012	Apr-15-2013	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-15-2013	Oct-15-2013	\$7,535.00	\$0.00	\$0.00	\$979.55	\$8,514.55
6	Nov-15-2013	Apr-15-2014	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-15-2014	Oct-15-2014	\$7,535.00	\$0.00	\$0.00	\$979.55	\$8,514.55
6	Nov-15-2014	Apr-15-2015	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-15-2015	Oct-15-2015	\$7,535.00	\$0.00	\$0.00	\$979.55	\$8,514.55
6	Nov-15-2015	Apr-15-2016	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-15-2016	Oct-15-2016	\$7,535.00	\$0.00	\$0.00	\$979.55	\$8,514.55
6	Nov-15-2016	Apr-15-2017	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-15-2017	Oct-15-2017	\$7,535.00	\$0.00	\$0.00	\$979.55	\$8,514.55
FAIR MARKET VALUE PURCHASE PRICE			Alter payment # 59 due	Nov-4-2017	-Oct-31-2017		
for a deemed Fair Market Value of \$ 94,700.00			or the Fair Market Value determined by Maxiium at least 30 days prior to the due date for payment # 59				
SECURITY DEPOSIT:		\$0.00					

15th
 of the
 month
 of

RENEWAL OPTION TERMS							
COMMENCEMENT DATE	Nov-15-2017		TERM	19 Monthly in Advance			
NO. OF RENTAL PAYMENTS	FROM DATE (INCLUSIVE)	TO DATE (INCLUSIVE)	RENT	PST	GST	HST	TOTAL PAYMENT
6	Nov-15-2017	Apr-15-2018	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-15-2018	Oct-15-2018	\$7,535.00	\$0.00	\$0.00	\$979.55	\$8,514.55
6	Nov-15-2018	Apr-15-2019	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
1	May-15-2019	May-15-2019	\$63,676.00	\$0.00	\$0.00	\$8,264.88	\$71,840.88

All payments are to be made by Pre-authorized Payment Plan to: Maxiium Financial Services Inc.

PLEASE ATTACH A SAMPLE VOID CHEQUE

The undersigned acknowledges that, unless otherwise notified in writing, this contract is subject to credit approval by Maxiium Financial Services Inc. which shall be evidenced by the acceptance and execution below by Maxiium Financial Services Inc.

The undersigned acknowledges that they have read this Lease Agreement, understand it, agrees to be bound by all the Terms and Conditions attached herof which form part of the Lease Agreement and are authorized to sign this Lease Agreement.

ACCEPTED BY:

MAXIUM FINANCIAL SERVICES INC.

Settler's Ghost Golf Club Limited Partnership by its General Partner FSP Holdings Inc.

BY: Anna Cappadocia
 NAME: Anna Cappadocia
 TITLE: Vice President, Administration
 DATE: 04/12/13

BY: Lana Stoddart
 NAME: Lana Stoddart
 TITLE: President
 DATE: March 21/2013

↓
 ON FILE



DELIVERY AND ACCEPTANCE CERTIFICATE

MAXIUM FINANCIAL SERVICES INC.
30 Vogell Road, Unit #1
Richmond Hill, Ontario L4B 3K6
PHONE: (905) 780-6150 FAX: (905) 780-6273

Table with 2 columns: Label (Customer No., Lease Agreement No., Schedule No.) and Value (102862, 1, 16)

By signing this Delivery and Acceptance Certificate, You acknowledge having read Your supplier's agreement and understand it. You also agree all of the items:

- 1) have been delivered and / or installed;
2) are in good operating order and condition;
3) are in all respects satisfactory; and
4) have been accepted.

EQUIPMENT DESCRIPTION
MANUFACTURER / DESCRIPTION / SERIAL NUMBERS

Handwritten notes: 58, 58 LGA, OR BY T

2013 Yamaha Gas Golf Cars
s/n

JW8-311244, 313002, 003, 007, 027, 035, 037, 056, 058, 059, 060, 066, 067, 069, 070, 074, 076, 078, 079, 081, 083, 084, 086, 096, 099, 100, 214, 240, 248, 259, 261, 262, 263, 264, 265, 266, 267, 268, 270, 271, 273, 274, 275, 276, 279, 280, 281, 282, 283, 284, 285, 291, 314115, 134, 173, 174, 181, 196

INSURANCE INFORMATION

You certify that the Equipment is insured for its full replacement cost as outlined in the agreement, under the policy detailed below:

AGENT/BROKER:
PHONE NO.: FAX NO.:
INSURANCE CO.:
POLICY NO.:

DELIVERY DATE:

Settler's Ghost Limited Partnership
by its General Partner ESP Holdings Inc.

BY: [Signature]
NAME: Lana Stoddart
TITLE: President

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement") IS MADE BETWEEN Maxium Financial Services Inc., a company with its address at 30 Vogel Road, Richmond Hill, Ontario L4B 3K6 (referred to as "we", "our", "ours" and "us" in this Agreement) and Settler's Ghost Golf Club Limited Partnership by its General Partner FSI Holdings Inc., a corporation with its address at 3421 Line 1 North, RR #1, Barrie, ON L4M 4Y8 (referred to as "you", "your" and "yours" in this Agreement). For valuable consideration, the receipt of which is hereby acknowledged by you and by us, we hereby agree with you as follows:

- 1. Agreement to Lease.** We agree to lease you the Equipment (this term and certain other capitalized terms have the meanings specified in section 2 hereof or as defined elsewhere in this Agreement) and you agree to lease the Equipment from us on the terms and conditions specified in this Agreement. You agree with us that the terms and conditions of this Agreement shall be binding upon the parties upon the execution of this Agreement by them and shall remain in force until the last day of the Term of this Agreement (except with respect to such facilities and obligations as are stated herein to survive after the end of the Term).
- 2. Certain Definitions.** "Agreement" means, collectively, this agreement, the attached Lease Schedule, the Delivery and Acceptance Certificate and any other related agreements or documents referred to separately herein or therein. "Delivery and Acceptance Certificate" means, with respect to the Equipment, a certificate in the form prescribed by us (or in such other form as may be acceptable to us) to evidence the delivery to and acceptance by you of the Equipment. "Discounted Fair Market Value" means, with respect to the Equipment, the present value of the Fair Market Value of the Equipment at a specified date, discounted to the date of calculation at the Discount Rate. "Discounted Purchase Price" means, with respect to the Equipment, the present value of the purchase price for the Equipment at a specified date, discounted from the day on which such purchase price may be exercised to the date of calculation at the Discount Rate. "Discount Rate" means the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the Term remaining in this Agreement. "Discounted Rents" means, with respect to the Equipment, the present value of all installments of Rent during the Term of this Agreement that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which such installments would otherwise be payable to the date of calculation at the Discount Rate. "Effective Date" means the date on which the Equipment is delivered to and accepted by you as indicated in the Delivery and Acceptance Certificate. "Equipment" means the personal property described in the attached Lease Schedule, together with all accessories and attachments thereto from time to time. "Fair Market Value" means, with respect to the Equipment as at a particular date, the fair market value of the Equipment on such date specified in this Agreement or, if not so specified, the price for the Equipment that we determine would be paid on such date in an open and unrestricted market by a willing purchaser to a willing vendor each of whom is acting at arm's length and is under no compulsion to act. "Initial Term" means, with respect to this Agreement, the period related to in section 3 hereof. "Rent" means the amounts payable by you as set out in lease payments hereunder as specified in the attached Lease Schedule or section 4 and such other amounts payable by you hereunder and thereunder, including amounts specified in sections 16 and 23 hereof. "Term" means the Initial Term and any renewal or extension thereof from time to time in effect whether pursuant to section 22 hereof or as otherwise agreed upon by you and us.
- 3. Initial Term.** The Initial Term of this Agreement shall commence on the Effective Date of this Agreement and shall continue, from the Effective Date, or if the Effective Date is not the first day of a calendar month then from the first day of the next calendar month after the Effective Date, for the number of months specified in the attached Lease Schedule.
- 4. Rent.** You shall pay us Rent in the amounts and at the times specified in the attached Lease Schedule and in section 23 hereof, as applicable. If the Effective Date is not the first day of a calendar month, Rent shall commence and be payable on the first day of the next calendar month. Any security deposit made by you with us under this Agreement that is not paid by you when due and payable, and if not so applied shall be applied against your liability to pay the final installment of Rent hereunder. Your obligation to pay Rent and perform all your other obligations hereunder shall be unconditional in all circumstances, and for greater certainty shall not be reduced or terminated if the Equipment does not operate as expected or as specified. All Rent and other amounts payable by you under this Agreement shall be paid when due without set-off, counterclaim, abatement or other reduction.
- 5. Taxes.** You shall pay when due, and shall indemnify us against, any liability in respect of all taxes and other governmental charges (except income taxes payable by us or our net taxable income) applicable from time to time to the Rent and other amounts payable by you under this Agreement.
- 6. Equipment Selection and Warranties.** You acknowledge that you selected the Equipment and the manufacturer and supplier thereof, and the Equipment purchased by us was made at your specific request. We do not make, shall not be deemed to have made and hereby disclaim any representations or warranties as to the operating or other condition, quality, fitness for any purpose, merchantability or marketability of the Equipment, whether arising by statute, common law, equity or otherwise. We assign to you during the Term of this Agreement all assignable warranty rights provided to us by the manufacturer or supplier of the Equipment.
- 7. Maintenance and Inspection of Equipment.** You shall keep the Equipment in good repair and operating condition, and maintain the Equipment and all accessories and attachments therein in safe and good mechanical condition and running order at all times and to furnish all supplies, accessories, and other essentials required for the use or operation of the Equipment. You shall install and maintain the Equipment so as to not void and to keep in full force and effect all manufacturers' warranties relating thereto, and, if required for such purpose, you will enter into, and maintain in full force and effect at all times during the Term of this Agreement, a maintenance agreement with the manufacturer or other reliable supplier of maintenance services acceptable to us with respect to the Equipment. At our request, you will furnish us with evidence of each such maintenance agreement. You agree to permit us and our representatives during normal business hours and on reasonable prior notice to inspect the Equipment. All supplies consumed or required by the Equipment shall meet the manufacturer's specifications and shall be furnished by you at your expense. All maintenance and service charges relative to the Equipment, whether under a maintenance agreement or otherwise, shall be paid by you.
- 8. Alterations and Modifications.** You may, at your expense, make alterations in, and attachments to or upgrade the Equipment (the "Additions"), provided that any Addition shall not (a) interfere with the normal operation of the Equipment, (b) impair the value or utility of the Equipment or affect any warranty relating thereto, or (c) subject the Equipment to any hypothec, liens, security interests, claims or other encumbrances. All Additions shall become our property if not removed by you prior to the end of the Term of this Agreement. The removal of any Addition shall be at your expense, and shall be done without damaging the Equipment, and after such removal you will ensure that the Equipment is restored to its original condition and utility prior to such Addition (reasonable wear and tear excepted). The manufacturer may incorporate engineering changes or make temporary alterations to the Equipment upon your request. If any Addition interferes with the normal and satisfactory operation or maintenance of the Equipment so as to increase the cost of maintenance or create a safety hazard, you will, at your expense, promptly remove such Addition and restore the Equipment to its original condition and utility prior to such Addition (reasonable wear and tear excepted).
- 9. Title and Security.** We shall retain title to and ownership of the Equipment at all times prior to your exercise of any purchase price with respect thereto specified in this Agreement. We may make such registrations against you or otherwise under applicable personal property security laws or similar legislation as are deemed necessary to evidence and protect our interest in the Equipment. To the extent that this Agreement is determined to be a financing lease or not a true lease under any applicable personal property security laws, then with respect to this Agreement and to secure the payment and performance by you of all your obligations under this Agreement, you hereby grant us a security interest in your right, title and interest, now existing and hereafter arising, in and to, (a) the Equipment, (b) all insurance, warranty, rental and other claims and rights to payment and chattel paper arising out of the Equipment, and (c) all books, records and proceeds relating to the foregoing.
- 10. No Cancellation.** This Agreement may not be cancelled or terminated by us or by you during the Term hereof, except as expressly provided in this Agreement.
- 11. Entire Agreement.** This Agreement shall constitute a separate and complete agreement between you and us with respect to the Equipment.
- 12. Use and Location.** So long as no Customer Default exists, we will not disturb your quiet enjoyment of the Equipment during the Term of this Agreement. You shall operate the Equipment (i) for business purposes, (ii) in a safe and lawful manner, by competent and duly qualified personnel in accordance with applicable manufacturer's manuals and instructions, and (iii) in compliance with all federal, provincial, state and municipal statutes, ordinances, regulations and by-laws which may be applicable to the leasing, use or operation of the Equipment. In addition, you shall prepare and furnish to us all documents, returns or forms legally required to be prepared by you in relation to the Equipment. You shall be solely responsible for, and indemnify us against, any fines or penalties assessed for violations of any statute, ordinance, by-law or regulation of any governmental authority, as a result of the use or operation of the Equipment by you or any third party, and shall keep the Equipment free from any hypothec, security interests, claims, liens and encumbrances. You agree to operate only the Equipment which has insurance coverage as provided herein and to comply with all conditions of insurance related to the Equipment. You will ensure that at all times the Equipment remains personal and movable property and shall not become affixed to any real property. The Equipment may not be removed from any location specified in the attached Lease Schedule except upon prior written notice to and consent by us in each instance, and in no event may the Equipment be removed outside any province or jurisdiction in which the Equipment is to be located as specified in the attached Lease Schedule or as otherwise agreed upon by us with you.
- 13. Damage and Loss.** Notwithstanding section 9 hereof, you shall bear all risk of loss of and damage to the Equipment at all times during the Term of this Agreement and any re-delivery thereof to us as required hereunder. You shall promptly notify us of any damage to the Equipment and shall ensure that such damage is promptly repaired at your expense. Notwithstanding the foregoing, if the Equipment is damaged beyond practical repair in our judgement, or is destroyed, lost, stolen or otherwise taken from you, legally or otherwise, you shall within 10 days of such event either (a) pay us the Discounted Rents at such time and all other accrued and then unpaid amounts under this Agreement with respect to the Equipment, together with the Discounted Purchase Price at such time that was applicable to the Equipment as at the end of the Initial Term of this Agreement (or, if no purchase price has been specified, the Discounted Fair Market Value at such time of the Equipment as at the end of the Initial Term), and upon receipt by us of such payment, all of our right, title and interest in and to the Equipment shall be transferred to you on an "as is, where is" basis without representation or warranty of any kind or nature and any liabilities relative to the Equipment which we or you may have shall be released (except such facilities and obligations as are stated herein to survive after the end of the Term of this Agreement), or (b) provided no Customer Default exists under this Agreement, replace the Equipment with equipment of equal or greater value and utility (as determined by us) by conveying good and marketable title to such replacement equipment to us free and clear of all liens, hypothec, security interests, claims and other encumbrances. Upon any such conveyance the replacement equipment (which shall thereafter be included as

Equipment for all purposes of this Agreement shall be subject to this Agreement in all respects as if it were the replaced Equipment.

14. **Insurance.** You will provide and maintain at your expense, with respect to each unit of Equipment: (a) property insurance against the loss, theft, or destruction of, or damage to, or other risks of loss relative to, the Equipment as are customarily insured by "all risks" policies on similar equipment and by businesses in the industry in which you are engaged for the full replacement value of the Equipment, naming us as a first loss payee; b) public liability and third party property insurance, naming us as an additional insured and c) creditor life and disability coverage where the benefit amounts fully cover your lease obligations for the entire Term of this Agreement, naming us as the beneficiary. You will give us certificates or other evidence of such insurance when requested provided, however, that we shall not be under any duty either to ascertain the existence of or to examine such insurance or to advise you in the event that the insurance coverage does not comply with the requirements hereof. Such insurance will be in a form, amount and with companies acceptable to us, and will provide that we be given 30 days advance written notice of any cancellation or material change of such insurance. If you do not give us evidence of insurance acceptable to us, we will have the right, but not the obligation, to obtain insurance covering our interest in the Equipment for the Term of this Agreement, from an insurer of our choice. We may add the costs of acquiring and maintaining such insurance, and our fees placing and maintaining such insurance (collectively, "Insurance Charge") to the amounts due from you under this Agreement. You will pay the Insurance Charge in equal installments allocated to the remaining Rent payments. If we purchase insurance, you will cooperate with our insurance agent with respect to the placement of insurance and the processing of claims. Nothing in this Agreement will create an insurance relationship of any type between us and any other person. You acknowledge that we are not required to secure or maintain any insurance, and we will not be liable to you if we terminate any insurance coverage that we arrange. If we replace or renew any insurance coverage, we are not obligated to provide replacement or renewal coverage under the same terms, costs, limits, or conditions as the previous coverage.

15. **Assignment.** You shall not part with possession or control of all or any part of the Equipment, or sublease, assign, sell or dispose of your interest in the Equipment or in this Agreement. We may assign all or any of our rights in the Equipment or in this Agreement without your consent or notice to you.

16. **Indemnity.** You shall indemnify us against, and save us harmless from, any and all damages, claims, actions, obligations and liabilities caused by or resulting from the installation or removal of the Equipment, the possession, use and operation of the Equipment, or our ownership of the Equipment, at all times during the Term of this Agreement and any re-delivery thereof to us as required hereunder and for a period of two years after the end of the Term of this Agreement. Such indemnity shall include our legal fees and costs arising from any of the foregoing and any payment made by us in settlement of any of the foregoing. Notwithstanding any other provision hereof, the indemnity contained in this section shall survive termination or expiration of this Agreement.

17. **Default.** It shall be a default under this Agreement if (each a "Customer Default") (a) you fail to pay any Rent or other amount when due and payable hereunder or under any other lease or other agreement with us, (b) you fail to observe or perform any other covenant or obligation therein or in any other lease or other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) you make a representation in this Agreement that is materially incorrect, (d) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (e) an order is made or a resolution passed for your winding up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the *Bankruptcy and Insolvency Act* (the "Act") or a petition is filed by or against you or an authorized assignee is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours of an application is made under the *Companies' Creditors Arrangement Act* or any successor or similar legislation, (f) the Equipment is seized by any creditor of yours, (g) the ordinary nature of your business changes subsequent to the Effective Date of this Agreement, (h) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (i) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Effective Date of this Agreement.

18. **Remedies and Obligations on Default.** Upon the occurrence of any Customer Default under this Agreement, we may in our sole discretion, in addition to any other rights and remedies available to us, exercise one or more of the following rights and remedies: (a) perform any obligation that you have failed to perform under this Agreement, in which case an amount equal to all expenses incurred by us in such performance shall be immediately payable by you to us on demand, it being understood that no such performance by us shall cure or be deemed to have cured any Customer Default as a result of such failure to perform by you; (b) require you to pay us on demand, whereupon you shall immediately pay us, as a genuine pre-estimate of liquidated damages and not as a penalty, the Discounted Rents at such time and all other accrued and then unpaid amounts under this Agreement; (c) enter any place where the Equipment is located and take possession of and remove the Equipment without court order or other process of law, or require you to (in which case you shall promptly), at your expense, return the Equipment to us at our nearest office or to such other place as we direct; and (d) terminate this Agreement (but without releasing any of your obligations then due hereunder and any other liabilities which are stated herein to survive termination). To the extent permitted by law, you waive the benefit of all laws governing the seizure and sale or other disposition of the Equipment upon default. We shall not be responsible for any expense or damage that may be incurred by you as a result of our exercising any of the foregoing rights and remedies unless due to our gross negligence or willful misconduct. If we take possession of the Equipment, we may store, repair or recondition the Equipment

and sell, lease or otherwise dispose of the Equipment for such amounts and on such terms and conditions as we may determine in our sole discretion. Any proceeds of any such sale, lease or other disposition when actually received in cash by us shall be applied first to reimburse us for all expenses, commissions, fees and disbursements incurred by us in connection with such repossession, storage, repair, reconditioning, sale, lease or other disposition, and any balance thereof in excess of the Discounted Purchase Price (that was applicable to the Equipment as at the end of the Initial Term of this Agreement (or, if no purchase price has been specified, in excess of the Discounted Fair Market Value of the Equipment as at the end of the Initial Term)) will be applied, first, against your obligations under this Agreement, and subsequently, against such of your obligations as are then due and payable under any other lease or any other agreement with us. You shall remain liable for any deficiency remaining under this Agreement and under any other lease or other agreement with us. If we enforce any provision of this Agreement on default, you shall reimburse us on demand for all expenses including legal fees and disbursements on a solicitor and own client basis, incurred by us in connection with such enforcement.

19. **Waivers.** All waivers given by us hereunder must be in writing, and any such waiver will apply only to the single instance for which it is given, and will not apply for any other instance, whether of the same nature or otherwise. We alone may waive any of your obligations under this Agreement. This Agreement may be amended only by our written agreement with you.

20. **Administration Charges.** You shall pay interest on any overdue amount under this Agreement at the rate of 18% per annum, calculated monthly. If any direction for payment made by you with respect to any amount payable hereunder to us is not honoured for any reason by the person to whom such direction has been given, you shall pay us a service charge of \$100 for each instance. You shall reimburse us on demand for all administrative expenses incurred by us as a result of any amendment to this Agreement that has been requested by you and agreed to by us.

21. **Pre-Authorized Payments.** You shall pay us all installments of Rent and other amounts under this Agreement by means of pre-authorized payments.

22. **End of Term Options.** Not later than three months prior to the last day of the Initial Term of this Agreement, you shall give us irrevocable notice of your intention to:

- (a) on or before such last day, return the Equipment to us at our nearest office or as we otherwise direct, in which case you will pay all expenses in connection with such return including de-installation, packing, crating, loading, rigging and transportation; or
- (b) on such last day, purchase the Equipment from us (on an "as is, where is" basis and without representation or warranty of any kind or nature) for a price equal to its then Fair Market Value.

If you give us the notice required above and fail to comply therewith, the Term of this Agreement shall be extended for an additional period equal to the greater of three months or the period between each required payment of Rent during the Term. In addition to any extension as contemplated by the preceding sentence, if you fail to give us the notice required above (whether prior to the end of the Initial Term of this Agreement or any extension thereof), the Term of this Agreement shall be extended for an additional period equal to the period between each required payment of Rent during the Term. In each case the Rent payable during such extension shall be, for greater certainty, the Rent in effect on the last day prior to such extension, unless we agreed in writing with you that other Rent be applicable in such circumstances.

23. **Remarking.** If you elect to return the Equipment as specified in section 22, we may dispose of the Equipment in a commercially reasonable manner given the state of repair of the Equipment. For the purpose hereof, Net Proceeds means net proceeds of disposition received by us after deducting all reasonable expenses of disposition including, without limitation, storage, audit, testing, cleaning, repair, commission, insurance and advertising. If the Net Proceeds with respect to the Equipment are less than the Fair Market Value of the Equipment, you will promptly pay us as a final adjustment of Rent with respect to the Equipment an amount equal to such deficiency, plus applicable sales taxes, without abatement, set-off, counterclaim or other deduction. We will determine the final adjustment with respect to any unit of Equipment when the Equipment is disposed of and shall render a statement to you. If we have been unable to sell any unit of Equipment within 30 days after the end of the Initial Term, then the Net Proceeds will be deemed to be \$1 and you will pay us not later than 30 days after the end of the Initial Term the deficiency between the deemed Net Proceeds of \$1 and the Fair Market Value of the Equipment.

24. **Credit Investigation and Financial Statements.** You consent to any credit investigation carried out by us. At our request you will deliver to us any financial or other information related to you as reasonably requested by us to further our credit investigation. In addition and if requested by us, you will deliver within 120 days of your fiscal year end, a copy of your financial statements for such fiscal year or, if audited, your audited financial statements together with the opinion of the auditor.

25. **Credit Entry Serial Numbers.** You authorized us to correct any clerical errors in this Agreement and to include in this Agreement the serial numbers of the Equipment that is subject thereto. We shall promptly advise you of any such correction and serial numbers.

26. **Representation and Warranty.** You represent and warrant that this Agreement has been duly authorized, executed and delivered by you, and constitutes a legal, valid and binding agreement of yours enforceable against you in accordance with its terms. You further represent and warrant that any and all financial and other information provided to us is accurate and complete.

27. **Notice.** Any notice under this Agreement shall be in writing and shall be given by pre-paid registered mail, by facsimile, or by delivery to the person to whom it is addressed. A notice so given shall be deemed to have been received on the fifth day following posting in Canada, or if given by facsimile or delivered, on the day of transmission or delivery if such day is a business day in Toronto or, if not, on the next following business day in Toronto.

28. **General.** This Agreement will be interpreted with all changes to number and gender as the context requires. If you sign this Agreement with another person, each of you will be jointly and severally liable as lessee hereunder. Time is of the essence of this Agreement. This Agreement will ensure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns. In the event of any inconsistency between the terms of the attached Lease Schedule and the terms of this Agreement, the terms of the attached Lease Schedule shall prevail. If any provision of this Agreement is illegal or unenforceable, such provision shall be severed from this Agreement to the extent of such illegality or unenforceability and the remaining provisions of this Agreement shall remain in full force and effect.

29. **Language.** The parties hereto expressly request and require that this Agreement and all related documents be drafted in English. Les parties aux présentes conviennent et exigent que cette Convention et tous les documents qui s'y rattachent soient rédigés en Anglais.

30. **Further Assurances.** You acknowledge that we may require additional security depending on the results of our credit investigation and your organizational structure. If we require such additional security, we shall inform you of the form and nature of the additional security and required documentation and it shall be a condition to our entering into this Agreement with you that such additional security is obtained and the necessary documentation executed by you.

32. **Counterparts.** This Agreement may be executed and in any number of counterparts and on separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument.

33. **Law.** This Agreement shall be governed in accordance with the laws of the Province of Ontario, and you attorn to the jurisdiction of the courts of such Province.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the 21 day of MARCH, 2013.

MAXIUM FINANCIAL SERVICES INC.

Settler's Ghost Golf Club Limited Partnership
By Its General Partner ESP Holdings Inc.

BY: Anna Cappadocia

BY: Lana Stoddart

Anna Cappadocia
Vice President, Administration

Lana Stoddart
President

D+H Registry Services (ONMFS1)

Report Date: May 05, 2015

ONMFS1C1834-8

REGISTERED

REGISTRATION STATEMENT (Ontario)

REGISTRATION INFORMATION

Registration Number	Registration Date	Registration Time	Expiry Date
20130118194615312396	18 JAN 2013	7:46PM	21 OCT 2018
Type of Registration		Life of Registration	
SECURITY AGREEMENT		NOT APPLICABLE	

AMENDMENT INFORMATION

Type of Amendment	Renewal Period
RENEWAL	5 Year

Reference File Number
600399639

Base Secured Party
Maxium Financial Services Inc.
30 Vogell Road, Unit 1
Richmond Hill, ON Canada L4B 3K6

Base Debtor
FSP HOLDINGS INC.

Your Reference	SETTLERS GHOST MS' Billed Amount : \$54.79
Billed Account	INTERNAL ACCOUNT - MAXIUM Maxium Financial Services [ON]



AMENDING AGREEMENT made at the City of Barrie in the Province of ON as of the 15 day of May, 2015.

BETWEEN:

TURF CARE FINANCIAL LIMITED
30 Vogell Road, Suite 1
Richmond Hill, ON
L4B 3K6

(hereinafter referred to as the "Lessor")

- and -

FSP Holdings Inc. o/a Settler's Ghost Golf Club
3421 Line 1 North, RR #1
Barrie, ON
L4M 4Y8

(hereinafter referred to as the "Lessee")

WHEREAS Lessor has financed certain equipment (the "Equipment") to the Lessee upon the terms and conditions set forth in Lease Agreement No. TCF1-1 dated February 3, 2015 (the "Lease")

AND WHEREAS the parties have agreed to amend the Lease ;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements set forth herein, the parties hereto covenant and agree as follows:

1. Effective the date hereof, the terms and conditions of the Lease are hereby amended as follows:

**To amend the name of the lessee from:
FSP Holdings Inc. o/a Settler's Ghost Golf Club to
Settler's Ghost Golf Club Limited Partnership by its General Partner FSP Holdings Inc.**

2. Except as set out above all terms and conditions of the Lease shall remain in full force and effect unamended.

3. The parties further covenant and agree to do, execute and deliver, or cause to be done, executed and delivered all such further acts, transfers and assurances, for the better assuring, confirming and otherwise implementing the intention of the parties under this Amending Agreement, as the parties and their successors and assigns shall reasonably request.

IN WITNESS WHEREOF the parties have executed this Amending Agreement.

TURF CARE FINANCIAL LIMITED

**Settler's Ghost Golf Club Limited Partnership
By its General Partner FSP Holdings Inc.**

By: _____

Name: Anna Cappadocia
Title: Vice President, Administration

By: _____

Name: Lana Stoddart
Title: President



TURF CARE FINANCIAL

LEASE AGREEMENT

TURF CARE FINANCIAL LIMITED
 30 Vogel Road, Unit #1
 Richmond Hill, Ontario L4B 3K6
 PHONE: (289) 289-0306 FAX: (905) 780-8241

Customer No. 102862
 Lease Agreement No. TCF1
 Schedule No. 1

LESSOR		COLLESSEE	
FSP Holdings Inc. o/a Settlers' Ghost Golf Club 3421 Line 1 North, RR #1 Barrie, ON L4M 4Y8		N/A	
PHONE 705-725-3618	FAX 705-835-5790	PHONE CONTACT	FAX
CONTACT Lana Stoddart			

CONTRACT INFORMATION				EQUIPMENT COST
QUANTITY	SUPPLIER	INVOICE #	DESCRIPTION	
1	Turf Care		Toro Greensmaster 3150 c/w 3 - 11 Blade Cutting Units s/n 24000310	\$32,684.00
2	Turf Care		Demo Workman MDX s/n 240000593, 607	
2	Turf Care		Used Toro Reelmaster 5410 s/n 260000222, 219	
3	Turf Care		Used Toro Greensmaster 3150 s/n U-30105, 106, 107	
1	Turf Care		Used Toro Groundsmaster 3500 s/n U-30108	
1	Turf Care		Used Buffalo Blower s/n U-30109	
1	Turf Care		Used Workman 3200 s/n U-30110	
2	Turf Care		Used Yamaha Golf Carts s/n U-30111, 112	
5	Turf Care		Verticillers s/n	
EQUIPMENT COST				

PAYMENT DETAILS							
COMMENCEMENT DATE	Jan-01-2015		TERM	34 Monthly In Advance			
NO. OF RENTAL PAYMENTS	FROM DATE (INCLUSIVE)	TO DATE (INCLUSIVE)	RENT	PST.	GST	HST	TOTAL PAYMENT
4	Jan-01-2015	Apr-01-2015	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-01-2015	Oct-01-2015	\$2,050.00	\$0.00	\$0.00	\$266.50	\$2,316.50
6	Nov-01-2015	Apr-01-2016	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-01-2016	Oct-01-2016	\$2,050.00	\$0.00	\$0.00	\$266.50	\$2,316.50
6	Nov-01-2016	Apr-01-2017	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	May-01-2017	Oct-01-2017	\$2,050.00	\$0.00	\$0.00	\$266.50	\$2,316.50
FAIR MARKET VALUE PURCHASE PRICE			After payment # 34 due Oct-31-2017				
for a deemed Fair Market Value of \$ 1.00			or the Fair Market Value determined by Turf Care at least 30 days prior to the due date for payment # 34				
SECURITY DEPOSIT		\$0.00					

All payments are to be made by Pre-authorized Payment Plan to: Turf Care Financial Limited

PLEASE ATTACH A SAMPLE VOID CHEQUE

The undersigned acknowledges that, unless otherwise notified in writing, this contract is subject to credit approval by Turf Care Financial Limited which shall be evidenced by the acceptance and execution below by Turf Care Financial Limited.

The undersigned acknowledges that they have read this Lease Agreement, understand it, agrees to be bound by all the Terms and Conditions attached hereof which form part of the Lease Agreement and are authorized to sign this Lease Agreement.

ACCEPTED BY:

TURF CARE FINANCIAL LIMITED

FSP Holdings Inc. o/a Settlers' Ghost Golf Club

BY: [Signature]
 NAME: Anna Cappadocia
 TITLE: VP Admin
 DATE: 02/03/15

BY: [Signature]
 NAME: Lana Stoddart
 TITLE: President
 DATE: 12/19/14



TURF CARE FINANCIAL

DELIVERY AND ACCEPTANCE CERTIFICATE

TURF CARE FINANCIAL LIMITED
 30 Vogell Road, Unit #1
 Richmond Hill, Ontario L4B 3K6
 PHONE: (905) 780-6150 FAX: (905) 780-6273

Customer No.	102862
Lease Agreement No.	TCF1
Schedule No.	1

By signing this Delivery and Acceptance Certificate, You acknowledge having read Your supplier's agreement and understand it. You also agree all of the items:

- 1) have been delivered and / or installed;
- 2) are in good operating order and condition;
- 3) are in all respects satisfactory; and
- 4) have been accepted.

EQUIPMENT DESCRIPTION	
MANUFACTURER / DESCRIPTION / SERIAL NUMBERS	
1	Toro Greensmaster 3150 c/w 3 - 11 Blade Cutting Units s/n 29000810
2	Demo Workman MQX s/n 29000893, 467
2	Used Toro Reelmaster 5410 s/n 260000222, 219
3	Used Toro Greensmaster 3150 s/n 4-30105, 100, 107
1	Used Toro Groundmaster 3500 s/n 4-30108
1	Used Buffalo Blower s/n 4-30109
1	Used Workman 3200 s/n 4-30110
2	Used Yamaha Golf Carts s/n 4-30111, 112
5	Verticutters s/n

INSURANCE INFORMATION	
You certify that the Equipment is insured for its full replacement cost as outlined in the agreement, under the policy detailed below:	
AGENT/BROKER:	_____
PHONE NO.:	_____ FAX NO.:
INSURANCE CO.:	_____
POLICY NO.:	_____

DELIVERY DATE: 01/26/15

FSP Holdings Inc. o/a Settlers' Ghost Golf Club

BY:
 NAME: Lana Stoddart
 TITLE: President

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement") IS MADE BETWEEN Turf Care Financial Limited, a company with its address at 30 Vogell Road, Richmond Hill, Ontario L4B 3K6 (referred to as "we", "our", "ours" and "us" in this Agreement) and FSP Holdings Inc. ofa Settlers' Ghost Golf Club, a corporation with its address at 3421 Line 1 North, RR #1, Barrie, ON L4M 4Y8 (referred to as "you", "your" and "yours" in this Agreement).

For valuable consideration, the receipt of which is hereby acknowledged by you and by us, we hereby agree with you as follows:

1. **Agreement to Lease.** We agree to lease you the Equipment (this term and certain other capitalized terms have the meanings specified in section 2 hereof or as defined elsewhere in this Agreement) and you agree to lease the Equipment from us on the terms and conditions specified in this Agreement. You agree with us that the terms and conditions of this Agreement shall be binding upon the parties upon the execution of this Agreement by them and shall remain in force until the last day of the Term of this Agreement (except with respect to such liabilities and obligations as are stated herein to survive after the end of the Term).
2. **Certain Definitions:** "Agreement" means, collectively, this agreement, the attached Lease Schedule, the Delivery and Acceptance Certificate and any other related agreements or documents referred to separately herein or therein. "Delivery and Acceptance Certificate" means, with respect to the Equipment, a certificate in the form prescribed by us (or in such other form as may be acceptable to us) to evidence the delivery to and acceptance by you of the Equipment. "Discounted Fair Market Value" means, with respect to the Equipment, the present value of the Fair Market Value of the Equipment at a specified date, discounted to the date of calculation at the Discount Rate. "Discounted Purchase Price" means, with respect to the Equipment, the present value of the purchase price for the Equipment at a specified date, discounted from the day on which such purchase price may be exercised to the date of calculation at the Discount Rate. "Discount Rate" means the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the Term remaining in this Agreement. "Discounted Rents" means, with respect to the Equipment, the present value of all instalments of Rent during the Term of this Agreement that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which such instalments would otherwise be payable to the date of calculation at the Discount Rate. "Effective Date" means the date on which the Equipment is delivered to and accepted by you as indicated in the Delivery and Acceptance Certificate. "Equipment" means the personal property described in the attached Lease Schedule, together with all accessions and attachments thereto from time to time. "Fair Market Value" means, with respect to the Equipment as at a particular date, the fair market value of the Equipment on such date specified in this Agreement or, if not so specified, the price for the Equipment that we determine would be paid on such date in an open and unrestricted market by a willing purchaser to a willing vendor each of whom is acting at arm's length and is under no compulsion to act. "Initial Term" means, with respect to this Agreement, the period referred to in section 3 hereof. "Rent" means the amounts payable by you as rent or lease payments hereunder as specified in the attached Lease Schedule or section 4 and such other amounts payable by you hereunder and thereunder, including amounts specified in sections 16 and 23 hereof. "Term" means the Initial Term and any renewal or extension thereof from time to time in effect whether pursuant to section 22 hereof or as otherwise agreed upon by you and us.
3. **Initial Term.** The Initial Term of this Agreement shall commence on the Effective Date of this Agreement and shall continue, from the Effective Date, or if the Effective Date is not the first day of a calendar month then from the first day of the next calendar month after the Effective Date, for the number of months specified in the attached Lease Schedule.
4. **Rent.** You shall pay us Rent in the amounts and at the times specified in the attached Lease Schedule and in section 22 hereof, as applicable. If the Effective Date is not the first day of a calendar month, Rent shall commence and be payable on the first day of the next calendar month. Any security deposit made by you with us under this Agreement may be applied by us in payment of any Rent or other amount under this Agreement that is not paid by you when due and payable, and if not so applied shall be applied against your liability to pay the final instalment of Rent hereunder. Your obligation to pay Rent and perform all your other obligations hereunder shall be unconditional in all circumstances, and for greater certainty shall not be reduced or terminated if the Equipment does not operate as expected or as specified. All Rent and other amounts payable by you under this Agreement shall be paid when due without set-off, counterclaim, abatement or other reduction.
5. **Taxes.** You shall pay when due, and shall indemnify us against, any liability in respect of all taxes and other governmental charges (except income taxes payable by us on our net taxable income) applicable from time to time to the Rent and other amounts payable by you under this Agreement.
6. **Equipment Selection and Warranties.** You acknowledge that you selected the Equipment and the manufacturer and supplier thereof, and the Equipment purchased by us was made at your specific request. We do not make, shall not be deemed to have made and hereby disclaim any representations or warranties as to the operating or other condition, quality, fitness for any purpose, merchantability or marketability of the Equipment, whether ensing by statute, common law, equity or otherwise. We assign to you during the Term of this Agreement all assignable warranty rights provided to us by the manufacturer or supplier of the Equipment.
7. **Maintenance and Inspection of Equipment.** You shall keep the Equipment in good repair and operating condition, and maintain the Equipment and all accessories and attachments thereto in safe and good mechanical condition and running order at all times and to furnish all supplies, accessories, and other essentials required for the use or operation of the Equipment. You shall install and maintain the Equipment so as to not void and to keep in full force and effect all manufacturers' warranties relating thereto, and, if required for such purpose, you will enter into, and maintain in full force and effect at all times during the Term of this Agreement, a maintenance agreement with the manufacturer or other reliable supplier of maintenance services acceptable to us with respect to the Equipment. At our request, you will furnish us with evidence of each such maintenance agreement. You agree to permit us and our representatives during normal business hours and on reasonable prior notice to inspect the Equipment. All supplies consumed or required by the Equipment shall meet the manufacturer's specifications and shall be furnished by you at your expense. All maintenance and service charges relative to the Equipment, whether under a maintenance agreement or otherwise, shall be paid by you.
8. **Alterations and Modifications.** You may, at your expense, make alterations in, add attachments to or upgrade the Equipment (the "Additions"), provided that any Addition shall not (a) interfere with the normal operation of the Equipment, (b) impair the value or utility of the Equipment or affect any warranty relating thereto, or (c) subject the Equipment to any hypothecs, liens, security interests, claims or other encumbrances. All Additions shall become our property if not removed by you prior to the end of the Term of this Agreement. The removal of any Addition shall be at your expense, and shall be done without damaging the Equipment, and after such removal you will ensure that the Equipment is restored to its original condition and utility prior to such Addition (reasonable wear and tear excepted). The manufacturer may incorporate engineering changes or make temporary alterations to the Equipment upon your request. If any Addition interferes with the normal and satisfactory operation or maintenance of the Equipment so as to increase the cost of maintenance or create a safety hazard, you will, at your expense, promptly remove such Addition and restore the Equipment to its original condition and utility prior to such Addition (reasonable wear and tear excepted).
9. **Title and Security.** We shall retain title to and ownership of the Equipment at all times prior to your exercise of any purchase price with respect thereto specified in this Agreement. We may make such registrations against you or otherwise under applicable personal property security laws or similar legislation as are deemed necessary to evidence and protect our interest in the Equipment. To the extent that this Agreement is determined to be a financing lease or not a true lease under any applicable personal property security laws, then with respect to this Agreement and to secure the payment and performance by you of all your obligations under this Agreement, you hereby grant us a security interest in your right, title and interest, now existing and hereafter arising, in and to, (a) the Equipment, (b) all insurance, warranty, rental and other claims and rights to payment and chattel paper arising out of the Equipment, and (c) all books, records and proceeds relating to the foregoing.
10. **No Cancellation.** This Agreement may not be cancelled or terminated by us or by you during the Term hereof, except as expressly provided in this Agreement.
11. **Entire Agreement.** This Agreement shall constitute a separate and complete agreement between you and us with respect to the Equipment.
12. **Use and Location.** So long as no Customer Default exists, we will not disturb your quiet enjoyment of the Equipment during the Term of this Agreement. You shall operate the Equipment (i) for business purposes, (ii) in a safe and lawful manner, by competent and duly qualified personnel in accordance with applicable manufacturer's manuals and instructions, and (iii) in compliance with all federal, provincial, state and municipal statutes, ordinances, regulations and by-laws which may be applicable to the leasing, use or operation of the Equipment. In addition, you shall prepare and furnish to us all documents, returns or forms legally required to be prepared by you in relation to the Equipment. You shall be solely responsible for, and indemnify us against, any fines or penalties assessed for violations of any statute, ordinance, by-law or regulation of any governmental authority, as a result of the use or operation of the Equipment by you or any third party, and shall keep the Equipment free from any hypothecs, security interests, claims, liens and encumbrances. You agree to operate only the Equipment which has insurance coverage as provided herein and to comply with all conditions of insurance related to the Equipment. You will ensure that at all times the Equipment remains personal and moveable property and shall not become affixed to any real property. The Equipment may not be removed from any location specified in the attached Lease Schedule except upon prior written notice to and consent by us in each instance, and in no event may the Equipment be removed outside any province or jurisdiction in which the Equipment is to be located as specified in the attached Lease Schedule or as otherwise agreed upon by us with you.
13. **Damage and Loss.** Notwithstanding section 9 hereof, you shall bear all risk of loss of and damage to the Equipment at all times during the Term of this Agreement and any re-delivery thereof to us as required hereunder. You shall promptly notify us of any damage to the Equipment and shall ensure that such damage is promptly repaired at your expense. Notwithstanding the foregoing, if the Equipment is damaged beyond practical repair in our judgement, or is destroyed, lost, stolen or otherwise taken from you, legally or otherwise, you shall within 10 days of such event either (a) pay us the Discounted Rents at such time and all other accrued and then unpaid amounts under this Agreement with respect to the Equipment, together with the Discounted Purchase Price at such time that was applicable to the Equipment as at the end of the Initial Term of this Agreement (or, if no purchase price has been specified, the Discounted Fair Market Value at such time of the Equipment as at the end of the Initial Term), and upon receipt by us of such payment, all of our right, title and interest in and to the Equipment shall be transferred to you on an "as is, where is" basis without representation or warranty of any kind or nature and any liabilities relative to the Equipment which we or you may have shall be released (except such liabilities and obligations as are stated herein to survive after the end of the Term of this Agreement), or (b) provided no Customer Default exists under this Agreement, replace the Equipment with equipment of equal or greater value and utility (as determined by us) by conveying good and marketable title to such replacement equipment to us free

and clear of all liens, hypothecs, security interests, claim, other encumbrances. Upon any such conveyance the replacement equipment (which shall thereafter be included as Equipment for all purposes of this Agreement) shall be subject to this Agreement in all respects as if it were the replaced Equipment.

14. **Insurance.** You will provide and maintain at your expense, with respect to each unit of Equipment; (a) property insurance against the loss, theft, or destruction of, or damage to, or other risks of loss relative to, the Equipment as are customarily insured by "all risks" policies on similar equipment and by businesses in the industry in which you are engaged for the full replacement value of the Equipment, naming us as a first loss payee, b) public liability and third party property insurance, naming us as an additional insured and c) creditor life and disability coverage where the benefit amounts fully cover your lease obligations for the entire Term of this Agreement, naming us as the beneficiary. You will give us certificates or other evidence of such insurance when requested provided, however, that we shall not be under any duty either to ascertain the existence of or to examine such insurance or to advise you in the event that the insurance coverage does not comply with the requirements hereof. Such insurance will be in a form, amount and with companies acceptable to us, and will provide that we be given 30 days advance written notice of any cancellation or material change of such insurance. If you do not give us evidence of insurance acceptable to us, we will have the right, but not the obligation, to obtain insurance covering our interest in the Equipment for the Term of this Agreement, from an insurer of our choice. We may add the costs of acquiring and maintaining such insurance, and our fees placing and maintaining such insurance (collectively, "Insurance Charge") to the amounts due from you under this Agreement. You will pay the Insurance Charge in equal instalments allocated to the remaining Rent payments. If we purchase insurance, you will cooperate with our insurance agent with respect to the placement of insurance and the processing of claims. Nothing in this Agreement will create an insurance relationship of any type between us and any other person. You acknowledge that we are not required to secure or maintain any insurance, and we will not be liable to you if we terminate any insurance coverage that we arrange. If we replace or renew any insurance coverage, we are not obligated to provide replacement or renewal coverage under the same terms, costs, limits, or conditions as the previous coverage.

15. **Assignment.** You shall not part with possession or control of all or any part of the Equipment, or sublease, assign, sell or dispose of your interest in the Equipment or in this Agreement. We may assign all or any of our rights in the Equipment or this Agreement without your consent or notice to you.

16. **Indemnity.** You shall indemnify us against, and save us harmless from, any and all damages, claims, actions, obligations and liabilities caused by or resulting from the installation or removal of the Equipment, the possession, use and operation of the Equipment, or our ownership of the Equipment, at all times during the Term of this Agreement and any re-delivery thereof to us as required hereunder and for a period of two years after the end of the Term of this Agreement. Such indemnity shall include our legal fees and costs arising from any of the foregoing and any payment made by us in settlement of any of the foregoing. Notwithstanding any other provision hereof, the indemnity contained in this section shall survive termination or expiration of this Agreement.

17. **Default.** It shall be a default under this Agreement if (each a "Customer Default") (a) you fail to pay any Rent or other amount when due and payable hereunder or under any other lease or other agreement with us, (b) you fail to observe or perform any other covenant or obligation therein or in any other lease or other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) you make a representation in this Agreement that is materially incorrect, (d) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (e) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the *Bankruptcy and Insolvency Act* (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the *Companies' Creditors' Arrangement Act* or any successor or similar legislation, (f) the Equipment is seized by any creditor of yours, (g) the primary nature of your business changes subsequent to the Effective Date of this Agreement, (h) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (i) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Effective Date of this Agreement.

18. **Rights and Obligations on Default.** Upon the occurrence of any Customer Default under this Agreement, we may in our sole discretion, in addition to any other rights and remedies available to us, exercise one or more of the following rights and remedies: (a) perform any obligation that you have failed to perform under this Agreement, in which case an amount equal to all expenses incurred by us in such performance shall be immediately payable by you to us on demand, it being understood that no such performance by us shall cure or be deemed to have cured any Customer Default as a result of such failure to perform by you; (b) require you to pay us on demand, whereupon you shall immediately pay us, as a genuine pre-estimate of liquidated damages and not as a penalty, the Discounted Rents at such time and all other accrued and then unpaid amounts under this Agreement; (c) enter any place where the Equipment is located and take possession of and remove the Equipment without court order or other process of law, or require you to (in which case you shall promptly), at your expense, return the Equipment to us at our nearest office or to such other place as we direct; and (d) terminate this Agreement (but without releasing any of your obligations then due hereunder and any other liabilities which are stated herein to survive termination). To the extent permitted by law, you waive the benefit of all laws governing the seizure and sale or other disposition of the Equipment upon default. We shall not be responsible for any expense or damage that may be incurred by you as a result of our exercising any of the

foregoing rights and remedies unless due to our gross negligence or willful misconduct. If we take possession of the Equipment, we may store, repair or recondition the Equipment and sell, lease or otherwise dispose of the Equipment for such amounts and on such terms and conditions as we may determine in our sole discretion. Any proceeds of any such sale, lease or other disposition when actually received in cash by us shall be applied first to reimburse us for all expenses, commissions, fees and disbursements incurred by us in connection with such repossession, storage, repair, reconditioning, sale, lease or other disposition, and any balance thereof in excess of the Discounted Purchase Price that was applicable to the Equipment as at the end of the Initial Term of this Agreement (or, if no purchase price has been specified, in excess of the Discounted Fair Market Value of the Equipment as at the end of the Initial Term) will be applied, first, against your obligations under this Agreement, and subsequently, against such of your obligations as are then due and payable under any other lease or any other agreement with us. You shall remain liable for any deficiency remaining under this Agreement and under any other lease or other agreement with us. If we enforce any provision of this Agreement on default, you shall reimburse us on demand for all expenses including legal fees and disbursements on a solicitor and own client basis, incurred by us in connection with such enforcement.

19. **Waivers.** All waivers given by us hereunder must be in writing, and any such waiver will apply only to the single instance for which it is given, and will not apply for any other instance, whether of the same nature or otherwise. We alone may waive any of your obligations under this Agreement. This Agreement may be amended only by our written agreement with you.

20. **Administration Charges.** You shall pay interest on any overdue amount under this Agreement at the rate of 18% per annum, calculated monthly. If any direction for payment made by you with respect to any amount payable hereunder to us is not honoured for any reason by the person to whom such direction has been given, you shall pay us a service charge of \$100 for each instance. You shall reimburse us on demand for all administrative expenses incurred by us as a result of any amendment to this Agreement that has been requested by you and agreed to by us.

21. **Pre-Authorized Payments.** You shall pay us all instalments of Rent and other amounts under this Agreement by means of pre-authorized payments.

22. **End of Term Options.** Not later than three months prior to the last day of the Initial Term of this Agreement, you shall give us irrevocable notice of your intention to:

- (a) on or before such last day, return the Equipment to us at our nearest office or as we otherwise direct, in which case you will pay all expenses in connection with such return including de-installation, packing, crating, loading, rigging and transportation; or
- (b) on such last day, purchase the Equipment from us (on an "as is, where is" basis and without representation or warranty of any kind or nature) for a price equal to its then Fair Market Value.

If you give us the notice required above and fail to comply therewith, the Term of this Agreement shall be extended for an additional period equal to the greater of three months or the period between each required payment of Rent during the Term. In addition to any extension as contemplated by the preceding sentence, if you fail to give us the notice required above (whether prior to the end of the Initial Term of this Agreement or any extension thereof), the Term of this Agreement shall be extended for an additional period equal to the period between each required payment of Rent during the Term. In each case the Rent payable during such extension shall be, for greater certainty, the Rent in effect on the last day prior to such extension, unless we agreed in writing with you that other Rent be applicable in such circumstance.

23. **Remarketing.** If you elect to return the Equipment as specified in section 22, we may dispose of the Equipment in a commercially reasonable manner given the state of repair of the Equipment. For the purpose hereof, Net Proceeds means net proceeds of disposition received by us after deducting all reasonable expenses of disposition including, without limitation, storage, audit, testing, cleaning, repair, commission, insurance and advertising. If the Net Proceeds with respect to the Equipment are less than the Fair Market Value of the Equipment, you will promptly pay us as a final adjustment of Rent with respect to the Equipment an amount equal to such deficiency, plus applicable sales taxes, without abatement, set-off, counterclaim or other deduction. We will determine the final adjustment with respect to any unit of Equipment when the Equipment is disposed of and shall render a statement to you. If we have been unable to sell any unit of Equipment within 30 days after the end of the Initial Term, then the Net Proceeds will be deemed to be \$1 and you will pay us not later than 35 days after the end of the Initial Term the deficiency between the deemed Net Proceeds of \$1 and the Fair Market Value of the Equipment.

24. **Credit Investigation and Financial Statements.** You consent to any credit investigation carried out by us. At our request you will deliver to us any financial or other information related to you as reasonably requested by us to further our credit investigation. In addition and if requested by us, you will deliver within 120 days of your fiscal year end, a copy of your financial statements for such fiscal year or, if audited, your audited financial statements together with the opinion of the auditor.

25. **Clerical Errors; Serial Numbers.** You authorize us to correct any clerical errors in this Agreement and to include in this Agreement the serial numbers of the Equipment that is subject thereto. We shall promptly advise you of any such correction and serial numbers.

26. **Representation and Warranty.** You represent and warrant that this Agreement has been duly authorized, executed and delivered by you, and constitutes a legal, valid and binding agreement of yours enforceable against you in accordance with its terms. You further represent and warrant that any and all financial and other information provided to us is accurate and complete.

27. **Notice.** Any notice under this Agreement shall be in writing and shall be given by pre-paid registered mail, by facsimile, or by delivery to the person to whom it is addressed. A notice so given shall be deemed to have been received on the fifth day following posting in Canada, or if given by facsimile or delivered, on the day of

transmission or delivery if such day is a business day, Toronto or, if not, on the next following business day in Toronto.

28. General. This Agreement will be interpreted with all changes to number and gender as the context requires. If you sign this Agreement with another person, each of you will be jointly and severally liable as lessee hereunder. Time is of the essence of this Agreement. This Agreement will enure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns. In the event of any inconsistency between the terms of the attached Lease Schedule and the terms of this Agreement, the terms of the attached Lease Schedule shall prevail. If any provision of this Agreement is illegal or unenforceable, such provision shall be severed from this Agreement to the extent of such illegality or unenforceability and the remaining provisions of this Agreement shall remain in full force and effect.

29. Language. The parties hereto expressly request and require that this Agreement and all related documents be drafted in English. Les parties aux présentes

conviennent et exigent que cette Convention et tous les documents qui s'y rattachent soient rédigés en Anglais.

30. Further Assurances. You acknowledge that we may require additional security depending on the results of our credit investigation and your organizational structure. If we require such additional security, we shall inform you of the form and nature of the additional security and required documentation and it shall be a condition to our entering into this Agreement with you that such additional security is obtained and the necessary documentation executed by you.

32. Counterparts. This Agreement may be executed and in any number of counterparts and on separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument.

33. Law. This Agreement shall be governed in accordance with the laws of the Province of Ontario, and you attorn to the jurisdiction of the courts of such Province.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the 19 day of Dec, 2014.

TURF CARE FINANCIAL LIMITED

BY: [Signature]

FSP Holdings Inc. o/a Settlers' Ghost Golf Club

BY: [Signature]
Lana Stoddart
President

D+H Registry Services (ONMFS1)

Report Date: January 28, 2015

ONMFS1F22619-1

REGISTERED

REGISTRATION STATEMENT (Ontario)

REGISTRATION INFORMATION

Registration Number	Registration Date	Registration Time	Expiry Date
20141209144215305177	9 DEC 2014	2:42PM	9 DEC 2018

Reference File Number
702219699

Type of Registration	Life of Registration
SECURITY AGREEMENT	4 Year

SECURED PARTY INFORMATION

ID	TC	PPR Code
Turf Care Financial Limited		
1 - 30 Vogell Road		
RICHMOND HILL, ON Canada L4B 3K6		

DEBTOR INFORMATION

FSP Holdings Inc.
3421 Line 1 North, RR #1
Barrie, ON L4M 4Y8
Corporation Number

Settlers' Ghost Golf Club
3421 Line 1 North, RR #1
Barrie, ON L4M 4Y8
Corporation Number

COLLATERAL CLASSIFICATION

Inventory	Equipment	Consumer Goods	Accounts	Other	Not Applicable	Vehicle Included
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amount Secured	Maturity Date					

GENERAL COLLATERAL

All present and future goods leased by the Secured Party to the Debtor, together with all attachments, accessories, accessions, replacements, substitutions, additions and improvements thereto, and all proceeds in any form derived directly or indirectly from any of the foregoing.

- 1 - Toro Greensmaster 3150 c/w 3 - 11 Blade Cutting Units
- 2 - Demo Workman MDX
- 2 - Used Toro Reelmaster 5410
- 3 - Used Toro Greensmaster 3150
- 1 - Used Toro Groundsmaster 3500
- 1 - Used Buffalo Blower
- 1 - Used Workman 3200
- 1 - Used Yamaha Golf Cart
- 1 - Verticutters

Your Reference	SETTLERS / TCF1-1	Billed Amount : \$46.79
Billed Account	INTERNAL ACCOUNT - MAXIUM Maxium Financial Services [ON]	



TURF CARE FINANCIAL

LEASE AGREEMENT

TURF CARE FINANCIAL LIMITED
30 Vogell Road, Unit #1
Richmond Hill, Ontario L4B 3K6
PHONE: (905) 288-0306 FAX: (905) 780-8241

Customer No. 102882
Lease Agreement No. TCF1
Schedule No. 2

LESSEE		CO-LESSEE	
Settler's Ghost Golf Club Limited Partnership by its General Partner FSP Holdings Inc. 3421 Line 1 North, RR #1 Barrie, ON L4M 4Y8		N/A	
PHONE 705-725-3616	FAX 705-835-5790	PHONE	FAX
CONTACT Lana Stoddart		CONTACT	

CONTRACT INFORMATION				
QUANTITY	SUPPLIER	INVOICE #	DESCRIPTION	EQUIPMENT COST
1	Turf Care		2014 DEMO Yamaha Beverage Unit s/n JW7-5006005	\$13,200.00
EQUIPMENT COST				\$13,200.00

PAYMENT DETAILS							
COMMENCEMENT DATE	May-01-2015			TERM	43	Monthly in Advance	
NO. OF RENTAL PAYMENTS	FROM DATE (INCLUSIVE)	TO DATE (INCLUSIVE)	RENT	PST	GST	HST	TOTAL PAYMENT
1	May-01-2015	May-01-2015	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	Jun-01-2015	Nov-01-2015	\$505.00	\$0.00	\$0.00	\$65.65	\$570.65
6	Dec-01-2015	May-01-2016	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	Jun-01-2016	Nov-01-2016	\$505.00	\$0.00	\$0.00	\$65.65	\$570.65
6	Dec-01-2016	May-01-2017	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	Jun-01-2017	Nov-01-2017	\$505.00	\$0.00	\$0.00	\$65.65	\$570.65
6	Dec-01-2017	May-01-2018	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	Jun-01-2018	Nov-01-2018	\$505.00	\$0.00	\$0.00	\$65.65	\$570.65
FAIR MARKET VALUE PURCHASE PRICE			After payment # 43 due	Nov-30-2018			
for a deemed Fair Market Value of \$ 3,000.00			or the Fair Market Value determined by Turf Care at least 30 days prior to the due date for payment # 43				
SECURITY DEPOSIT:			\$0.00				

RENEWAL OPTION TERMS							
COMMENCEMENT DATE	Dec-01-2018			TERM	13	Monthly in Advance	
NO. OF RENTAL PAYMENTS	FROM DATE (INCLUSIVE)	TO DATE (INCLUSIVE)	RENT	PST	GST	HST	TOTAL PAYMENT
6	Dec-01-2018	May-01-2019	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7	Jun-01-2019	Dec-01-2019	\$505.00	\$0.00	\$0.00	\$65.65	\$570.65

All payments are to be made by Pre-authorized Payment Plan to: Turf Care Financial Limited

PLEASE ATTACH A SAMPLE VOID CHEQUE

The undersigned acknowledges that, unless otherwise notified in writing, this contract is subject to credit approval by Turf Care Financial Limited which shall be evidenced by the acceptance and execution below by Turf Care Financial Limited.

The undersigned acknowledges that they have read this Lease Agreement, understand it, agrees to be bound by all the Terms and Conditions attached hereof which form part of the Lease Agreement and are authorized to sign this Lease Agreement.

ACCEPTED BY:

TURF CARE FINANCIAL LIMITED

Settler's Ghost Golf Club Limited Partnership by its General Partner FSP Holdings Inc.

BY: [Signature]
NAME: Anna Cappadocia
TITLE: Vice President, Administration
DATE: 05/29/15

BY: [Signature]
NAME: Lana Stoddart
TITLE: President
DATE: May 15, 2015



TURF CARE FINANCIAL

DELIVERY AND ACCEPTANCE CERTIFICATE

TURF CARE FINANCIAL LIMITED
30 Vogel Road, Unit #1
Richmond Hill, Ontario L4B 3K8
PHONE: (905) 780-8150 FAX: (905) 780-8273

Customer No.	102862
Lease Agreement No.	TCF1
Schedule No.	2

By signing this Delivery and Acceptance Certificate, You acknowledge having read Your supplier's agreement and understand it. You also agree all of the items:

- 1) have been delivered and / or installed;
- 2) are in good operating order and condition;
- 3) are in all respects satisfactory; and
- 4) have been accepted.

EQUIPMENT DESCRIPTION
MANUFACTURER / DESCRIPTION / SERIAL NUMBERS

1 2014 DEMO Yamaha Beverage Unit
 e/n *JW7-15000005*

INSURANCE INFORMATION

You certify that the Equipment is insured for its full replacement cost as outlined in the agreement, under the policy detailed below:

AGENT/BROKER: _____

PHONE NO.: _____ FAX NO.: _____

INSURANCE CO.: _____

POLICY NO.: _____

DELIVERY DATE: May 27, 2015

Settler's Ghost Golf Club Limited Partnership
by its General Partner FSP Holdings Inc.

BY: *Lana Stoddart*

NAME: Lana Stoddart

TITLE: President

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement") IS MADE BETWEEN Turf Care Financial Limited, a company with its address at 30 Vogell Road, Richmond Hill, Ontario L4B 3K6 (referred to as "we", "our", "ours" and "us" in this Agreement) and Settler's Ghost Golf Club Limited Partnership by its General Partner FSP Holdings Inc., a corporation with its address at 3421 Line 1 North, RR #1, Barrie, ON L4M 4Y8 (referred to as "you", "your" and "yours" in this Agreement). For valuable consideration, the receipt of which is hereby acknowledged by you and by us, we hereby agree with you as follows:

1. **Agreement to Lease.** We agree to lease you the Equipment (this term and certain other capitalized terms have the meanings specified in section 2 hereof or as defined elsewhere in this Agreement) and you agree to lease the Equipment from us on the terms and conditions specified in this Agreement. You agree with us that the terms and conditions of this Agreement shall be binding upon the parties upon the execution of this Agreement by them and shall remain in force until the last day of the Term of this Agreement (except with respect to such liabilities and obligations as are stated herein to survive after the end of the Term).

2. **Certain Definitions.** "Agreement" means, collectively, this agreement, the attached Lease Schedule, the Delivery and Acceptance Certificate and any other related agreements or documents referred to separately herein or therein. "Delivery and Acceptance Certificate" means, with respect to the Equipment, a certificate in the form prescribed by us (or in such other form as may be acceptable to us) to evidence the delivery to and acceptance by you of the Equipment. "Discounted Fair Market Value" means, with respect to the Equipment, the present value of the Fair Market Value of the Equipment at a specified date, discounted to the date of calculation at the Discount Rate. "Discounted Purchase Price" means, with respect to the Equipment, the present value of the purchase price for the Equipment at a specified date, discounted from the day on which such purchase price may be exercised to the date of calculation at the Discount Rate. "Discount Rate" means the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the Term remaining in this Agreement. "Discounted Rents" means, with respect to the Equipment, the present value of all instalments of Rent during the Term of this Agreement that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which such instalments would otherwise be payable to the date of calculation at the Discount Rate. "Effective Date" means the date on which the Equipment is delivered to and accepted by you as indicated in the Delivery and Acceptance Certificate. "Equipment" means the personal property described in the attached Lease Schedule, together with all accessions and attachments thereto from time to time. "Fair Market Value" means, with respect to the Equipment as at a particular date, the fair market value of the Equipment on such date specified in this Agreement or, if not so specified, the price for the Equipment that we determine would be paid on such date in an open and unrestricted market by a willing purchaser to a willing vendor each of whom is acting at arm's length and is under no compulsion to act. "Initial Term" means, with respect to this Agreement, the period referred to in section 3 hereof. "Rent" means the amounts payable by you as rent or lease payments hereunder as specified in the attached Lease Schedule or section 4 and such other amounts payable by you hereunder and thereunder, including amounts specified in sections 16 and 23 hereof. "Term" means the Initial Term and any renewal or extension thereof from time to time in effect whether pursuant to section 22 hereof or as otherwise agreed upon by you and us.

3. **Initial Term.** The Initial Term of this Agreement shall commence on the Effective Date of this Agreement and shall continue, from the Effective Date, or if the Effective Date is not the first day of a calendar month then from the first day of the next calendar month after the Effective Date, for the number of months specified in the attached Lease Schedule.

4. **Rent.** You shall pay us Rent in the amounts and at the times specified in the attached Lease Schedule and in section 22 hereof, as applicable. If the Effective Date is not the first day of a calendar month, Rent shall commence and be payable on the first day of the next calendar month. Any security deposit made by you with us under this Agreement may be applied by us in payment of any Rent or other amount under this Agreement that is not paid by you when due and payable, and if not so applied shall be applied against your liability to pay the final instalment of Rent hereunder. Your obligation to pay Rent and perform all your other obligations hereunder shall be unconditional in all circumstances, and for greater certainty shall not be reduced or terminated if the Equipment does not operate as expected or as specified. All Rent and other amounts payable by you under this Agreement shall be paid when due without set-off, counterclaim, abatement or other reduction.

5. **Taxes.** You shall pay when due, and shall indemnify us against, any liability in respect of all taxes and other governmental charges (except income taxes payable by us on our net taxable income) applicable from time to time to the Rent and other amounts payable by you under this Agreement.

6. **Equipment Selection and Warranties.** You acknowledge that you selected the Equipment and the manufacturer and supplier thereof, and the Equipment purchased by us was made at your specific request. We do not make, shall not be deemed to have made and hereby disclaim any representations or warranties as to the operating or other condition, quality, fitness for any purpose, merchantability or marketability of the Equipment, whether arising by statute, common law, equity or otherwise. We assign to you during the Term of this Agreement all assignable warranty rights provided to us by the manufacturer or supplier of the Equipment.

7. **Maintenance and Inspection of Equipment.** You shall keep the Equipment in good repair and operating condition, and maintain the Equipment and all accessories and attachments thereto in safe and good mechanical condition and running order at all times and to furnish all supplies, accessories, and other essentials required for the use or operation of the Equipment. You shall install and maintain the Equipment so as to not void and to keep in full force and effect all manufacturers' warranties relating thereto, and, if required for such purpose, you will enter into, and maintain in full force and effect at all times during the Term of this Agreement, a maintenance agreement with the manufacturer

or other reliable supplier of maintenance services acceptable to us with respect to the Equipment. At our request, you will furnish us with evidence of each such maintenance agreement. You agree to permit us and our representatives during normal business hours end on reasonable prior notice to inspect the Equipment. All supplies consumed or required by the Equipment shall meet the manufacturer's specifications and shall be furnished by you at your expense. All maintenance and service charges relative to the Equipment, whether under a maintenance agreement or otherwise, shall be paid by you.

8. **Alterations and Modifications.** You may, at your expense, make alterations in, add attachments to or upgrade the Equipment (the "Additions"), provided that any Addition shall not (a) interfere with the normal operation of the Equipment, (b) impair the value or utility of the Equipment or affect any warranty relating thereto, or (c) subject the Equipment to any hypothecs, liens, security interests, claims or other encumbrances. All Additions shall become our property if not removed by you prior to the end of the Term of this Agreement. The removal of any Addition shall be at your expense, and shall be done without damaging the Equipment, and after such removal you will ensure that the Equipment is restored to its original condition and utility prior to such Addition (reasonable wear and tear excepted). The manufacturer may incorporate engineering changes or make temporary alterations to the Equipment upon your request. If any Addition interferes with the normal and satisfactory operation or maintenance of the Equipment so as to increase the cost of maintenance or create a safety hazard, you will, at your expense, promptly remove such Addition and restore the Equipment to its original condition and utility prior to such Addition (reasonable wear and tear excepted).

9. **Title and Security.** We shall retain title to and ownership of the Equipment at all times prior to your exercise of any purchase price with respect thereto specified in this Agreement. We may make such registrations against you or otherwise under applicable personal property security laws or similar legislation as are deemed necessary to evidence and protect our interest in the Equipment. To the extent that this Agreement is determined to be a financing lease or not a true lease under any applicable personal property security laws, then with respect to this Agreement and to secure the payment and performance by you of all your obligations under this Agreement, you hereby grant us a security interest in your right, title and interest, now existing and hereafter arising, in and to, (a) the Equipment, (b) all insurance, warranty, rental and other claims and rights to payment and chattel paper arising out of the Equipment, and (c) all books, records and proceeds relating to the foregoing.

10. **No Cancellation.** This Agreement may not be cancelled or terminated by us or by you during the Term hereof, except as expressly provided in this Agreement.

11. **Entire Agreement.** This Agreement shall constitute a separate and complete agreement between you and us with respect to the Equipment.

12. **Use and Location.** So long as no Customer Default exists, we will not disturb your quiet enjoyment of the Equipment during the Term of this Agreement. You shall operate the Equipment (i) for business purposes, (ii) in a safe and lawful manner, by competent and duly qualified personnel in accordance with applicable manufacturer's manuals and instructions, and (iii) in compliance with all federal, provincial, state and municipal statutes, ordinances, regulations and by-laws which may be applicable to the leasing, use or operation of the Equipment. In addition, you shall prepare and furnish to us all documents, returns or forms legally required to be prepared by you in relation to the Equipment. You shall be solely responsible for, and indemnify us against, any fines or penalties assessed for violations of any statute, ordinance, by-law or regulation of any governmental authority, as a result of the use or operation of the Equipment by you or any third party, and shall keep the Equipment free from any hypothecs, security interests, claims, liens and encumbrances. You agree to operate only the Equipment which has insurance coverage as provided herein and to comply with all conditions of insurance related to the Equipment. You will ensure that at all times the Equipment remains personal and moveable property and shall not become affixed to any real property. The Equipment may not be removed from any location specified in the attached Lease Schedule except upon prior written notice to and consent by us in each instance, and in no event may the Equipment be removed outside any province or jurisdiction in which the Equipment is to be located as specified in the attached Lease Schedule or as otherwise agreed upon by us with you.

13. **Damage and Loss.** Notwithstanding section 9 hereof, you shall bear all risk of loss of and damage to the Equipment at all times during the Term of this Agreement and any re-delivery thereof to us as required hereunder. You shall promptly notify us of any damage to the Equipment and shall ensure that such damage is promptly repaired at your expense. Notwithstanding the foregoing, if the Equipment is damaged beyond practical repair in our judgement, or is destroyed, lost, stolen or otherwise taken from you, legally or otherwise, you shall within 10 days of such event either (a) pay us the Discounted Rents at such time and all other accrued and then unpaid amounts under this Agreement with respect to the Equipment, together with the Discounted Purchase Price at such time that was applicable to the Equipment as at the end of the Initial Term of this Agreement (or, if no purchase price has been specified, the Discounted Fair Market Value at such time of the Equipment as at the end of the Initial Term), and upon receipt by us of such payment, all of our right, title and interest in and to the Equipment shall be transferred to you on an "as is, where is" basis without representation or warranty of any kind or nature and any liabilities relative to the Equipment which we or you may have shall be released (except such liabilities and obligations as are stated herein to survive after the end of the Term of this Agreement), or (b) provided no Customer Default exists under this Agreement, replace the Equipment with equipment of equal or greater value and utility (as determined by us) by conveying good and marketable title to such replacement equipment to us free

and clear of all liens, hypothecs, security interests, claims and other encumbrances. Upon any such conveyance the replacement equipment (which shall thereafter be included as Equipment for all purposes of this Agreement) shall be subject to this Agreement in all respects as if it were the replaced Equipment.

14. **Insurance.** You will provide and maintain at your expense, with respect to each unit of Equipment; (a) property insurance against the loss, theft, or destruction of, or damage to, or other risks of loss relative to, the Equipment as are customarily insured by "all risks" policies on similar equipment and by businesses in the Industry in which you are engaged for the full replacement value of the Equipment, naming us as a first loss payee, b) public liability and third party property insurance, naming us as an additional insured and c) creditor life and disability coverage where the benefit amounts fully cover your lease obligations for the entire Term of this Agreement, naming us as the beneficiary. You will give us certificates or other evidence of such insurance when requested provided, however, that we shall not be under any duty either to ascertain the existence of or to examine such insurance or to advise you in the event that the insurance coverage does not comply with the requirements hereof. Such insurance will be in a form, amount and with companies acceptable to us, and will provide that we be given 30 days advance written notice of any cancellation or material change of such insurance. If you do not give us evidence of insurance acceptable to us, we will have the right, but not the obligation, to obtain insurance covering our interest in the Equipment for the Term of this Agreement, from an insurer of our choice. We may add the costs of acquiring and maintaining such insurance, and our fees pledging and maintaining such insurance (collectively, "Insurance Charge") to the amounts due from you under this Agreement. You will pay the Insurance Charge in equal instalments allocated to the remaining Rent payments. If we purchase insurance, you will cooperate with our insurance agent with respect to the placement of insurance and the processing of claims. Nothing in this Agreement will create an insurance relationship of any type between us and any other person. You acknowledge that we are not required to secure or maintain any insurance, and we will not be liable to you if we terminate any insurance coverage that we arrange. If we replace or renew any insurance coverage, we are not obligated to provide replacement or renewal coverage under the same terms, costs, limits, or conditions as the previous coverage.

15. **Assignment.** You shall not part with possession or control of all or any part of the Equipment, or sublease, assign, sell or dispose of your interest in the Equipment or in this Agreement. We may assign all or any of our rights in the Equipment or this Agreement without your consent or notice to you.

16. **Indemnity.** You shall indemnify us against, and save us harmless from, any and all damages, claims, actions, obligations and liabilities caused by or resulting from the installation or removal of the Equipment, the possession, use and operation of the Equipment, or our ownership of the Equipment, at all times during the Term of this Agreement and any re-delivery thereof to us as required hereunder and for a period of two years after the end of the Term of this Agreement. Such indemnity shall include our legal fees and costs arising from any of the foregoing and any payment made by us in settlement of any of the foregoing. Notwithstanding any other provision hereof, the indemnity contained in this section shall survive termination or expiration of this Agreement.

17. **Default.** It shall be a default under this Agreement if (each a "Customer Default") (a) you fail to pay any Rent or other amount when due and payable hereunder or under any other lease or other agreement with us, (b) you fail to observe or perform any other covenant or obligation therein or in any other lease or other agreement with us, and such failure continues for seven days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) you make a representation in this Agreement that is materially incorrect, (d) a default occurs under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (e) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the *Bankruptcy and Insolvency Act* (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the *Companies' Creditors' Arrangement Act* or any successor or similar legislation, (f) the Equipment is seized by any creditor of yours, (g) the primary nature of your business changes subsequent to the Effective Date of this Agreement, (h) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (i) if you are a corporation, partnership or sole proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Effective Date of this Agreement.

18. **Rights and Obligations on Default.** Upon the occurrence of any Customer Default under this Agreement, we may in our sole discretion, in addition to any other rights and remedies available to us, exercise one or more of the following rights and remedies: (a) perform any obligation that you have failed to perform under this Agreement, in which case an amount equal to all expenses incurred by us in such performance shall be immediately payable by you to us on demand, it being understood that no such performance by us shall cure or be deemed to have cured any Customer Default as a result of such failure to perform by you; (b) require you to pay us on demand, whereupon you shall immediately pay us, as a genuine pre-estimate of liquidated damages and not as a penalty, the Discounted Rents at such time and all other accrued and then unpaid amounts under this Agreement; (c) enter any place where the Equipment is located and take possession of and remove the Equipment without court order or other process of law, or require you to (in which case you shall promptly), at your expense, return the Equipment to us at our nearest office or to such other place as we direct; and (d) terminate this Agreement (but without releasing any of your obligations then due hereunder and any other liabilities which are stated herein to survive termination). To the extent permitted by law, you waive the benefit of all laws governing the seizure and sale or other disposition of the Equipment upon default. We shall not be responsible for any expense or damage that may be incurred by you as a result of our exercising any of the

foregoing rights and remedies unless due to our gross negligence or wilful misconduct. If we take possession of the Equipment, we may store, repair or recondition the Equipment and sell, lease or otherwise dispose of the Equipment for such amounts and on such terms and conditions as we may determine in our sole discretion. Any proceeds of any such sale, lease or other disposition when actually received in cash by us shall be applied first to reimburse us for all expenses, commissions, fees and disbursements incurred by us in connection with such repossession, storage, repair, reconditioning, sale, lease or other disposition, and any balance thereof in excess of the Discounted Purchase Price that was applicable to the Equipment as at the end of the Initial Term of this Agreement (or, if no purchase price has been specified, in excess of the Discounted Fair Market Value of the Equipment as at the end of the Initial Term) will be applied, first, against your obligations under this Agreement, and subsequently, against such of your obligations as are then due and payable under any other lease or any other agreement with us. You shall remain liable for any deficiency remaining under this Agreement and under any other lease or other agreement with us. If we enforce any provision of this Agreement on default, you shall reimburse us on demand for all expenses including legal fees and disbursements on a solicitor and own client basis, incurred by us in connection with such enforcement.

19. **Waivers.** All waivers given by us hereunder must be in writing, and any such waiver will apply only to the single instance for which it is given, and will not apply for any other instance, whether of the same nature or otherwise. We alone may waive any of your obligations under this Agreement. This Agreement may be amended only by our written agreement with you.

20. **Administration Charges.** You shall pay interest on any overdue amount under this Agreement at the rate of 18% per annum, calculated monthly. If any direction for payment made by you with respect to any amount payable hereunder to us is not honoured for any reason by the person to whom such direction has been given, you shall pay us a service charge of \$100 for each instance. You shall reimburse us on demand for all administrative expenses incurred by us as a result of any amendment to this Agreement that has been requested by you and agreed to by us.

21. **Pre-Authorized Payments.** You shall pay us all instalments of Rent and other amounts under this Agreement by means of pre-authorized payments.

22. **End of Term Options.** Not later than three months prior to the last day of the Initial Term of this Agreement, you shall give us irrevocable notice of your intention to:

(a) on or before such last day, return the Equipment to us at our nearest office or as we otherwise direct, in which case you will pay all expenses in connection with such return including de-installation, packing, crating, loading, rigging and transportation; or

(b) on such last day, purchase the Equipment from us (on an "as is, where is" basis and without representation or warranty of any kind or nature) for a price equal to its then Fair Market Value.

If you give us the notice required above and fail to comply therewith, the Term of this Agreement shall be extended for an additional period equal to the greater of three months or the period between each required payment of Rent during the Term. In addition to any extension as contemplated by the preceding sentence, if you fail to give us the notice required above (whether prior to the end of the Initial Term of this Agreement or any extension thereof), the Term of this Agreement shall be extended for an additional period equal to the period between each required payment of Rent during the Term. In each case the Rent payable during such extension shall be, for greater certainty, the Rent in effect on the last day prior to such extension, unless we agreed in writing with you that other Rent be applicable in such circumstance.

23. **Remarketing.** If you elect to return the Equipment as specified in section 22, we may dispose of the Equipment in a commercially reasonable manner given the state of repair of the Equipment. For the purpose hereof, Net Proceeds means net proceeds of disposition received by us after deducting all reasonable expenses of disposition including, without limitation, storage, audit, testing, cleaning, repair, commission, insurance and advertising; if the Net Proceeds with respect to the Equipment are less than the Fair Market Value of the Equipment, you will promptly pay us as a final adjustment of Rent with respect to the Equipment an amount equal to such deficiency, plus applicable sales taxes, without abatement, set-off, counterclaim or other deduction. We will determine the final adjustment with respect to any unit of Equipment when the Equipment is disposed of and shall render a statement to you. If we have been unable to sell any unit of Equipment within 30 days after the end of the Initial Term, then the Net Proceeds will be deemed to be \$1 and you will pay us not later than 35 days after the end of the Initial Term the deficiency between the deemed Net Proceeds of \$1 and the Fair Market Value of the Equipment.

24. **Credit Investigation and Financial Statements.** You consent to any credit investigation carried out by us. At our request you will deliver to us any financial or other information related to you as reasonably requested by us to further our credit investigation. In addition and if requested by us, you will deliver within 120 days of your fiscal year end, a copy of your financial statements for such fiscal year or, if audited, your audited financial statements together with the opinion of the auditor.

25. **Clerical Errors; Serial Numbers.** You authorize us to correct any clerical errors in this Agreement and to include in this Agreement the serial numbers of the Equipment that is subject thereto. We shall promptly advise you of any such correction and serial numbers.

26. **Representation and Warranty.** You represent and warrant that this Agreement has been duly authorized, executed and delivered by you, and constitutes a legal, valid and binding agreement of yours enforceable against you in accordance with its terms. You further represent and warrant that any and all financial and other information provided to us is accurate and complete.

27. **Notice.** Any notice under this Agreement shall be in writing and shall be given by pre-paid registered mail, by facsimile, or by delivery to the person to whom it is addressed. A notice so given shall be deemed to have been received on the fifth day following posting in Canada, or if given by facsimile or delivered, on the day of

transmission or delivery if such day is a business day in Toronto or, if not, on the next following business day in Toronto.

28. **General.** This Agreement will be interpreted with all changes to number and gender as the context requires. If you sign this Agreement with another person, each of you will be jointly and severally liable as lessee hereunder. Time is of the essence of this Agreement. This Agreement will enure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns. In the event of any inconsistency between the terms of the attached Lease Schedule and the terms of this Agreement, the terms of the attached Lease Schedule shall prevail. If any provision of this Agreement is illegal or unenforceable, such provision shall be severed from this Agreement to the extent of such illegality or unenforceability and the remaining provisions of this Agreement shall remain in full force and effect.

29. **Language.** The parties hereto expressly request and require that this Agreement and all related documents be drafted in English. Les parties aux présentes

conviennent et exigent que cette Convention et tous les documents qui s'y rattachent soient rédigés en Anglais.

30. **Further Assurances.** You acknowledge that we may require additional security depending on the results of our credit investigation and your organizational structure. If we require such additional security, we shall inform you of the form and nature of the additional security and required documentation and it shall be a condition to our entering into this Agreement with you that such additional security is obtained and the necessary documentation executed by you.

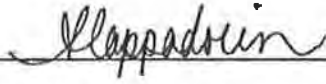
32. **Counterparts.** This Agreement may be executed and in any number of counterparts and on separate counterparts, each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument.

33. **Law.** This Agreement shall be governed in accordance with the laws of the Province of Ontario, and you attorn to the jurisdiction of the courts of such Province.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the 15 day of May, 2015.

TURF CARE FINANCIAL LIMITED

BY: _____

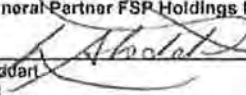


Anna Cappadocia
Vice President, Administration

Settler's Ghost Golf Club Limited Partnership
by its General Partner FSP Holdings Inc.

BY: _____

Lana Stogdari
President



D+H Registry Services (ONMFS1)

Report Date: May 20, 2015

ONMFS1F22866-1

REGISTERED

REGISTRATION STATEMENT (Ontario)

REGISTRATION INFORMATION

Registration Number	Registration Date	Registration Time	Expiry Date
20150505143715300011	5 MAY 2015	2:37PM	5 MAY 2021

Reference File Number
705792681

Type of Registration	Life of Registration
SECURITY AGREEMENT	6 Year

SECURED PARTY INFORMATION

ID	TC	PPR Code
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Turf Care Financial Limited
1 - 30 Vogell Road
RICHMOND HILL, ON Canada L4B 3K6

DEBTOR INFORMATION

Settler's Ghost Golf Club Limited Partnership
3421 Line 1 North, RR #1
Barrie, ON L4M 4Y8
Corporation Number

FSP Holdings Inc.
3421 Line 1 North, RR #1
Barrie, ON L4M 4Y8
Corporation Number

COLLATERAL CLASSIFICATION

Inventory	Equipment	Consumer Goods	Accounts	Other	Not Applicable	Vehicle Included
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amount Secured	Maturity Date					

GENERAL COLLATERAL

All present and future goods leased by the Secured Party to the Debtor, together with all attachments, accessories, accessions, replacements, substitutions, additions and improvements thereto, and all proceeds in any form derived directly or indirectly from any of the foregoing.

1 - DEMO Yamaha Beverage Unit

Your Reference	SETTLERS / TCF12	Billed Amount : \$62.79
Billed Account	INTERNAL ACCOUNT - MAXIUM Maxium Financial Services [ON]	



**AMENDMENT TO MASTER LEASE AGREEMENT, AND CUSTOMER AGREEMENT
SCHEDULES 1-1, 1-2, 1-3, 1-5, 1-6, 1-7, 1-8, 1-9, 1-10 1-11** (hereinafter collectively the "Agreements")

BETWEEN: **FSP HOLDINGS INC. O/A
SETTLER'S GHOST GOLF CLUB** (hereinafter called "Customer")

AND **MAXIUM FINANCIAL SERVICES INC.** (hereinafter called "Maxium")

WHEREAS the parties hereto have entered into the Agreements dated October 17, 2003 pursuant to which Maxium will lease to and Customer will lease from Maxium certain equipment;

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the Agreements are hereby amended to the following:

(a) Customer name will change from FSP Holdings Inc. o/a Settlers' Ghost Golf Club to Settler's Ghost Golf Club Limited Partnership by it's General Partner, FSP Holding Inc. as Customers pursuant to notification of name change from the Customer on June 15, 2007;

- (b) The following organizations will be added to the Agreements as Customer and obligor;
 - Settler's Ghost Golf Club Limited Partnership by it's General Partner, FSP Holding Inc.

Except as set out herein, all other conditions of the Agreements shall remain in full force and effect.

U/B

**SETTLER'S GHOST GOLF CLUB LIMITED PARTNERSHP,
by it's General Partner FSP HOLDINGS INC.**

By: *L. Bertram*

Name: *Laura Bertram*

Title: *General Mgr*

Date: *June 20th/2007*



MASTER LEASE AGREEMENT

Master No. 1

BETWEEN: MAXIUM FINANCIAL SERVICES INC.

30 Vogell Road
Richmond Hill, Ontario L4B 3K6
Phone: (905) 780-6150
Fax: (905) 780-6273
Contact: Chief Financial Officer

(herein called "*Maxium*")

**AND: FSP HOLDINGS INC. o/a
SETTLERS' GHOST GOLF CLUB**

3421 Line 1 North
Phone: (705) 725-3616
Fax: (705) 725-3616
Contact: Lana Bertram

(herein called "*Customer*")

For valuable consideration (the receipt of which is hereby acknowledged by each of Maxium and Customer), it is agreed as follows:

1. Agreement to Lease. Maxium agrees to lease the Equipment (this term and certain other capitalized terms have the meanings specified in section 2 hereof) to Customer and Customer agrees to lease the Equipment from Maxium, in each case on the terms and conditions specified in the applicable Lease.

2. Certain Definitions: "*Delivery and Acceptance Certificate*" means, with respect to any Equipment, a certificate in the form prescribed by Maxium (or in such other form as may be acceptable to Maxium) to evidence the delivery to and acceptance by Customer of such Equipment. "*Discount Rate*" means the lesser of (i) 3% per annum, compounded monthly or (ii) the then current yield prevailing for a Government of Canada bond with term remaining most closely approximating the term remaining in the Lease. "*Discounted Fair Market Value*" means, with respect to any Equipment, the present value of the Fair Market Value of such Equipment at a specified date, discounted to the date of calculation at the Discount Rate. "*Discounted Option Price*" means, with respect to any Equipment, the present value of the purchase option price for such Equipment at a specified date, discounted from the day (or the first day, as applicable) on which such purchase option may be exercised to the date of calculation at the Discount Rate. "*Discounted Rents*" means, with respect to any Equipment, the present value of all instalments of Rent during the existing Term of the applicable Lease that have not been paid at the date of calculation (whether or not accrued or due and payable), discounted from the respective dates on which such instalments would otherwise be payable to the date of calculation at the Discount Rate. "*Effective Date*" means, with respect to a Lease, the date on which such Lease becomes effective as between Customer and Maxium, being the earlier of (a) the date specified as the Effective Date for such Lease in the applicable Schedule and (b) the date on which the related Equipment is delivered to and accepted by Customer as indicated in the related Delivery and Acceptance Certificate. "*Equipment*" means the personal property described in a Schedule, together with all accessions and attachments thereto from time to time. "*Fair Market Value*" means, with respect to any Equipment as at a particular date, the fair market value of such Equipment on such date specified in the applicable Lease or, if not so specified, the price for such Equipment that Maxium determines would be paid on such date in an open and unrestricted market by a willing purchaser to a willing vendor each of whom is acting at arm's length and is under no compulsion to act. "*Initial Term*" means, with respect to a Lease, the period referred to in section 3 hereof. "*Lease*" means an agreement comprised of a Schedule together with this Agreement. "*Rent*" means, with respect to a Lease, the amounts payable by Customer as rent or lease payments thereunder as specified in the applicable Schedule or in section 23 hereof. "*Schedule*" means any document entered into by Maxium and Customer which refers to this Agreement, describes personal property to be

leased by Customer from Maxium, specifies the Initial Term of such lease and the Rent payable under such lease, and may specify additional terms and conditions applicable to such lease. "Term" means, with respect to a Lease, the Initial Term thereof and any renewal or extension thereof from time to time in effect whether pursuant to section 23 hereof or as otherwise agreed upon by Customer and Maxium.

3. Initial Term. The Initial Term of a Lease shall commence on the Effective Date of such Lease and shall continue, from such Effective Date, or if such Effective Date is not the first day of a calendar month then from the first day of the next calendar month after such Effective Date, for the number of months specified in the applicable Schedule. Notwithstanding failure of delivery to Customer of any of the Equipment described in a Schedule, or failure by Customer to issue a Delivery and Acceptance Certificate with respect to any Equipment described in a Schedule, the provisions hereof and of such Schedule shall constitute a Lease of the remaining Equipment described in such Schedule in respect of which Customer has issued a Delivery and Acceptance Certificate.
4. Rent. Customer shall pay to Maxium Rent in the amounts and at the times specified in each Schedule or in section 23 hereof, as applicable. If the Effective Date of a Lease is not the first day of a calendar month, Rent shall be payable under such Lease on a pro rata basis, on the first day of the Initial Term thereof, for any period from and including the Effective Date to but not including the first day of the next calendar month. Any security deposit made by Customer with Maxium under any Lease may be applied by Maxium in payment of any Rent or other amount under such Lease that is not paid by Customer when due and payable, and if not so applied shall be applied against Customer's liability to pay the final instalment of Rent thereunder. The obligation of Customer to pay Rent and perform all its other obligations under each Lease shall be unconditional in all circumstances, and for greater certainty shall not be reduced or terminated if any Equipment does not operate as expected or as specified. All Rent and other amounts payable by Customer under any Lease shall be paid when due without set-off, abatement or other reduction.
5. Taxes. Customer shall pay when due, and shall indemnify Maxium against any liability in respect of, all taxes and other governmental charges (except income taxes payable by Maxium on its net taxable income) applicable from time to time to the Rent and other amounts payable by Customer under each Lease.
6. Equipment Selection and Warranties. It is acknowledged that Customer selected the Equipment and the manufacturer and supplier thereof, and that if Maxium purchased the Equipment, such purchase was made at Customer's specific request. Maxium does not make and shall not be deemed to have made any representations or warranties as to the operating or other condition, quality, fitness for any purpose, merchantability or marketability of any Equipment, whether arising by statute or common law or equity or otherwise. Maxium assigns to Customer during the Term of each Lease all assignable warranty rights provided to Maxium by the manufacturer or supplier of the applicable Equipment. You shall operate the Equipment (i) only in Canada, (ii) primarily for business purposes, (iii) in a safe and lawful manner, and (iv) by complying with all federal, provincial, state and municipal statutes, ordinances, regulations and by-laws which may be applicable to the leasing, use or operation of the Equipment. In addition, You shall prepare and furnish to the Lessor all documents, returns or forms legally required to be prepared by You in relation to the Equipment. You shall be solely responsible for, and indemnify the Lessor against, any fines or penalties assessed for violations of any statute, ordinance, by-law or regulation of any governmental authority, as a result of the use or operation of the Equipment by You or any third party, and shall keep the Equipment free from any liens and encumbrances. You agree to operate only those Equipment which have insurance coverage as provided herein and to comply with all conditions of insurance related to the Equipment, to maintain the Equipment and all accessories and equipment thereof in safe and good mechanical condition and running order at all times and to furnish all supplies, accessories, and other essentials required for the use or operation of the Equipment. In no event will the Equipment be used to transport any hazardous substances or dangerous goods (as defined by law), or to transport persons for hire without the prior written consent of the Lessor.
7. Maintenance and Inspection. Customer shall keep the Equipment in good repair and operating condition, and shall maintain in full force and effect all manufacturers' warranties relating thereto, and for such purpose Customer will enter into, and maintain in full force and effect at all times during the Term of each Lease, a maintenance agreement with the manufacturer or other reliable supplier of maintenance services acceptable to Maxium with respect to the applicable Equipment. At Maxium's request, Customer will furnish Maxium with evidence of each such maintenance agreement. Customer agrees to allow the manufacturer or other supplier of maintenance services full and free access to the Equipment for all maintenance purposes, subject to Customer's standard security procedures. Customer also agrees to permit Maxium and its representatives during normal business hours and on reasonable prior notice to inspect the Equipment. All electric current required to operate the Equipment and a suitable environment (if applicable) for the Equipment shall be provided by Customer, and the installation of the Equipment

shall be as specified in the manufacturer's installation manual. All other supplies consumed or required by the Equipment shall meet the manufacturer's specifications and shall be furnished by Customer at its expense. All maintenance and service charges relative to the Equipment, whether under a maintenance agreement or otherwise, shall be paid by Customer.

8. Alterations and Modifications. Customer may, at its expense, make alterations in, add attachments to or upgrade any Equipment (the "Additions"), provided that any Addition shall not (a) interfere with the normal operation of the Equipment, (b) impair the value or utility of the Equipment or affect any warranty relating thereto, or (c) subject the Equipment to any liens, claims or other encumbrances. All Additions shall become the property of Maxium if not removed by Customer prior to the end of the Term of the applicable Lease. The removal of any Addition shall be at Customer's expense, and shall be done without damaging the Equipment, and after such removal Customer will ensure that the Equipment is restored to its original condition and utility prior to such Addition (reasonable wear and tear excepted). The manufacturer may incorporate engineering changes or make temporary alterations to any Equipment upon request by Customer. If any Addition interferes with the normal and satisfactory operation or maintenance of the Equipment so as to increase the cost of maintenance or create a safety hazard, Customer will, at its expense, promptly remove such Addition and restore the Equipment to its original condition and utility prior to such Addition (reasonable wear and tear excepted).

9. Title and Security. Title to and ownership of the Equipment shall be retained by Maxium at all times prior to Customer's exercise of any purchase option with respect thereto specified in the applicable Lease. Maxium may make such registrations against Customer or otherwise under applicable security laws as are necessary to evidence and protect its interest in any Equipment.

10. No Cancellation. A Lease may not be cancelled or terminated by Maxium or Customer during the Term thereof, except as expressly provided in such Lease.

11. Entire Agreement. Each Lease shall constitute a separate and complete agreement between Customer and Maxium with respect to the Equipment specified therein, and (except as specified in sections 18(b) and 19 hereof) shall be independent of any other Lease existing from time to time.

12. Use and Location. Customer shall be permitted by Maxium to have exclusive use and quiet enjoyment of the Equipment during the Term of the related Lease, so long as Customer is not in default thereunder. It is understood that the Equipment will be used by employees of Customer and will be used primarily for business purposes. Customer will ensure that at all times the Equipment remains personal and moveable property. Customer will comply (and will ensure that its employees comply) at all times with all applicable laws and regulations relating to possession, use and operation of the Equipment. The Equipment may not be removed from any location specified in the applicable Schedule except upon prior written notice to and consent by Maxium in each instance, and in no event may any Equipment be removed outside any province or jurisdiction in which such Equipment is to be located as specified in the applicable Schedule or as otherwise agreed upon by Maxium and Customer. You shall, at Your expense, obtain in the name of the Lessor all registration plates and other plates, permits, inspections or licenses required to be obtained in connection with the Equipment or related to the Equipment's operation and use. Customer shall at its own expense register title to and ownership of the Equipment in Maxium's name, and shall obtain any other required plates, permits, inspections or licenses in its own name. You shall not permit any Equipment to be located in a province other than the province in which such Equipment is then registered for any continuous period of time that would require such Equipment to become subject to the registration or tax laws of such other province. You acknowledge that failure to give timely notice of a change in Equipment location may result in additional taxes, interest, penalties, and administrative costs and agrees to reimburse The Lessor promptly for same.

13. Damage and Loss. Customer shall bear all risk of loss of and damage to the Equipment at all times prior to the end of the Term of the applicable Lease and any re-delivery thereof to Maxium as required thereunder. Customer shall promptly notify Maxium of any damage to any Equipment and shall ensure that such damage is promptly repaired at Customer's expense. Notwithstanding the foregoing, if any Equipment is damaged beyond practical repair in the judgement of Maxium, or is destroyed, lost, stolen or otherwise taken from Customer, legally or otherwise, Customer shall within 10 days of such event either (a) pay to Maxium the Discounted Rents at such time and all other accrued and then unpaid amounts under the applicable Lease with respect to such Equipment, together with the Discounted Option Price at such time that was applicable to such Equipment as at the end of the existing Term of such Lease (or, if no option price has been specified, the Discounted Fair Market Value at such time of such Equipment as at the end of such Term), in which case all right, title and interest of Maxium in and to such Equipment

shall be transferred to Customer without representation or warranty and Customer and Maxium shall be released from their respective liabilities relative to such Equipment (except such liabilities as are stated herein to survive after the end of the Term of the applicable Lease), or (b) provided that Customer is not in default under the applicable Lease, replace such Equipment with equipment of equal or greater value and utility (as determined by Maxium) by conveying good and marketable title to such replacement equipment to Maxium free and clear of all liens, claims and other encumbrances. Upon any such conveyance the replacement equipment (which shall thereafter be included as Equipment for all purposes of the applicable Lease) shall be subject to the applicable Lease in all respects as if it were the replaced Equipment.

14. Insurance. Customer shall maintain public liability and loss and damage insurance with respect to the Equipment naming Maxium as an additional named insured and, with respect to such loss and damage insurance, as loss payee. All such insurance shall be in form, amount and with insurers satisfactory to Maxium. Each insurance policy must require the insurer to give Maxium at least 10 days' prior written notice before altering or terminating coverage, and must provide that Maxium shall not be liable for any premiums or other amounts payable with respect thereto. At Maxium's request, Customer will deliver written evidence of all such insurance coverage to Maxium.

15. Assignment. Customer shall not part with possession or control of any Equipment, or sublease, assign, sell or dispose of Customer's interest in any Equipment or in any Lease. Maxium may assign all or any of its rights in any Equipment or any Lease without the consent of Customer.

16. Encumbrances. Customer shall keep the Equipment free and clear of all liens, claims and other encumbrances. Customer consents to Maxium affixing to any Equipment, and will ensure that there remains so affixed, a notice of Maxium's interest therein.

17. Indemnity. Customer shall indemnify Maxium against, and save Maxium harmless from, any and all damages, claims, actions, obligations and liabilities caused by or resulting from the installation or removal of the Equipment, the possession, use and operation of the Equipment, or the ownership of the Equipment by Maxium, at all times prior to the end of the Term of the applicable Lease and any re-delivery thereof to Maxium as required thereunder. Such indemnity shall include Maxium's legal fees and costs arising from any of the foregoing and any payment made by Maxium in settlement of any of the foregoing. Notwithstanding any other provision hereof, the indemnity contained in this section shall survive for a period of two years after the end of the Term of the applicable Lease and any re-delivery to Maxium or purchase by Customer of the related Equipment.

18. Default. It shall be a default under a Lease if (a) Customer fails to pay any Rent or other amount when due and payable thereunder or under any other Lease or other agreement between Customer and Maxium, or any other lending institution including the Business Development Bank of Canada (b) subject to the foregoing clause, Customer fails to observe or perform any covenant or obligation therein or in any other Lease or other agreement between Customer and Maxium, or any other lending institution including the Business Development Bank of Canada and such failure continues for seven days after the earlier of the day that Customer first has knowledge of such failure and the day on which Maxium gives notice of such failure to Customer, (c) Customer makes a representation in such Lease that is materially incorrect, (d) Customer commences any proceeding in bankruptcy or insolvency or makes a bulk sale of any of its assets, (e) Customer becomes bankrupt or insolvent, (f) any Equipment subject to such Lease is seized by any creditor of Customer, (g) the primary nature of Customer's business changes subsequent to the Effective Date of such Lease, or (h) effective control of Customer changes subsequent to the Effective Date of such Lease.

19. Rights and Obligations on Default. Upon the occurrence of any default under a Lease, Maxium may in its sole discretion, in addition to any other rights and remedies available to it, exercise one or more of the following rights and remedies: (a) perform any obligation that Customer has failed to perform under such Lease, in which case an amount equal to all expenses incurred by Maxium in such performance shall be immediately payable by Customer to Maxium on demand, it being understood that no such performance by Maxium shall cure or be deemed to have cured any default by Customer as a result of such failure to perform by Customer; (b) require Customer to pay to Maxium on demand, whereupon Customer shall immediately pay to Maxium, as a genuine pre-estimate of liquidated damages and not as a penalty, the Discounted Rents at such time and all other accrued and then unpaid amounts under such Lease; (c) enter any place where the applicable Equipment is located and take possession of and remove such Equipment without court order or other process of law, or require Customer to (in which case Customer shall promptly), at Customer's expense, return such Equipment to Maxium at its nearest office or to such other place as Maxium directs; and (d) terminate such Lease (but without releasing any obligations of Customer then due thereunder



and any other liabilities which are stated therein to survive termination). To the extent permitted by law, Customer waives the benefit of all laws governing the seizure and sale or other disposition of any Equipment upon default. Maxium shall not be responsible for any expense or damage that may be incurred by Customer as a result of Maxium exercising any of the foregoing rights and remedies unless due to the gross negligence or wilful misconduct of Maxium. If Maxium takes possession of any Equipment, Maxium may store, repair or recondition such Equipment and sell, lease or otherwise dispose of such Equipment for such amounts and on such terms and conditions as Maxium may determine in its sole discretion. Any proceeds of any such sale, lease or other disposition when actually received in cash by Maxium shall be applied first to reimburse Maxium for all expenses, commissions, fees and disbursements incurred in connection with such repossession, storage, repair, reconditioning, sale, lease or other disposition, and any balance thereof in excess of the Discounted Option Price that was applicable to such Equipment as at the end of the existing Term of the applicable Lease (or, if no option price has been specified, in excess of the Discounted Fair Market Value of such Equipment as at the end of such Term) will be applied, first, against Customer's obligations under the applicable Lease, and subsequently, against such of Customer's obligations as are then due and payable under any other Lease or any other agreement between Customer and Maxium. Customer shall remain liable for any deficiency remaining under the applicable Lease and under any other Lease or agreement with Maxium. If Maxium enforces any provision of a Lease on default, Customer shall reimburse Maxium on demand for all expenses including legal fees and disbursements on a solicitor and own client basis, incurred by Maxium in connection with such enforcement.

20. Waivers. All waivers by Maxium hereunder must be in writing, and any such waiver will apply only to the single instance for which it is given, and will not apply for any other instance, whether of the same nature or otherwise. Only Maxium may waive any of Customer's obligations under a Lease. A Lease may be amended only by the written agreement of Customer and Maxium.

21. Administration Charges. Customer shall pay interest on any overdue amount under a Lease at the rate of 18% per annum, calculated monthly. If any direction for payment made by Customer with respect to any amount payable hereunder to Maxium is not honoured for any reason by the person to which such direction has been given, Customer shall pay to Maxium a service charge of \$100 for each instance. Customer shall reimburse Maxium on demand for all administrative expenses incurred by Maxium as a result of any amendment to any Lease that has been requested by Customer and agreed to by Maxium.

22. Pre-Authorized Payments. Customer shall pay all instalments of Rent and other amounts under each Lease by means of pre-authorized payments to Maxium.

23. End of Term Options. Not later than three months prior to the last day of the existing Term of a Lease, Customer shall give to Maxium irrevocable notice of Customer's intention to:

- (a) on or before such last day, return the related Equipment to Maxium at its nearest office or as Maxium otherwise directs, in which case Customer will pay all expenses in connection with such return including de-installation, packing, crating, loading, rigging and transportation; or
- (b) on such last day, purchase the related Equipment from Maxium (without representation or warranty) for a price equal to its then Fair Market Value.

If Customer gives the notice required above and fails to comply therewith, the Term of the applicable Lease shall be extended for an additional period equal to the greater of three months or the period between each required payment of Rent during such Term. In addition to any extension as contemplated by the preceding sentence, if Customer fails to give the notice required above (whether prior to the end of the Initial Term of the applicable Lease or any extension thereof), the Term of applicable Lease shall be extended for an additional period equal to the period between each required payment of Rent during such Term. In each case the Rent payable during such extension shall be, for greater certainty the Rent in effect on the last day prior to such extension, unless other Rent was agreed upon in writing by Customer and Maxium to be applicable in such circumstance. Notwithstanding the foregoing, any Lease may be terminated by Maxium as at the last day of the existing Term thereof upon prior written notice to Customer given not later than three months prior to such last day, in which case Customer shall return the related Equipment to Maxium on or before such last day as specified in clause (a) above.

24. Remarketing. If you elect to return the Equipment as specified in paragraph 23, Maxium may dispose of such Equipment in a commercially reasonable manner given the state of repair of the Equipment. For the



purpose hereof, Net Proceeds means net proceeds of disposition received by Maxium after deducting all reasonable expenses of disposition including without limitation storage, audit, testing, cleaning, repair, commission, insurance and advertising. If the Net Proceeds with respect to any Equipment are less than the Fair Market Value Purchase Option of such as pre stated in the Schedule or as determined by Maxium if not pre stated, You will promptly pay to Maxium as a final adjustment of rent with respect to such Equipment an amount equal to such deficiency, plus applicable sales taxes, without abatement, set-off or counterclaim. Maxium will determine the final adjustment with respect to any unit of Equipment when such Equipment is disposed of and shall render a statement to You. If Maxium has been unable to sell any unit of Equipment within 30 days after the end of the applicable lease term then the Net Proceeds will be deemed to be \$1 and You will pay to Maxium not later than 35 days after the end of the applicable lease term the deficiency between the deemed Net Proceeds of \$1 and the Fair Market Value of such Equipment as stated in the Schedule.

25. Credit Investigation and Financial Statements. Customer consents to any credit investigation carried out by Maxium. At Maxium's request Customer will deliver to Maxium, within 120 days of Customer's fiscal year end, a copy of Customer's audited financial statements for such fiscal year.

26. Clerical Errors; Serial Numbers. Customer authorizes Maxium to correct any clerical errors in any Lease and to include in any Lease the serial numbers of the Equipment that is subject thereto. Maxium shall promptly advise Customer of any such correction and serial numbers.

27. Representation and Warranty. Customer represents and warrants that this Agreement and all Schedules, on delivery thereof to Maxium, have been duly authorized, executed and delivered by Customer, and constitute legal, valid and binding agreements of Customer enforceable against Customer in accordance with their terms.

28. Notice. Any notice under a Lease shall be in writing and shall be given by pre-paid registered mail, by facsimile, or by delivery to the person to whom it is addressed. A notice so given shall be deemed to have been received on the fifth day following posting in Canada, or if given by facsimile or delivered, on the day of transmission or delivery if such day is a business day in Toronto or, if not, on the next following business day in Toronto.

29. General. Each Lease will be interpreted with all changes to number and gender as the context requires. If more than one person signs a Lease as Customer, each of them will be severally liable as lessee thereunder. Time is of the essence of each Lease. Each Lease will enure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns. In the event of any inconsistency between the terms of a Schedule and the terms of this Agreement, the terms of such Schedule shall prevail. If any provision of a Lease is illegal or unenforceable, such provision shall be severed from such Lease to the extent of such illegality or unenforceability and the remaining provisions of such Lease shall remain in full force and effect.

30. Language. The parties hereto expressly request and require that this Agreement and all related documents be drafted in English. Les parties aux présentes conviennent et exigent que cette Convention et tous les documents qui s'y rattachent soient rédigés en Anglais.

31. Law. Each Lease shall be governed in accordance with the laws of the Province of Ontario, and Customer attorns to the jurisdiction of the courts of such Province.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the 17 day of October 2003.

MAXIUM FINANCIAL SERVICES INC.

FSP HOLDINGS INC.
o/a SETTLERS' GHOST GOLF CLUB

By: [Signature]
Name: Paul McLean
Title: President

By: [Signature]
Name: Lana Bertram
Title: General Manager

GUARANTEE

1. For good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) the undersigned (herein called the "Guarantor") hereby unconditionally and irrevocably guarantees payment to Maxium Financial Services Inc. ("Maxium") when due of all of the present and future indebtedness and liabilities of Settler's Ghost Golf Club Limited Partnership by its General Partner, FSP Holdings Inc. (the "Lessee") to Maxium however arising, and any ultimate unpaid balance thereof (collectively the "Obligations"), provided, however, that the maximum amount of the Obligations for which the Guarantor shall be liable hereunder is limited to 25% of outstanding obligations, together with interest thereon from the date of demand for payment hereunder at the rate of 18% per annum. The Guarantor shall pay to Maxium, at such place as Maxium may direct, without set-off or deduction, the amount of the liability of the Guarantor hereunder forthwith after demand therefor is made in writing by Maxium. The Guarantor hereby waives any and all presentments, demands, notices and protests in the enforcement of this guarantee by Maxium.

2. This guarantee shall be a continuing guarantee and shall be binding as a continuing obligation of the Guarantor. For all purposes of the liability of the Guarantor to Maxium hereunder including without limitation the calculation of the amount of the Obligations at any time, every sum of money which is now or which may hereafter from time to time be due or owing to Maxium by the Lessee (or would have become so due or owing were it not for the insolvency, bankruptcy, reorganization or winding-up of the Lessee) shall be deemed to be and to continue due and owing to Maxium until the same shall be actually paid in cash to Maxium, notwithstanding the insolvency, bankruptcy, reorganization or winding-up of the Lessee or any other event whatsoever. The Guarantor agrees that, if at any time all or any part of any payment previously applied by Maxium to any of the Obligations is or must be rescinded or returned by Maxium for any reason whatsoever (including without limitation the insolvency, bankruptcy, reorganization or winding-up of the Lessee), such Obligation shall, for the purpose of this guarantee, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by Maxium, and this guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligation, all as though such application by Maxium had not been made.

3. Maxium shall not be obliged to take any action or to exhaust its recourse against the Lessee, any other person, or any security held at any time by Maxium, nor to value any security held by Maxium, before requiring, or being entitled to, payment from, and to enforce its rights and remedies against, the Guarantor under this guarantee. Maxium shall not be obliged to marshal any assets in favour of the Guarantor.

4. The liability of the Guarantor hereunder shall be absolute and unconditional and shall not be released, discharged, diminished, limited or in any way affected by any matter, act, failure to act, or circumstance whatsoever, including without limitation: (a) any lack of enforceability of any agreement between the Lessee and Maxium or any document provided by the Lessee to Maxium; (b) any failure on the part of the Lessee to carry out any of its rights or obligations under any agreement or document; (c) any change in the name, objects, powers, organization, share capital, constituting documents, business, shareholders, directors or management of the Lessee; (d) any amalgamation, merger or consolidation of the Lessee into or with any other person or entity, or any sale, lease or transfer of all or any of the assets of the Lessee to any other person or entity; (e) any lack or limitation of power, incapacity or disability on the part of the Lessee or any of its directors, officers, shareholders, employees or agents, or any other irregularity, defect or informality, or any fraud, on the part of the Lessee or any of its directors, officers, shareholders, employees or agents with respect to any or all of the Obligations; (f) any impossibility, impracticability, frustration of purpose, illegality, force majeure or act of government or governmental authority; (g) the insolvency, bankruptcy, reorganization, winding-up or financial condition of the Lessee or any other person at any time; (h) any loss of or in respect of any security held by Maxium, whether occasioned through the fault of Maxium or otherwise; (i) any law, regulation, limitation period or other matter or circumstance which might otherwise constitute a defence available to, or a discharge of, the Lessee with respect to any or all of the Obligations; (j) any loss or impairment of any right of the Guarantor to subrogation, reimbursement or contribution, whether or not as a result of any action taken or omitted to be taken by Maxium; and (k) anything done, omitted to be done, suffered or permitted by Maxium in connection with all or any of the Obligations or otherwise or in connection with any security held by Maxium (whether relating to the Obligations or otherwise), or which might otherwise operate to release, discharge, diminish or limit in any way the liability of, or otherwise provide a defence to, a guarantor or surety. Maxium may, with respect to all or any of the Obligations and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder; amend, alter or vary any of its agreements with the Lessee or any other person, and otherwise deal with the Lessee, the Guarantor and all other persons and security as Maxium may determine.

Maxium may apply all money at any time received from the Guarantor hereunder upon such part of the Obligations as Maxium may see fit, and may change any such application from time to time in its discretion.

5. If any amount in respect of the Obligations is not recoverable from the Guarantor hereunder on the basis of a guarantee, then, notwithstanding any other provision hereof, the Guarantor shall be liable hereunder as principal debtor, and shall indemnify Maxium, in respect of the due payment of such amount, and shall pay such amount to Maxium after demand as herein provided.

6. If acceleration of the time for payment, or the liability of the Lessee to make any payment, of any amount specified to be payable by the Lessee in respect of the Obligations is stayed, prohibited or otherwise affected upon the insolvency, bankruptcy, reorganization or winding-up of the Lessee or any moratorium affecting the payment of the Obligations by the Lessee, all such amounts otherwise subject to acceleration or payment shall nonetheless be deemed for all purposes of this guarantee to be and to become due and payable by the Lessee and shall be payable by the Guarantor hereunder forthwith on demand by Maxium.

7. Until the Obligations have been paid in full, the Guarantor shall not exercise or enforce any right of subrogation against the Lessee. All present and future indebtedness and liabilities of the Lessee to the Guarantor are hereby postponed and subordinated to the Obligations, and until otherwise agreed in writing by Maxium, all moneys received by the Guarantor in respect of any such indebtedness and liabilities shall be received in trust for Maxium, shall be kept by the Guarantor separate and apart from its other assets, and shall be paid over to Maxium on account of the Obligations. In case of the insolvency, bankruptcy, reorganization or winding-up of the Lessee (whether voluntary or compulsory) or in the event that the Lessee shall make a bulk sale of any of the Lessee's assets, all dividends and other payments which may be due or payable to the Guarantor are hereby assigned and transferred to and shall be due and paid to Maxium on account of the Obligations (provided that Maxium shall not register any financing statement against the Guarantor in respect of such assignment and transfer), and for such payment to Maxium this shall be a sufficient warrant and authority to any person making the same. The Guarantor shall continue liable under this guarantee for any balance of the Obligations which may be owing to Maxium by the Lessee.

8. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on Maxium unless made in writing by an authorized officer of Maxium. No failure on the part of Maxium to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

9. The Guarantor shall from time to time upon demand by Maxium forthwith pay to Maxium all reasonable expenses (including legal fees) incurred by Maxium in the enforcement of any of its rights hereunder.

10. This guarantee shall be conclusively deemed to be a contract made under, and shall for all purposes be governed by and construed in accordance with the laws of the Province of Ontario, Canada, and the Guarantor hereby irrevocably attorns to the jurisdiction of the courts of the Province of Ontario without prejudice to the right of Maxium to commence an action against the Guarantor in any other jurisdiction. This guarantee shall extend to and enure to the benefit of Maxium and its successors and assigns and shall be binding on the Guarantor and its successors.

IN WITNESS WHEREOF, the Guarantor has caused this guarantee to be duly executed as of the date first above written.

Witness:

By:

Name:



LANA STODDART

By:

Name: Lana Stoddart

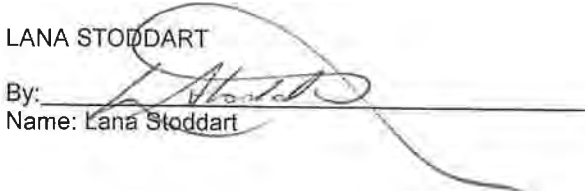


EXHIBIT "D"

LIMITED PARTNERSHIP AGREEMENT

MEMORANDUM OF AGREEMENT made as of the 22nd day of August, 2003.

B E T W E E N:

FSP HOLDINGS INC., a Company incorporated under the laws of the Province of Ontario,
(hereinafter referred to as the "General Partner")

OF THE FIRST PART

-and-

Robert Campbell, an individual residing in the Township of Oro-Medonte, in the County of Simcoe,

(hereinafter referred to as the "Initial Limited Partner")

OF THE SECOND PART

-and-

Each party who, from time to time, becomes a limited partner in accordance with the terms of this Agreement,

(hereinafter individually referred to as a "Limited Partner" and collectively referred to as the "Limited Partners")

OF THE THIRD PART

THIS AGREEMENT WITNESSES that, inconsideration of the mutual covenants hereinafter contained, the Parties hereto covenant and agree as follows:

ARTICLE I

INTERPRETATION

1.01 **Definitions:** In this Agreement and in any amending or supplemental agreement hereto, unless the subject matter or context otherwise requires, the following words, terms and phrases shall have the meanings set forth below:

"**Accountants**" mean the accounting firm of Powell Jones LLP, or such other firm of qualified chartered accountants as appointed by the General Partner from time to time;

"**Act**" means the *Limited Partnerships Act, R.S.O. 1990, C.L-16*, as amended from time to time, and regulations thereunder;

"**Affiliate**" means, with respect to any Partner, any corporation which is directly or indirectly Controlled by such Partner, and if any Partner is a corporation means in addition to the foregoing any corporation which Controls such corporate Partner;

"**Agreement**" means this agreement, as amended, modified or supplemented from time to time;

"Capital" means, with reference to a Limited Partner, the amount paid in cash by such Limited Partner to the Limited Partnership upon subscription for Units (or deemed received pursuant to section 3.06 herein), initially or as additional subscriptions pursuant to the provisions of this Agreement, and with reference to Limited Partnership, the aggregate capital of the Limited Partners;

"Control", "Controlled" or "Controls" means:

- (i) the right to exercise a majority of the votes which may be put at a general meeting of a corporation; and
- (ii) the right to elect or appoint directly or indirectly a majority of the directors of a corporation or other persons who have the right to manage or supervise the management of the affairs and business of the corporation;

"Declaration" means the declaration filed under the Act establishing the Partnership as a limited partnership, as from time to time amended;

"General Partner" means **FSP HOLDINGS INC.** or such other party or parties from time to time acting in the capacity of general partner pursuant to the terms of the Act or of this Agreement;

"High-Quality Money Market Instruments" mean high-quality money market instruments which are accorded the highest rating category by either of Canadian Bond Rating Service ("A-1") or Dominion Bond Rating Service ("R-1");

"Lands" means the lands beneficially owned by the Limited Partnership, registered in the name of the General Partner, as trustee, and legally described as Lot 41 and Part of Lot 42, Concession 2, in the Township of Oro-Medonte (formerly Medonte), in the County of Simcoe, and designated as Part 1 on Reference Plan 51R-30187;

"Limited Partners" means the Initial Limited Partner for so long as it remains a limited partner of the Limited Partnership, and those other parties who are the registered owners of at least one Unit and who execute this Agreement or counterparts hereof as limited partners and any party admitted as a Limited Partner under this Agreement;

"Limited Partnership" means the Limited Partnership formed by the General Partner and the Limited Partners pursuant to the Act;

"Ordinary Resolution" means either:

- (a) a Resolution passed by more than fifty per cent (50%) of the votes cast at a duly constituted meeting of the Limited Partners, or an adjournment thereof, or
- (b) a Resolution in writing signed in one or more counterparts by the holders of more than fifty per cent (50%) of the issued and outstanding Units;

"Partners" means the General Partner and all Limited Partners;

"Partnership" means the partnership formed pursuant to the terms of this Agreement and registered as a limited partnership pursuant to the filing of the Declaration;

"Special Resolution" means either:

- (a) a Resolution passed by not less than seventy-five per cent (75%) of the votes cast at a duly constituted meeting of the Limited Partners, or an adjournment thereof, or
- (b) a Resolution in writing signed in one or more counterparts by the holders of not less than seventy-five per cent (75%) of the issued and outstanding Units;

"Unit", means an equal and undivided interest in 99% of the net assets of the Partnership acquired by subscription therefor or transfer thereof;

"Unit Certificate", means the document evidencing ownership by a Limited Partner of one or more Units, a form of which is annexed hereto as Schedule "B";

1.02 **Sections and Headings:** The division of this Agreement into Articles and sections and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation hereof.

1.03 **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

1.04 **Interpretation:** Words importing the singular number only shall include the plural and vice versa. Words importing the use of any gender shall include all genders. Words importing persons shall include firms, trusts and corporations and vice versa.

1.05 **Severability:** If any provision of this Agreement shall be held invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall attach only to such provision and shall not affect any other provision of this Agreement and where necessary, this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

1.06 **Currency:** Unless otherwise expressly stated, all references in this Agreement to dollar amounts shall mean dollar amounts in lawful money of Canada.

1.07 **Schedules:** The schedules hereto and forming part of this Agreement are as follows:

- Schedule "A" – Subscription and Power of Attorney Form
- Schedule "B" – Unit Certificate
- Schedule "C" – Transfer and Power of Attorney Form

ARTICLE II

FORMATION OF LIMITED PARTNERSHIP

2.01 **Formation of Limited Partnership:** The General Partner and the Initial Limited Partners hereby form the Limited Partnership effective upon filing the Declaration under the Act, and covenant and agree to prepare and file the Declaration and to do all things necessary to form the Limited Partnership. The Partners agree to be bound by their mutual rights and obligations set forth in this Agreement. The Limited Partnership shall commence on the date the required Declaration is filed pursuant to the Act and shall continue until terminated in accordance with the provisions of this Agreement.

2.02 **Name:** The name of the Limited Partnership be "**Settler's Ghost Golf Club Limited Partnership**". The business of the Limited Partnership may also be conducted under such other name or names as the General Partner shall hereafter determine.

2.03 **Filing of Certificates:** As soon as practicable following the execution hereto, the Partners shall cause to be executed and filed such Declarations and other documents as are required by law, recording the names of, and Capital contributed by, each of the Limited Partners. The General Partner shall, in accordance with this Agreement, file a Declaration of Change to record any additional Capital contributed by any of the Limited Partners and otherwise as required by the Act. The General Partner, the Initial Limited Partner and each of the Limited Partners shall execute and deliver immediately upon demand therefor, any documents that may be necessary or desirable to accomplish the purpose of this Agreement or to give effect to the formation of the Limited Partnership under applicable laws. The General Partner shall take all necessary action on the basis of information available to it in order to maintain the Limited Partnership as a limited partnership.

2.04 **Business of the Limited Partnership:** The Limited Partnership has been formed for the sole purpose of constructing and operating a golf course facility on the Lands and to conduct such other activities as may be necessary or incidental to the foregoing, all on the terms and conditions set forth in this Agreement.

2.05 **Principal Office:** The principal office of the Limited Partnership shall at all times be the principal office of the General Partner in Ontario and may be changed from time to time by the General Partner giving notice of such change to all Limited Partners.

2.06 **Term:** The term of the Limited Partnership shall commence upon the date of filing of the Declaration and shall continue until terminated pursuant to the provisions of Article X of this Agreement.

2.04 **Year End:** The fiscal period of the Limited Partnership shall end on the 31st day of December each year.

ARTICLE III

CAPITAL & UNIT SUBSCRIPTIONS

3.01 **Capital:** The capital of the Limited Partnership shall be a minimum of Two Million Dollars (\$2,000,000) and a maximum of Two Million, Five Hundred Thousand Dollars (\$2,500,000), divided into Units of Fifty Thousand Dollars (\$50,000) each. No fractional Units shall be issued. Each Unit holder of record shall be a Limited Partner.

3.02 **Subscription:** Limited Partners shall subscribe for Units utilizing the Subscription and Power of Attorney form, attached hereto as Schedule "A".

3.03 **Unit Certificates:** Each Limited Partner shall be entitled to a Unit Certificate evidencing the number of Units held, in the form attached hereto as Schedule "B".

3.04 **Nature of Units:** There shall be one class of Units, only. Except as otherwise expressly provided, each issued and outstanding Unit shall be equal to each other Unit with respect to all matters, including the right to receive distributions from the Limited Partnership, whether of an income or capital nature, during the continuation of the Limited Partnership or upon dissolution.

3.05 **Voting Rights:** Each Unit shall be entitled to one (1) vote in respect of all matters to be decided by the Limited Partners.

3.06 **General Partner's Units:** In consideration of the transfer of the Lands, and the improvements thereon and thereto, to the Limited Partnership and in recognition of the contribution to the Limited Partnership to date by the General Partner, or its principals, twelve (12) Units shall be issued to the General Partner, or as it may designate, it being acknowledged and agreed that the subscription price therefore has been paid in full.

3.07 **Registrar and Transfer Agent:** The General Partner, or such other person as may be appointed from time to time by the General Partner, shall act as Registrar and Transfer Agent of the Units and shall maintain or cause to be maintained on behalf of the Limited Partnership such books as are necessary to record the names and addresses of the Limited Partners, the number of Units held by each Limited Partner and particulars of the transfers of Units, etc.

ARTICLE IV

ACCOUNTS & RECORDS

4.01 **Classes of Accounts:** The Limited Partnership shall maintain the following accounts for the Limited Partners as a group and for the General Partner:

- (a) capital accounts, to which shall be credited the amount of the Capital contributed to the Limited Partnership;
- (b) current accounts, to which shall be credited or debited, the net income or net loss of the Limited Partnership.

4.02 **No Right to Withdraw Amounts:** No Partner has the right to withdraw any Capital or other amount or to receive any cash or other distribution from the Limited Partnership except as provided for in this Agreement. No Partner will have the right to receive interest on any credit balance in his capital account or any credit balance in his current account.

4.03 **Borrowing from Outside Sources:** The amounts required for the purposes of the Limited Partnership as described in Section 2.04 herein shall first be derived from the sums contributed to the Limited Partnership by the Limited Partners. After such contributed sums have been accounted for and the General Partner determines that the Limited Partnership requires additional capital to finance its business, the General Partner shall utilize its best efforts to borrow from outside sources, from time to time, all sums of money required for such purposes. The Limited Partners agree to postpone and assign their capital accounts in favour of such lenders.

4.04 **Additional Limited Partners:** Should the General Partner determine that additional capital is required, and is not available by loan from other sources as described in Section 4.03 above, the General Partner may raise such capital by the sale of additional Units and may determine the terms and conditions of any such sale. Each Limited Partner shall be entitled to subscribe to the same proportion additional capital Units as shall be required, as he shall have initially subscribed for pursuant to the provisions of this Agreement. No Limited Partner shall be bound to subscribe for additional Units. If any additional Units are not subscribed for as above, they may be purchased by the other Limited Partners pro rata to their initial subscriptions. If any additional Units are not subscribed for by existing Limited Partners, the General Partner may arrange sale of Units to third parties.

ARTICLE V**ALLOCATION OF PROFITS AND LOSSES AND DISTRIBUTIONS**

5.01 **Determination of Net Income and Losses:** Profits or losses of the Limited Partnership shall be determined by the Accountants of the Limited Partnership in accordance with generally accepted accounting principles consistently applied and such determination shall be binding upon the Partners.

5.02 **Allocation of Income or Losses:** The net income or net losses of the Limited Partnership for a particular fiscal year shall be allocated among those Persons who were shown on the Register as Partners at the end of such fiscal year as set forth below:

- (i) the amount shall be allocated to the General Partner equal to 0.10% of the net income or net loss of the Limited Partnership; and
- (ii) the balance of the net income or net loss shall be allocated to the Limited Partners according to each Limited Partner's proportionate share, prior to March 31st in each year. within.

All amounts allocated to the General Partner and to the Limited Partners shall be credited or debited, as the case may be, to their respective current accounts.

5.03 **Distributions to Partners:** The General Partner on behalf of the Limited Partnership, shall make distributions of the net income in the following order of priority and no payment shall be made in any particular category until the preceding categories have been fully paid and satisfied:

- (a) first, in satisfaction of the debts and liabilities of the Limited Partnership and the expenses related thereto;
- (b) secondly, to the setting up of any reserves which the General Partner with the approval of the Limited Partners by Special Resolution, acting reasonably, deem necessary for the contingent or unforeseen liabilities or obligations of the Limited Partnership;
- (c) thirdly, to repay the current accounts of the Limited Partners to the end of the last completed fiscal year of the Limited Partnership, provided, however, that if the proceeds are insufficient to repay to all the Limited Partners the balance of their current accounts as of such date, then payment shall be made to each Limited Partner, pro rata, in proportion that the current account of each such Limited Partner bears to the current accounts of all Limited Partners as of such date;
- (d) fourthly, to repay the Capital accounts of the Limited Partners, provided, if there is insufficient proceeds to repay all the Capital accounts, then the payment to each Limited Partner shall be pro-rated having regard to the Capital account of such Limited Partner and the Capital account of all such Limited Partners;
- (e) fifthly, to distribute the surplus, if any:
 - (i) 0.10% to the General Partner; and
 - (ii) the balance to the Limited Partners, pro rata.

ARTICLE VITRANSFER OF UNITS6.01 **First Right of Refusal - Third Party Offer:**

- (a) In the event that any Limited Partner (referred to herein as the "**Selling Partner**") receives a Third Party unconditional offer for his Units which he is prepared to accept, he shall forthwith give written notice (the "**Sale Notice**") to the General Partner indicating the price and terms in such offer. The General Partner shall forthwith notify all other Limited Partners (referred to herein as the "**Other Partners**") in writing, who shall thereupon have the first right to purchase such Units at the price and terms set out in such Sale Notice, subject to the time of closing being extended to coincide with the time limits applicable hereto.
- (b) Each Other Partner shall have thirty (30) days following delivery of the written Sale Notice to submit an offer in writing to purchase the Units of the Selling Partner, on the same or more favourable terms as set out in the Sale Notice, and in which event the Selling Partner may thereupon accept any such submitted offer from one of the Other Partners, as he deems fit, and may proceed to sell his Units to such Other Partner. Failing receipt of an offer from any of the Other Partners as herein provided, the Other Partners shall be deemed to have waived their first right of purchase and the Selling Partner shall be entitled at any time within six (6) months of the Sale Notice being served on the General Partner to sell such Units to any purchaser at a price not less than that established by the Sale Notice and on terms and conditions not more favourable than those set out in such Sale Notice, free and clear of the first refusal rights of this Agreement contained in this Section or otherwise, and all parties hereto agree to exercise all their rights as Partners to enable the purchaser of such Units to be registered as the holder thereof provided such purchaser agrees to adhere to and be bound by the provisions of this Agreement as if an original party hereto.
- (c) If within the said six month period all the Units offered by the Selling Partner have not been purchased and the transaction concluded, such Units shall again be subject to the First Right of Refusal provisions of this Agreement.

6.02 **First Right of Refusal - No Third Party Offer:**

- (a) In the event that any of the Limited Partners shall at any time hereafter desire to sell, assign, transfer or dispose of such party's Units, then such party shall first give notice to all Limited Partners by written notice to the General Partner offering to sell such Units, setting out the asking price and the terms. The General Partner shall forthwith advise all Limited Partners hereto of the offer who shall have thirty (30) days following delivery of written notice to the General Partner of the availability of such Units, to submit an offer in writing to purchase the Units of the selling Limited Partner, and in which event the selling Limited Partner may thereupon accept any such submitted offer from one of the other Limited Partners, as he deems fit, and may proceed to sell his Units to such other Limited Partner. In the event that all the Units offered for sale have not, by the forty-fifth (45th) day following the date upon which they were first offered by written notice to the General Partner, been taken by the other Limited Partners, the offer to sell shall be deemed to have been declined, unless the selling Limited Partner is prepared to sell only those Units which any of the other Limited Partners have offered to take up,

in which event, the sale of those Units shall be closed and the seller may sell the balance of his Units pursuant to the terms of this Agreement. The sale of such Units shall be completed, (if they are to be purchased), within sixty (60) days of the date upon which the original offer to sell was given to the General Partner as above.

- (b) If all such Units so offered are not taken up as above, the Limited Partner shall be entitled at any time within six (6) months thereafter, to sell such Units to any purchaser on terms and conditions not more favourable than those set out in such notice, subject, however, to the First Right of Refusal provisions in Section 6.01 herein as it applies to third party offers, which provisions, terms and conditions shall then be in effect.

6.03 Transfers to Affiliates and Related Persons Permitted: Notwithstanding the foregoing it is specifically acknowledged and agreed that the Partners may transfer their Interest to an Affiliate (and deemed to include a Trust if controlled by the Partner) provided that the Partner and the Affiliate enter into an agreement with the other Partners that:

- (a) the Affiliate will remain such so long as the Affiliate holds the Interest or any part thereof;
- (b) prior to the Affiliate ceasing to be such, the Affiliate will transfer its Interest back to the Partner or to another Affiliate of the Partner provided that such other Affiliate enters into an agreement to adhere to and be bound by the provisions of this Agreement as if an original party hereto; and
- (c) the Affiliate will otherwise be bound by and have the benefit of the provisions of this Agreement.

Furthermore a Partner may assign or transfer his Units to a spouse, child, grandchild or parent of the Partner provided that the assignee enters into and executes an agreement with the other Partners that the assignee agrees to adhere to and be bound by the provisions of this Agreement as if an original party hereto. Any sale, transfer or other disposition referred to in this Section will not release the Partner from his obligations hereunder.

6.04 Transfer of Units: Notwithstanding the foregoing, no transfer of Units shall be recorded or effective except in conformity with the following provisions:

- (a) a Unit is not transferable in part, and a Limited Partner may only transfer all or part of his Units by delivering to the General Partner the Certificate representing the Unit or Units to be transferred with a transfer and power of attorney form in the form annexed as Schedule "C" hereto or such other form acceptable to the General Partner duly completed and executed by both parties to such transfer;
- (b) the transfer shall be effective and the transferee shall become a Limited Partner on the later of (i) the day on which the appropriate Certificate and transfer form, duly completed and executed by the transferor and transferee, is accepted by the General Partner and (ii) the day that the current record of limited partners of the Partnership maintained by the General Partner pursuant to subsection 4(1) of the Act is updated to show the transferee as a Limited Partner;
- (c) the General Partner may deny the transfer of Units to a "non-Canadian" within the meaning of the *Investment Canada Act*, and shall deny the transfer of Units to a "non-resident of Canada" within the meaning of the *Income Tax Act* of Canada;

- (d) no transfer of Units will be accepted by the General Partner after the sending of the notice of dissolution provided for in Section 10.01 hereof; and
- (e) no transfer of Units will be accepted by the General Partner if the transferee is not of the age of majority with the capacity and competence to enter into and be bound by the provisions of this Agreement or a corporation having comparable qualifications.

6.05 Successors in Interest of Limited Partners: The Limited Partnership shall continue, notwithstanding any withdrawal, expulsion, death or insolvency of any Limited Partner or the transfer of Units. The Limited Partnership shall be dissolved only in the manner provided for in this Agreement. Where a person becomes entitled to a Unit or Units on the incapacity, death or bankruptcy of a Limited Partner, or otherwise by operation of law, in addition to the requirements of Section 6.04 hereof, such entitlement will not be recognized or entered in the register evidencing ownership of the Unit or Units until that person:

- (a) has produced evidence satisfactory to the General Partner of such entitlement; and
- (b) has acknowledged in writing that he is bound by the terms of this Agreement.

6.06 Pledge and Hypothecation of Units: A Limited Partner may mortgage, pledge or hypothecate a Unit which has been fully paid for as security for a loan to or an obligation of such Limited Partner; however, the General Partner is not obliged to recognize or acknowledge any such mortgage, pledge or hypothecation, and until and unless a Unit is transferred in accordance with this Article VI, only the registered holder of the Unit shall be recognized by the General Partner and all distributions shall be made to such registered holder.

ARTICLE VII

MANAGEMENT

7.01 Authority of the General Partner: The General Partner shall have exclusive authority to manage the operations and affairs of the Limited Partnership, to make all decisions regarding the business of the Limited Partnership, to bind the Limited Partnership and to admit Limited Partners. No person dealing with the Limited Partnership shall be required to verify the power of the General Partner to take any measure or any decision in the name of the Limited Partnership.

Without limiting the foregoing, the General Partner shall be vested with the following powers:

- (a) to execute and carry out all agreements on behalf of the Limited Partnership involving matters or transactions which are within the ordinary course of the Limited Partnership's business;
- (b) to admit any person as Limited Partner, subject to the provisions of Article VI hereof, and to set a reasonable transfer fee (originally \$2,500) therefore;
- (c) to open and manage in the name of the Limited Partnership bank accounts and to name signing officers for these accounts and to borrow funds in the name of the Limited Partnership and to spend the capital of the Limited Partnership in the exercise of any right or power possessed by the General Partner;
- (d) to invest that portion of the capital of the Limited Partnership, if any, not yet expended or distributed in accordance with this Agreement, in High-Quality Money Market

Instruments or in interest-bearing accounts of Canadian chartered banks or Canadian trust companies with assets in excess of \$15 billion.

- (e) to manage, control and develop all of the activities of the Limited Partnership and to take all measures necessary or appropriate for the business of the Limited Partnership or ancillary thereto;
- (f) to build, alter, improve or repair any structure upon the Lands;
- (g) to place registered title to the Lands in its name or in the name of a nominee or trustee for the purpose of mortgage financing or any other convenience or benefit of the Limited Partnership;
- (h) to employ and dismiss from employment any and all employees, agents, independent contractors, brokers, solicitors and accountants;
- (i) to take such steps and to do such acts to obtain the approvals, consents or permits from all appropriate federal, provincial, municipal or other government authorities having jurisdiction over the Lands in furtherance and completion of the business of the Limited Partnership;
- (j) to conclude agreements with third parties so that services may be rendered to the Limited Partnership;
- (k) to conclude an agreement with GATES 'N GREENS HORSESHOE VALLEY LTD. for management services to be provided to the General Partner on behalf of the Limited Partnership;
- (l) to conclude arrangements for the payment of reasonable fees, ordinary to transactions similar in nature, with individuals for the provision of their personal guarantees of the indebtedness of the Limited Partnership to its institutional lenders;
- (m) to decide in its sole and entire discretion any additional time when property of the Limited Partnership shall be distributed to the Limited Partners and the amount of any such distributions; and
- (n) to execute any and all other deeds, documents and instruments and do all acts as may be necessary or desirable to carry out the intent and purpose of this Agreement.

7.02 Reimbursement of General Partner: The General Partner shall be entitled to reimbursement by the Limited Partnership for all costs and expenses which are incurred by the General Partner in the performance of its duties hereunder in accordance with the terms hereof, including without limitation, the cost of retaining professional advisors on behalf of the Limited Partnership.

7.03 Withdrawal of General Partner: The General Partner shall not cease to act or withdraw as a General Partner of the Limited Partnership until a new General Partner is appointed by Ordinary Resolution.

7.04 Replacement of General Partner: The General Partner may be required to withdraw from the Limited Partnership by a Special Resolution upon the occurrence of an event of default on its behalf, which default continues unremedied for a period of five (5) business days after notice thereof has been given to the General Partner by one or more of the Limited Partners or in the event the General Partner commits an act

of bankruptcy, becomes insolvent or makes an assignment for the benefit of its creditors or if any proceeding is taken with respect to a compromise or arrangement or to have the General Partner declared a bankrupt or have a Receiver appointed in favour of any property of the General Partner and the General Partner does not proceed diligently and with good faith to have such proceedings withdrawn forthwith after it receives notice of same or an execution or other process of any Court become enforceable against the General Partner against any of its property.

Furthermore, the General Partner may be removed as General Partner by Special Resolution to that effect. Upon removal of the General Partner, a new General Partner may be appointed by Ordinary Resolution. The new General Partner may not be a "non-Canadian" within the meaning of the *Investment Canada Act*, and or a "non-resident of Canada" within the meaning of the *Income Tax Act* of Canada.

The new General Partner will execute a counterpart of this Agreement and will forthwith assume the obligations and rights of the General Partner as of and from the date of its appointment.

In the event of a change of the General Partner, the Limited Partnership and the Limited Partners shall release and hold harmless the former General Partner from all actions, claims, costs, demands, losses, damages and expenses with respect to events which occur in relation to the Limited Partnership after the effective date of removal or resignation of the former General Partner, unless such events result from the gross negligence or wilful misconduct of the General Partner. The removal of any former General Partner pursuant to the terms hereof shall not cancel or otherwise affect the rights that the Limited Partnership or any of the Limited Partners may have as against the former General Partner arising out of any matter or thing done or admitted to be done by the former General Partner pursuant to this Agreement prior to its ceasing to be the General Partner.

7.05 Liability of the General Partner: The General Partner has unlimited liability for the undertakings, liabilities and obligations of the Limited Partnership.

7.06 Duty of Care: The General Partner shall be under the duty to manage and operate the business of the Limited Partnership and the assets and undertaking of the Limited Partnership in a manner which would be considered reasonable and prudent in the management of like undertakings in Canada. The General Partner is not liable to the Limited Partners or the Limited Partnership for any mistakes or errors in judgment, or for any act or omission believed by it in good faith to be within the scope of authority conferred by this Agreement.

7.07 Limitation of Liability: Neither the General Partner nor any of its officers, directors or employees shall be liable, responsible or accountable in damages or otherwise to the Limited Partnership or any Limited Partner for any action taken or failure to act on behalf of the Limited Partnership within the scope of the authority conferred on the General Partner by this Agreement or by law unless such action or omission was performed or omitted fraudulently or in bad faith or constituted wanton and wilful misconduct or negligence.

ARTICLE VIII

THE LIMITED PARTNERS

8.01 Limitation on Authority of the Limited Partners: No Limited Partner may take part in the control of the business of the Limited Partnership, nor may any Limited Partner transact any business for the Limited Partnership, nor shall they have the power to sign for or bind the Limited Partnership, said powers being vested solely in the General Partner; however, a Limited Partner may from time to time inquire into the state and progress of the business of the Limited Partnership and may advise as to its management. The Limited Partners shall comply with the provisions of the Act in force or in effect from time to time and shall not take any action which would jeopardize or eliminate the status of the Limited Partnership as a limited partnership.

8.02 **Limited Liability of the Limited Partners:** Subject to the provisions of the Act and any other specific assumption of liability, the liability of each Limited Partner for the debts, liabilities and obligations of the Limited Partnership is limited to the amount of his contributions to Capital and to his share of the undistributed income of the Limited Partnership.

8.03 **Other Ventures:** Any Limited Partner may engage in or possess interest in, other business ventures dissimilar to the business of the Limited Partnership.

8.04 **Right of Limited Partners to Information:** A Limited Partner has the right to inspect and make, upon appointment, at his expense, copies of or take extracts from the Limited Partnership books during business hours and to be given full, true and accurate information concerning the matters affecting the Limited Partnership and a formal accounting of the Limited Partnership affairs.

8.05 **Additional Powers of Limited Partners:** In addition to all other powers conferred on them by this Agreement, the Limited Partners may by Special Resolution:

- (a) waive any default on the part of the General Partner on such terms as they may determine and release the General Partner from any claims in respect thereof;
- (b) approve any amendments to this Agreement, including, without limitation, to change the nature of the business permitted to be carried on by the Limited Partnership pursuant to Article;
- (c) approve the sale of all or substantially all of the assets of the Limited Partnership; and
- (d) require the General Partner on behalf of the Limited Partnership to enforce any obligation or covenant on the part of any Limited Partner.

ARTICLES IX

LIMITED PARTNERSHIP MEETINGS

9.01 **Annual Meetings and Special Meetings of Partners and Scope of Meetings:**

Annual Meetings:

Annual meetings of the Partners shall be held each year, prior to the 31st day of March of the ensuing year, either at the principal place of business of the Limited Partnership or in such other place in the County of Simcoe as the General Partner may reasonably designate, on a day, at a time and at a place set by such General Partner on at least ten (10) days notice to all Limited Partners. The business transacted at such annual meeting shall include the receiving of annual Financial Statements, the report of the General Partner with respect to the affairs of the Limited Partnership, appointing Auditors or Accountants and the transaction of such other business as may be contained in the notice calling the meeting.

Special Meetings:

Special meetings of the Partners may be called at any time by the General Partner or upon the written request of Limited Partners representing 25% or more of the Units issued and outstanding. Such request shall specify the purpose for which the meeting is to be called

including sufficient information to enable other Limited Partners to make a reasoned judgment on such matter to be considered at the meeting. Any such meeting to be held at the principal place of the Limited Partnership or such other place in the County of Simcoe as the General Partner shall reasonably designate or such place in the County of Simcoe as the requesting Limited Partners shall reasonably designate if the meeting was called at the request of Limited Partners. If the General Partner fails to call a meeting upon request of Limited Partners as aforesaid, within a period of ten (10) days after the giving of such request, then the requesting Limited Partners may call such meeting and the notice calling such meeting shall be signed by the requesting Limited Partners and be held within twenty (20) days of the making of the original request.

9.02 **Quorum:** The presence in person or by proxy of the Limited Partners representing at least fifty per cent (50%) of the issued and outstanding Units shall constitute a quorum for the transaction of business at all Limited Partnership meetings. If a quorum is not present, the holders of the majority of the Units present, in person or represented by proxy at such meeting, shall have the power to adjourn the meeting to another day, not less than five (5) days nor more than twenty-one (21) days from the meeting first held and notice shall forthwith be given to the Limited Partners of such adjourned meeting. The Limited Partners present at any adjourned meeting shall constitute a quorum for the transaction of business and at such adjourned meeting any business may be transacted which might have been transacted at the first meeting held, had a quorum been present.

9.03 **Notice of Meeting:** Notice of all meetings, other than adjourned meetings, shall be given by the person calling the meeting to the General Partner and each Limited Partner at his registered address, to the Accountant (or Auditor) and to any person acting as manager of the Limited Partnership assets and shall be mailed at least ten (10) days and not more than thirty (30) days before the meeting.

9.04 **Voting:** At any meeting of Partners, each Limited Partner shall be entitled to one vote for each Unit held. The General Partner shall be entitled to one vote in its capacity as General Partner, at any meeting of the Partners. The Chairman shall not have a casting vote. All votes shall be decided by Ordinary Resolution unless otherwise expressly provided herein.

9.04 **Voting by Proxy:** At any meetings of Partners, any holder of Units entitled to vote thereat may vote by proxy, provided that no proxy shall be voted at any meeting unless it shall have been placed on file with the General Partner for verification prior to the time at which the vote shall be taken.

9.05 **Chairman:** The General Partner or his nominee shall act as chairman of any meeting of Limited Partners unless the Limited Partners vote to appoint, from amongst themselves, a chairman of any meeting of Limited Partners in place and stead of the General Partner or his nominee.

9.06 **Resolutions Binding:** Any resolution passed in accordance with this Agreement shall be binding upon all Partners, their heirs, executors, administrators, legal representatives and assigns, whether or not such Partner is present or represented by proxy at the meeting at which such resolution is passed and whether or not such Partner voted against such resolution.

9.07 **Minute Book:** All proceedings at all meetings of Partners shall be recorded by the General Partner in a minute book which shall be available for the inspection of the Partners at all meetings of Partners and at all other reasonable times during business hours at the principal place of the business of the Limited Partnership.

ARTICLE XTERMINATION OF LIMITED PARTNERSHIP

10.01 **Dissolution and Termination of Limited Partnership:** The Limited Partnership shall continue notwithstanding the death, incompetency, bankruptcy, insolvency, dissolution, liquidation, winding-up or receivership of any Limited Partner or the admission or withdrawal of any Limited Partner or the General Partner or the transfer of any Unit.

The Limited Partnership will be dissolved on the passage of a Special Resolution. In the event of such termination, upon satisfaction of the Partners rights under the terms hereof, this Agreement shall terminate. Notwithstanding any rule of law or equity to the contrary, the Partnership shall not terminate except in the manner provided for herein, each Partner hereby expressly and unconditionally waives his right to dissolve a Partnership or to obtain dissolution in any way other than as stated above.

10.02 **Distribution of Proceeds on Liquidation:** The proceeds arising from the liquidation of the Limited Partnership's assets shall be applied in the following order of priority and no payment shall be made in any particular category until the preceding categories have been fully paid and satisfied:

- (a) first, in satisfaction of the debts and liabilities of the Limited Partnership and the expenses of liquidation;
- (b) secondly, to the setting up of any reserves which the General Partner with the approval of the Limited Partners by Special Resolution, acting reasonably, deem necessary for the contingent or unforeseen liabilities or obligations of the Limited Partnership. Such reserves may be paid over by the General Partner to a Trustee selected by the General Partner and approved by the Limited Partnership by Special Resolution, to be held for the purposes of disbursing such reserves in payment of the aforementioned contingencies and at the expiration of such period as the General and Limited Partners deem advisable, the balance, if any, shall be distributed thereafter in the manner provided below.
- (c) thirdly, to repay the Capital accounts of the Limited Partners, provided, if there is insufficient proceeds to repay all the Capital accounts, then the payment to each Limited Partner shall be pro-rated having regard to the Capital account of such Limited Partner and the Capital account of all such Limited Partners.
- (d) fourthly, to repay the capital account of the General Partner;
- (e) fifthly, to repay the current accounts of the Limited Partners to the end of the last completed fiscal year of the Limited Partnership, provided, however, that if the proceeds are insufficient to repay to all the Limited Partners the balance of their current accounts as of such date, then payment shall be made to each Limited Partner, pro rata, in proportion that the current account of each such Limited Partner bears to the current accounts of all Limited Partners as of such date;
- (f) sixthly, to repay the current account of the General Partner as at the end of the last completed fiscal year of the Limited Partnership;

- (g) seventhly, to distribute the surplus, if any:
 - (i) 0.10% to the General Partner;
 - (ii) the balance to the Limited Partners, pro rata.

ARTICLE XI

POWER OF ATTORNEY

12.01 **Appointment:** Each Limited partner hereby irrevocably makes, constitutes and appoints the General Partner, and any successor to the General Partner under the terms of this Agreement, as his true and lawful attorney and agent, with full power of substitution and authority in his name, place and stead to:

- (a) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices in any jurisdiction where the General Partner considers it appropriate any and all of:
 - (i) this Agreement and any amendments hereto in accordance with the terms hereof;
 - (ii) any amendment to the Declaration and all certificates and other instruments necessary or appropriate to qualify or to continue the qualification of the Partnership as a limited partnership in the Province of Ontario and in each other jurisdiction where the Partnership may conduct business or where such qualification is necessary or desirable to maintain limited liability of Limited Partners in that jurisdiction;
 - (iii) all instruments and certificates and any amendment to the Declaration necessary or appropriate to reflect any amendment, change or modification of this Agreement subject to the terms and restrictions of the Partnership Agreement;
 - (iv) all conveyances and other instruments or documents necessary to reflect the dissolution and liquidation of the Partnership subject to the terms and restrictions of this Agreement including cancellation of any Certificate and after dissolution, to effect the partition of any assets distributed to the Partners on dissolution;
 - (v) all instruments relating to the admission of additional or substituted Limited Partners subject to the terms and restrictions of this Agreement; and
 - (vi) all elections, determinations or designations under the *Income Tax Act* (Canada) or any other taxation or other legislation or laws of like import of Canada or of any provinces of jurisdictions in respect of the affairs of the Partnership or of a Partner's interest in the Partnership including, without limitation, elections under subsection 98(3) of the *Income Tax Act* (Canada) and the corresponding provisions of applicable provincial legislation in respect of the dissolution of the Partnership.
- (b) execute and file with any government body any documents necessary or appropriate to be filed in connection with the business of the Partnership or in connection with this

Agreement;

- (c) execute and deliver such documents on behalf and in the name of the Partnership as may be necessary to give effect to the provisions of this Agreement; and
- (d) accept service for process for and on behalf of the undersigned at the principal office of the General Partner in Oro-Medonte, Ontario.

ARTICLE XII

MISCELLANEOUS

12.01 **Notices:** Any notice, communication, payment, direction or demand required or permitted to be given to the Limited Partnership, the General Partner, or the Limited Partners hereunder, shall be in writing and shall be given by delivery or by mailing same by first class mail with postage fully prepaid, to be addressed as follows:

- (a) to the Limited Partnership or General Partner at:

**12 Birch Grove Drive
R. R. #1
Barrie, ON L4M 4Y8
Attention: Lana Bertram**

- (b) to the Initial Limited Partner at:

**2 Highland Drive
R. R. #1
Shanty Bay, ON L0L 2L0**

- (c) to each additional Limited Partner at his address as shown on the Register of Limited Partners.

Any communication, payment, direction or demand delivered as aforesaid, shall be deemed to have been given to the addressee on the day of delivery or if mailed as aforesaid, shall be deemed to have been given to the addressee on the fifth (5th) business day following the date of deposit thereof in the mail, at a post office or box in Ontario. Provided that, for such purposes, no day during which there shall be a strike or other occurrence which shall interfere with the normal mail, shall be considered as a business day. The General Partner or a Limited Partner may change its address for service by giving notice of its new address to each Partner. Notwithstanding the foregoing, any notice of a meeting of Limited Partners shall be deemed to have been given on the date on which it was mailed. Furthermore, notices may also be validly given by way of telecopier or electronic communication (e-mail), whereupon they shall be deemed to have been received on the date of transmittal.

12.02 **Counterparts:** This Agreement may be executed in counterparts, each of which, when so executed, shall be deemed to be an original and such counterparts and adopting instruments as hereinafter referred to, together shall constitute one and the same Agreement, which shall be sufficiently evidenced by any such original counterpart and adopting instrument.

12.03 **Independent Legal Advice:** Each party hereto acknowledges that he has read and understands this Agreement and has been encouraged and given the opportunity to obtain independent legal advice in connection with this Agreement and the provisions hereof.

12.04 **Entire Agreement:** This Agreement constitutes the entire understanding among the parties and supersedes all prior agreements, whether written or verbal.

12.05 **Time of the Essence:** Time shall be of the essence of this Agreement.

12.06 **Binding Effect:** This Agreement shall be binding upon and enure to the benefit of the parties hereto, their respective heirs, executors, administrators and other legal representatives.

23 day of August 2003. IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of this

FSP HOLDINGS INC.

Per: Lana Bertram
Lana Bertram, President

I have authority to bind the Corporation

SIGNED, SEALED & DELIVERED
in the presence of

R. Raphael
(Witness)

Robert Campbell
Robert Campbell

SCHEDULE "A"

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP SUBSCRIPTION AND POWER OF ATTORNEY FORM

TO: SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP

AND TO: FSP HOLDINGS INC.

c/o FSP HOLDINGS INC.
12 Birch Grove Drive, RR # 1
Barrie, ON L4M 4Y8
Attention: Lana Bertram

All capitalized terms used herein without definition have the meanings ascribed thereto in the Partnership Agreement, as hereinafter defined.

The undersigned acknowledges that participation in **SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP** (the "**Partnership**") is subject to the acceptance of this subscription by the general partner of the Partnership, FSP HOLDINGS INC. (the "**General Partner**"), to the cheques or bank drafts representing the Subscription Price being honoured upon presentation for payment and to certain other conditions set forth in the partnership agreement (the "**Partnership Agreement**") of the Partnership. The undersigned acknowledges that he will become a party to the Partnership Agreement upon acceptance of this subscription and all other conditions having been met.

The undersigned acknowledges that, in addition to certain other circumstances, there is also a possibility that Limited Partners may lose their limited liability to the extent the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property, or incurring obligations in another province.

In consideration of the General Partner accepting this subscription and conditional thereon, each Limited Partner hereby irrevocably makes, constitutes and appoints the General Partner, and any successor to the General Partner under the terms of the Partnership Agreement, both in its capacity as general partner of the Partnership and in its own capacity, as its true and lawful attorney and agent, with full power of substitution and authority in its name, place and stead to:

- (a) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices in any jurisdiction where the General Partner considers it appropriate any and all of:

- (i) the Partnership Agreement and any amendment to the Partnership Agreement made in accordance with the terms of the Partnership Agreement;
 - (ii) any amendment to the Declaration and all certificates and other instruments necessary or appropriate to qualify or to continue the qualification of the Partnership as a limited partnership in the Province of Ontario and in each other jurisdiction where the Partnership may conduct business or where such qualification is necessary or desirable to maintain limited liability of Limited Partners in that jurisdiction;
 - (iii) all instruments and certificates and any amendment to the Declaration necessary or appropriate to reflect any amendment, change or modification of the Partnership Agreement subject to the terms and restrictions of the Partnership Agreement;
 - (iv) all conveyances and other instruments or documents necessary to reflect the dissolution and liquidation of the Partnership subject to the terms and restrictions of the Partnership Agreement including cancellation of any Certificate and after dissolution, to effect the partition of any assets distributed to the Partners on dissolution;
 - (v) all instruments relating to the admission of additional or substituted Limited Partners subject to the terms and restrictions of the Partnership Agreement;
 - (vi) any instrument in connection with the sale of a Unit for which the Subscription Price is not paid when due; and
 - (vii) all elections, determinations or designations under the *Income Tax Act* (Canada) or any other taxation or other legislation or laws of like import of Canada or of any provinces or jurisdictions in respect of the affairs of the Partnership or of a Partner's interest in the Partnership including, without limitation, elections under subsection 98(3) of the *Income Tax Act* (Canada) and the corresponding provisions of applicable provincial legislation in respect of the dissolution of the Partnership;
- (b) execute and file with any government body any documents necessary or appropriate to be filed in connection with the business of the Partnership or in connection with the Partnership Agreement in accordance with the provisions thereof; and
- (c) accept service for process for and on behalf of the undersigned at the principal office of the General Partner in Oro-Medonte, Ontario.

The power of attorney hereby granted is irrevocable, will survive the dissolution of the Partnership and will survive the death, incapacity or bankruptcy of the undersigned and

will extend to and be binding upon the heirs, executors, administrators and other legal representatives of the undersigned and the successors and assigns of the undersigned and may be exercised by the General Partner in the name of the undersigned in executing any document by affixing its signature thereto with the indication that it is acting on behalf of all the Limited Partners. The undersigned agrees to be bound by any representation or action made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm any action of the General Partner taken in good faith under this power of attorney.

The undersigned represents and warrants that:

- (a) if an individual, he has obtained the age of majority and has the legal capacity and competence to execute this subscription and power of attorney form and to take all actions required pursuant hereto;
- (b) if a corporation or body corporate, it has the legal capacity and competence to execute this subscription and power of attorney form and to take all actions required pursuant hereto and all necessary approvals by its directors, shareholders and members, or otherwise, have been given to authorize and to execute this subscription and power of attorney form and to take all actions required pursuant hereto;
- (c) he or it is not and will not be as long as he or it is a Limited Partner a "non-Canadian" as that expression is defined in the *Investment Canada Act* or a "non-resident" as that expression is defined in the *Income Tax Act (Canada)*; and
- (d) he shall ensure that his status as described in paragraph (c) above shall not be modified and he shall not transfer his Units in whole or in part in a manner that would not confirm with Article VI of the Partnership Agreement.

The undersigned hereby agrees that in the event of default in payment of the Subscription Price of the Units when due, or any part thereof, for any reason whatsoever, the General Partner and any agent of the General Partner or the Partnership authorized by the General Partner may resell the Units subscribed for by the undersigned without prejudice to any other recourse against the undersigned and that the undersigned shall not be entitled to the return of any portion of the Subscription Price paid for such Units and, to the extent permitted by law, the Partnership may set off against and withhold from any amount that would otherwise be distributed to the undersigned any amount that may be due and owing to the Partnership on account of the Subscription Price that is not paid when due.

The undersigned hereby irrevocably subscribes for _____ Units of
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP for an aggregate Subscription
Price of \$ _____ (the minimum Subscription Price is \$50,000.00 for 1 Unit).

Dated at _____ in the Province of Ontario this _____ day of 2003

Witness

Signature of Subscriber

Subscriber's Full Name and Address
(Please Print)

(Full First Name, Initial and Full Surname)

(Residential Street Address)

(City, Province, Postal Code)

(Social Insurance Number or Corporation Account Number)

(O) _____ (H) _____
(Telephone Numbers: Office, Home)

(Fax No.) _____ (email address)

ACCEPTANCE

The subscription is hereby accepted by
the General Partner of the Partnership.

BY _____

Mailing Address

(if different from residence address)

(Corporate Name - if applicable)

(Mailing Address)

(City, Province, Postal Code)

IMPORTANT NOTE THE GENERAL PARTNER MAY REJECT SUBSCRIPTIONS WHICH ARE NOT PROPERLY COMPLETED INCLUDING, IN PARTICULAR, FAILURE TO PROVIDE THE SUBSCRIBER'S SOCIAL INSURANCE OR CORPORATION ACCOUNT NUMBER, AS THE CASE MAY BE. FAILURE TO INCLUDE SUCH INFORMATION MAY JEOPARDIZE THE SUBSCRIBER'S TAX DEDUCTIONS.

SCHEDULE "B"

UNIT CERTIFICATE

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP

(A LIMITED PARTNERSHIP FORMED UNDER THE LAWS OF THE PROVINCE OF ONTARIO)

This is to certify that _____ is the registered holder of _____ Units in **SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP** (the "**Partnership**").

The rights of a holder of Units are governed by the Limited Partnership Agreement of the Partnership (the "**Partnership Agreement**"). Limited Partners may lose the protection of limited liability in certain circumstances.

A transfer of any Unit represented by this Certificate may be initiated by delivering this Certificate and a completed transfer and power of attorney form, properly executed by the registered holder and the transferee, to the General Partner at its principal office in Oro-Medonte. The transfer of a Unit to a "non-Canadian" within the meaning of the *Investment Canada Act* and the transfer of Units to a "non-resident" within the meaning of the *Income Tax Act* (Canada) shall be denied.

Capitalized terms herein shall have the meaning ascribed to them in the Partnership Agreement.

This Certificate is not valid unless manually signed by one duly authorized officer of FSP HOLDINGS INC. Upon the dissolution of the Partnership and distribution to a Limited Partner of the assets to which such Limited Partner is entitled to pursuant to the Partnership Agreement, this Certificate shall be null and void.

IN WITNESS WHEREOF, FSP HOLDINGS INC., the General Partner of the Partnership, has caused this Certificate to be signed by its duly authorized officer.

Dated the _____ day of _____, 2003.

FSP HOLDINGS INC.

Per: _____
Lana Bertram, President

I have authority to bind the Corporation

SCHEDULE "C"

Units in the Partnership are to be assigned by instrument in writing substantially in the following form:

TRANSFER AND POWER OF ATTORNEY FORM

All capitalized terms used herein without definition have the meanings ascribed thereto in the Partnership Agreement, as hereinafter defined.

The undersigned, a Limited Partner of **SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP** (the "**Partnership**"), hereby assigned to _____ all of the undersigned's right, title and interest to _____ Units in the Partnership. The undersigned agrees to furnish to the General Partner of the Partnership (the "**General Partner**") such documents, certificates, assurances and other instruments as the General Partner may require to effect this assignment and to continue and keep the Partnership in good standing as a limited partnership. The undersigned agrees that the power of attorney previously granted by the undersigned to the General Partner in respect of Units transferred hereby will continue in full force and effect and will be irrevocable until the register of Limited Partners has been amended to reflect such assignment and all Declarations, all amendments to all Declarations, and all other instruments required to effect this assignment and to continue and keep the Partnership in good standing as a limited partnership, have been furnished to the General Partner and have been recorded or filed when, as and where required.

Dated this day of 2003.

(Signature of Limited Partner)

(Name of Limited Partner - Please Print)

(Residence Address)

(City, Province, Postal Code)

The assignee accepts the above assignment and agrees to be bound as a party to the Partnership Agreement of the Partnership (the "Partnership Agreement"), as from time to time amended.

The assignee acknowledges that in addition to certain other requirements there is also a possibility that Limited Partners may lose their limited liability to the extent the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property, or incurring obligations in another province. The assignee also acknowledges that the transfer of a Unit to a "non-Canadian" within the meaning of the Investment Canada Act and the transfer of Units to a "non-resident" within the meaning of the Income Tax Act (Canada) shall be denied.

The above assignee represents and warrants that:

- (a) if an individual, he has obtained the age of majority and has the legal capacity and competence to execute this form of assignment and to take all actions required pursuant hereto;
- (b) if a corporation or body corporate, it has the legal capacity and competence to execute this assignment and to take all actions required pursuant hereto and all necessary approvals by its directors, shareholders and members, or otherwise, have been given to authorize it to execute this form of assignment and to take all actions required pursuant hereto;
- (c) he or it is not and will not be as long as he or it is a Limited Partner a "non-Canadian" as that expression is defined in the *Investment Canada Act* or a "non-resident" as that expression is defined in the *Income Tax Act (Canada)*; and
- (d) he shall ensure that his status as described in paragraph (c) above shall not be modified and he shall not transfer his Units in whole or in part in a manner that would not confirm with Article VI of the Partnership Agreement.

The above named assignee hereby irrevocably makes, constitutes and appoints the General Partner of the Partnership, and any successor to the General Partner under the terms of the Partnership Agreement, both in its capacity as general partner of the Partnership and in its own capacity, its true and lawful attorney and agent, with full power of substitution and authority in his name, place and stead to:

- (a) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices in any jurisdiction where the General Partner considers it appropriate any and all of:
 - (i) the Partnership Agreement and any amendment to the Partnership Agreement made in accordance with the terms of the Partnership Agreement;
 - (ii) any amendment to the Declaration and all certificates and other instruments necessary or appropriate to qualify or to continue the qualification of the Partnership as a limited partnership in the Province of Ontario and in each other jurisdiction where the Partnership may

- conduct business or where such qualification is necessary or desirable to maintain limited liability of Limited Partners in that jurisdiction;
- (iii) all instruments and certificates and any amendment to the Declaration necessary or appropriate to reflect any amendment, change or modification of the Partnership Agreement subject to the terms and restrictions of the Partnership Agreement;
 - (iv) all conveyances and other instruments or documents necessary to reflect the dissolution and liquidation of the Partnership subject to the terms and restrictions of the Partnership Agreement including cancellation of any Certificate and after dissolution, to effect the partition of any assets distributed to the Partners on dissolution;
 - (v) all instruments relating to the admission of additional or substituted Limited Partners subject to the terms and restrictions of the Partnership Agreement; and
 - (vi) all elections, determinations or designations under the *Income Tax Act* (Canada) or any other taxation or other legislation or laws of like import of Canada or of any provinces of jurisdictions in respect of the affairs of the Partnership or of a Partner's interest in the Partnership including, without limitation, elections under subsection 98(3) of the *Income Tax Act* (Canada) and the corresponding provisions of applicable provincial legislation in respect of the dissolution of the Partnership;
- (b) execute and file with any government body any documents necessary or appropriate to be filed in connection with the business of the Partnership or in connection with the Partnership Agreement; and
 - (c) accept service for process for and on behalf of the undersigned at the principal office of the General Partner in Oro-Medonte, Ontario.

The power of attorney granted hereby is given under seal and is irrevocable, will survive the dissolution of the Partnership and will survive the death, incapacity or bankruptcy of the above named assignee or the assignment by the above named assignee of the whole or any part of the interest of the above named assignee in the Partnership and will extend to be binding upon the heirs, executors, administrators and other legal representatives of the above named assignee and the successors and assigns of the above named assignee and may be exercised by the General Partner in the name of the undersigned in executing any document by affixing its signature thereto with the indication that it is acting on behalf of all the Limited Partners. The above named assignee agrees to be bound by any representation or action made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm any action of the General Partner taken in good faith under this power of attorney.

Dated this _____ day of _____ 2003

Witness

(Signature of Assignee) c/s

Mailing Address
(if different from residence address)

(Name of Assignee - Please Print)

(Mailing Address)

(Social Insurance Number or Corporation Account Number)

(City, Province, Postal Code)

(Residential Address)

ACCEPTANCE

This transfer is hereby accepted by the
General Partner of the Partnership

(City, Province, Postal Code)

FSP HOLDINGS INC.

(O) _____ (H) _____
(Telephone Numbers: Office, Home)

Per: _____

Lana Bertram, President
I have authority to bind the Corporation

(Fax No.) (email address)

EXHIBIT "E"

Settler's Ghost Golf Club Limited Partnership - Limited Partners Register

	INVESTMENT	UNITS
• AL LANGMAN CONSTRUCTION c/o Tim Porter [REDACTED]	50,000.00	1
• ANNA POSCA [REDACTED]	50,000.00	1
• BRENDA WOODS [REDACTED]	50,000.00	1
• D. LAURY EGO [REDACTED]	50,000.00	1
• DAVID GRAHAM [REDACTED]	150,000.00	3
• DEB STODDART [REDACTED]	100,000.00	2
• DUNCOR ENTERPRISES [REDACTED]	50,000.00	1
• FRED SUTCLIFFE [REDACTED]	50,000.00	1
• FRONT NINE INVESTMENTS [REDACTED]	50,000.00	1
• GAUDER FAMILY TRUST [REDACTED]	100,000.00	2
• HEATHER MALLARD [REDACTED]	50,000.00	1

• JAMES A WILSON	50,000.00	1
[REDACTED]		
• JOHN B JENKINS	50,000.00	1
[REDACTED]		
• JOHN E B BROWN C/o FRAN CRABE	50,000.00	1
[REDACTED]		
[REDACTED]		
[REDACTED]		
• KATHERINE MACMILLAN	50,000.00	1
[REDACTED]		
• KEITH COWDEN	50,000.00	1
[REDACTED]		
[REDACTED]		
• LANA STODDART	450,000.00	9
[REDACTED]		
• M.E. HOLT	50,000.00	1
[REDACTED]		
[REDACTED]		
• MARGARET JESSIE DE JONG	100,000.00	2
[REDACTED]		
• MARK GOODE	100,000.00	2
[REDACTED]		
[REDACTED]		
• MARTIN OSTIEN	50,000.00	1
[REDACTED]		
[REDACTED]		
• MARY PAT QUILTY	50,000.00	1
[REDACTED]		
[REDACTED]		
• MURRAY MCGINNIS	50,000.00	1

• PAUL GAZZOLA 50,000.00 1

• PAUL S NEVILLE 50,000.00 1

• PAUL WEBER 50,000.00 1

• R.A. CAMPBELL 50,000.00 1

• ROBERT A MCLAREN 50,000.00 1

• RON C RAPHAEL 50,000.00 1

• SHERYL TRUAX 50,000.00 1

• STONE GATE INN INC. 50,000.00 1
C/O AL LANGMAN
1304157 ONTARIO INC.

• TIM KRAFT 50,000.00 1

• TWYLA CAMPBELL 150,000.00 3

• WILLIAM JAMES COWDEN 50,000.00 1

2,500,000.00 50.00

EXHIBIT “F”

Brandon Smith

From: Lana Stoddart <lstoddart@settlersghost.com>
Sent: December-15-15 12:50 PM
To: Brandon Smith
Subject: Re: Receivership of Settler's Ghost Limited Partnership

David and Mary-Pat will give you their contact information at your meeting tomorrow. They will be there as I have copied them and have access to what you will be asking for.

Ms Stoddart

On Tue, Dec 15, 2015 at 12:38 PM, Brandon Smith <brandon@irasmithinc.com> wrote:

Ms. Stoddart,

Myself and Mr. Martin Wolfe of our office will meet with Mr. Graham and Ms. Quilty tomorrow at the golf course at 11AM. Please make sure that if you have in your possession any assets or property of the company including books, records, keys, tools or technological devices that you deliver them to Mr. Graham or Ms. Quilty so that they can provide them to us tomorrow.

I would appreciate if you could provide telephone and email contact information for Mr. Graham and Ms. Quilty as well as their respective titles and or roles with the company.

Our firm has relied upon the representations of others regarding the name and spelling and have not prepared any court material aside from a consent letter. I presume "Settlers' Ghost Golf Club" is the correct spelling of the legal name? If so, we will observe that spelling in our correspondence.

Again, as soon as I am in possession of the issued and entered Court Order I will provide you with a copy by email.

BRANDON SMITH, BA, CIRP

TRUSTEE IN BANKRUPTCY
Senior Vice-President

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

P: [905.738.4167 ext.113](tel:905.738.4167) | F: [905.738.9848](tel:905.738.9848)
E: brandon@irasmithinc.com
www.irasmithinc.com



Check out our weekly blog -
<http://www.irasmithinc.com/blog/>



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From: Lana Stoddart [mailto:lstoddart@settlersghost.com]
Sent: December-15-15 12:26 PM
To: Brandon Smith <brandon@irasmithinc.com>
Subject: Re: Receivership of Settler's Ghost Limited Partnership

11:00 A.M will work.

I'm under Doctor's orders to avoid stress where possible and this would be an example of paying heed to those orders. David Graham and Mary-Pat Quilty will be at Settlers' Ghost Golf Club tomorrow.

FYI

In almost every case your Company has misspelled Settlers' Ghost Golf Club. Perhaps for accuracy in the submission of documents you might want to change it.

Ms Stoddart

On Tue, Dec 15, 2015 at 11:53 AM, Lana Stoddart <lstoddart@settlersghost.com> wrote:

----- Forwarded message -----

From: **Brandon Smith** <brandon@irasmithinc.com>
Date: Tue, Dec 15, 2015 at 11:34 AM
Subject: Receivership of Settler's Ghost Limited Partnership
To: "lstoddart@settlersghost.com" <lstoddart@settlersghost.com>
Cc: Ira Smith <ira@irasmithinc.com>

Ms. Stoddart,

I am writing to advise you that this morning, the Ontario Superior Court of Justice (Commercial List) issued an Order (substantially in the form you were previously served with) appointing our firm as Receiver and Manager of all assets, undertakings and properties of Settler's Ghost Limited Partnership (the "Company"). I am awaiting receipt of the issued and entered Court Order and will provide you with a copy as soon as possible.

We wish to make arrangements in order to meet tomorrow, at the property, to amongst other things, obtain the books, records, financial information, keys and all other relevant documents and information concerning the property, the operations of the business and any and all assets of the Company.

Please advise when tomorrow, mid-morning, our representatives can meet with you to arrange for an orderly transition.

BRANDON SMITH, BA, CIRP

TRUSTEE IN BANKRUPTCY
Senior Vice-President

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

P: [905.738.4167 ext.113](tel:905.738.4167) | F: [905.738.9848](tel:905.738.9848)

E: brandon@irasmithinc.com

www.irasmithinc.com

Check out our weekly blog -
<http://www.irasmithinc.com/blog/>



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--

Lana Stoddart
Settlers' Ghost Golf Club



www.settlersghost.com

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Thank you.

--

Lana Stoddart
Settlers' Ghost Golf Club



www.settlersghost.com

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Thank you.

--

Lana Stoddart
Settlers' Ghost Golf Club



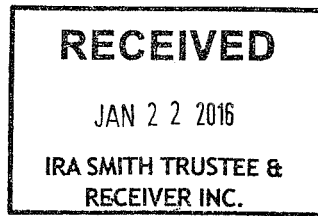
www.settlersghost.com

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Thank you.

EXHIBIT "G"



167 Applewood Cres. Suite 6, Concord, ON L4K 4K7
Phone: 905.738.4167
Fax: 905.738.9848
irasmithinc.com

Brandon Smith

Phone: 905.738.4167 ext. 113
Email: brandon@irasmithinc.com

Private & Confidential

January 15, 2016

Mary-Pat Quilty

REDACTED

Dear Mary-Pat:

Re: Contractor Agreement with Ira Smith Trustee & Receiver Inc.

As you know, Ira Smith Trustee & Receiver Inc. (“**ISI**”) has been appointed as Receiver and Manager (the “**Receiver**”) of Settlers’ Ghost Golf Club Limited Partnership (“**Settlers’ Ghost**”) and others pursuant to a court order of Justice Conway dated December 15, 2015 (as amended on December 18, 2015) (the “**Court Order**”).

We understand that you were engaged as a contractor by Settlers’ Ghost prior to the Court Order, and that you received your agreed upon compensation from Settlers’ Ghost for the period up to and including December 31, 2015.

As previously discussed, ISI, solely in its capacity as receiver of Settlers’ Ghost, would like to retain your services as a contractor to assist us in the exercise of our powers and duties as a receiver (including the management and operation of the business of Settlers’ Ghost) (the “**Services**”), in accordance with the Court Order.

While we acknowledge that you have been performing the Services since on or about December 15, 2015, we wish to confirm the terms and conditions of your continued engagement, as detailed herein.

Term and Duties

You will provide the Services to ISI on a monthly basis, at such time(s) and locations as necessary, in your reasonable opinion, to maintain the operations of Settlers’ Ghost.

You will perform the Services in a timely, professional and workmanlike manner, at a skill level and with the care and diligence reasonably expected of a prudent person providing the same or similar services, and in compliance with any and all applicable laws.

Relationship

You will be (and you confirm that you have been) an independent contractor of the Receiver, and not an employee or agent. Furthermore, you will be (and you confirm that you have been) providing the Services directly to Settlers' Ghost, and not to either ISI or the Receiver. To that end, you are not permitted to hold yourself out as an employee or agent of ISI or the Receiver in providing the Services, or to enter into any agreements on behalf of ISI or the Receiver.

You will be responsible for the collection and remittance of any and all applicable taxes in respect of Fees paid to you by the Receiver, and for the payment of all applicable taxes and withholdings, including income tax, Employment Insurance premiums, Canada Pension Plan premiums, Ontario Employer Health Tax premiums and Workplace Safety and Insurance Board premiums. Likewise, you will be responsible for obtaining and maintaining all necessary registrations, licenses and permits in connection with the provision of the Services.

The Receiver will have the right to exercise general supervision over the results to be derived from the Services and establish the date by which any Services will be completed, and will determine whether such Services are satisfactory to the Receiver.

Compensation

As full and complete compensation for the Services, commencing with the month of January 2016, the Receiver will pay you a monthly fee of \$5,000 CAD plus Harmonized Sales Tax (the "Fee"), which shall be pro-rated for any partial months of service. As you acknowledge that you have been compensated by Settlers' Ghost through December 31, 2015, no additional pro-rated compensation will be paid for the month of December 2015.

In addition to the Fee, you will also be entitled to receive 70% of the gross receipts from any instructional services (to wit, golf lessons) that you provide to Settlers' Ghost and the members and players of Settlers' Ghost Golf Club for the duration of your engagement with the Receiver, plus Harmonized Sales Tax (the "Supplemental Fee").

The Fee and Supplemental Fee (if any) shall be payable monthly in arrears, provided that you provide the Receiver with an invoice (which will include your Business Number, if applicable, and HST number) describing the Services that you have provided each month.

The Receiver will also reimburse you, on behalf of Settlers' Ghost, for all proper and reasonable out-of-pocket expenses actually incurred by you in the performance of the

Services upon presentation of supporting statements, receipts or vouchers reasonably satisfactory to the Receiver.

Termination

Your engagement may be terminated by the Receiver in the following circumstances:

1. at any time, upon your breaching any of the terms or conditions described herein, effective immediately upon your being given written notice of the termination;
2. at any time, upon giving you 30 days' advance notice in writing (or upon payment to you of 30 days' Fee in lieu of notice); or
3. immediately, or on such other terms as may be ordered, pursuant to a court order.

You will not be entitled to any other payments upon termination of your engagement. In the event that your engagement is terminated in accordance with this letter, you hereby irrevocably and unconditionally release ISI and the Receiver, and its shareholders, subsidiaries and affiliates, and their respective directors, officers, insurers, agents, employees and shareholders, as the case may be, from any and all claims, liabilities or obligations in connection with your engagement or the termination of your engagement.

If you wish to terminate your engagement with the Receiver, you are required to provide 30 days' advance notice in writing.

Indemnification

You will indemnify and hold harmless ISI and the Receiver from any and all liability, costs, claims, expenses or demands arising from or related to the Services.

Other

If any provision herein (or part thereof) is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions herein (and parts thereof) shall, nevertheless, continue in full force without being impaired or invalidated in any way. No waiver by either party of any provision (or part thereof) or breach of this letter by the other party shall be deemed a waiver of any similar or dissimilar provision (or part thereof) or breach at the same or at any prior or subsequent date.

Once signed, the terms and conditions outlined in this letter may not be amended or modified other than by a written agreement signed by both you and the Receiver.

You may not assign or otherwise transfer your rights, duties or obligations described herein.

* * * * *

Please review these terms and conditions and let us know if you have any questions.

We would ask that you please sign one (1) copy of this letter and return it to the Receiver by no later than January 25, 2016 to indicate your acceptance of and agreement to these terms and conditions. Once signed, this letter will form the entire agreement between you and the Receiver with respect to your engagement to provide the Services.

We look forward to continuing to work with you in the management and operation of Settlers' Ghost, and we thank you for your ongoing assistance in that regard.

Yours truly,

Ira Smith Trustee & Receiver Inc.
solely in its capacity as Court-appointed Receiver of
Settlers' Ghost Limited Partnership and FSP Holdings Inc.

Per:



Digitally signed by Brandon Smith
DN: cn=Brandon Smith, o=IRA Smith Trustee & Receiver Inc., c=CA
Date: 2016.01.15 17:42:20 -0500

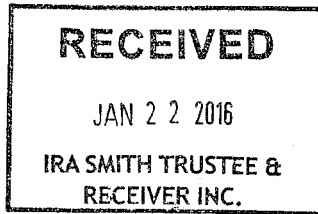
Brandon Smith
Senior Vice-President

I have read this letter from Ira Smith Trustee & Receiver Inc. dated January 15, 2016 and I understand and accept the terms and conditions outlined herein.

Signature:


Mary-Pat Quilty

Jan 22, 2016.
Date



167 Applewood Cres. Suite 6, Concord, ON L4K 4K7
Phone: 905.738.4167
Fax: 905.738.9848
irasmithinc.com

Brandon Smith
Phone: 905.738.4167 ext. 113
Email: brandon@irasmithinc.com

Private & Confidential

January 15, 2016

David Graham

REDACTED

Dear David:

Re: Contractor Agreement with Ira Smith Trustee & Receiver Inc.

As you know, Ira Smith Trustee & Receiver Inc. (“**ISI**”) has been appointed as Receiver and Manager (the “**Receiver**”) of Settlers’ Ghost Golf Club Limited Partnership (“**Settlers’ Ghost**”) and others pursuant to a court order of Justice Conway dated December 15, 2015 (as amended on December 18, 2015) (the “**Court Order**”).

We understand that you were employed by Settlers’ Ghost prior to the Court Order, and that you received employment income from Settlers’ Ghost paying you up to and including December 31, 2015.

As previously discussed, ISI, solely in its capacity as receiver of Settlers’ Ghost, would like to retain your services as a contractor to assist us in the exercise of our powers and duties as a receiver (including the management and operation of the business of Settlers’ Ghost) (the “**Services**”), in accordance with the Court Order.

While we acknowledge that you have been performing the Services since on or about December 15, 2015, we wish to confirm the terms and conditions of your continued engagement, as detailed herein.

Term and Duties

You will provide the Services to ISI on a monthly basis, at such time(s) and locations as necessary, in your reasonable opinion, to maintain the operations of Settlers’ Ghost.

You will perform the Services in a timely, professional and workmanlike manner, at a skill level and with the care and diligence reasonably expected of a prudent person providing the same or similar services, and in compliance with any and all applicable laws.

Relationship

You will be (and you confirm that you have been) an independent contractor of the Receiver, and not an employee or agent. Furthermore, you will be (and you confirm that you have been) providing the Services directly to Settlers' Ghost, and not to either ISI or the Receiver. To that end, you are not permitted to hold yourself out as an employee or agent of ISI or the Receiver in providing the Services, or to enter into any agreements on behalf of ISI or the Receiver.

You will be responsible for the collection and remittance of any and all applicable taxes in respect of Fees paid to you by the Receiver, and for the payment of all applicable taxes and withholdings, including income tax, Employment Insurance premiums, Canada Pension Plan premiums, Ontario Employer Health Tax premiums and Workplace Safety and Insurance Board premiums. Likewise, you will be responsible for obtaining and maintaining all necessary registrations, licenses and permits in connection with the provision of the Services.

The Receiver will have the right to exercise general supervision over the results to be derived from the Services and establish the date by which any Services will be completed, and will determine whether such Services are satisfactory to the Receiver.

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The Fee shall be payable monthly in arrears, provided that you provide the Receiver with an invoice (which will include your Business Number, if applicable, and HST number) describing the Services that you have provided each month.

The Receiver will also reimburse you, on behalf of Settlers' Ghost, for all proper and reasonable out-of-pocket expenses actually incurred by you in the performance of the Services upon presentation of supporting statements, receipts or vouchers reasonably satisfactory to the Receiver.

Termination

Your engagement may be terminated by the Receiver in the following circumstances:

1. at any time, upon your breaching any of the terms or conditions described herein, effective immediately upon your being given written notice of the termination;

2. at any time, upon giving you 30 days' advance notice in writing (or upon payment to you of 30 days' Fee in lieu of notice); or
3. immediately, or on such other terms as may be ordered, pursuant to a court order.

You will not be entitled to any other payments upon termination of your engagement. In the event that your engagement is terminated in accordance with this letter, you hereby irrevocably and unconditionally release ISI and the Receiver, and its shareholders, subsidiaries and affiliates, and their respective directors, officers, insurers, agents, employees and shareholders, as the case may be, from any and all claims, liabilities or obligations in connection with your engagement or the termination of your engagement.

If you wish to terminate your engagement with the Receiver, you are required to provide 30 days' advance notice in writing.

Indemnification

You will indemnify and hold harmless ISI and the Receiver from any and all liability, costs, claims, expenses or demands arising from or related to the Services.

Other

If any provision herein (or part thereof) is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions herein (and parts thereof) shall, nevertheless, continue in full force without being impaired or invalidated in any way. No waiver by either party of any provision (or part thereof) or breach of this letter by the other party shall be deemed a waiver of any similar or dissimilar provision (or part thereof) or breach at the same or at any prior or subsequent date.

Once signed, the terms and conditions outlined in this letter may not be amended or modified other than by a written agreement signed by both you and the Receiver.

You may not assign or otherwise transfer your rights, duties or obligations described herein.

* * * * *

Please review these terms and conditions and let us know if you have any questions.

We would ask that you please sign one (1) copy of this letter and return it to the Receiver by no later than January 25, 2016 to indicate your acceptance of and agreement to these terms and conditions. Once signed, this letter will form the entire agreement between you and the Receiver with respect to your engagement to provide the Services.

We look forward to continuing to work with you in the management and operation of Settlers' Ghost, and we thank you for your ongoing assistance in that regard.

Yours truly,

Ira Smith Trustee & Receiver Inc.
solely in its capacity as Court-appointed Receiver of
Settlers' Ghost Limited Partnership and FSP Holdings Inc.

Per



Digitally signed by Brandon Smith
DN: cn=Brandon Smith, o, ou,
email=brandon@irasmithinc.com, c=CA
Date: 2016.01.15 17:54:36 -05'00'

Brandon Smith
Senior Vice-President

I have read this letter from Ira Smith Trustee & Receiver Inc. dated January 15, 2016 and I understand and accept the terms and conditions outlined herein.

Signature: _____

David Graham

Date

Jan 20, 2015

CONFIDENTIAL EXHIBIT “H”

(To Be Sealed Separately)

EXHIBIT "I"



Professional Insurance Underwriting and Marketing through Service, Integrity and Stability

CLUBPAC Policy Declarations

POLICY NUMBER: **SIB5793**

Renewal
Issued June 5, 2015

THIS POLICY CONTAINS A CLAUSE OR CLAUSES WHICH MAY LIMIT THE AMOUNT PAYABLE

In consideration of the conditions, stipulations and declarations contained herein and of the premium stated below, the insurer does insure:

INSURED: F S P Holdings Inc. d/b/a Settlers Ghost Golf Club

MAILING ADDRESS: 3421 Line 1 North, R.R. #1
Barrie, ON L4M 4Y8

RISK LOCATION: 3421 Line 1 North, R.R. #1
Barrie, ON L4M 4Y8

OPERATIONS: Golf and/or Curling Club

POLICY PERIOD: June 4, 2015 to: June 4, 2016
12:01 a.m. Standard Time at the address of the Risk Location as stated herein.

BROKER: A. McAfee & Associates Insurance Brokers Ltd.
20 Bell Farm Road, Unit #7
Barrie ON L4M 6E4

PROGRAM MANAGER: South Western Insurance Group Limited
700 – 401 The West Mall
Toronto, ON M9C 5J5

MORTGAGEE: As per attached schedule A

PREMIUM:

BASE:	\$	19,256
CLAIMS FREE:	\$	-2,059
ANNUAL PREMIUM:	\$	17,197
POLICY FEE	\$	150

COVERAGES: Insurance is provided for only those coverages for which specific limits of insurance are stated herein.

Section A - Property

\$ 1,967,061	PROPERTY OF EVERY DESCRIPTION Replacement Cost Endorsement Stock Limitation Endorsement \$ Excluding Underground Irrigation System & Sprinkler Heads \$ Including Foundations \$ Excluding Weight of Ice and Snow on outbuildings and contents
\$ Not Covered	SAFETY NETTING AND POLES Three (3) Year Replacement Cost Option
\$ 948,170	GREENSKEEPING EQUIPMENT & MOTORIZED CARTS 10 year Replacement Cost Option

Section A – Property - Continued

Section A subject to:

Clubpac Program Wordings

90 % Co-insurance

\$ 10,000 Deductible (except as otherwise stated)

\$ 10,000 Weight of Ice & Snow Deductible

\$ 10,000 Safety Netting and Poles Deductible

\$ 25,000 Sewer Backup Deductible

\$ 50,000 Flood Deductible

5% Or \$ 100,000 Minimum Earthquake Deductible

\$ 5,000 Minimum Deductible Unprotected Pull Carts, and Range Balls

\$ 100,000 **RENTED GOLF CARTS AND/OR EQUIPMENT**

No Co-Insurance

\$ 10,000 Deductible

\$ 100,000 **BUSINESS INTERRUPTION**

Profits Form

No Co-Insurance

90 Day Ordinary Payroll

33.33% Thirty Day Limit

25% Contingent Limit

24 Month Indemnity Period

\$ Not Covered **OPTIONAL DUES REIMBURSEMENT**

50% Membership dues Re-imburement (100% co-ins.)

12 Month Indemnity Period

\$ 100,000 **EXTRA EXPENSE**

100% Immediate Form

\$ 25,000 **FORCED COURSE CLOSURE**

\$ 5,000 Weekly Limit

5 Weeks Indemnity Period

\$ 25,000 Annual Aggregate

5 Day Elimination Period

\$ 20,000 **PANDEMIC OUTBREAK EXPENSE**

\$ 1,000 Daily Limit

20 Days Indemnity Period

\$ 20,000 Annual Aggregate

24 Hour Deductible

\$ 100,000 **DAMAGE TO COURSE & GREENS**

Basic Named Perils

Excluding Windstorm and Hail

Maximum **\$ 100,000** per hole

Debris Removal Expense (40% Included)

\$10,000 Basic Perils Deductible



Section B – Accident

Eligibility: Club Owners, Directors, General Manager, Committee Chairpersons, Club Captains of the Insured including Club Members under age 70 while participating in Club sanctioned events away from the club at which they are a member.

Benefits:

Description	Principle Sum Amount
All Eligible Insureds	\$100,000

Coverages:

A. Repatriation up to	\$10,000
B. Rehabilitation up to	\$10,000
	\$1,000,000

Aggregate Limit:

Address of Notifications: 2401–120 Adelaide Street West, Toronto, ON M5H 1T1

E-mail Address: swgclaims@scm.ca

Section C – Liability

\$ 5,000,000	COMMERCIAL GENERAL LIABILITY \$ 1,000 Deductible (except as otherwise stated)
\$ 5,000,000	Personal & Advertising Injury
\$ 25,000,000	General Aggregate Limit
\$ 5,000,000	Products-Completed Operations Hazard Aggregate
\$ 10,000	Medical Expenses Per Person
\$ 25,000	Medical Expenses Per Occurrence
\$ 250,000	Abuse Limited Defense Coverage Form
\$ 50,000	Employer's Liability
\$ 1,000,000	Tenant's Legal Liability - \$1,000 Deductible
\$ 5,000,000	Limited Pollution
\$ 1,000,000	Employee Benefits Errors & Omissions Liability (Each Claim / Aggregate)
\$ 250,000	Forest Fire Fighting Expenses
\$ 5,000,000	Non-Owned Automobile
\$ 50,000	Legal Liability for Damage to Hired & Non-Owned Automobiles - \$2,500 Deductible
\$ 10,000	BAILEE'S LIABILITY FOR PROPERTY OF OTHERS Limit per Person - \$5,000 Excluding property in the Insured's care for storage \$ 1,000 Deductible
\$ Not Covered	LEGAL LIABILITY FOR MEMBERS' PROPERTY IN LOCKERS Maximum \$ 1,500 per person \$ 2,500 Deductible
\$ Not Covered	BAILEE'S LIABILITY FOR PROPERTY IN STORAGE Maximum \$ 5,000 any one person \$ 5,000 Deductible

Section D - Crime

\$ Not Covered	MONEY & SECURITIES Comprehensive 3-D form \$ 1,000 Deductible Including Depositor's Forgery & Counterfeit Money Excluding Computer Fraud Excluding Credit Card Forgery Excluding Overnight Coverage Excluding \$ 10,000 A.T.M. Cash Coverage
\$ Not Covered	EMPLOYEE DISHONESTY BOND – FORM A



Section E – Umbrella Liability

\$ Not Covered UMBRELLA LIABILITY
\$ Not Covered Aggregate
\$ 10,000 Self-Insured Retention
Schedule of Underlying Insurance
 Section C of this Policy – Liability
\$ 5,000,000 Each Occurrence
\$ 5,000,000 Product-Completed Operations Hazard Aggregate
\$ 25,000,000 General Aggregate Limit
\$ 1,000,000 Employee Benefits Errors & Omissions Liability
 (Each Claim / Aggregate)
\$ 5,000,000 Non-Owned Automobile
 Excess of Underlying Owned Automobile Liability Declared
 Policy #
 Insurer
 Policy Period: From: To:
\$ Each Accident
 Endorsements & Attachments:
 S.P.F. / Q.P.F. No. 7
 O.E.F. 110 – Reduction of coverage for lessees or drivers of leased vehicles
 Follow form Employee Benefits Liability
 Exclusion – Fire Fighting Expenses
 Limits of Insurance – US Jurisdictions
 Exclusion – Punitive Damages

Section F – Directors’ & Officers’ Liability

\$ 250,000	Item 1: LIMIT OF LIABILITY:	CAD\$	250,000
	Item 2: POLLUTION DEFENCE COSTS:	Applicable	
	Item 3: DEDUCTIBLES:		
	Directors & Officers Liability (Insuring Clause a)	CAD\$ Nil	each Director or Officer, each and every Claim
	Corporate Reimbursement (Insuring Clause b)	CAD\$ Nil	each and every Claim
	Employment Entity Liability (Insuring Clause c)	CAD\$ 2,500	each and every Claim
	Entity Cover (Insuring Clause d)	CAD\$ 1,000	each and every Claim
	Fiduciary Liability (Insuring Clause e)	CAD\$ Nil	each and every Claim
	Item 4: (a) Insuring Clause c)	Applicable	
	(b) Insuring Clause d)	Applicable	
	(c) Insuring Clause e)	Applicable	
	(d) Exclusion a) xiii) – USA Exclusion	Applicable	
	(e) Exclusion c) ii) – Share Capital Cap	Not Applicable	
	(f) Share Capital Cap %	Not Applicable	
	Item 5: Prior and Pending Date:	As known to South Western	
	Item 6: Retro-active Date:	Not Applicable	
	Item 7: Address of Parent Company:	As stated in declaration in mailing address	
	Item 8: Gross Total Assets:	CAD\$	
	Item 9: Premium:	CAD\$	As stated in List of Subscribing Companies



Section G – Boiler & Machinery

\$ 1,967,061 **EXTENDED COMPREHENSIVE FORM**
\$ 10,000 Deductible
Direct Damage Agreement
Loss of Profits Agreement
Service Interruption Agreement

Sub-Limits:
\$50,000 Extra Expense
\$50,000 Consequential Food Products
\$100,000 Professional Fees
\$100,000 Expediting Expenses
\$100,000 Water Damage
\$100,000 Hazardous Substances
\$100,000 Ammonia Contamination

Section H – Legal Expense (Claims-Made)

Limit Any One Claim

\$ 10,000	Contract Disputes	
\$ 10,000	Criminal Defence	
	\$ 50,000	Annual Aggregate
	\$ 275	Fee Limit (Maximum Hourly Rate)
	\$ 5,000	Minimum Sum in Dispute
	25%	Self-Insured Co-Insurance
	20110604	Retro-Active Date

Legal Expense Endorsement #1

A Telephone Legal Advisory Service is provided during normal business hours. Call 1-800-948-7377 (west coast) or 1-888-783-7566 (east coast).

The Insured must contact the Underwriting Manager at 905-436-3291 as soon as they are aware of any cause, event or circumstance which has or could give rise to a claim or legal proceedings. Legal Fees incurred without the Insurer's prior written consent will not be covered. A list of the law firms who are approved by the Insurer can be obtained from the Underwriting Manager.

Territorial Limits - Canada

Section I – Event Cancellation Insurance

Up to but not exceeding \$10,000 per Event and \$50,000 in all.

Section J – Excess Umbrella Liability

\$ Not Covered	EXCESS UMBRELLA LIABILITY
	\$ Not Covered Aggregate



Section K – Hole in One Insurance

Coverage is not in force until the questionnaire has been seen and accepted by the insurers and you have received confirmation that coverage is in place.

Specified Hole:	As declared to and approved by the Insurers
Date of Events:	As declared to and approved by the Insurers
Distance:	Minimum 150 yards
Amount of Insurance:	As declared to and approved by the Insurers
Total Annual of Insurance:	As declared to and approved by the Insurers
Warranties:	As per Policy Wording

Warranties:

- ✓ The distance from the tee to the pin of each Specified Hole shall be at least 150 yards.
- ✓ There shall be no more than 100 Competitors taking part in the insured tournament for prize amount of \$ 10,000
- ✓ There shall be no more than 50 Competitors taking part in the insured tournament for prize amount of \$ 25,000
- ✓ All attempts shall be made in the regular round(s) of play in the insured tournament, by a Competitor, with no practice attempts or shots or mulligans being permitted at the designated hole.
- ✓ Each Competitor will be permitted one attempt per round and one round in total.
- ✓ Usual sporting standards and golf rules shall apply.
- ✓ The green at the designated hole shall not be specially prepared or altered from the condition which is usual for normal play nor shall the hole be positioned on the green so as to facilitate the achievement of a Hole-in-One.
- ✓ All Competitors shall complete scorecards.
- ✓ One (1) tournament official (18 years and older) will
 - a. be stationed at and will monitor play at the designated hole at all times during the insured tournament and
 - b. will witness each Competitor striking the golf ball, and its uninterrupted and full path toward the designated hole until it is no longer in motion and
 - c. verify that no practice attempt has been permitted.

In the case of a Hole-in-One, certification of achievement must be made on the score card of the Competitor achieving the Hole-in-One by the tournament official monitoring play at that designated hole, and by all the Competitors within the group in which the Hole-in-One was made

The insured tournament will be played in groups of three or four. Pairs or singles will not be deemed eligible Competitors.

All equipment to be used during the insured tournament shall conform to the specifications laid down by the International Professional Golfers Association or the International Amateur Golfers Association and the tournament shall be conducted in accordance with the rules laid down by these authorities.

The offering of the prize will be at the pre arranged designated hole and advertised as such beforehand.

The pin must remain in the designated hole at all times while tee shots are being played.



LIST OF SUBSCRIBING COMPANIES

COMPANY	SECTION	PERCENTAGE	PREMIUM
Aviva Insurance Company	A	32%	Included
Aviva Insurance Company	C	100%	Included
Aviva Insurance Company	E	100%	Included
Aviva Insurance Company	G	100%	Included
Lloyd's Underwriters subscribing to Agreement Number B1294L14801	A	12%	Included
Arch Insurance Canada Ltd.	A	22%	Included
Catlin Canada	A	15%	Included
Chubb Insurance Company of Canada	A	19%	Included
Lloyd's Underwriters subscribing to Agreement Number B1921KC0000600	J	100%	Included
Lloyds Underwriters as evidenced by UMR B1294L14135	B	100%	Included
Lloyd's Underwriters subscribing to Agreement Number B1294L14135	F	100%	Included
Lloyd's Underwriters subscribing to Agreement Number B1294L14134	H	100%	Included
Lloyd's Underwriters subscribing to Agreement Number B1161A13D0922	I	100%	Included
Lloyd's Underwriters subscribing to Agreement Number B1161A13D0922	K	100%	Included
Trisura Insurance Company	D	100%	Included

IN CONSIDERATION OF THE INSURED having paid or agreed to pay to each of the INSURERS named in the List of Subscribing Companies forming part hereof, or to INSURERS whose names are substituted therefore or added thereto by endorsement, hereinafter called "THE INSURERS", the Premium set against its name in the List of Subscribing Companies (attached hereto),

THE INSURERS SEVERALLY AND NOT JOINTLY agree, each for the Sum(s) Insured or Percentage(s) and for the Coverage(s) Insured set against its name in the List of Subscribing Companies, and always subject to the terms and conditions of this Policy, that if a loss occurs for which insurance is provided by this Policy at any time while it is in force, they will indemnify the INSURED against the loss so caused; the liability of each insurer individually for such loss being limited to that proportion of the loss payable according to the terms and conditions of this Policy which the Sum Insured or the amount corresponding to the Percentage set against its name in the List of Subscribing Companies, or such other sum or percentage as may be substituted therefore by endorsement, bears to the total of the sums insured or of the amounts corresponding to the percentages of the sums insured respectively set against the coverage concerned on the Declarations page(s).

This Policy is made and accepted subject to the foregoing provisions, and to the other provisions, stipulations and conditions contained herein, which are hereby specially referred to and made a part of this Policy, as well as such other provisions, agreements or conditions as may be endorsed hereon or added hereto.

No term or condition of this Policy shall be deemed to be waived by the Insurers in whole or in part unless the waiver is clearly expressed in writing, signed by the person(s) authorized for that purpose by the Insurers. Neither the Insurers nor the Insured shall be deemed to have waived any term or condition of the Policy by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs of loss, or to the investigation or adjustment of any claim under the Policy.

IN WITNESS WHEREOF THE INSURERS through their representative(s) duly authorized by them for this purpose have executed and signed this Policy.



This insurance has been effected in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to Agreement No. as shown in the List of Subscribing Companies (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is 1155 rue Metcalfe, Suite 2220, Montreal, Quebec H3B 2V6.

NOTICE

Any notice to the Underwriters may be validly given to the Coverholder.

In witness whereof this policy has been signed as authorized by the Underwriters, by South Western Group

Per

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

Date: 05 June 2015

The Insured is requested to read this policy, and if incorrect, return it immediately for alteration.

In the event of an occurrence likely to result in a claim under this insurance, immediate notice should be given to the Coverholder whose name and address appears above. All inquiries and disputes are also to be addressed to this Coverholder.

INSURE IN CANADA RISK

The business insured/reinsured herein meets the necessary conditions to qualify as, and is being transacted as, "insuring in Canada a risk" in accordance with Part XIII of the Insurance Companies Act (Canada).



SCHEDULE A

Attached to and forming part of Policy No.: SIB5793

Effective Date: 20150604

Name of Insured: F S P Holdings Inc. d/b/a Settlers Ghost Golf Club

MORTGAGEE(S):

Subject to the terms of the STANDARD MORTGAGE CLAUSE contained in Clause # 16 of the Property portion of the policy wording, loss if any, is payable to the following, as their interests may appear:

PACE Savings & Credit Union Limited
8111 Jane Street, Unit #1
Vaughan, ON L4K 4L7

Theodore & Danuta Pochwalowski, Diane Steckly, Chester & Virge Pochwalowski
53 Belvedere Blvd.
Toronto, ON M8X 1K5

LOSS PAYEE(S): - Blanket Coverage

Subject to the terms, conditions and limitations of the LOSS PAYEE clause # 16a of the Property portion of the policy wording, any owner, person, firm, organization, trustee, estate or government entity to whom or to which the Insured has contracted to effect insurance, by virtue of a contract or agreement, or by issuance of a permit.

ADDITIONAL INSURED(S): - Blanket Coverage

Subject to the terms, conditions and limitations of the ADDITIONAL INSUREDS clause b. of Part II – Who is an Insured, of the Liability portion of the policy wording, any owner, person, firm, organization, trustee, estate or government entity to whom or to which the Insured has contracted to effect insurance, by virtue of a contract or agreement, or by issuance of a permit.



SCHEDULE B

Attached to and forming part of Policy No.: **SIB5793**

Effective Date: **20150604**

Name of the Insured: **F S P Holdings Inc. d/b/a Settlers Ghost Golf Club**

Endorsement No 1.

It is understood and agreed that under Section A - Property of Every Description and/or Greenskeeping Equipment & Carts does not include:

Optional By-Laws; Paved Driveways & Parking Lots; Maintenance Building #2; Optional Outbuildings By-Laws; Tennis Bubble; Swimming Pool; Curling Rink; Ice Compressors; Mini Putt Fixtures; Dwelling; Halfway House and Contents; Shelters/Washrooms; Starter Building; Driving Range Fixtures; Range Balls; Pull Carts; Bridges; Fencing; Tents/Fabric Structures; Misc. Course Fixtures; Other Maintenance Equipment



EXHIBIT “J”

Crawford & Company (Canada) Inc.
431 Bayview Drive, Unit 11
Barrie, Ontario
L4N 8Y2

February 4, 2016

Our File: 33015-300022

Attention: Ms. Linda Roberts, CIP

Re: Wind Damage – Structural Assessment of Barn
Claim Number: 3191 748
Date of Loss: December 24, 2015
Insured: F.S.P. Holdings Inc. o/a Settler's Ghost (Golf Club)
Loss Location: 3421 Line 1 North, RR1, Barrie, ON

Dear Ms. Roberts:

1.0 Introduction:

Pario Engineering & Environmental Sciences ("Pario") was retained by Crawford & Company (Canada) Inc. ("Crawford") to review and assess the structural damage to the insured barn at the above noted loss location. The purpose of our assessment was to determine the cause of the structural damage and to provide recommendations for repair, if appropriate.

As requested, the undersigned met you on site on February 1, 2016, at which time Mr. Brandon Smith of IRA Smith provided access. Mr. Norman Delarge of N D Construction, and Mr. David Graham of Settler's Ghost also attended while we were on site.

During our site visit we entered the lower and upper level of the barn, although the barn was full of golf carts which limited access and visibility to several areas of the barn. Our review was conducted without the use of ladders or lifts, and also included a visual review of the exterior walls from outside of the barn. Our review did not include destructive testing or removals, and no structural analysis or Code review was completed.

Please note that references have been made to the photographs at the end of this report, as taken during our site visit.



11 Victoria Street
Suite 222
Barrie, Ontario
L4N 6T3

T: 705.727.1050
TF: 1.800.736.5337
F: 705.727.1012

PARIO ENGINEERING &
ENVIRONMENTAL SCIENCES
pariosciences.ca

2.0 Background:

The insured two storey barn was orientated with the parking lot on the south side of the barn. Refer to the attached Photograph 01 - Aerial Site Photograph for the barn orientation (satellite/aerial photograph taken from maps.simcoe.ca). This report references a construction north that is actually north-east. The upper level entrance is located on the barn's west side and the silo is on the south – west corner of the barn. Lower level entrances were present on the south side and on the east side.

In addition to the insured barn, there were also two other buildings on the site in close proximity to the barn, including the clubhouse which is approximately 125 feet from the barn (refer to Photograph 01 – Aerial Site Photograph).

The barn was unheated and had a footprint of approximately 40' x 60'. The roof construction consisted of a single gable end roof, clad with corrugated metal roofing fastened on plank board sheathing, which was supported by log rafters and heavy timber beams, including knee braced heavy timber frames. A small loft in the south – east corner of the barn was framed with log purlins on heavy timber beams and posts. The main upper level floor framing was comprised of log floor joists / purlins supported on heavy timber beams and posts, and on the rubble stone perimeter foundation walls. The perimeter foundation walls were constructed on grade (i.e. the foundation walls do not extend below grade), and no footings were observed. A concrete slab on grade was present in the lower level.

3.0 Observations and Comments:

Further to conversations with the insured and the contractor who had been maintaining the barn for several years (Mr. Delarge), we understand that damage was noticed in December 2015, when it was observed that the upper level west side door was no longer chained shut. This door had been locked with a chain that connected through a wall board adjacent to the door. The chained wall board had split into two pieces, allowing the door to blow open (refer to Photograph 02). It was reported that upon further investigation, the insured also observed damage to the timber framed north end gable wall (refer to Photographs 03 and 04), that had apparently not been noticed before the winter.

Based on our visual review and discussions during our site visit, we have the following observations and comments:

- The age of the barn is undetermined although it appears to be many decades old.
- The timber framed walls and roof appeared to be leaning/racking to the east. Several knee braces were missing or were only connected at one end (refer to Photographs 05, 06 and 07), and some of the beam to post connections appeared to

- be separating (refer to Photograph 08). Turn-buckled steel cables were present, strapping the interior frames together, in an effort to keep the frames from coming apart. Apparently the cables were installed by Mr. Delarge three or four years ago.
- On the east side of the building, the top of rubble stone foundation wall was leaning outwards by at least 6" (refer to Photograph 09). This was also evident in the lower level where the flat bottom bearing surface of the floor beams extended approximately 6" inside the rubble stone wall (refer to Photographs 10 and 11). Originally these flat bearing surfaces would have been entirely above the wall, and the beams would have extended to the outside face of the wall. It was observed that some of the floor beams were only extending a few inches onto the wall (refer to Photograph 10), and were in danger of falling down if the foundation wall moved outwards much farther.
 - Several basement posts were leaning significantly eastward (refer to Photograph 12). According to Mr. Delarge, these posts were leaning more severely than they were last year when he was in the barn.
 - In addition to leaning, the rubble stone foundation walls were cracked and several stones were loose due to void and/or cracked mortar joints (refer to Photographs 13 and 14). As well, the mortar was crumbly and had lost most of its cement content. Due to age of the foundation walls the mortar was likely lime mortar, which has a tendency to lose its cement content over the years, turning to crumbly sand.
 - On the north gable, the centre post was no longer bearing on the foundation wall. The base of this post was projecting out beyond the foundation wall (refer to Photograph 15). As well, most of the wall boards between this centre post and the north – east corner were severely bowed or had disconnected from the sill plate (refer to Photograph 03). The base of the centre post had a tongue (part of a tongue and groove connection) that was intended to key into the sill plate on the foundation wall. However, this tongue was completely rotten, and the sill plate also contained rot.
 - The timber post in the north – east corner was also observed to be severely rotten (refer to Photograph 16). Rot was also observed in other locations, including in overhead framing and on the foundation wall. As well, Mr. Delarge confirmed that rotten timbers were found during maintenance, including rotten tongues on knee braces, and rotten slots or keys within posts where the rotten knee brace tongue was inserted.
 - The insured had reported that the damage to the north end wall was likely due to a heavy wind storm in December. The insured did not report any damage to any other buildings on this site, which may have resulted from the same wind storm.
 - Mr. Delarge of N D Construction made the statement / recommendation on site that the barn should not be used for storage any longer and that it should either be demolished or locked up with no access other than for regular inspections and monitoring. He indicated that in his opinion the barn could not be repaired economically and was no longer safe for use. As noted above, Mr. Delarge had

been maintaining this barn for several years and is an experienced contractor specializing in barn and farmstead maintenance and renovations.

4.0 Research:

We reviewed the hourly wind speed data from Environment Canada collected at the Barrie – Oro weather station, which is approximately 6km from this site, for the months of October, November and December 2015, as well as January 2016. No abnormal wind levels were recorded, and the highest recorded wind speed in this period was less than ¼ of the Ontario Building Code’s design wind speed for this area.

5.0 Conclusion:

Based on our observations, it is our opinion that the barn was in an advanced state of deterioration and likely cannot be economically repaired. The superstructure (i.e. the timber framing) was leaning to the east, and there were several missing knee braces and timber members containing rot. As well, the rubble stone foundation walls were in very poor condition. The top of the east foundation wall was severely leaning outwards, several severe cracks existing within the walls apparently due to ongoing frost heave, and there was a severe loss of cement content in the mortar (i.e. extremely crumbly mortar). In several locations there was no mortar present and the stones were loose or missing.

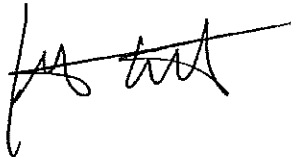
The damage to the north gable wall framing appeared to have occurred recently. Wind loading cannot be ruled out as a contributor to this damage; however, based on our research the recorded hourly wind speeds for the past four months (October to January) were far lower than the Ontario Building Code and Farm Code design wind loading. As well, the bottom of the centre post within this wall and that was pushed outwards was rotten, as was the sill plate that it was connected to. In our opinion, the recent damage to this wall was directly related to the existing rot that was present. It is also our opinion that the recorded hourly wind speeds were not high enough to damage this wall if it had been in adequate structural condition. This barn has likely experienced wind speeds far in excess of those reported in the last four months, numerous times over the years, without any damage. In our opinion, the recent damage is largely due to the advanced state of deterioration.

As expressed by Mr. Delarge, we are in agreement that the barn should no longer be used for storage, and access should be restricted to ongoing monitoring by qualified inspectors to ensure safety. Alternatively, the barn should be demolished. In our opinion, this barn could collapse if it moves or leans further. Unfortunately it is not possible to determine how much additional movement the barn can tolerate before it collapses, without further review and analysis. Until such time as further review and analysis is completed, we recommend that it be immediately posted as unsafe, with no access permitted, or until it is safely demolished.

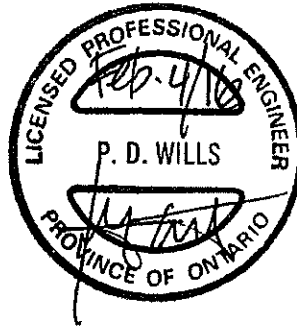
6.0 Closing Remarks:

This completes our assessment at this time. We trust that all meets with your approval, however, if you would like to discuss anything further, please do not hesitate to contact the undersigned.

Yours truly,



Pete Wills, P.Eng.
Senior Structural Engineer



pw/ca

Encl.

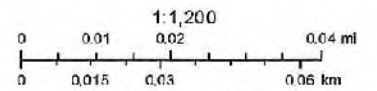
PHOTOGRAPH PRESENTATION

pario 

ArcGIS Web Map



February 4, 2016



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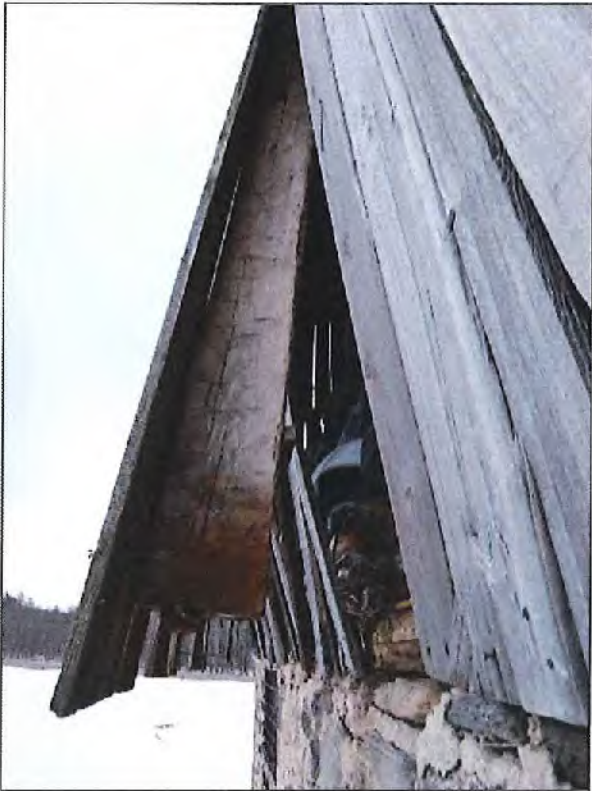
Photograph 01 - Aerial Site Photograph



Photograph 02 - West Side Upper Door

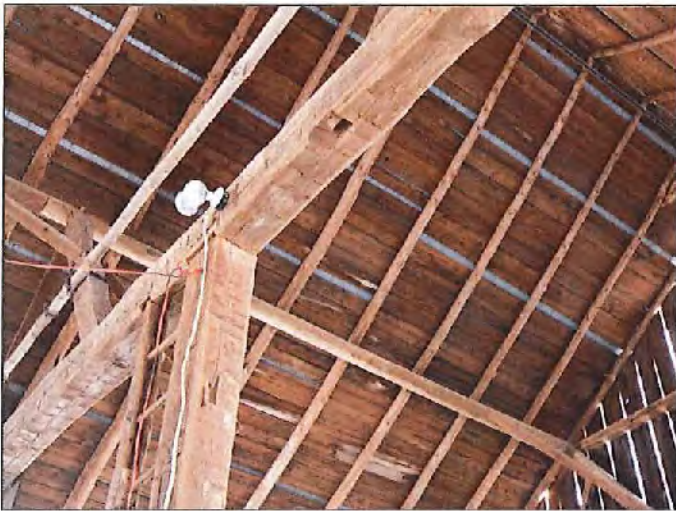


Photograph 03 - Damaged Wall Boards - North Wall

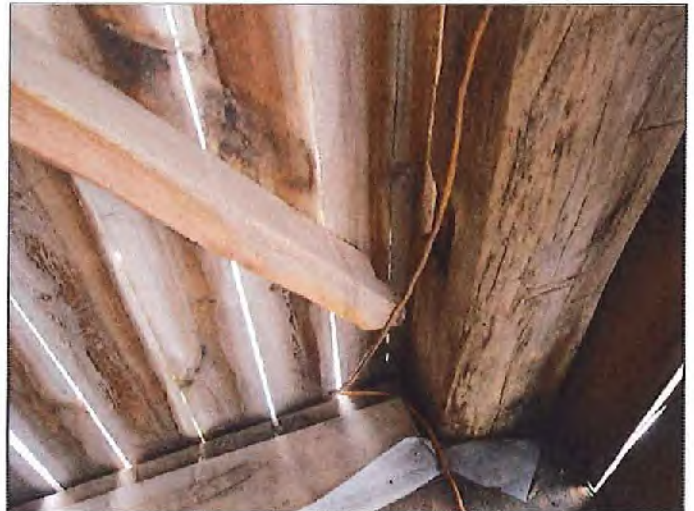


Photograph 05 - Knee Brace - Connected One End Only

Photograph 04 - Displaced Post - North Wall



Photograph 06 - Missing Knee Brace



Photograph 07 - Knee Brace - Not Connect at Post



Photograph 08 - Beam-Post Connection - Separating



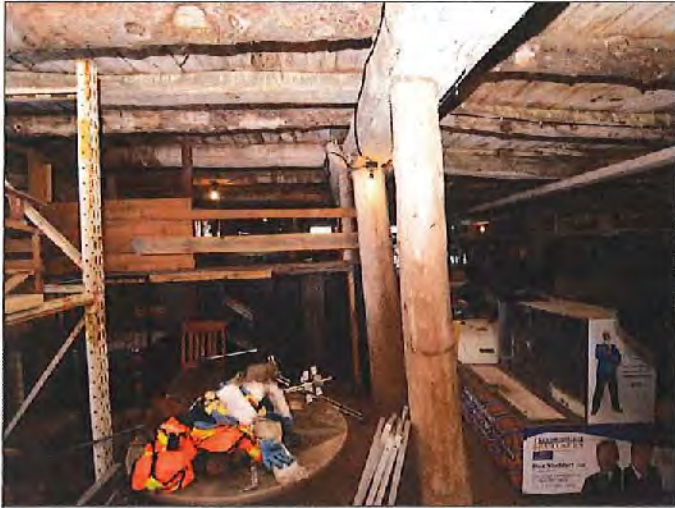
Photograph 09 - East Foundation Wall - Leaning



Photograph 10 - Upper Level Floor Purlins



Photograph 11 - Upper Level Floor Purlins



Photograph 12 - Basement Posts - Leaning



Photograph 13 - Rubble Stone Foundation Wall - Void Mortar Joints



Photograph 14 - Rubble Stone Foundation Wall - Crack



Photograph 15 - Post Base - Rotten Tongue



Photograph 16 - Rotten Post

EXHIBIT "K"

Who Are We?

Steve Ralph

Principal/Consultant

For 25 years, Steve Ralph enjoyed a progressive career within the adidas Group, starting at an entry level and climbing to the role of Group President (adidas, Reebok, Taylor Made, Rockport) in Canada.

Steve has a passion for the business and game of golf. He has a wide spread network within the golf industry including club managers, pros, suppliers, retailers and media. Steve consults with some of the leading hard goods and apparel manufacturers in the business. He has been a guest speaker and panelist at many golf industry conferences – most recently at the Canadian Club Managers Conference in Toronto. This wide network allows him to stay current on emerging trends in the golf business. In addition, Steve utilizes many of these people for their specific expertise when required.

After leaving the adidas Group, Steve took on the responsibility of leading The Summit Golf Club through a significant phase of change. This involved writing a strategic plan that was rooted in the heritage and tradition of the club. Key initiatives included a \$3 million golf course renovation project, membership approval to build a new pro shop and developing a new operating structure that more closely aligned with the considerable changes that were occurring within the club business (participation, attrition, cost increases etc....). Part of this restructure included recruiting and hiring Ian Leggatt to lead the club as The Director of Golf/GM. Summit is now one of the most desirable clubs in the GTA and climbed from 80th spot in the ScoreGolf club rankings to #43 – the largest improvement by any club in the history of the rankings.

Steve is a Certified Professional Accountant (CPA).

Gerard Waslen

Principal/Consultant

For 25 years, Gerard Waslen has owned and operated golf facilities in all aspects of the industry. Gerard has an extensive background in golf retail, golf courses, golf driving ranges, including golf domes.

Gerard has been a founding partner in a number of golf facilities including:

Targetlines Golf Centre
Markham Golf Dome
Eaglequest Golf Centres
Wooden Sticks Golf Club
Timber Ridge Golf Club
Coppinwood Golf Club

Gerard, currently looks for underperforming golf assets in the market. He has years of experience driving operational improvements increasing value and developing exit options for business owners.

Along with owning and operating golf facilities, Gerard was a Board member in the Ontario PGA where he sat as Finance Chair for the organization.

Gerard has an Economics degree from Colgate University

EXHIBIT “L”

CONSULTING AGREEMENT

THIS AGREEMENT is made as of the 14th day of January, 2016

BETWEEN:

Ira Smith Trustee & Receiver Inc.
solely in its capacity as court-appointed receiver of
Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc.
167 Applewood Cresc. #6
Concord, Ontario
L4K 4K7

(herein the "Client")

- and -

2357383 Ontario Inc.
1545 17th Sideroad
King City, Ontario
L7B 1K5

(herein the "Consultant")

WHEREAS by order of the Ontario Superior Court of Justice (Commercial List) dated December 15, 2015, as amended on December 18, 2015 (the "**Court Order**"), the Client was appointed receiver [and manager] of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc. (the "**Debtors**"), owner and operator of the Settlers' Ghost Golf Club in Barrie, Ontario;

AND WHEREAS, pursuant to the Court Order, the Client has the full right, power and authority to safeguard, control, maintain, operate, lease and sell the assets of the Debtors, including Settlers' Ghost Golf Club, and to engage consultants and experts to assist the Client in the exercise of its powers and duties;

AND WHEREAS the Consultant and its principals, Steve Ralph and Gerard Waslen (the "**Principals**"), are experienced in the management and operation of golf courses and in the golf industry in general;

AND WHEREAS the Client desires to engage the Consultant to provide services to the Client, with respect to the Debtors and pursuant to the Court Order, for the term of this Agreement and the Consultant has agreed to provide such services;

AND WHEREAS the Client and the Consultant wish to enter into a written agreement which contains the agreed-upon terms and conditions of the Consultant's engagement by the Client for their mutual benefit;

NOW, THEREFORE, IN CONSIDERATION OF the promises and of the mutual covenants and agreements in this agreement (the "**Agreement**"), and for other good and valuable consideration, the adequacy of which is hereby acknowledged, the parties to this Agreement hereto agree as follows:

1. Services

The Client agrees to engage the Consultant to provide the following services and the Consultant has agreed to perform and provide such services (collectively the "**Services**");

- Completing a full review of Settlers' Ghost Golf Club revenues, club operations, financial position, and management structure, including a comparison of Settlers' Ghost Golf Club to key golf club benchmarks.
- Assessing the future viability of Settlers' Ghost Golf Club as a golf facility, including recommendations to improve the operation.
- If required by the Client, helping to identifying a buyer for Settlers' Ghost Golf Club or the assets of the Debtors.

The Client and the Consultant agree that this agreement does not include the Consultant operating or managing Settlers' Ghost Golf Club at any time.

2. Term

Except as otherwise provided in this Agreement, the Client agrees to engage the Consultant to provide the Services for a term commencing as soon as practicable after execution of this Agreement and ending upon the Consultant's submission of a final report to the Client (the "**Term**").

If the Client requires the Consultant to help to identify a buyer for Settlers' Ghost Golf Club or the assets of the Debtors, the Consultant's final report shall be submitted after it has provided said assistance.

3. Fee

- (a) As full and complete compensation for the Services, the Client agrees to pay the Consultant a fee for the Services provided by the Consultant under the Agreement in the amount of \$300 per hour of work expended by the Principals during the Term (the "**Fee**"), which

shall be pro-rated for any partial hours of work, plus any expenses as authorized under this Agreement.

- (b) Prior to commencing the Services hereunder, the Consultant shall (i) provide the Client with an estimate of the total Fee to be charged for the completion of all Services contemplated herein (the "Estimate"), and (ii) obtain the Client's written approval of the Estimate.
- (c) Once approved by the Client, the Consultant shall be bound by the Estimate, and must provide the Services to the Client for the Fee stipulated in the Estimate unless otherwise agreed in by the parties in writing.
- (d) The Consultant shall notify the Client in writing when the Fee (including work in progress) reaches 80% of the Estimate.
- (e) All Fees paid by the Client to the Consultant under this Agreement shall include any applicable goods and services taxes and/or harmonized sales tax.
- (f) The Consultant agrees to invoice the Client on a monthly basis. All invoices submitted by the Consultant must describe the Services that the Consultant has provided in the applicable month, broken down by staff member and time spent on each activity and must include the Consultant's Business Number, if any, and Harmonized Sales Tax number. The Client shall pay in full all invoices submitted by the Consultant within fifteen (15) days of the date on which each invoice is submitted, provided that the invoice complies with the requirements of this clause.

4. Expenses

The Client will reimburse the Consultant for reasonable expenses incurred in the provision of the Services upon presentation of proper accounts, statements, invoices or receipts for such items to the Client. Reasonable mileage travelled by the Consultant (or its agents and employees, including the Principals) in providing the Services shall be reimbursed by the Client at a rate of \$0.49 per kilometer.

5. Independent Contractor

The Consultant's relationship with the Client as created by this Agreement is that of an independent contractor for all intents and purposes. This Agreement shall not create any partnership, joint venture, employer/employee, principle/agent, master/servant, dependent contractor

or any other relationship between the Consultant and the Client except that of independent contractor. Should any court of competent jurisdiction find otherwise, it shall be ignoring the intentions of the parties.

The Consultant shall not describe or hold itself out as (nor permit the Principals or any of its employees or agents to describe or hold themselves out as) an employee or agent of the Client in providing the Services, nor enter into any agreements on behalf of or purport to bind the Client, unless specifically authorized in writing by the Client to do so.

It is intended that the Consultant shall have general control and direction over the manner in which the Services are to be provided to the Client under this Agreement. However, the Client will have the right to exercise general supervision over the results to be derived from the Services and establish the date by which any Services will be completed, and will determine whether such Services are satisfactory to the Client.

As an independent contractor, the Consultant shall supply any and all equipment necessary for the performance of the Services.

6. Time and Effort

The Consultant agrees to devote such portion of the Consultant's time, energy, effort and skill in performing the Services set out in this Agreement as the Client may reasonably request from time to time.

The Consultant represents, warrants and covenants that the Consultant will perform the Services under this Agreement in a timely, professional and workmanlike manner, at a skill level and with the care and diligence reasonably expected of a prudent person providing the same or similar services.

7. Compliance

- (a) The Consultant shall comply with all applicable laws, rules and regulations arising out of or connected with the performance of the Services under this Agreement by the Consultant or its employees. Likewise, the Consultant shall be responsible for obtaining and maintaining all necessary registrations, licenses and permits in connection with the provision of the Services.
- (b) The Consultant shall bear exclusive responsibility for the collection and remittance of any applicable goods and services and/or harmonized sales tax(es), and for the payment of all federal and provincial taxes and withholdings, including but not limited to income tax, Employment Insurance premiums, Canada Pension

Plan premiums, Ontario Employer Health Tax premiums and Workplace Safety and Insurance Board premiums, if applicable, relating to or arising out of the Fee paid to the Consultant under this Agreement and/or the Services performed by the Consultant, and hereby indemnifies and holds harmless the Client (and any related entities, together with their directors, officers and employees) from and against any and all liability, costs, expenses, claims, demands, penalties or interest arising therefrom.

8. **Key People**

The parties acknowledge that the Principals are integral to the successful performance of the Services by the Consultant under this Agreement. To that end, the Consultant represents, warrants and covenants that the Services shall be performed by or under the supervision of the Principals at all times, and neither the Consultant nor the Principals shall be permitted to assign or otherwise transfer this Agreement or any of their respective rights, duties or obligations hereunder.

Prior to the commencement of the Services hereunder, the Consultant shall cause each of the Principals to execute and return to the Client one copy of the Confirmation and Indemnity Agreement attached hereto as Schedule "A".

9. **Confidential Information**

- (a) The Consultant acknowledges that certain of the material and information made available to the Consultant by the Client in the performance of the Services, including but not limited to information and material regarding the business and affairs of the Debtors and the operations of Settlers' Ghost Golf Club that is not publicly available, will be of a confidential nature (the "**Confidential Information**"). The Consultant recognizes that the Confidential Information is the sole and exclusive property of the Client and/or the Debtors, and the Consultant shall use its best efforts and exercise utmost diligence to protect and maintain the confidentiality of the Confidential Information. The Consultant shall not, directly or indirectly, use the Confidential Information for its own benefit or for any purposes other than those of the Client, or disclose to another any Confidential Information, whether or not acquired, learned, obtained or developed by the Consultant alone or in conjunction with others, or permit its employees and/or agents to do any of those things, except as such disclosure or use may be required in connection with the performance of the Services or as may be consented to in writing by the Client.

- (b) Any breach of clause 9(a) (or any part thereof) by the Consultant will cause irreparable harm to the Client that actual damages may be difficult to ascertain and, in any event, may be inadequate. Accordingly, in the event of such breach, the Client shall be entitled to injunctive relief, in addition to such other legal or equitable remedies as may be available. Upon request, the Consultant and shall consent in writing to the Client obtaining a temporary restraining order, or any preliminary or permanent injunction, restraining such actions which are in violation of clause 9(a) of this Agreement.\
- (c) Notwithstanding the foregoing provisions of this clause, the Consultant shall not be liable for the disclosure or use of any of the Confidential Information to the extent that, prior to the date on which the Confidential Information is disclosed or used:
 - (i) the Confidential Information is or has become available to the public from a source other than the Consultant and through no fault of the Consultant;
 - (ii) the Confidential Information is lawfully obtained by the Consultant from a third party; or
 - (iii) the disclosure or use of the Confidential Information is required by law.

10. Other Services

The Consultant will be free to provide consulting and other services to the Consultant's other clients, and to engage in other commercial activities, (collectively, "**Other Activities**") during and after the term of this Agreement, so long as:

- (i) the Other Activities do not prevent the Consultant from fulfilling all of its obligations to the Client pursuant to this Agreement; and
- (ii) the Other Activities do not adversely affect the interests of the Client, create a conflict of interest (or the appearance of a conflict of interest), or interfere with the Consultant's obligations pursuant to this Agreement.

11. **Termination**

The independent contractor relationship created by this Agreement may be terminated upon the happening of any of the following events and in the following circumstances only:

- (a) automatically and without notice at the end of the Term (i.e. upon the Consultant delivering a final report in a form satisfactory to the Client), as set out in section 2;
- (b) at any time, by either party, upon the other party breaching any of its obligations under this Agreement, and the breaching party being given written notice of termination, which will be effective at the time of delivery or a later date stipulated in the notice;
- (c) at any time, by either party at its own discretion, upon giving 30 days advance written notice to the other party;
- (d) at any time, by mutual written agreement of the parties;
- (e) immediately at any time, by the Client, upon payment to the Consultant of \$2,500 (inclusive of HST); or
- (f) immediately, or on such other terms as may be ordered, pursuant to a court order.

Upon termination of the independent contractor relationship created by this Agreement:

- (a) the Client's obligations to the Consultant shall terminate except for obligation of the Client to pay any fees and expenses in accordance with the terms of this Agreement, to the date of termination;
- (b) the Consultant's obligations to the Client under this Agreement shall terminate, except for those obligations which are specifically expressed to survive the termination of the independent contractor relationship created by this Agreement; and
- (c) the Consultant shall forthwith deliver to the Client copies of any and all work product in relation to the Services created up to the date of termination.

Provided that the independent contractor relationship created by this Agreement is terminated pursuant to this section, the Consultant irrevocably and unconditionally releases the Client and its shareholders, subsidiaries and affiliates, and their respective directors, officers, insurers,

agents, employees and shareholders from any and all claims, liabilities or obligations under this Agreement or under statute or common law in connection with this Agreement or the termination of the independent contractor relationship.

12. Indemnification

The Consultant undertakes to, and does hereby irrevocably agree to, indemnify the Client and its shareholders, subsidiaries and affiliates, and their respective directors, officers, insurers, agents, employees and shareholders against any and all third party claims, suits, actions, demands and proceedings against the Client and all losses, costs and liabilities related thereto arising out of or related to any negligence by the Consultant or any other act or omission of the Consultant including without limitation (i) any breach of this Agreement by the Consultant, or (ii) any injuries sustained by the Consultant, or loss of or damage to the Consultant's property, arising out of or resulting in any manner from, or occurring in connection with, the provision of the Services.

13. Governing Law

This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Client and the Consultant hereby irrevocably attorn to the jurisdiction of the Ontario Superior Court of Justice at Toronto and all courts competent to hear appeals therefrom.

14. Court Approval

The Client and the Consultant agree that (i) the Client, solely in its capacity as the Court-appointed receiver, and not in its corporate or personal capacities, is engaging the Consultant in accordance with the terms of the Court Order and this Agreement, and (ii) this Agreement is subject to the approval of the Ontario Superior Court of Justice (Commercial List).

15. Severability

If any provision of this Agreement (or part thereof), or the application of such provision to any party or in any circumstance, shall be determined to be invalid, illegal or unenforceable, the remaining provisions of this Agreement (and parts thereof), and the application of such provision to any party or in any circumstance other than that to which it is held to be invalid, illegal or unenforceable, shall not be affected.

16. Amendments

Any amendment to this Agreement must be in writing and signed by both parties hereto.

17. Totalty of Agreement

This is the entire Agreement between the Client and the Consultant with respect to the Services to be provided by the Consultant to the Client and supersedes any prior agreements with respect to such services whether written or oral.

18. Notices

Notices hereunder shall be in writing and must be either personally delivered or sent by registered mail to the address(es) set forth above. A party may change the address(es) set forth above by proper notice to the other.

19. Survival

Notwithstanding any termination of the independent contractor relationship created by this Agreement for any reason whatsoever, the provisions of sections 7(b), 9, 10, 11 and 12, and any other provisions of this Agreement necessary to give efficacy to those sections, shall continue in full force and effect following such termination.

20. No Waiver

The failure of any party to insist upon the strict performance of a covenant or obligation hereunder, irrespective of the length of time for which such failure continues, shall not be a waiver of such party's right to demand strict performance in the future. No consent or waiver, express or implied, to or of any breach or default in the performance of any covenant or obligation hereunder shall constitute a consent or waiver to or of any other breach or default in the performance of the same or of any other obligation hereunder.

21. Assignment


This Agreement may not be assigned by either party hereto to any other person or corporation.

22. Enurement

This Agreement shall be binding upon and shall enure to the benefit of each of the parties hereto and their respective employees and permitted receivers, successors and assigns.


IN WITNESS WHEREOF the parties hereto have signed this Agreement made as of the day and year first above written.

2357383 Ontario Inc.

Per: Steve Ralph President 
NAME (PRINT)
TITLE

Date: Jan 16/16.

Ira Smith Trustee & Receiver Inc., solely in its capacity as court-appointed receiver of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc.

Per: 
Ira Smith - President

Date: January 14, 2016

SCHEDULE "A"
Confirmation and Indemnity Agreement

From: Steve Ralph and Gerard Waslen (the "**Principals**")

To: Ira Smith Trustee & Receiver Inc. (the "**Client**")
in its capacity as court-appointed receiver of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc.

Re: Services to be provided by 2357383 Ontario Inc. (the "**Consultant**")

WHEREAS we are employed (or otherwise serve) as Principals of the Consultant;

AND WHEREAS the Consultant intends to enter into the Consulting Agreement with the Client to which this Confirmation and Indemnity Agreement is attached as Schedule "A";

AND WHEREAS the Consulting Agreement stipulates that the Services (as that term is defined in the Consulting Agreement) to be provided thereunder will be performed by or under the supervision of the Principals at all times;

AND WHEREAS the execution of this Confirmation and Indemnity Agreement is contemplated by the Consulting Agreement and is a condition precedent to the commencement of the Services by the Consultant in order to induce the Client to consummate the Consulting Agreement;

AND WHEREAS we will receive a personal financial benefit from the consummation of the Consulting Agreement;

NOW THEREFORE, in consideration of the personal financial benefit that we will derive from the Consulting Agreement and other good and valuable consideration (including consummation of the Consulting Agreement), the sufficiency of which is hereby acknowledged, we hereby acknowledge and agree that:

1. We have read and understood the Consulting Agreement, and we agree to be personally bound by the terms and conditions applicable to the Consultant which appear therein;
2. Without limiting the generality of paragraph 1,
 - a. We will not describe or hold ourselves out as (nor permit any of the Consultant's employees or agents to describe or hold themselves out as) an employee or agent of the Client in providing the Services, nor enter into any agreements on behalf of or purport to

bind the Client, unless specifically authorized in writing by the Client to do so;

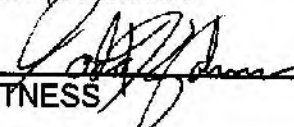
- b. We will perform the Services under the Consulting Agreement in a timely, professional and workmanlike manner, at a skill level and with the care and diligence reasonably expected of a prudent person providing the same or similar services;
- c. We will comply with (and cause the Consultant to comply with) all applicable laws, rules and regulations arising out of or connected with the performance of the Services under the Consulting Agreement, and will be responsible for obtaining and maintaining all necessary registrations, licenses and permits in connection with the provision of the Services;
- d. We will use our best efforts and exercise utmost diligence to protect and maintain the confidentiality of the Confidential Information (as that term is defined in the Consulting Agreement), and we will not, directly or indirectly, use the Confidential Information for our own benefit or for any purposes other than those of the Client, or disclose to another any Confidential Information, whether or not acquired, learned, obtained or developed by me alone or in conjunction with others, except as such disclosure or use may be required in connection with the performance of the Services or as may be consented to in writing by the Client;
- e. If we breach our obligations with respect to the Confidential Information hereunder (or pursuant to the Consulting Agreement), the Client shall be entitled to injunctive relief, in addition to such other legal or equitable remedies as may be available and, upon request, we shall consent in writing to the Client obtaining a temporary restraining order, or any preliminary or permanent injunction, restraining such actions which are in violation of our said obligations; and
- f. We hereby irrevocably agree to indemnify the Client and its shareholders, subsidiaries and affiliates, and their respective directors, officers, insurers, agents, employees and shareholders against any and all claims, suits, actions, demands and proceedings against the Client and all losses, costs and liabilities related thereto arising out of or related to any negligence by the Consultant or us or any other act or omission of the Consultant or me including without limitation (i) any breach of this Agreement or the Consulting Agreement by the Consultant or us, or (ii) any injuries sustained by the Consultant or us, or loss of or damage to the Consultant's or our property, arising out of or resulting in any

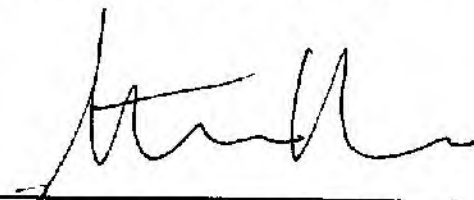
manner from, or occurring in connection with, the provision of the Services.

- 3. This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. We hereby irrevocably attorn to the jurisdiction of the Ontario Superior Court of Justice at Toronto and all courts competent to hear appeals therefrom.
- 4. If any provision of this Agreement (or part thereof), or the application of such provision to any party or in any circumstance, shall be determined to be invalid, illegal or unenforceable, the remaining provisions of this Agreement (and parts thereof), and the application of such provision to any party or in any circumstance other than that to which it is held to be invalid, illegal or unenforceable, shall not be affected.

IN WITNESS WHEREOF I have signed this Confirmation and Indemnification Agreement this 15 day of January, 2016.

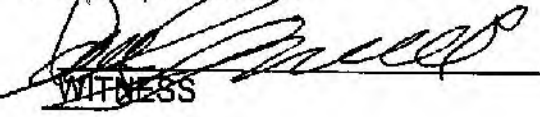
SIGNED, SEALED AND DELIVERED)
in the presence of)


WITNESS)


_____)

Name: Steve Ralph

SIGNED, SEALED AND DELIVERED)
in the presence of)


WITNESS)


_____)

Name: GERARD WASLEN

CONFIDENTIAL EXHIBIT “M”

(To Be Sealed Separately)

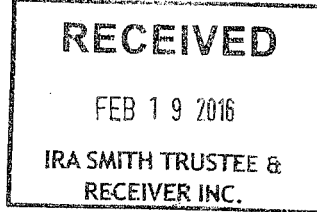
EXHIBIT "N"



Canada Revenue
Agency

Agence du revenu
du Canada

Tax Centre
Oshawa ON L1H 1K1



February 15, 2016

IRA SMITH TRUSTEE AND RECEIVER INC
6 - 167 APPLEWOOD CRES
CONCORD ON L4K 4K7

Account Number
83303 7617 RT0001

Dear Sir or Madam:

Re: LANA BERTRAM sometime carrying on business as SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP and Settlers' Ghost Golf Club

We understand that you have been appointed (Receiver or Receiver and Manager) for the above GST/HST registrant. Currently, the registrant owes us goods and services tax / harmonized sales tax (GST/HST) of \$129,189.36.

Period outstanding	GST/HST payable	Penalty & Interest	Total payable
2014-09-30	\$56,020.22	\$3,740.49	\$59,760.71
2013-12-31	\$24,597.44	\$2,642.95	\$27,240.39
2013-09-30	\$37,210.24	\$4,835.42	\$42,045.66
Law Costs			\$ 142.60

Under subsection 222(3) of the "Excise Tax Act," \$117,827.90 which is included in the above totals, is held in trust and forms no part of the property, business, or estate of LANA BERTRAM sometime carrying on business as SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP and Settlers' Ghost Golf Club in receivership. This is the case whether or not those funds have in fact, been kept separate and apart from the person's own money or from the assets of the estate.

The Receiver General should be paid the total amount of this trust, namely \$117,827.90, out of the realization of any property subject to these statutory trusts. This should take priority over all other creditors. Please forward your payment by return mail as soon as possible. If this is not possible, please indicate when payment will be forthcoming.

.../2



Northern Ontario Regional
Collections/Compliance Centre
55 Athol St E
Oshawa ON L1H 1K1

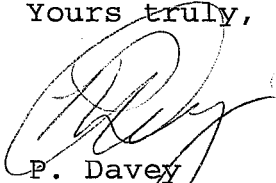
Local : 905-725-4526
Toll Free : 1-866-451-2560
Fax : 905-725-5431
Web site : www.cra.gc.ca

Please indicate when you can pay the remaining balance of \$11,361.46, plus penalty and interest accrued to the date of payment. We draw your attention to sections 266 and 270 of the "Excise Tax Act."

This letter will also serve to notify you that as a (Receiver or Receiver and Manager) you are required to collect and remit GST/HST according to paragraph 266(2)(d) and to file any applicable returns as provided in paragraphs 266(2)(f) and (g) of the "Excise Tax Act."

If you have any questions, please contact P. Davey of the Revenue Collection Division at one of the telephone numbers provided in this letter.

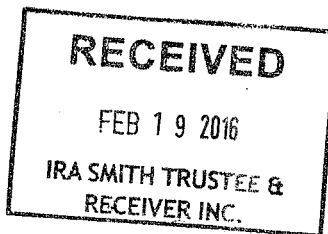
Yours truly,



P. Davey
Collection Officer (1261)



Tax Centre
Toronto ON L1H 1K1



February 15, 2016

IRA SMITH TRUSTEE AND RECEIVER INC
6 - 167 APPLEWOOD CRES
CONCORD ON L4K 4K7

Account Number
83303 7617 RP0001

Dear Sir or Madam:

Re: LANA BERTRAM sometime carrying on business as SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP and SETTLERS' GHOST GOLF CLUB
Account number: 83303 7617 RP0001

We have been advised that you have been appointed as receiver/manager for the above-named. At present, there is indebtedness to Canada Revenue Agency (CRA) for source deductions amounting to \$36,009.34.

Particulars of this liability are as follows:

Date of assessment (DD/MM/YYYY)	24/02/2014
Tax deductions:	\$6,003.67
CPP:	\$4,459.22
UI:	\$0.00
EI:	\$2,512.31
Penalties and interest:	\$2,940.06
Total:	\$15,915.26

Date of assessment (DD/MM/YYYY)	23/09/2014
Tax deductions:	\$0.00
CPP:	\$0.00
UI:	\$0.00
EI:	\$0.00
Penalties and interest:	\$370.94
Total:	\$370.94

Date of assessment (DD/MM/YYYY)	22/04/2015
Tax deductions:	\$16,985.00
CPP:	\$0.00
UI:	\$0.00
EI:	\$0.00
Penalties and interest:	\$2,738.14

.../2



Total: \$19,723.14
Grand total: \$36,009.34

Pursuant to the provisions of subsection 227(4) of the Income Tax Act (ITA), subsection 23(3) of the Canada Pension Plan (CPP), subsection 57(2) of the Unemployment Insurance Act (UIA), subsection 86(2) of the Employment Insurance Act (EIA), the following amounts, which are included in the above totals, are trust funds and form no part of the property, business, or estate of LANA BERTRAM sometime carrying on business as SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP and SETTLERS' GHOST GOLF CLUB in receivership.

Federal income tax:	\$4,480.36
Provincial income tax:	\$1,523.31
CPP employee portion:	\$2,229.61
UI employee portion:	\$0.00
EI employee portion:	\$1,046.80
Total:	\$9,280.08

Federal income tax:	\$12,675.40
Provincial income tax:	\$4,309.60
CPP employee portion:	\$0.00
UI employee portion:	\$0.00
EI employee portion:	\$0.00
Total:	\$16,985.00

Grand total: \$26,265.08

Payment for the total amount of this trust, namely \$26,265.08 should be made to the Receiver General out of the realization of any property that is subject to these statutory trusts in priority to all other creditors. Please forward payment by return mail. In the event this is not possible, please indicate when payment will be forthcoming.

Please advise when payment of the remaining balance of \$9,744.26 plus interest up to the date of payment will be forthcoming. Your attention is drawn to section 159 of the ITA, subsection 23(5) of the CPP, subsection 57(4.1) of the UIA and subsection 86(4) of the EIA.

This letter also serves as notice that should payment be made for any amount described in subsection 153(1) of the ITA for periods prior or subsequent to your appointment, tax deductions must be withheld and remitted in accordance with this subsection and Income Tax Regulations 101 and 108. Your attention is also directed to section 3 of the Unemployment Insurance

(Collection of Premiums) Regulations, section 5 of the EIA
and section 8 of the Canada Pension Plan Regulations.

If you require further information, please contact the undersigned
at (905) 725-4526.

Yours truly,



R. Davey
Collection Officer (1261)

EXHIBIT "O"

Ira Smith

Phone: 905.738.4167 ext. 111

Email: ira@irasmithinc.com

April 5, 2016

VIA FAX NO. 905.725.4100

Canada Revenue Agency
National Insolvency Office
55 Athol St. E.
Oshawa, ON L1H 1J8

Attention: P. Davey, Collection Officer

Dear Sirs

**LANA BERTAM SOMETIME CARRYING ON BUSINESS AS
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP AND
SETTLERS' GHOST GOLF CLUB
ACCOUNT NO.: 83303 7617 RT0001**

Thank you for your letter dated March 29, 2016 advising that the above-named taxpayer owes the amount of \$140,902.39 on account of unremitted HST, penalty and interest and law costs. You have also advised that the amount of \$128,563.16 included in the above total is held in trust and forms no part of the property of the taxpayer.

We advise that by Order of the Ontario Superior Court of Justice (Commercial List) dated December 15, 2015, as amended on December 18, 2015 (the "Amended Appointment Order"), Ira Smith Trustee & Receiver Inc. was appointed Receiver and Manager of Settlers' Ghost Golf Club Limited Partnership ("SGGCLP") and FSP Holdings Inc. ("FSP"). Your above-noted letter indicates the taxpayer to be Ms. Lana Bertram.

We have no capacity over the assets, properties and undertakings of Ms. Lana Bertram. We are unable to find to date in the books and records of SGGCLP or FSP any indication that there are tax accounts solely in each or any of their names. Accordingly, we are unclear as to what indebtedness, if any, either SGGCLP or FSP may have to you. We enclose for your information a copy of the Amended Appointment Order.

Please advise if SGGCLP or FSP have any indebtedness to you or if the indebtedness is only that of Ms. Lana Bertram. We would appreciate your advice as soon as possible, as we are currently preparing our First Report to Court in connection with this receivership administration.

Yours truly

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Receiver and Manager of
Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc.

Per:



Ira Smith
President

enc

CONFIDENTIAL EXHIBIT “P”

(To Be Sealed Separately)

EXHIBIT "Q"



Lawyers, Patent & Trade-mark Agents

150 York Street, Suite 800
Toronto ON M5H 3S5
Tel: 416.364.1553
Fax: 416.364.1453

March 14, 2016

Howard F. Manis
hmanis@msmlaw.ca
416.364.5289

Via E-Mail

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent
Suite 6
Concord, Ontario
L4K 4K7

Marianne D'Souza, Paralegal
mdsouza@msmlaw.ca
416.361.2610

Attention: Ira Smith/Brandon Smith

Dear Sirs,

RE: In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc. (collectively referred to as the "Company")

As you are aware, we are solicitors for Pace Savings & Credit Union Limited, the Applicant in the above-noted receivership proceedings.

As we advised during our conference call on March 8, 2016, our client is no longer willing to fund the Receiver to continue with the mandate provided for in the Order of the Honourable Madam Justice Conway dated December 15, 2015 and as amended by Her Honour by further Order dated December 18, 2015. Similarly, our client will not consent to a DIP Lender obtaining security ahead in priority to that of our client. Given the limited prospects for a sale of the assets by the Receiver, our client will be submitting a credit bid to the Receiver in the next day or so for the transfer of the assets of the Company to our client or its nominee. Our client will honour any and all reasonable obligations of the Receiver to date and in the future in order to complete the purchase and sale transaction contemplated herein.

Should you wish to discuss this matter further, please contact me at your convenience.

Yours very truly,
Macdonald Sager Manis LLP

Per: Howard F. Manis
HFM/MCD

cc: Suzanne Hyde, Pace Credit Union

EXHIBIT "R"

Brandon Smith

Phone: 905.738.4167 ext. 113
Email: brandon@irasmithinc.com

March 16, 2016

To the Limited Partners of Settlers' Ghost Golf Club Limited Partnership
and to the Receivership Service List

Dear Sir or Madam,

**In the matter of the Receivership of Settlers' Ghost Golf Club and FSP Holdings Inc.
(collectively the "Company")**

As you are aware, on December 15, 2015 (as amended December 18, 2015), the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (Commercial List) made an Order (the "Appointment Order") appointing Ira Smith Trustee & Receiver Inc. ("ISI") as Receiver and Manager (the "Receiver") of the assets, undertakings and properties of the Company.

Pace Savings and Credit Union Limited ("Pace"), has advised the Receiver that rather than funding the budgeted loss of the golf club in receivership this coming golf season, they wish to make an offer to purchase to the Receiver for the Receiver's right, title and interest, if any, in the assets, properties and undertaking of the Company. We have not received Pace's offer as of yet, but we expect to receive it this week. Pace has also advised the Receiver that it is opposed to any form of DIP lender loaning funds to the Receiver under the Court-approved Receiver's Certificate, which would provide such DIP lender with a priority position over Pace.

Given this event, the Receiver's legal counsel has obtained a Court date for Tuesday, March 29, 2016. The Receiver has started to prepare its First Report to Court in which the Receiver, *inter alia*, will be providing the Court and the stakeholders with its analysis and recommendations in connection with the putative Pace offer to purchase.

We are therefore writing to advise you of this information, and to request that if you or a party known to you wishes to submit an offer to purchase the Receiver's right, title and interest in the Company's properties, assets and undertaking, please forthwith submit the offer to purchase directly to the Receiver. We anticipate our legal counsel will serve our motion material with sufficient notice to all stakeholders which means that non-binding letters of intent must be submitted to the Receiver forthwith.

The Receiver is required to advise the Court of any and all offers to purchase received, with the Receiver's analysis and recommendations, including the anticipated offer from Pace.

If you are currently not on the service list (i.e. did not receive service of Pace's Application record) and wish to receive electronic service of the Receiver's Motion Record, please provide us with your email address for service.

Yours truly,

**IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as court appointed Receiver and Manager of
Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc.**

Per:

Brandon Smith, CIRP
Senior Vice-President

cc Mr. B. Darlington, DLA Piper
Mr. H. Manis, Macdonald Sager Manis LLP

EXHIBIT "S"

Brandon Smith

Phone: 905.738.4167 ext. 113

Email: brandon@irasmithinc.com

March 23, 2016

To the Limited Partners of Settlers' Ghost Golf Club Limited Partnership
and to the Receivership Service List

Dear Sir or Madam,

**In the matter of the Receivership of Settlers' Ghost Golf Club and FSP Holdings Inc.
(collectively the "Company")**

As you are aware, on December 15, 2015, Ira Smith Trustee & Receiver Inc. ("ISI") was appointed Receiver and Manager (the "Receiver") of the assets, undertakings and properties of the Company.

We are writing further to our letter of March 16, 2016, wherein we advised *inter alia* that Pace Savings and Credit Union Limited ("Pace"), wished to make an offer to purchase the Receiver's right, title and interest, if any, in the assets, properties and undertaking of the Company and that we would be reporting to the Court on March 29, 2016.

While our discussion continue with Pace, at this time we have not received Pace's signed offer. To allow time for Pace to finalize and submit its offer and to allow us to properly serve our report to the Court and the stakeholders with our analysis and recommendations, the March 29th Court date will be adjourned to a date likely in the third week of April.

We continue to advise that if you or a party known to you wishes to submit an offer to purchase the Receiver's right, title and interest in the Company's properties, assets and undertaking, please forthwith submit the offer to purchase directly to the Receiver.

Yours truly,

**IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as court appointed Receiver and Manager of
Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc.**

Per:

Brandon Smith, CIRP
Senior Vice-President

cc Mr. B. Darlington, DLA Piper
Mr. H. Manis, Macdonald Sager Manis LLP

EXHIBIT “T”

April 13, 2016

SETTLERS' GHOST GOLF CLUB LP
LANA STODDART
HILLARY J MILLS
3421 LINE 1 NORTH
Suite 1
BARRIE, ON L4M 4Y8

Dear Sir/Madam,

RE: Loan Number: 32429
Corporate Loan Fixed
3451 LINE 1 NORTH BARRIE, On

STATEMENT FOR DISCHARGE PURPOSES

(Effective April 13 2016 with interest currently paid to July 30 2015)

Principal Balance as at April 13 2016 (Provided all payments received are honored)	\$2,921,013.22
Interest due @ 5.25 from last payment to April 13 2016	108,186.38
Sundry Balance	35.00
Total Amount	\$3,029,234.60

These figures are an approximation and are subject to change with any subsequent transactions. The principal balance outstanding is based on all payments being received when due.

Payment received after 1:00 PM shall be deemed for the purpose of calculation of interest to have been made and received on the next business day. Per Diem interest charge will be **\$420.15**.

A certified cheque should be made payable to PACE Savings & Credit Union Limited, and forwarded to our office.

The authorization to discharge will be sent to you approximately four (4) weeks after the funds have been received.

Yours truly,
PACE Savings & Credit Union Limited

Suzanne Hyde
Manager, Commercial Special Loans
E. & O.E.

CONFIDENTIAL EXHIBIT “U”

(To Be Sealed Separately)

EXHIBIT "V"

Court No: CV-15-11212-00CL

Estate No: 31-458063

Receiver's Interim Statement of Receipts and Disbursements
IN THE MATTER OF THE RECEIVERSHIP OF
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP & FSP HOLDINGS INC.
FOR THE PERIOD FROM DECEMBER 15, 2015 TO MARCH 31, 2016

RECEIPTS

Cash on hand	10,273.50
Borrowings under Receiver's Certificates 1, 2 & 3	52,000.00
Receivable and rebate collection	5,481.70
Food & Beverage sales	49,240.88
Proshop, pre-paid greens fee & lesson sales	682.34
Membership sales	2,919.00
Golf League revenue	230.00
HST collected on sales	5,992.60

TOTAL RECEIPTS:	\$ 126,820.02
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DISBURSEMENTS

OSB Filing Fee	70.00
Food & Beverage COGS	16,708.70
Wages, Gratuities and Management Fees	62,929.63
Bank & Merchant POS Charges	3,189.05
Property Tax	7,501.32
HST Paid	6,511.07
Utilities	7,599.63
Advertising and Promotion	1,267.21
Repair, Maintenance, Janitorial & Upkeep	5,399.91
Gift Certificate and Promo Spirit Dollars	1,137.00
Misc. overhead expenses	2,855.28
Bailif and Appraisal Fees	5,200.00

TOTAL DISBURSEMENTS	\$ 120,368.80
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BALANCE ON HAND AS AT MARCH 31, 2016	\$ 6,451.22
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EXHIBIT "W"

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

PACE SAVINGS AND CREDIT UNION LIMITED

Applicant

and

**SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP, FSP HOLDINGS INC.
and LANA STODDART**

Respondents

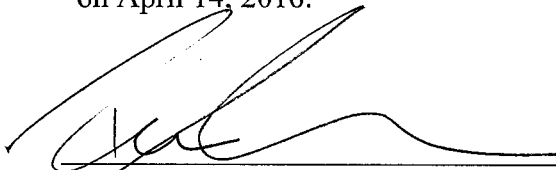
**AFFIDAVIT OF IRA SMITH
(Sworn April 14, 2016)**

I, Ira Smith, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

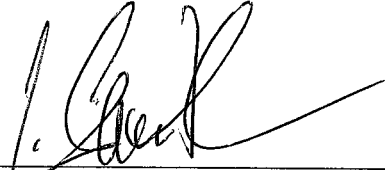
1. I am the President of Ira Smith Trustee & Receiver Inc. ("**ISI**"), the court-appointed receiver and manager (the "**Receiver**") of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc. (the "**Debtor**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. ISI was appointed Receiver of all of the assets, properties and undertakings of the Debtor pursuant to an Order of the Ontario Superior Court of Justice dated December 15, 2015, as later amended by subsequent Order dated December 18, 2015 (the "**Receivership Order**").

3. Pursuant to paragraph 18 of the Receivership Order, the Receiver and its legal counsel are required to pass their accounts from time to time.
4. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a summary of the fees charged and accounts rendered by the Receiver in respect of the proceedings (the "**Accounts Summary**") for the period from December 14, 2015 to April 12, 2016 (the "**Time Period**"). A copy of the invoice rendered by the Receiver and referenced in the Accounts Summary is attached to this my Affidavit as **Exhibit "B"**.
5. The Receiver has filed its First Report with this Honourable Court, which outlines, among other things, the Receiver's overall actions and activities since its appointment.
6. A total of 165.5 hours were expended by the Receiver in connection with this matter during the Time Period, giving rise to fees totaling \$63,765.00 (excluding HST) for an average hourly rate of \$385.29 and allocated approximately as outlined in the Accounts Summary.
7. To the best of my knowledge, the rates charged by the Receiver throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Greater Toronto Area for the provision of similar services.
8. The hourly billing rates outlined on the Accounts Summary are the normal hourly rates charged by the Receiver for services rendered in relation to similar proceedings.
9. I verily believe that the Receiver's accounts are fair and reasonable in the circumstances.
10. Attached as Exhibit "A" to the Affidavit of Bruce Darlington sworn April 14, 2016 and filed in support of the within motion are copies of the accounts rendered by DLA Piper (Canada) LLP ("**DLAP**"), counsel to the Receiver, for the period from December 8, 2015 to March 30, 2016.
11. DLAP has rendered services throughout these proceedings consistent with instructions from the Receiver, the Receiver has approved all such accounts and I verily believe that the fees and disbursements of DLAP are fair and reasonable in the circumstances.
12. The said Affidavit is sworn in connection with the Receiver's motion to have, among other things, its fees and disbursements approved by this Honourable Court and for no improper purpose.

SWORN BEFORE ME at the City of
Vaughan, in the Province of Ontario,
on April 14, 2016.



A Commissioner for taking affidavits



Ira Smith

**Brandon Smith, a Commissioner, etc.,
Province of Ontario, for Ira Smith
Trustee & Receiver Inc., Trustee in
Bankruptcy. Expires May 2, 2017.**

**FIRST REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER & MANAGER OF
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP &
FSP HOLDINGS INC.**

December 14, 2015 to April 11, 2016

Staff Member	Title	Total Hours	Hourly Rate (\$CDN)	Amount Billed (\$CDN)
Ira Smith MBA CPA CA•CIRP, Trustee	President	22.7	450.00	10,215.00
Brandon Smith, BA CIRP, Trustee	Senior	103.3	375.00	38,737.50
	Vice-President			
Martin Wolfe, CPA, CA	Senior	39.5	375.00	14,812.50
	Consultant			
Total		<u>165.5</u>	Average hourly rate of \$385.29	63,765.00
Disbursements				<u>20,422.07</u>
				<u>84,187.07</u>

This Exhibit ⁴⁹²..... referred to in the
Affidavit of ... ^{IRA SMITH}.....
Sworn before me this ^{14th} day of ^{APRIL}....., 2016


A Commissioner, etc.

Brandon Smith, a Commissioner, etc.,
Province of Ontario, for Ira Smith
Trustee & Receiver Inc., Trustee in
Bankruptcy. Expires May 2, 2017.

dB
 This Exhibit referred to in the Applewood Cres. Suite 6, Concord, ON L4K 4K7
 Affidavit of *IRA SMITH* Phone: 905.738.4167
 Sworn before me this *13th* day of *April*, 2016. Fax: 905.738.9848
@ira-smith.com

R-Settlers

[Signature]
 A Commissioner, etc.,
 Ira Smith, a Commissioner, etc.,
 Province of Ontario, for Ira Smith
 Trustee & Receiver Inc., Trustee in
 Bankruptcy. Expires May 2, 2017.

April 13, 2016

GST/HST # 86236 5699

**IN THE MATTER OF THE RECEIVERSHIP OF
 SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP &
 FSP HOLDINGS INC.**

For professional services rendered for the period from December 14, 2015 to April 12, 2016 inclusive, in acting as Receiver of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc. under in accordance with the Order of the Ontario Superior Court of Justice (Commercial List) dated December 15, 2015, (as amended December 18, 2015) as follows (detail attached):

<u>Staff</u>	<u>Hourly rate</u>	<u>Hours</u>	
I. Smith, President and Trustee	\$450	22.7	
B. Smith, Senior Vice-President and Trustee	\$375	103.3	
M. Wolfe, Senior Consultant	\$375	<u>39.5</u>	
		<u>165.5</u>	
			\$ 63,765.00

Disbursements:

Fax	\$ 13.25		
Postage	270.11		
Courier	346.86		
Travel/Mileage	341.21		
Accounting Software	619.81		
Locksmith	633.93		
IT Consultant	568.90		
Golf Course Management Consultant	<u>17,628.00</u>		
			<u>20,422.07</u>
			\$ 84,187.07
	HST		<u>10,944.32</u>
			<u>\$ 95,131.39</u>

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 14/12/2015 to 04/11/2016

Keyname	Date	Employee	Hours	Full Estate Name	Remark	Amount
R-Settlers				In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc.		
	14/12/2015	Brandon Smith	0.4		calls w/ IT and locksmith to set up for Wednesday	150.00
	14/12/2015	Brandon Smith	0.4		corresp w/ Suzanne/Manis re record; corresp w/ counsel re service issues and attendance	150.00
	15/12/2015	Brandon Smith	1.2		emails and phone calls w/ counsel, I smith, bailiff locksmith, IT, Lana Stoddart, Manis Suzanne @ pace, Sheldon title re preparing for attendance and gathering records/information for receivership	450.00
	15/12/2015	Ira Smith	0.1		Emails w. Sheldon Title re records, projections and golf course consultant	45.00
	15/12/2015	Martin Wolfe	0.8		conf call I Smith & B Smith, investigate liquor licence transfer	300.00
	16/12/2015	Brandon Smith	9.0		arrangements to freeze TD account; corresp w/ insurance broker to get added as named insured; travel to from and attend at site for taking possession/fact finding etc; call w/ is Smith; email to Pace re days activities; call w/ TD re allowing funds to dep	3,375.00
	16/12/2015	Martin Wolfe	8.3		travel to/from Settlers, take possession, fact finding, conf call w I Smith & B Smith	3,112.50
	17/12/2015	Brandon Smith	6.2		review of b&r; discussions w/ m Wolfe re his reviews and discuss operational issues; emails and calls to TD re banking arrangements; prep BIA report/creds list; emails w/ counsel re minute book and pin search; call w/ I smith re daily briefing	2,325.00
	17/12/2015	Martin Wolfe	5.6		rvw accounting and banking records, meet with B Smith, tel I Smith & B Smith	2,100.00
	18/12/2015	Brandon Smith	4.8		corresp w/ Mary and Dave; discussions w/ m Wolfe re budgets; work on creds list; attend at TD to change signatories; emails re amended order; call w/ pace; email to pace summarizing call; request GP's b&r from barriston; call and fax to cra re RT0002	1,800.00
	18/12/2015	Ira Smith	0.4		Conf call w. Pace	180.00
	18/12/2015	Martin Wolfe	3.6		attend TD bank to sign docs, conf call, rvw bank statement	1,350.00
	21/12/2015	Brandon Smith	0.3		email from and call w/ Venema IT consultant	112.50

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 14/12/2015 to 04/11/2016

Keyname	Full Estate Name	Date	Employee	Hours	Remark	Amount
R-Settlers	In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc.	21/12/2015	Martin Wolfe	0.7	review budget to March 31/2016	262.50
		22/12/2015	Brandon Smith	4.2	call w/ TD: misc. emails re matters; discussions w/ M. Wolfe; send bia report, prep aff re same; email to counsel re consultant agreements; rvw various docs and financials from co and others; email to insurance broker	1,575.00
		22/12/2015	Martin Wolfe	1.8	make changes to budget, prepare budget report & recommendations	675.00
		23/12/2015	Brandon Smith	3.2	matters re TD bank access control; draft and issuance of weekly report including prep schedule of acct rvw	1,200.00
		23/12/2015	Brandon Smith	0.5	call w/Ryan at DLA Piper re Mary/Dave contract; call to TD bank; emails from Dave re a/r	187.50
		23/12/2015	Martin Wolfe	1.4	rvw GL and emails D Graham, weekly cash flow	525.00
		24/12/2015	Martin Wolfe	0.2	emails D Graham	75.00
		28/12/2015	Martin Wolfe	0.7	emails D Graham re banking, planning & payroll	262.50
		28/12/2015	Martin Wolfe	0.2	tel with TD re unfreezing account	75.00
		29/12/2015	Ira Smith	2.4	Rcpt and rvw from S. Ralph of his standard consultant agreement, recommended changes thereto, email to DLA to review document	1,080.00
		29/12/2015	Martin Wolfe	0.7	investigate purchases from Gates & Green, emails D Graham re sales reports	262.50
		30/12/2015	Ira Smith	2.2	Rcpt and rvw from R. Campbell of DLA revised consulting agreement	990.00
		30/12/2015	Martin Wolfe	1.5	emails re Huronia Welding/email & phone S Emmett TD/liquor licence transfer	562.50
		31/12/2015	Martin Wolfe	0.9	attend TD to sign docs/emails re unfreezing a/c	337.50
		04/01/2016	Martin Wolfe	1.8	emails D Graham re employees replacement cheque details & current payroll/complete liquor licence transfer	675.00
		05/01/2016	Martin Wolfe	0.7	tel unsecured creditor/report activities to Brandon/	262.50
		06/01/2016	Martin Wolfe	0.8	rvw historical f/s,emails D Graham re suppliers	300.00
		07/01/2016	Martin Wolfe	1.2	rvw invoices/ sign & mail cheques/emails with vendors	450.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 14/12/2015 to 04/11/2016

Full Estate Name

In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc.

Keyname
R-Settlers

Date	Employee	Hours	Remark	Amount
08/01/2016	Martin Wolfe	0.6	emails to accountant/Open Table/tel TD	225.00
11/01/2016	Brandon Smith	0.4	corresp re gaining control of bank account	150.00
12/01/2016	Brandon Smith	0.5	reply to emails and vms from creds/sh/suppliers	187.50
13/01/2016	Brandon Smith	0.3	attend at TD to sign signature cards	112.50
13/01/2016	Brandon Smith	2.0	post chqs approved by m Wolfe in QB; approve, sign and post chqs issued by David; reporting to pace	750.00
13/01/2016	Ira Smith	0.8	Finalization of contractor agreements	360.00
13/01/2016	Martin Wolfe	0.2	email B Smith re D Graham remuneration	75.00
14/01/2016	Brandon Smith	0.2	call from Suzanne and email to TD re suspend pace pmts re Lana's loan	75.00
14/01/2016	Brandon Smith	0.3	corresp w/ Mary pat re ops and finalize contractor agmts; reach out to consultants re appropriateness of 70% rake	112.50
14/01/2016	Brandon Smith	0.2	call w/ party interested to buy course, rqstd they submit loi	75.00
14/01/2016	Brandon Smith	0.5	emails to Dave and marypat re employment agreement; receive reply from David and send draft to counsel for approval	187.50
14/01/2016	Brandon Smith	0.2	call w/ heather and Suzanne re conservation of costs and need for consultants	75.00
14/01/2016	Brandon Smith	0.3	pmt of deemed trust amounts at bank	112.50
14/01/2016	Brandon Smith	0.4	rvw contractor agmts, pmts to David and marypat; email to Ira and bruce	150.00
15/01/2016	Brandon Smith	0.4	respond to misc. emails; finalize Dave and marypat contractor agmts and send	150.00
18/01/2016	Brandon Smith	0.4	call w/ P Davey at CRA, email to d graham re audit and bank stmt	150.00
18/01/2016	Brandon Smith	0.5	corresp w/ unsec cred; corresp w/ Dave re and with wsib/hst; corresp w/ steve and Gerard and mgmt. to set up mtg	187.50
19/01/2016	Brandon Smith	0.3	corresp w/ MP and Dave; call w/ appraiser	112.50
20/01/2016	Brandon Smith	0.7	discussion w/ Marty re financials for January vs forecast and variance; reply to Manis re webpage; weekly reporting to pace	262.50
20/01/2016	Brandon Smith	0.8	corresp w/ various stakeholders incl; SICA, TD, Lana, Hydro	300.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 14/12/2015 to 04/11/2016

Keyname	Date	Employee	Hours	Full Estate Name	Remark	Amount
R-Settlers	20/01/2016	Martin Wolfe	0.7	In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc.	rvw Jan income statement and discuss with B Smith/tel creditor	262.50
	21/01/2016	Brandon Smith	0.5		call w/ Suzanne; approve DTZ update appraisal; call w/ page manager re his tournament; finalize w/ S ralph re tomorrow on site	187.50
	22/01/2016	Brandon Smith	6.0		mtg w/ Gerard and steve; travel to from and attend at course w/ MP and Dave; call w/ Suzanne at pace; approve chq and update Quicken	2,250.00
	25/01/2016	Brandon Smith	0.5		call w/ CRA re RP acct; corresp w/ steve ralph, colliers and TD	187.50
	25/01/2016	Martin Wolfe	0.3		rvw weekly financial report	112.50
	26/01/2016	Brandon Smith	2.2		emails from Dave re ops; emails re barn, call to ins broker l/m; call w/ steve ralph; reporting to pace	825.00
	27/01/2016	Brandon Smith	0.9		calls emails w/ insurer and David re named insured and barn; calls emails w/ David and waste company	337.50
	28/01/2016	Brandon Smith	1.2		email to file insurance claim re barn; borrowing request; review and approve cheque run incl payroll, post to quicken and mail	450.00
	29/01/2016	Brandon Smith	0.8		calls and email corresp re barn insurance claim	300.00
	29/01/2016	Martin Wolfe	0.2		emails Powell Jones CPA	75.00
	01/02/2016	Brandon Smith	3.5		travel to from and attend at site to meet w/ engineer, adjuster, Dave and norm re barn	1,312.50
	01/02/2016	Martin Wolfe	0.3		negotiate fees with J Mackey of Powell Jones	112.50
	02/02/2016	Martin Wolfe	0.3		rvw weekly financial report	112.50
	03/02/2016	Brandon Smith	0.4		ops emails w/ David and Marty	150.00
	03/02/2016	Brandon Smith	2.5		call w/ Suzanne; prepare for and meeting w/Pace re prelim assessment of ops; rvw mt books; rvw ops notes	937.50
	04/02/2016	Brandon Smith	0.8		rcv and rvw emails re approval from pace; corresp w/ Dave and MP;	300.00
	04/02/2016	Martin Wolfe	0.5		corresp w/ realtor unsolicited client purchase Sage Accounting and install	187.50
	05/02/2016	Brandon Smith	0.3		corresp w/ David/adjuster re barn and carts, sign pipeda form for ins. Co	112.50

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 14/12/2015 to 04/11/2016

Keyname	Date	Employee	Hours	Full Estate Name	Remark	Amount
R-Settlers	09/02/2016	Brandon Smith	2.1	In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc.	rcpt of cheque run, rvw, sign, post; reporting to pace; corresp w/ S. ralph and d/mp	787.50
	09/02/2016	Martin Wolfe	0.6		rvw weekly financial report and compare to budget	225.00
	16/02/2016	Brandon Smith	1.2		corresp w/ D Graham re ops, corresp w/ insurance adjuster; rvw status w/ M Wolfe and reporting to Pace	450.00
	18/02/2016	Martin Wolfe	0.5		memo to D Graham outline models for budget preparation	187.50
	19/02/2016	Martin Wolfe	0.2		respond to D Graham re budget enquiries	75.00
	22/02/2016	Brandon Smith	2.3		corresp w/ David re ops; prep for and attend mtg w/ pace incl pre mtg w/ steve & Gerrard	862.50
	22/02/2016	Martin Wolfe	0.4		comment to D Graham on budget	150.00
	23/02/2016	Brandon Smith	2.0		reconciliation of accounts, post chqs, sign chqs; reporting to pace	750.00
	24/02/2016	Brandon Smith	1.2		corresp w/ H Greber re valuation and break out equity if any on leased equip; ops corresp w/ Dave/MP; rcv and rvw instructions from Pace re last reporting; corresp w/ Ira and B. Darlington re steps to proceed	450.00
	25/02/2016	Brandon Smith	0.5		examine CRA demands and audit report, review pin search determine that CRA's claim may be restricted to Lana or LP and not FSP, email to pace re same and need to discuss w/ counsel	187.50
	26/02/2016	Martin Wolfe	0.2		emails to accountant re y/e preparation	75.00
	29/02/2016	Brandon Smith	0.8		rvw d graham financials; email w/ MP re pro shop; call w/ Ira and Bruce re credit bid scenario	300.00
	02/03/2016	Brandon Smith	0.5		call w/ Ira, Pace and legal; email to MP re get order done	187.50
	02/03/2016	Ira Smith	0.5		Conf call w. Pace reps, Bruce Darlington and Howard Manis	225.00
	02/03/2016	Ira Smith	0.4		Rvw of draft appraisal and comments to Brandon	180.00
	08/03/2016	Brandon Smith	0.5		conf call w. B. Darlington, H. Manis, I. Smith re letter Howard is providing us with tomorrow on behalf of Pace; reporting to pace	187.50
	08/03/2016	Ira Smith	0.4		conf call w. B. Darlington, H. Manis, B. Smith re letter Howard is providing us with tomorrow on behalf of Pace and memo to file	180.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 14/12/2015 to 04/11/2016

Keyname	Full Estate Name	Date	Employee	Hours	Remark	Amount
R-Settlers	In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc.	09/03/2016	Brandon Smith	0.2	arrange for 2nd recurs cert, adv MP to get maint work done	75.00
		10/03/2016	Brandon Smith	0.2	rvw MP order and corresp	75.00
		11/03/2016	Brandon Smith	0.7	call w/ WSIB and approve and log chqs	262.50
		14/03/2016	Brandon Smith	2.0	start drafting recurs report	750.00
		15/03/2016	Brandon Smith	3.6	calls w/ S. Hyde; emails w/ MP and Dave re ops; rvw H Manis letter and draft ltr to LPs and svc list, circ to bruce; reporting email to Pace re Maint items	1,350.00
		16/03/2016	Brandon Smith	1.2	finalize, mail merge and send ltr to stakeholders, affidavit re same	450.00
		16/03/2016	Brandon Smith	3.5	continue drafting recurs report	1,312.50
		17/03/2016	Brandon Smith	2.2	corresp from/to pace/mgmt.; assisting Ira with completion of draft report	825.00
		17/03/2016	Ira Smith	6.8	Rvw of first draft of First Report to Court, rvw of certain files and changes to First Report to Court, issuance of 2nd draft First Report to B. Darlington	3,060.00
		18/03/2016	Brandon Smith	1.2	corresp w/ MP re proshop; corresp w/ DG re SRD; rvw BD changes and prep blacklined v2 draft of court report	450.00
		18/03/2016	Ira Smith	0.6	Rvw of B. Darlington suggested changes to First Report and rvw of new draft report	270.00
		18/03/2016	Ira Smith	0.4	Partial rvw of draft APS and email to B. Darlington re same	180.00
		21/03/2016	Brandon Smith	1.3	corresp w/ Dave/MP re ops and court reporting needs and Pace matters	487.50
		21/03/2016	Ira Smith	2.4	Rvw of revised APS, making blackline amendments and email to legal counsel	1,080.00
		21/03/2016	Ira Smith	1.8	Amendments to draft First Report to Court and email to legal counsel	810.00
		22/03/2016	Brandon Smith	3.0	call w/ Don Anthony; call w/ Suzanne; call w/ Darlington; report to pace; ltr to stakeholders re vacate 29th	1,125.00
		23/03/2016	Brandon Smith	0.5	corresp w/ bruce re ltrs from Lana and Perlis	187.50

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
 Period from: 14/12/2015 to 04/11/2016

Keyname	Full Estate Name	Date	Employee	Hours	Remark	Amount
R-Settlers	In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc.					
		23/03/2016	Brandon Smith	4.0	rcv final po from MP; verify and approve; corresp w/ supplier re recurs g'ty; rcv instructions from pace re Don Anthony, draft email to don; circulate letter to svc list/LPs re adjourning March 29th; email from and reply to Lana,	1,500.00
		24/03/2016	Brandon Smith	2.1	review and approve payments and post to system; corresp w/ Pace re Dan and release email to Don re terms of employment; corresp w. counsel to H. mills; corresp from Lana; corresp w/ Bruce; corresp w/ suppliers	787.50
		24/03/2016	Brandon Smith	0.4	further corresp from and re Lana and scheduling B Hogan visit to site	150.00
		29/03/2016	Brandon Smith	1.0	call w/ Cra to sched discussion re d graham employment; corresp w. David re ops matters; call and email with Powell Jones, draft ltr for PJ to include in T5013	375.00
		29/03/2016	Brandon Smith	1.9	call w/ LP; ops emails w/ MP and Dave; reporting to Pace	712.50
		30/03/2016	Brandon Smith	0.6	ops corresp; corresp w/ LP; call w/wsib	225.00
		31/03/2016	Brandon Smith	3.5	ops emails; corresp w/ pace; receipt and deposit of cert 3; call w/ Lp; emails/calls w/ acct re stmts; discussion w/ m Wolfe re fin stmts and banking maters; calls email w/ pace re don Anthony, extend revised offer; call w/ bruce; issue and approve chqs	1,312.50
		31/03/2016	Martin Wolfe	0.6	rvw y/e financial statements and discuss with B Smith	225.00
		04/04/2016	Martin Wolfe	0.4	emails D Graham & B smith re banking	150.00
		05/04/2016	Ira Smith	0.4	emails and telcon re conference call, sending invite for 2:30 call, 2:30 conf call	180.00
		05/04/2016	Ira Smith	1.3	Prep of weekly report to Pace and issuance	585.00
		05/04/2016	Martin Wolfe	0.8	rvw budgets prepared by D Graham: summarize activities for week for l Smith	300.00
		06/04/2016	Martin Wolfe	0.3	rvw new estimates from Mercer & request additional details	112.50
		07/04/2016	Martin Wolfe	0.7	additional correspond re equip repairs amounts & authorizations & budgets	262.50

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 14/12/2015 to 04/11/2016

Keyname Full Estate Name
 R-Settlers In the Matter of the Receivership of Settlers' Ghost Golf Club Limited Partnership & FSP Holdings Inc.

Date	Employee	Hours	Remark	Amount
08/04/2016	Martin Wolfe	0.8	review payables, follow up with D Graham, sign cheques & mail	300.00
11/04/2016	Ira Smith	1.2	Rvw of and amendments to v3 of APS, voicemail to S. Hyde, email from and to B. Darlington w. v4 of APS, telcon w. S. Hyde, email to B. Darlington	540.00
11/04/2016	Ira Smith	0.6	Rcpt and rvw of email letter from Greg Azeff, compose reply w enclosures and email to Greg et al	270.00
12/04/2016	Brandon Smith	0.4	call w/ cra re d graham retainer agmt	150.00
12/04/2016	Brandon Smith	0.5	posting of expenses, review M Wolfe approved chqs, update accounts	187.50
		165.5		63,765.00

Employee Name	Total Hours	Hourly Rate	\$
Ira Smith	22.7	450.00	10,215.00
Brandon Smith	103.3	375.00	38,737.50
Martin Wolfe	39.5	375.00	14,812.50
Total:	165.5		63,765.00

Average Hourly Rate: 385.29

PACE SAVINGS AND CREDIT UNION LIMITED

And

**SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP, FSP
HOLDINGS INC. and LANA STODDART**

Applicants

Respondents

Court File No.: CV-15-11212-00CI

**ONTARIO
SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST -**

Proceeding commenced at Toronto

**AFFIDAVIT OF IRA SMITH
(Sworn April 14, 2016)**

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, ON L4K 4K7

Ira Smith MBA CPA CA•CIRP, Trustee
Tel: 905-738-4167
Fax: 905-738-9848

Court-appointed receiver and manager of
Settlers' Ghost Golf Club Limited Partnership
and FSP Holdings Inc.

EXHIBIT "X"

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP, FSP
HOLDINGS INC. and LANA STODDART

Respondents

APPLICATION UNDER Section 243 of the Bankruptcy and Insolvency Act RSC 1985, c B-3 and Section 101 of the Courts of Justice Act RSO 1990, c C-43

**AFFIDAVIT OF BRUCE E. DARLINGTON
(Sworn April 14, 2016)**

I, BRUCE E. DARLINGTON, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a partner of the law firm of DLA Piper (Canada) LLP (formerly Davis LLP), lawyers for the Court-appointed receiver, Ira Smith Trustee & Receiver Inc., as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, including undertakings and properties of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc. (the "**Debtors**"). Accordingly, I have personal knowledge of the matters to which I hereinafter depose, save and except where I have been provided with information by others. In the latter case, I have indicated the source of the information and I believe it to be true, unless I state otherwise herein.

2. Ira Smith was appointed as Receiver by Order of this Court originally dated December 15, 2015, and amended on December 18, 2015 (the "**Receivership Order**"). Unless otherwise indicated, the capitalized terms in this affidavit have the same meaning as those found in the Receivership Order.

3. Pursuant to paragraph 17 of the Receivership Order, the Receiver and its counsel are to be paid their reasonable professional fees and disbursements and are granted a Receiver's Charge on the Respondents' Property for such professional fees and disbursements.

4. I was called to the bar of the Province of Ontario in 1985, and specialize in the practice of insolvency law and banking law. My standard hourly rate for 2015 was \$625, and my standard hourly rate for 2016 is \$650.00. I am identified on the invoices as BYD.

5. Susan E. Friedman (SEF), litigation counsel for the Receiver in these proceedings, was also called to the bar of the Province of Ontario in 1985, and specializes in the practice of commercial litigation. Her standard hourly rate for 2015 was \$600.00, and her standard hourly rate for 2016 is \$625.00.

6. Ryan D. Campbell (RXC) was called to the bar of the Province of Ontario in 2011, and specializes in labour and employment law. His standard hourly rate for 2015 was \$325.00, and his standard hourly rate for 2016 is \$350.00.

7. Jennifer A. Whincup (JQW) was called to the bar of the Province of Ontario in 2011 and practices commercial litigation. Her standard hourly rate is \$400.00.

8. Rose Meffe (RXM) is a paralegal employed by DLA Piper (Canada) LLP who practices in the area of insolvency and restructuring. Her standard hourly rate is \$250.00.

9. Attached as Exhibit "A" to my affidavit is a copy of invoice number 1605904. The invoice was issued on January 29, 2016 and covers fees and disbursements from December 8, 2015 to January 21, 2016. The fees itemized on the invoice total \$12,740.00 (exclusive of taxes and disbursements). The total amount of the invoice, including disbursements and HST, is \$14,405.81.

10. Attached as Exhibit "B" to my affidavit is a copy of invoice number 1617045. The invoice was issued on March 31, 2016 and covers fees and disbursements from January 28, 2016 to March 30, 2016. The fees itemized on the invoice total \$18,632.50 (exclusive of taxes and disbursements). The total amount of the invoice, including disbursements and HST, is \$21,376.81.

11. The total of the fees of the attached invoices is \$31,372.50 exclusive of taxes and disbursements, and \$35,782.62 inclusive of taxes and disbursements.

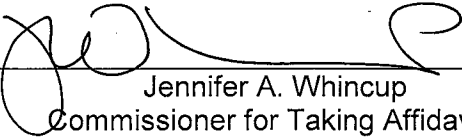
12. The average hourly rate of DLA Piper (Canada) LLP timekeepers on these invoices is \$493.28.

13. All of the time recorded on the Invoice and all of the disbursements were in fact incurred. I believe that the Invoices are fair and reasonable in all of the circumstances.


14. To the best of my knowledge, the rates charged by DLA Piper (Canada) LLP throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services, and the rates charged by DLA Piper (Canada) LLP for services rendered in similar proceedings.

15. I swear this affidavit in support of a motion for an order, *inter alia*, approving the fees and disbursements of the Receiver and its counsel and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto,
in the Province of Ontario on April 14, 2016

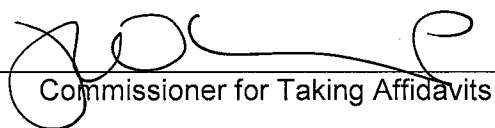


Jennifer A. Whincup
Commissioner for Taking Affidavits



BRUCE E. DARLINGTON

This is Exhibit "A" referred to in the Affidavit of Bruce Darlington,
sworn April 14, 2016



Commissioner for Taking Affidavits



DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto ON M5X 1E2
www.dlapiper.com
T 416.365.3500
F 416.365.7886

January 29, 2016

Ira Smith Trustee & Receiver Inc.
Suite 6 - 167 Applewood Crescent
Vaughan, ON L4K 4K7 Canada

INVOICE NUMBER: 1605904
FILE NUMBER: 17161-00001
BUSINESS NUMBER: REG # 110 152 824
FROM THE OFFICE OF: Bruce E. Darlington
DIRECT LINE: 416.365.3529

For Professional Services rendered and disbursements advanced through January 28, 2016.

Our Fees:	\$	12,740.00
Total Disbursements:	\$	8.50
Total HST:	\$	1,657.31
Total Current Invoice Due:	CAD \$	14,405.81

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

Remittance Advice:

Cheque Payments To:
DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King Street West
Toronto ON M5X 1E2 Canada

Canadian dollar Wire Payments To:
DLA Piper (Canada) LLP
Bank: Royal Bank of Canada
Main Branch - 200 Bay Street, Main Floor
Toronto ON M5J 2J5 Canada
Account: 1423136
Transit #: 00002
Institution #: 003
Swift #: ROYCCAT2
ABA #: 021000021
Please Indicate Invoice Number

Invoice No: 1605904
File No: 17161-00001
Amount: CAD \$ 14,405.81

Please return remittance advice
with cheque.



DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto ON M5X 1E2
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T 416.365.3500
F 416.365.7886

Ira Smith Trustee & Receiver Inc.
Suite 6 - 167 Applewood Crescent
Vaughan, ON L4K 4K7 Canada

Our File No: 17161-00001

Ira Smith Trustee & Receiver Inc.
Re: Settlor's Ghost Golf Club Limited Partnership

Date: January 29, 2016
Invoice Number: 1605904

For Professional Services rendered and disbursements advanced through January 28, 2016.

PROFESSIONAL SERVICES

<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
12/08/15	SEF	Engaging in brief office conference with B. Darlington; receiving forwarded email from I. Smith;	0.10	60.00
12/09/15	BYD	Reviewing draft application material including draft order;	1.20	750.00
12/09/15	SEF	Receiving emails from B. Darlington; sending email to B. Darlington re giving notice to general and limited partners;	0.10	60.00
12/10/15	SEF	Receiving email from B. Darlington; engaging in office conference with him; receiving and reviewing application record;	0.10	60.00
12/10/15	BYD	Reviewing comparison of draft order to model order; discussing motion material with S. Friedman; exchanging email messages with I. Smith; drafting email message to H. Manis;	0.90	562.50
12/11/15	BYD	Drafting email message to I. Smith re call; drafting email message to I. Smith and H. Manis;	0.40	250.00
12/11/15	BYD	Engaging in telephone conversation with I. Smith;	0.30	187.50
12/11/15	SEF	Receiving email from B. Darlington with comments on application materials; receiving reply from I. Smith; receiving email from B. Smith; receiving B. Darlington's reply; receiving further email from, B. Smith;	0.20	120.00
12/11/15	BYD	Exchanging email messages with B. Barnes;	0.20	125.00
12/12/15	SEF	Receiving email from H. Manis;	0.10	60.00
12/14/15	SEF	Sending email to B. Darlington re need for instructions re attendance tomorrow; receiving	0.30	180.00



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
		his reply; receiving email from H. Manis; sending reply to him; sending email to I. Smith and B. Smith re attendance; receiving reply from B. Smith;		
12/14/15	BYD	Reviewing email messages from B. Smith re books and records;	0.20	125.00
12/14/15	BYD	Exchanging email messages with S. Friedman; exchanging email messages with H. Manis;	0.20	125.00
12/15/15	BYD	Reviewing email message from S. Friedman re order granted; reviewing email messages from B. Smith re taking possession;	0.30	187.50
12/15/15	SEF	Preparing for and attending before Justice Conway; sending reporting email to I. Smith, B. Smith and B. Darlington; receiving reply from B. Smith and sending response to him; receiving his email to L. Stoddart; receiving further email from B. Smith, with L. Stoddart's reply to him and his response; receiving email from H. Manis with Justice Conway's endorsement and the signed and entered order; receiving email from B. Smith;	1.70	1,020.00
12/16/15	SEF	Receiving email from I. Smith, forwarding motion record on motion to amend style of cause; reviewing same; engaging in email exchange with B. Darlington, I. Smith and B. Smith re adding DLA Piper to the service list; receiving email exchanges re identifying the limited partners; receiving email exchange between H. Manis and B. Darlington;	0.30	180.00
12/16/15	BYD	Exchanging email messages with H. Manis re service list; exchanging email messages with B. Smith re limited partners; exchanging email messages with S. Friedman re court appearance;	0.50	312.50
12/17/15	BYD	Reviewing email messages from B. Smith to D. Smith;	0.30	187.50
12/17/15	BYD	Reviewing draft BIA report; providing comments to B. Smith;	0.30	187.50
12/17/15	BYD	Drafting email message to D. Smith re GP;	0.10	62.50
12/17/15	SEF	Sending email to B. Smith, I. Smith and B. Darlington re not attending on motion to amend style of cause and receiving reply from B. Smith; receiving email from B. Smith re limited partners; receiving email from him to D. Smith re minute books and other documents of	0.40	240.00



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
		the partnership; receiving further email exchanges between B. Smith and D. Smith; receiving email from B. Darlington re hearing on December 18th; receiving and reviewing email from B. Smith with draft Bankruptcy and Insolvency Act Notice and receiver's statement; receiving B. Darlington's comments;		
12/18/15	SEF	Receiving email from H. Manis with endorsement and two issued orders of Justice Conway and reviewing same; receiving email from B. Smith to D. Smith with copies of orders; receiving email from B. Smith to H. Lee and S. Hyde re teleconference of today;	0.10	60.00
12/18/15	BYD	Reviewing email message from H. Manis re amended order; reviewing email messages from B. Smith;	0.30	187.50
12/22/15	BYD	Reviewing email message from B. Smith; discussing background information and assignment with R. Campbell;	0.40	250.00
12/22/15	SEF	Receiving email from B. Smith to members of Settlers' Ghosts management team; receiving email from B. Smith to B. Darlington re continuing employees of debtor;	0.10	60.00
12/22/15	RXC	Receiving and reviewing insolvency materials; attending telephone call with B. Darlington to discuss contracts for key personnel; e-mailing B. Smith re: same;	0.70	227.50
12/23/15	BYD	Reviewing email messages from B. Smith re TD Bank and status report; reviewing email message from S. Emmett;	0.30	187.50
12/23/15	RXC	Preparing for and attending telephone call with B. Smith to discuss contractor agreement for key individuals;	0.70	227.50
12/24/15	RXC	Drafting Contractor Agreement for D. Graham;	2.60	845.00
12/27/15	RXC	Continued drafting of contractor agreement for D. Graham; drafting contractor agreement for M.P. Quilty; e-mailing B. Smith enclosing same, with comments;	2.10	682.50
12/28/15	BYD	Reviewing email message from B. Smith and draft consulting agreements; drafting email message to B. Smith;	0.40	250.00
12/29/15	RXC	E-mail correspondence with I. Smith, B. Smith and B. Darlington regarding draft Contractor Agreements for D. Graham and M.P. Quilty;	3.00	975.00



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
		revising Contractor Agreement for D. Graham to take the form of a letter from Ira Smith Trustee & Receiver Inc.; e-mailing I. Smith, B. Smith and B. Darlington enclosing same; reviewing and revising Consulting Agreement for golf course operators;		
12/29/15	BYD	Exchanging email messages with R. Campbell re agreements with current employees; exchanging email messages with R. Campbell re draft consulting agreement; reviewing email message from B. Smith to M. Truax;	0.40	250.00
12/30/15	BYD	Reviewing email message from R. Campbell re consultant agreement; reviewing email messages from B. Smith and M. Wolfe re Huronia Welding; drafting email message to M. Wolfe re Huronia Welding; exchanging email messages with B. Smith and I. Smith re bank accounts; exchanging email messages with S. Emmett;	1.20	750.00
12/30/15	RXC	Drafting letter form contractor agreement with M.P. Quilty; revising letter form contractor agreement with D. Graham; continued reviewing and revising contractor agreement with 2357383 Ontario Inc.; e-mailing with I. Smith and B. Darlington re: same;	3.20	1,040.00
01/04/16	RXC	Revising consultant agreement to reflect representations, warranties, terms and conditions agreed to by third-party Principals; e-mailing I. Smith enclosing same;	1.80	630.00
01/04/16	BYD	Reviewing email messages exchanged between I. Burbidge and B. Smith; exchanging email messages with H. Manis and B. Smith;	0.40	260.00
01/04/16	BYD	Reviewing and replying to email message from I. Smith;	0.20	130.00
01/14/16	BYD	Reviewing email messages from B. Smith and replying;	0.20	130.00
01/14/16	BYD	Reviewing email message from B. Smith and amendment to Graham contractor agreement;	0.30	195.00
01/14/16	RXC	Reviewing e-mail correspondence from B. Smith, I. Smith and B. Darlington re: preparation and presentation of independent contractor agreements;	0.10	35.00
01/18/16	BYD	Reviewing email messages from B. Smith and Mills' statement of claim;	0.30	195.00



Matter: 17161-00001
Invoice: 1605904
Page: 5

<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
01/21/16	BYD	Reviewing email message from B. Smith re status; reviewing email message from L. Stoddart;	0.20	130.00
Total Taxable Hours and Fees:			27.20 \$	12,740.00

DISBURSEMENTS

Taxable Disbursements

Description

Binding 8.50
Total Taxable Disbursements: \$ 8.50

BILL SUMMARY

Our Fees: \$ 12,740.00
Total Disbursements: \$ 8.50
REG # 110 152 824 Total HST: \$ 1,657.31
Total Current Invoice Due: CAD \$ 14,405.81

This is our account.

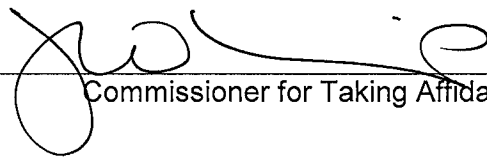
DLA Piper (Canada) LLP

Per: 

Bruce E. Darlington

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

This is Exhibit "B" referred to in the Affidavit of Bruce Darlington,
sworn April 14, 2016

A handwritten signature in black ink, consisting of a large loop on the left, a horizontal line, and a smaller loop on the right.

Commissioner for Taking Affidavits



DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto ON M5X 1E2
www.dlapiper.com
T 416.365.3500
F 416.365.7886

March 31, 2016

Ira Smith Trustee & Receiver Inc.
Suite 6 - 167 Applewood Crescent
Vaughan, ON L4K 4K7 Canada

INVOICE NUMBER: 1617045
FILE NUMBER: 17161-00001
BUSINESS NUMBER: REG # 110 152 824
FROM THE OFFICE OF: Bruce E. Darlington
DIRECT LINE: 416.365.3529

For Professional Services rendered and disbursements advanced through March 30, 2016.

Our Fees:	\$	18,632.50
Total Disbursements:	\$	297.85
Total HST:	\$	2,446.46
Total Current Invoice Due:	CAD \$	<u>21,376.81</u>

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

Remittance Advice:

Cheque Payments To:
DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King Street West
Toronto ON M5X 1E2 Canada

Canadian dollar Wire Payments To:
DLA Piper (Canada) LLP
Bank: Royal Bank of Canada
Main Branch - 200 Bay Street, Main Floor
Toronto ON M5J 2J5 Canada
Account: 1423136
Transit #: 00002
Institution #: 003
Swift #: ROYCCAT2
ABA #: 021000021
Please Indicate Invoice Number

Invoice No: 1617045
File No: 17161-00001
Amount: **CAD \$ 21,376.81**

Please return remittance advice
with cheque.



DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto ON M5X 1E2
www.dlapiper.com
T 416.365.3500
F 416.365.7886

Ira Smith Trustee & Receiver Inc.
Suite 6 - 167 Applewood Crescent
Vaughan, ON L4K 4K7 Canada

Our File No: 17161-00001

Ira Smith Trustee & Receiver Inc.
Re: Settler's Ghost Golf Club Limited Partnership

Date: March 31, 2016
Invoice Number: 1617045

For Professional Services rendered and disbursements advanced through March 30, 2016.

PROFESSIONAL SERVICES

<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
01/28/16	BYD	Reviewing email messages from B. Smith re barn damage;	0.20	130.00
02/24/16	BYD	Exchanging email messages with B. Smith re Pace credit bid;	0.30	195.00
02/24/16	SEF	Receiving email from B. Darlington to B. Smith, with update and inquiry regarding credit bid; receiving B. Smith's reply; receiving further email exchanges between them and I. Smith with respect to sales process;	0.20	125.00
02/29/16	BYD	Exchanging email messages with B. Smith re call;	0.20	130.00
02/29/16	BYD	Engaging in telephone conference with I. Smith and B. Smith;	0.40	260.00
03/02/16	BYD	Engaging in telephone conference with B. Smith, I. Smith, H. Manis, S. Hyde, B. Hogan and H. Lee re credit bid; exchanging email messages with S. Friedman re court time;	0.60	390.00
03/02/16	SEF	Receiving email from B. Darlington re obtaining court approval of credit bid and re possible motion dates; giving instructions to make inquiries re same; exchanging further emails with B. Darlington re timing of motion; sending emails to B. Darlington and J. Whincup re availability of court dates; receiving email from H. Manis; receiving email from B. Smith;	0.20	125.00
03/03/16	BYD	Reviewing email message from H. Manis; drafting email message to H. Manis;	0.20	130.00
03/03/16	SEF	Engaging in office conference with B. Darlington re motion for order approving credit	0.30	187.50



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
		bid and timing of same; receiving email exchanges with H. Manis and I. Smith re same; giving instructions to J. Whincup re preparing materials and attending on motion and to K. Hamill re booking appointment; receiving confirmation from her that appointment has been booked;		
03/03/16	JQW	Reviewing and responding to several emails re booking motion; arranging for motion to be held on March 29, 2016;	0.70	280.00
03/04/16	JQW	Reviewing and responding to emails re service list and next steps for file;	0.20	80.00
03/07/16	JQW	Reviewing and responding to emails re scheduled motion and conference call to discuss next steps;	0.40	160.00
03/07/16	BYD	Exchanging email messages with J. Whincup re court date; drafting email message to I. Smith, B. Smith and H. Manis re process;	0.40	260.00
03/08/16	BYD	Reviewing reply from H. Manis and responding;	0.20	130.00
03/08/16	BYD	Engaging in telephone conference with I. Smith, B. Smith, H. Manis and L. Sigal;	0.40	260.00
03/09/16	BYD	Reviewing email messages from B. Smith and S. Hyde; discussing court process with J. Whincup;	0.30	195.00
03/09/16	JQW	Engaging in call with B. Darlington re update on motion and responsibilities for motion to the Court;	0.40	160.00
03/14/16	BYD	Exchanging email messages with H. Manis re status;	0.20	130.00
03/14/16	BYD	Reviewing email message and letter from H. Manis;	0.20	130.00
03/14/16	JQW	Reviewing and responding to emails re conference call with counsel; reviewing receivership materials in preparation for drafting motion materials to approve potential sale;	2.10	840.00
03/15/16	JQW	Drafting and revising notice of motion re approval of sale agreement; drafting and extensively revising affidavit re approval of sale agreement; conducting research re approval of sale agreement in absence of sales process; engaging R. Meffe to pull and summarize PPSA filings;	6.50	2,600.00



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
03/15/16	BYD	Discussing court material with J. Whincup;	0.30	195.00
03/15/16	RXM	Receiving email from J. Whincup requesting PPSA searches and summaries; engaging in telephone discussion with J. Whincup re summaries; attending to order uncertified PPSA searches and summaries and certified PPSA searches; exchanging emails with ESC Corporate Services re summaries;	0.40	100.00
03/15/16	BYD	Reviewing email message and draft letter from B. Smith;	0.30	195.00
03/16/16	RXM	Receiving emails from ESC Corporate Services with PPSA search and summary and reviewing same; attending to forward PPSA searches and summaries to J. Whincup;	0.20	50.00
03/16/16	BYD	Reviewing draft notice of motion, approval and vesting order and discharge order; reviewing email message from B. Smith; drafting email message re draft court material and receiver's report;	0.60	390.00
03/16/16	JQW	Reviewing emails re letter to pace re position;	0.40	160.00
03/17/16	BYD	Reviewing email messages from B. Smith and S. Hyde;	0.20	130.00
03/18/16	BYD	Reviewing and commenting on Receiver's first report; drafting email message to I. Smith and B. Smith;	1.30	845.00
03/18/16	BYD	Reviewing and commenting on draft offer to purchase; drafting email message to I. Smith;	1.10	715.00
03/18/16	JQW	Reviewing first draft of receiver's report; reviewing several emails re receiver's first report;	0.70	280.00
03/21/16	JQW	Reviewing and responding to several emails re revisions to APS and comments; reviewing most recent draft of receiver's report;	0.90	360.00
03/21/16	BYD	Exchanging email messages with I. Smith; engaging in telephone conversation with L. Sigal; drafting email message to H. Manis and L. Sigal;	0.90	585.00
03/21/16	BYD	Exchanging email messages with B Smith re driving range;	0.20	130.00
03/21/16	BYD	Reviewing and amending draft asset purchase agreement as amended by Receiver; reviewing amended Receiver's report; drafting email messages to H. Manis and L. Sigal;	1.40	910.00



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
03/22/16	BYD	Reviewing email messages from H. Manis; engaging in telephone conversation with B. Smith; drafting email message to H. Manis and L. Sigal; exchanging email messages with J. Whincup re court availability; reviewing email message from B. Smith re activities; exchanging email messages with H. Manis re rescheduling motion; discussing rescheduling motion with J. Whincup; drafting email message to B. Smith re communication to stakeholders;	1.60	1,040.00
03/22/16	BYD	Reviewing email message from B. Smith and draft letter to stakeholders; amending letter; drafting email message to B. Smith;	0.30	195.00
03/22/16	JQW	Reviewing several emails re new motion date, letter to vacate, and other preliminary matters;	0.50	200.00
03/23/16	JQW	Reviewing several emails re adjournment of motion; reviewing receiver's report; attempting to book 9:30 appearance to seek adjournment; reviewing agreement of purchase and sale; Reviewing emails re letter of concern and issues relating to self-representation of L. Stoddart;	1.60	640.00
03/23/16	BYD	Reviewing email messages from B. Smith and S. Hyde;	0.20	130.00
03/23/16	BYD	Reviewing email message from B. Smith and letter from H. Perlis; reviewing email message from B. Smith and letter from L. Stoddart; drafting email message to B. Smith and drafting replies to H. Perlis and L. Stoddart for comment;	0.80	520.00
03/23/16	BYD	Discussing Greenskeeper position with B. Smith; reviewing draft email message from B. Smith and replying;	0.50	325.00
03/23/16	BYD	Exchanging email messages with B. Smith re letter from L. Stoddart; exchanging email messages with H. Manis re letter from L. Stoddart and court date;	0.40	260.00
03/24/16	RXM	Attending to obtain parcel register, reviewing and saving same; attending to prepare and send email to B. Darlington with parcel register; receiving email from B. Darlington to prepare letters to H. Perlis and L. Stoddart; attending to prepare letters to H. Perlis and L. Stoddart and sending email to B. Darlington with same; exchanging emails with B.	1.20	300.00



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
		Darlington re emailing letters; attending to prepare and send email to H. Perlis with letter; attending to prepare and send email to L. Stoddart with letter; receiving email from H. Perlis re rescheduled motion dates; receiving email from L. Stoddart re status of independent counsel;		
03/24/16	BYD	Reviewing email message from J. Barzo; exchanging email messages with B. Smith; reviewing reply from B. Smith; reviewing parcel register; reviewing email messages from J. Whincup re court appearance; issuing letter to H. Perlis; issuing letter to L. Stoddart; reviewing reply from H. Perlis; reviewing reply from L. Stoddart; drafting response to L. Stoddart for comment;	1.70	1,105.00
03/24/16	BYD	Exchanging email messages with B. Smith and J. Whincup re response to L. Stoddart; amending and sending response to L. Stoddart;	0.50	325.00
03/28/16	RXM	Reviewing email from B. Darlington to L. Stoddart;	0.10	25.00
03/29/16	BYD	Exchanging email messages with J. Whincup re adjournment; Reviewing email message from B. Smith and draft letter re tax slips; drafting reply to B. Smith;	0.30	195.00
03/29/16	BYD	Reviewing email messages between B. Smith and L. McClaren; reviewing B. Smith report to Pace;	0.50	325.00
03/29/16	BYD	Reviewing email message from L. Stoddart and forwarding to J. Whincup;	0.10	65.00
03/29/16	JQW	Attending commercial list to seek adjournment of motion date; communicating new date to counsel; reviewing several emails re availability of counsel to attend motion;	2.20	880.00
03/30/16	JQW	Reviewing email from B. Smith; revising service list;	0.40	160.00
Total Taxable Hours and Fees:			36.40 \$	18,632.50



DISBURSEMENTS

Non-Taxable Disbursements

Description

Minister of Finance	102.00
Non-taxable portion of the Teraview parcel	9.45
Total Non-Taxable Disbursements:	\$ 111.45

Taxable Disbursements

Description

Postage	2.40
Filing Fees	30.00
Service Provider Fee - Toronto/Calgary	16.00
Service Provider Fee - Toronto	116.00
Taxable portion of the Teraview parcel register	22.00
Total Taxable Disbursements:	\$ 186.40

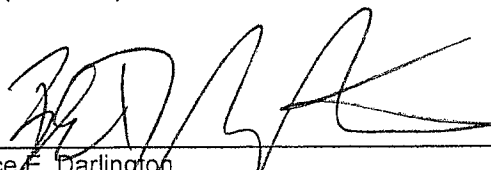
BILL SUMMARY

	Our Fees:	\$	18,632.50
	Total Disbursements:	\$	297.85
REG # 110 152 824	Total HST:	\$	2,446.46
	Total Current Invoice Due:	CAD \$	21,376.81

This is our account.

DLA Piper (Canada) LLP

Per:


Bruce E. Darlington

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

-and-

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP,
FSP HOLDINGS INC. and LANA STODDART
Respondents

Court File No. CV-15-11212-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**AFFIDAVIT OF BRUCE DARLINGTON
(Sworn April 14, 2016)**

DLA PIPER (CANADA) LLP
1 First Canadian Place
100 King Street West, Suite 6000
P.O. Box 367
Toronto ON M5X 1E2

Jennifer A. Whincup (LSUC# 60326W)
jennifer.whincup@dlapiper.com
Tel: 416-365-3425
Fax: 416-369-5240

Lawyers for the Receiver

EXHIBIT "Y"

**IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP and
FSP HOLDINGS INC.**

NOTICE AND STATEMENT OF THE RECEIVER
(The Bankruptcy and Insolvency Act Subsections 245(1) and 246(1))

The Receiver gives notice and declares that:

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated December 15, 2015 (as amended December 18, 2015), the undersigned Ira Smith Trustee & Receiver Inc. ("ISI") became the Receiver (and Manager) of the property of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc. (collectively the "companies"), insolvent companies that are described below:

An 18-hole public golf course located at 3421 McNutt Road, RR #1, Barrie, Ontario, including all equipment, inventory, chattels, buildings, structures, fixtures, fittings, and appurtenances thereto but excluding those equipment, inventory, fixtures, fitting and chattels that are the rightful property of 3rd parties.
2. The undersigned became the Receiver by virtue of:
 - a) an Order of the Ontario Superior Court of Justice (Commercial List) dated December 15, 2015, as amended by subsequent Order of the Ontario Superior Court of Justice (Commercial List) dated December 18, 2015.
3. The assets described above are located in or at the location specified above.
4. The following information relates to the appointment:
 - (a) Address of insolvent companies: 3421 McNutt Road, RR #1
Barrie, ON L4M 4Y8
 - (b) Principal line of business: Golf Course, Restaurant and Pro-Shop
 - (c) Location(s) of business: As described above
 - (d) Amount owed by the insolvent company to each creditor who holds or may hold a security interest on the property described above, is as indicated on the attached list. The following parties may have a security interest in certain assets of the insolvent company:

Creditor	Amount of Charge Against the Property
Pace Savings and Credit Union Ltd.	\$2,883,388.78
Maxium Financial Services Inc.	Unknown
Roynat Inc.	Unknown
Turf Care Financial Limited	Unknown
T., M., C. & V. Pochwalowski	\$500,000.00

- (e) The list of creditors of the insolvent company including above noted secured creditors and the amount owed to each creditor and the total amount due by the insolvent company, based on the information currently available to the Receiver, is as followsⁱ:

See attached list.

- (f) The intended plan of action of the Receiver and Manager is as follows:

The Receiver and Manager has taken possession of the assets. The Receiver and Manager is currently developing a plan of action to maximize the realization on the assets for all stakeholders.

- (g) Contact person for the Receiver: Brandon Smith
 Telephone 905-738-4167 ext. 113
 Fax 905-738-9848
 Email: brandon@irasmithinc.com

DATED at Concord, Ontario, this 21st day of December, 2015

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.,
 Solely in its capacity as Receiver and Manager of the assets
 including undertakings and properties of Settlers' Ghost Golf
 Club Limited Partnership and FSP Holdings Inc.

Per:



Brandon Smith, CIRP
 Senior Vice-President

ⁱ We advise that this list is tentative and subject to change.

**In the Matter of the Receivership of
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP
and FSP HOLDINGS INC.
Creditor List**

Secured	Amount (\$)
MAXIUM FINANCIAL SERVICES INC.	UNKNOWN
PACE SAVINGS & CREDIT UNION LTD.	2,883,388.78
Pochwalowski Mortgage	511,250.00
ROYNAT INC.	UNKNOWN
TURF CARE FINANCIAL LIMITED	UNKNOWN

Unsecured	Amount (\$)
ABELL PEST CONTROL	121.88
CANADIAN LINEN	434.65
CHAY-FM RADIO	1,288.20
COLIO ESTATE WINES	136.92
Cowden Woods Loan	135,500.00
DCS AGRONOMIC SERVICES	2,360.00
FOR THE LOVE OF FOOD	345.60
GATES N GREENS HORSESHOE	1,000.00
GREATER BARRIE CHAMBER OF COMMERCE	314.14
Hilary Mills	160,300.00
HURONIA WELDING AND INDUSTRIAL	101.00
LANA STODDART	UNKNOWN
NELLA CUTLERY & FOOD EQUIPMENT INC.	35.00
NGCOA CANADA	449.17
OBL Lease	UNKNOWN
OPEN TABLE INC	44.87
ORO MEDONTE CHAMBER OF COMMERCE	361.20
POINT TO POINT COMMUNICATIONS	100.57
POWELL JONES LLP	9,142.00
PROGRESSIVE WASTE SOLUTIONS CANADA	420.03
PUROLATOR	26.65
RECEIVER GENERAL (HST)	147,492.16
RECEIVER GENERAL (Payroll)	UNKNOWN
SEXTONS	11,478.59
THE MADISON COUNTY	232.54
TRIMARK SPORTSWEAR LTD	189.16
U of T Tournament	2,625.00
VITAL HEALTH SAVINGS PLAN	503.68
WOW DESIGN STUDIO INC.	4,198.00

**In the Matter of the Receivership of
SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP
and FSP HOLDINGS INC.
Creditor List**

Contingent - Partners / Shareholders	Amount (\$)
Al Langman Construction	UNKNOWN
Anna Posca	UNKNOWN
Brenda Woods	UNKNOWN
D. Laurie Ego	UNKNOWN
David Graham	UNKNOWN
Deb Stoddart	UNKNOWN
Duncor Enterprises Inc.	UNKNOWN
Fred Sutcliffe	UNKNOWN
Front Nine Investments	UNKNOWN
Gauder Family Trust	UNKNOWN
Heather Mallard	UNKNOWN
Hughes	UNKNOWN
Jackson	UNKNOWN
James Wilson	UNKNOWN
John B. Jenkins	UNKNOWN
John Brown	UNKNOWN
Katherine Macmillan	UNKNOWN
Keith Cowden	UNKNOWN
Lana Stoddart	UNKNOWN
M.E. (Dit) Holt	UNKNOWN
Margret Jessie De Jong	UNKNOWN
Mark Goode	UNKNOWN
Martin Ostien	UNKNOWN
Mary Pat Quilty	UNKNOWN
Murray McGinnis	UNKNOWN
Paul Gazzola	UNKNOWN
Paul Neville	UNKNOWN
Paul Weber	UNKNOWN
R.A. Campbell	UNKNOWN
Robert A. McLaren	UNKNOWN
Ron C. Raphael	UNKNOWN
Sheryl Truax	UNKNOWN
Stone Gate Inn inc.	UNKNOWN
Tim Kraft	UNKNOWN
Twyla Campbell	UNKNOWN
William Jim Cowden	UNKNOWN

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) FRIDAY THE 25TH
JUSTICE)
DAY OF APRIL, 2016

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP, FSP
HOLDINGS INC. and LANA STODDART

Respondents

APPLICATION UNDER Section 243 of the Bankruptcy and Insolvency Act RSC 1985, c B-3 and Section 101 of the Courts of Justice Act RSO 1990, c C-43

APPROVAL AND VESTING ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc., as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, including undertakings and properties of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc. (the "**Debtors**") for an order:

1. abridging the time for service;
2. approving the activities of the Receiver as set out in the first report of the Receiver dated April 14, 2016 (the "First Report");

3. approving the fees and disbursements of the Receiver and its counsel, including a reserve for the completion of the receivership, as set out in the First Report;

4. approving the sale transaction (the “**Transaction**”) contemplated by an offer to purchase (the “**Offer to Purchase**”) between the Receiver and Pace Savings & Credit Union Limited (the “**Purchaser**”) dated April 13, 2016 and appended to the First Report of the Receiver dated April 14, 2016 (the “**First Report**”), and vesting in the Purchaser the Debtors’ right, title and interest in and to the assets described in the Offer to Purchase, subject to the priorities identified in the First Report (the “**Purchased Assets**”),

was heard this day at 330 University Avenue, 8th Floor, Toronto, Ontario.

ON READING the Motion Record of the Receiver, including the First Report and the appendices thereto, and on hearing the submissions of counsel for the Receiver, counsel for the debtors, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Trudy Dookie-Chandra, sworn April 14, 2016, filed:

1. **THIS COURT ORDERS** that the time and method of service of the motion record be and hereby is abridged and validated and that the motion is properly returnable today.

2. **THIS COURT ORDERS** that the activities of the Receiver, as set out in the First Report, are hereby approved.

3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the First Report, are hereby approved.

4. **THIS COURT ORDERS AND DECLARES** that the Receiver has the authority to file an assignment in bankruptcy for one or both of the Debtors, and Ira Smith Trustee & Receiver Inc. has the authority to act as the licensed insolvency trustee.

5. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Offer to Purchase by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

6. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Offer to Purchase, and listed on Schedule "B" hereto, 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 Conway dated December 15, 2015 and amended December 18, 2015; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act*

(Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule "C" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "D") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

7. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Registry Division of Barrie of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule "B" hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule "C" hereto.

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

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

10. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

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

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

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to

give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule "A" - Form of Receiver's Certificate

Court File No. CV-15-11212-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

and

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP, FSP
HOLDINGS INC. and LANA STODDART

Respondents

APPLICATION UNDER

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "**Court**") dated December 15, 2015 and amended on December 18, 2015, Ira Smith Trustee & Receiver Inc., as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, including undertakings and properties of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc. (the "**Debtors**")

B. Pursuant to an Order of the Court dated April 25, 2016, the Court approved the offer to purchase made as of April 13, 2016 (the "**Offer to Purchase**") between the Receiver and Pace Savings & Credit Union Limited (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the

delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in sections 19 and 20 of the Offer to Purchase have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Offer to Purchase.

THE RECEIVER CERTIFIES the following:

- The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Offer to Purchase;
- The conditions to Closing as set out in sections 19 and 20 of the Offer to Purchase have been satisfied or waived by the Receiver and the Purchaser; and
- The Transaction has been completed to the satisfaction of the Receiver.
- This Certificate was delivered by the Receiver on April , 2016.

Ira Smith Trustee & Receiver Inc., as receiver and manager without security, of all of the assets, including undertakings and properties of Settlers' Ghost Golf Club Limited Partnership and FSP Holdings Inc.

Per: _____

Name:

Title:

Schedule "B" - Purchased Assets

1. Part Lot 41-42 Concession 2 Medonte Part 1 Plan 51R30187; Oro-Medonte
2. Being whole of PIN 58527-0314 (LT)
3. Land Titles Division for the Land Registry Office of Simcoe County (No. 51)

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

1. Registration Number: RO1467834
2. Registration Number: SC660196
3. Registration Number: SC762211
4. Registration Number: SC804471
5. Execution Number: 15-0000256 – County of Simcoe

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

(unaffected by the Vesting Order)

1. None

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

-and-

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP
et al.

Respondents

Court File No. CV-15-11212-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER FORM

DLA PIPER (CANADA) LLP

Barristers & Solicitors

1 First Canadian Place

100 King Street West, Suite 6000

P.O. Box 367

Toronto ON M5X 1E2

Jennifer A. Whincup (LSUC# 60326W)

jennifer.whincup@dlapiper.com

Tel: 416-365-3425

Fax: 416-369-5240

Lawyers for the Receiver

PACE SAVINGS & CREDIT UNION LIMITED

Applicant

-and-

SETTLERS' GHOST GOLF CLUB LIMITED PARTNERSHIP
et al.

Respondents

Court File No. CV-15-11212-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD
(Motion Returnable April 25, 2016)

DLA PIPER (CANADA) LLP

Barristers & Solicitors
1 First Canadian Place
100 King Street West, Suite 6000
P.O. Box 367
Toronto ON M5X 1E2

Jennifer A. Whincup (LSUC# 60326W)

jennifer.whincup@dlapiper.com

Tel: 416-365-3425

Fax: 416-369-5240

Lawyers for the Receiver