

Court File Number: CV-25-00741044-00CL

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

BETWEEN:

**CHIEF EXECUTIVE OFFICER OF THE FINANCIAL SERVICES
REGULATORY AUTHORITY OF ONTARIO**

Applicant

-and-

**SUSSMAN MORTGAGE FUNDING INC., 2486976 ONTARIO INC., and
1981361 ONTARIO INC.**

Respondents

**SUPPLEMENTAL REPORT TO THE
FIRST REPORT OF B. RILEY FARBER INC.
IN ITS CAPACITY AS RECEIVER OF
SUSSMAN MORTGAGE FUNDING INC., 2486976 ONTARIO INC., and
1981361 ONTARIO INC.**

DATED JUNE 24, 2025

Court File Number: CV-25-00741044-00CL

**SUPPLEMENTAL REPORT TO THE
FIRST REPORT OF B. RILEY FARBER INC.
IN ITS CAPACITY AS RECEIVER OF
SUSSMAN MORTGAGE FUNDING INC., 2486976 ONTARIO INC., and
1981361 ONTARIO INC.**

DATED JUNE 24, 2025

TABLE OF CONTENTS

INTRODUCTION AND PURPOSE OF THIS REPORT	4
TERMS OF REFERENCE AND DISCLAIMER	5
PROPOSED COURSE OF ACTION	6
ACTIVE MORTGAGES	9
CORRESPONDENCE WITH REPRESENTATIVE COUNSEL	12
CONCLUSION.....	12

Court File Number: CV-25-00741044-00CL

**SUPPLEMENTAL REPORT TO THE
FIRST REPORT OF B. RILEY FARBER INC.
IN ITS CAPACITY AS RECEIVER OF
SUSSMAN MORTGAGE FUNDING INC., 2486976 ONTARIO INC., and
1981361 ONTARIO INC.**

DATED JUNE 24, 2025

LIST OF APPENDICES

Appendix A	Ramachandran Email dated June 9, 2025
Appendix B	Dentons Email to Ramachandran dated June 18, 2025
Appendix C	Friedmans Letter to Receiver dated June 5, 2025
Appendix D	Dentons Email to Friedmans dated June 16, 2025
Appendix E	Friedmans Aide Memoire dated June 23, 2025
Appendix F	Stein Investor Agreements

**SUPPLEMENTAL REPORT TO THE
FIRST REPORT OF B. RILEY FARBER INC.
IN ITS CAPACITY AS RECEIVER OF
SUSSMAN MORTGAGE FUNDING INC., 2486976 ONTARIO INC., and
1981361 ONTARIO INC.**

DATED JUNE 24, 2025

INTRODUCTION AND PURPOSE OF THIS REPORT

1. On April 11, 2025, the Financial Services Regulatory Authority of Ontario (“**FSRA**”) made an application (the “**Application**”) under subsection 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, S.O. 2006,c.29 (the “**MBLAA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C.43 (the “**CJA**”) to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) for an order appointing B. Riley Farber Inc. (“**B. Riley**”) as receiver without security, of all of the assets, undertakings and properties of Sussman Mortgage Funding Inc. (“**SMFI**”), 2486976 Ontario Inc. (“**248**”) and 1981361 Ontario Inc. (“**198**” and, together with SMFI and 248, the “**Debtors**”).
2. Pursuant to an order (the “**Receivership Order**”) of the Honourable Justice Dietrich dated May 2, 2025 (the “**Date of Appointment**”), B. Riley was appointed as receiver (in such capacity, the “**Receiver**”) of all of the assets, undertakings and properties of the Debtors, including any assets held in trust by the Debtors for any third party and all property, rights interests and proceeds arising from all joint venture or co-tenancy agreements entered into by the Debtors (collectively, the “**Property**”).
3. As required by paragraph 3 of the Receivership Order, the Receiver prepared and filed with the Court the First Report of the Receiver dated June 2, 2025 (the “**First Report**”), for consideration at a case conference to be held on June 26, 2025.
4. The purpose of this supplemental report to the First Report (the “**Supplemental Report**”) is to provide the Court with additional information with respect to:

- a. the Receiver's proposed course of action;
- b. correspondence with Representative Counsel and other stakeholders;
- c. the disposition of certain Active Mortgages; and
- d. the Receiver's motion for amendments to the Receivership Order.

TERMS OF REFERENCE AND DISCLAIMER

5. In preparing this Supplemental Report, the Receiver has relied upon certain unaudited, draft, and/or internal financial information of the Debtors, the books and records of the Debtors and discussions with the Debtors' principals, and information from third-party sources (collectively the "**Information**"). Except as otherwise described in this First Report:
 - a. the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountant of Canada Handbook (the "**CPA Handbook**") and, as such, the Receiver expresses no opinion or other form of assurance with respect to the Information presented in this First Report.
 - b. the Receiver has filed this Supplemental Report solely for the purpose of providing information to this Court. Parties using the First Report other than for the purposes outlined herein are cautioned it may not be appropriate for their purposes.
6. Unless otherwise noted, all monetary amounts contained in this Supplemental Report are expressed in Canadian dollars.
7. Defined terms in this Supplemental Report have the meaning provided to them in the First Report unless otherwise defined herein.
8. This Supplemental Report should be read in conjunction with the Receiver's First Report, which sets out the preliminary findings on which the Supplemental Report is based. A copy

of the First Report, along with other material filed in these receivership proceedings, is available on the Receiver's Case Website at:
<https://brileyfarber.com/engagements/sussman-mortgage-funding-inc/>

PROPOSED COURSE OF ACTION

9. Following discussions with Representative Counsel and other stakeholders, the Receiver proposes the course of action described below.

Realization Plan

10. The Receiver is in the process of developing a realization plan for each Active Mortgage. This process involves a comprehensive analysis designed to produce the following:
 - a. an estimate of the realizable value of each Active Mortgage on an "as is" basis;
 - b. an assessment of the feasibility and viability of development plans for certain Active Mortgages;
 - c. a scenario analysis outlining various strategic options, including potential realization outcomes, associated timelines, and funding requirements; and
 - d. a recommendation regarding the course of action moving forward.
11. To facilitate the Receiver's efforts to realize on the Property for the benefit of stakeholders, the Receiver is proposing certain amendments to the Receivership Order to allow it to market the Property and vest title to the Property to purchasers, subject to the approval of the Court.

Other Avenues of Potential Recovery

12. The Receiver is also investigating other potential avenues of recovery, including but not limited to:
 - a. potential claims or beneficial interest of SMFI in the Premises;
 - b. potential claims against SMFI's current and previous auditor(s);

- c. potential claims against any insurance policies held by SMFI; and
- d. potential claims against Sussman and related parties who may have received preferential payments.

The Investigation

13. As discussed in the First Report, the Investigation is incomplete, given the limited timeframe for delivery of the First Report and other constraints detailed therein. Given the issues identified in the First Report with respect to the quality and reliability of the Information, the Receiver does not believe that the benefit of a full forensic review of the Information would justify the cost. Specifically, the lack of electronic accounting records prior to August 1, 2018 would require a review of physical financial records, which are expected to be incomplete, and would require the Receiver to painstakingly rebuild financial records for multiple years based on banking records.
14. The Receiver does believe, however, that there is value in a limited effort to advance the Investigation to the extent permitted by the Information. The Receiver proposes to undertake a review of the Information, and any additional information that may be provided by Investors, to attempt to determine:
 - a. Principal amounts invested by each Investor in the Active Mortgages;
 - b. The mortgages in which each Investor intended to invest;
 - c. The mortgages to which Investor funds were actually directed;
 - d. The amount, if any, received by each Investor as a repayment of principal since August 1, 2017;
 - e. The amount, if any, received by each Investor as interest since August 1, 2018;
 - f. The amount paid to each borrower since August 1, 2018; and
 - g. The amount received from each borrower since August 1, 2018.

15. The Receiver estimates that these additional steps to conclude the Investigation will take approximately three months.

Reviewable Transactions

16. The Receiver proposes to investigate the Reviewable Transactions set out in the First Report and any other transactions potentially requiring further review that may be identified in the Investigation.
17. In order to facilitate and assist in its review of the Reviewable Transactions and to allow the Receiver to pursue any preferences or transfers at undervalue that may be identified, the Receiver is seeking an amendment to the Receivership Order to grant it the power to assign the Respondents into bankruptcy in the event it becomes necessary.
18. The Receiver notes that a bankruptcy application against SMFI was brought by an Investor on May 9, 2025 (the “**Bankruptcy Application**”). A copy of the Bankruptcy Application was included in the motion record filed by Representative Counsel on May 15, 2025.
19. The Receiver believes that it would be more efficient and cost effective to proceed with a bankruptcy assignment of SMFI than wait for the Bankruptcy Application to be heard.
20. The Receiver also believes it may be advantageous to assign the Equity Corps. into bankruptcy as well, in order to preserve the reviewable transaction periods, as the Equity Corps. hold the interests in the development projects.
21. As the bankruptcy estates are unlikely to have unencumbered assets to address the fees of a bankruptcy trustee, the Receiver is seeking an amendment to the Receivership Order to extend the protection of the Receiver’s Charge to any trustee in bankruptcy appointed over any of the Debtors.

Claims Process

22. The Receiver proposes work with Representative Counsel and other stakeholders to design a claims process to allow Investors to make claims against the estate, at the appropriate time. Given the disparity among Investors in terms of financial sophistication and the

quality of records maintained by Investors, the Receiver will review whether it will be more effective to conduct a reverse claims process.

23. If the Receiver determines that a reverse claims process is appropriate, it will be necessary to conclude the limited Investigation prior to commencing a claims process.

ACTIVE MORTGAGES

The Bidmead Mortgage

24. As discussed in the First Report, the Receiver has been in regular correspondence with Bidmead regarding the maturity of the Bidmead Mortgage on June 23, 2025.
25. The Receiver is working closely with its counsel and Olympia to finalize the repayment of the Bidmead Mortgage and the discharge of the related mortgage registrations. The Receiver expects to realize approximately \$820,000 from the repayment of the Bidmead Mortgage.

The Subramaniam Mortgages

26. The Receiver has also been in regular contact with Subramaniam's counsel regarding the Subramaniam Mortgages. Subsequent to the issuance of the First Report, Subramaniam remitted funds to the Receiver to address the mortgage arrears.
27. On June 9, 2025, Ramachandran Law ("**Ramachandran**"), Subramaniam's counsel advised the Receiver that Subramaniam was working to refinance the S-26 mortgage on the maturity date of June 23, 2025. A copy of Ramachandran's email is attached hereto as **Appendix "A"**.
28. On June 18, 2025, Dentons LLP ("**Dentons**"), counsel to the Receiver, wrote to Ramachandran requesting a copy of the executed mortgage commitment related to the refinancing of S-26. Dentons also made demand for the June payment in respect of S-27. A copy of Dentons' email is attached hereto as **Appendix "B"**.

29. As of the date of this Supplementary Report the Receiver has not received a response to Dentons' email. The Receiver intends to commence mortgage enforcement remedies in respect of S-26 and S-27 in order to preserve the interests of the Investors with registered and beneficial interests in the Subramaniam Mortgages.
30. As set out in the First Report, certain Registered Investors dispute that S-26 and S-27 are Property and have expressed an interest in exercising their remedies personally. On June 5, 2025, the Receiver received a letter from Friedmans LLP ("**Friedmans**"), counsel to a Registered Investor. A copy of Friedmans' letter is attached hereto as **Appendix "C"**.
31. In its letter, among other things, Friedmans notes an error in the First Report, which stated that the S-26 Property is currently encumbered by a charge in favour of SMFI and Olympia in trust for certain Registered Investors. Friedmans correctly notes that, following a transfer of charge in October 31, 2023 (the "**S-26 Transfer**"), the registration in favour of SMFI was transferred to Olympia in trust for the RRIF accounts of other Registered Investors.
32. The S-26 Transfer reflected an investment by certain Registered Investors that was used to repay other Investors who had originally invested in the mortgage. The table below sets out a summary of the transactions underlying the S-26 Transfer.

Investor	Principal Out	Principal In
TE03	40,000	-
LB01	30,000	-
BR02	100,000	-
WD01	133,000	-
TN02	-	153,000
RO01	-	150,000
	303,000	303,000

33. While Investors TE03 and LB01 received cash payments in respect of their principal, the repayment of Investors BR02 and WD01 was supposed to occur by transfer of their principal to other mortgages. In the case of Investor BR02 this supposed transfer occurred after the other mortgage had already been discharged. The Receiver has been unable to confirm that all the transfers of principal were made with the consent of the Investors.

Consequently, the Receiver is unable to confirm, at present, whether any of these Investors no longer have a beneficial interest in S-26.

34. On June 16, 2025 Dentons wrote to Friedmans, counsel to Michael Stein (“**Stein**”), noting that the Receiver was unable to confirm that certain Investors had been repaid their principal in respect of the S-26 Transfer and, as such, maintained that S-26 remained Property. A copy of Dentons’ email is attached hereto as **Appendix “D”**.
35. On June 23, 2025 Friedmans filed an aide memoire (the “**Friedmans Aide Memoire**”) in these receivership proceedings, a copy of which is attached hereto as **Appendix “E”**. The Receiver notes the following with respect to the Friedmans Aide Memoire:
 - a. The Receiver has not “interfered” with Olympia’s ability to enforce the mortgages. It has taken reasonable steps to preserve the Property for the benefit of Investors pursuant to the Receivership Order.
 - b. Friedmans asserts that Stein is not an Investor in any mortgage. Attached as **Appendix “F”** are copies of the investor agreements executed by Stein in respect S-26 and S-27. The agreements state the SMFI may exercise enforcement remedies; require the investor to fund any additional costs of enforcement on a pro rata basis; and state that all proceeds of the mortgage shall be shared by investors on a pro rata basis.
 - c. The Receiver does not acknowledge that SMFI does not hold any legal or beneficial interest in S-27. As set out in paragraph 136 of the First Report, the Receiver acknowledges only that SMFI’s records suggest that Messrs. Teichman and Stein are the only Investors in S-27. While the Receiver would not oppose an order allowing Teichman and Stein to enforce their remedies in respect of S-27, other stakeholders may take a different view.
 - d. The Receiver maintains that S-26 is Property and remains subject to the Receiver’s Charge. Until a process for the allocation of costs is determined the Receiver believes it is premature to distribute any funds to Investors, including to the Registered Investors.

CORRESPONDENCE WITH REPRESENTATIVE COUNSEL

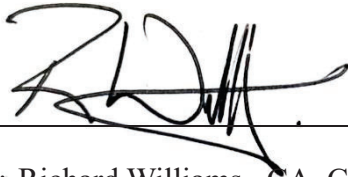
36. The Receiver has met with Representative Counsel and other stakeholders on several occasions to discuss the administration of the receivership proceedings.
37. The Receiver and Representative Counsel have also agreed on the composition of the Investor Committee, which is expected to include the Investors below, subject to the execution of confidentiality agreements.
 - a. Stephen Shefsky
 - b. Robert Green
 - c. Teresa Vincent
 - d. Gaylene Johnson
 - e. Jack Tepperman
 - f. Harley Zeretsky
 - g. Troy Vaine
38. The Receiver is satisfied that the members of the Investor Committee represent a broad range of Investors in terms of investment size and financial sophistication.

CONCLUSION

39. The Receiver believes that the proposed course of action is reasonable and appropriate in the circumstances and is in the best interest of Investors. Given the increased scope of the Receiver's mandate, the Receiver proposes that the limitation on the Receiver's Charge be lifted. The Receiver intends to pursue its mandate efficiently and with a focus on maximizing the return to Investors in consultation with Representative Counsel and other stakeholders.
40. To allow the Receiver to pursue its proposed course of action, the Receiver requests that the Court issue an amended and restated receivership order in the form appended to the Receiver's motion.

All of which is respectfully submitted this 24th day of June, 2025.

B. RILEY FARBER INC.,
solely in its capacity as Court-Appointed
Receiver of the Debtors and without
personal or corporate liability

Per:  _____

Name: Richard Williams , CA, CIRP, LIT
Title: Senior Managing Director

Appendix “A”
to the Supplemental Report to the First
Report of the Receiver

From: [Thajeve Selvanathan](#)
To: [Richard Williams](#); [Emily Klein](#)
Cc: [VITHU RAMACHANDRAN](#); [Sara Corcoran](#)
Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam
Date: Monday, June 9, 2025 2:56:40 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)
[image008.png](#)

[EXTERNAL]

Good afternoon Richard,

Our client has advised that he is currently in the process of refinancing the property with a target date of June 23, 2025.

He intends on paying out this mortgage then. Thank you.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V

Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4

Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law



This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

Appendix “B”
to the Supplemental Report to the First
Report of the Receiver

Richard Williams

From: Kennedy, Robert <robert.kennedy@dentons.com>
Sent: Wednesday, June 18, 2025 12:16 PM
To: Thajeve@ramachandran.law
Cc: Richard Williams; Kraft, Kenneth
Subject: FW: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

[EXTERNAL]

Thajeve:

As you are aware, we act on behalf of B. Riley Farber Inc., in its capacity as receiver of Sussman Mortgage Funding Inc., et al.

Your client is Maheswaran Subramaniam, mortgagor. Reference is made to the following mortgages:

- (a) a mortgage registered against the lands municipally described as 1345 Bardeau Street, Innisfil, ON (the "**Bardeau Mortgage**"); and
- (b) a mortgage registered against the lands municipally described as 1026 Green Street, Innisfil, ON (the "**Green Mortgage**"), that is in payment arrears for a missed payment due on June 3, 2025 (the "**June Payment**").


The Bardeau Mortgage matures on June 23, 2025. In anticipation of an organized and timely refinancing, the Receiver is requesting that you provide us with the executed mortgage commitment that will be used to support and complete the refinancing, on or before the close of business June 19, 2025.

With respect to the Green Mortgage, the Receiver requires that the June Payment be delivered on or before June 20, 2025, failing which, the Receiver may commence mortgage enforcement remedies.

We look forward to hearing from you shortly.

Robert J. Kennedy

Partner
 National Practice Group Co-Leader, Restructuring, Insolvency and Bankruptcy

 +1 416 367 6756

Dentons Canada LLP | [Toronto](#)

This lawyer practices through a professional corporation.

Dentons is a global legal practice providing client services worldwide through its member firms and affiliates. Email you receive from Dentons may be confidential and protected by legal privilege. If you are not the intended recipient, disclosure, copying, distribution and use are prohibited; please notify us immediately and delete the email from your systems. To update your commercial electronic message preferences email dentonsinsightsca@dentons.com. Please see [dentons.com](https://www.dentons.com) for Legal Notices.

From: Thajeve Selvanathan <Thajeve@ramachandran.law>
Date: June 9, 2025 at 12:56:13 PM MDT
To: Richard Williams <rwilliams@brileyfin.com>, Emily Klein <eklein@brileyfin.com>
Cc: VITHU RAMACHANDRAN <Vithu@ramachandran.law>, Sara Corcoran <scorcoran@brileyfin.com>

32

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

[EXTERNAL]

Good afternoon Richard,

Our client has advised that he is currently in the process of refinancing the property with a target date of June 23, 2025.

He intends on paying out this mortgage then. Thank you.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V

Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4

Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law



This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

From: Richard Williams <rwilliams@brileyfin.com>

Sent: June 9, 2025 8:49 AM

To: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>; Emily Klein <eklein@brileyfin.com>

Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

Good morning Thajeve,

Can we have an update please.

Regards,

Richard Williams
B. Riley Farber

rwilliams@brileyfin.com
905-904-7400

From: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>

Sent: Friday, June 6, 2025 10:41 AM

33

To: Richard Williams <rwilliams@brileyfin.com>; Emily Klein <eklein@brileyfin.com>

Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

[EXTERNAL]

Good morning Richard,

I have scheduled a call with my client at 2:00pm.

I will provide an update later today. Thank you.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V

Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4

Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law

<image001.png>

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

From: Richard Williams <rwilliams@brileyfin.com>

Sent: June 6, 2025 10:36 AM

To: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>; Emily Klein <eklein@brileyfin.com>

Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

Good morning Thajeve,

On review of the mortgage documents, it appears the maturity date for S-26 (Bardeau) is actually June 8, 2025.

Please confirm that we will receive payment in the amount of \$484,681.01 on Monday, June 9, 2025.

Regards,

Richard Williams
B. Riley Farber

rwilliams@brileyfin.com
905-904-7400

From: Richard Williams

Sent: Wednesday, June 4, 2025 9:22 AM

To: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>; Emily Klein <eklein@brileyfin.com>

Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran

<scorcoran@brileyfin.com>

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

Thank you Thajeve. I will come back to you if we can't confirm receipt.

Please note that June's payment is now due as well – when can we expect receipt?

Also, mortgage S-26 (Bardeau) matures on June 23. Please confirm that your client is making arrangements to repay the mortgage in full on or prior to the maturity date.

Richard Williams
B. Riley Farber

rwilliams@brileyfin.com
905-904-7400

From: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>

Sent: Tuesday, June 3, 2025 4:13 PM

To: Richard Williams <rwilliams@brileyfin.com>; Emily Klein <eklein@brileyfin.com>

Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

[EXTERNAL]

Please see attached wire confirmation.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V

Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4

Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law

<image001.png>

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

From: Thajeve Selvanathan

Sent: June 2, 2025 9:56 AM

To: Richard Williams <rwilliams@brileyfin.com>; Emily Klein <eklein@brileyfin.com>

Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

Hi Richard,

Our client's deposit is on hold, we're working to get it released.

We will wire you the funds as soon as possible. Thank you.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V

Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4

Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law

<image001.png>

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

From: Thajeve Selvanathan

Sent: May 30, 2025 2:59 PM

To: Richard Williams <rwilliams@brileyfin.com>; Emily Klein <eklein@brileyfin.com>

Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

Hello,

Our client deposited funds today. We will be wiring to the attached trust account.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V

Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4

Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law

<image001.png>

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

From: Richard Williams <rwilliams@brileyfin.com>

Sent: May 30, 2025 9:25 AM

To: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>; Emily Klein <eklein@brileyfin.com>

Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>

Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

You don't often get email from rwilliams@brileyfin.com. [Learn why this is important](#)

Thank you, we confirm receipt of same. Please confirm payment of the balance was made yesterday.

Richard Williams
B. Riley Farber

rwilliams@brileyfin.com
905-904-7400

From: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>
Sent: Friday, May 30, 2025 8:23 AM
To: Richard Williams <rwilliams@brileyfin.com>; Emily Klein <eklein@brileyfin.com>
Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>
Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

[EXTERNAL]

Hello,

Please see attached March payment for Green Street.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V
 Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4
 Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law

<image001.png>

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

From: Richard Williams <rwilliams@brileyfin.com>
Sent: May 28, 2025 11:56 AM
To: Emily Klein <eklein@brileyfin.com>; Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>
Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>
Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

You don't often get email from rwilliams@brileyfin.com. [Learn why this is important](#)

Mr. Selvanathan:

We have no record of receiving payments for the Green St. property in March, April or May as set out in my letter. If Mr. Subramaniam argues they were paid he should provide evidence of same.

I have copied Kenneth Kraft of Dentons LLP, counsel to the Receiver, on this email. Please include him in any further correspondence.

Attached are wire instructions for payment of the arrears, which we expect to receive by no later than May 29.

Regards,

Richard Williams
B. Riley Farber

rwilliams@brileyfin.com
905-904-7400

From: Emily Klein <eklein@brileyfin.com>
Sent: Wednesday, May 28, 2025 11:48 AM
To: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>
Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>; Sara Corcoran <scorcoran@brileyfin.com>; Richard Williams <rwilliams@brileyfin.com>
Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

Hi Thajeve,

You had an extra l in Richard's email and that's why he was not receiving it.

I have CC'd his correct email now.

B



From: Thajeve Selvanathan <Thajeve@RAMACHANDRAN.LAW>
Sent: Wednesday, May 28, 2025 11:39 AM
To: Sara Corcoran <scorcoran@brileyfin.com>; Emily Klein <eklein@brileyfin.com>
Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>
Subject: FW: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

[EXTERNAL]

Hello,

My emails to Richard do not seem to be sending.

If you would be able to clarify the below. Thank you.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V
 Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4
 Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law

<image001.png>

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

From: Thajeve Selvanathan
Sent: May 28, 2025 11:37 AM
To: rwilliams@brileyfin.com
Cc: VITHU RAMACHANDRAN <Vithu@RAMACHANDRAN.LAW>
Subject: RE: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

Hi Richard,

My client will deposit the outstanding amounts soon however he is seeking some clarification.

40

He has indicated that for Bardeau payments up to April have been processed.

For Green Street, payments up to March have been processed.

Therefore the Total outstanding must be: $2 \times \$2,853 + \$4,918 = \$5,706 + \$4,918 =$
\$10,624.

Kindly indicate if some of my client's payments have not been processed. Thank you.

Sincerely,

Thajeve Selvanathan, B.A., J.D. | LSO 88661V

Associate Lawyer | 908 – 305 Milner Avenue, Scarborough, ON, M1B 3V4

Tel: 437-869-3903 | Fax: 416-391-6056 | Email: thajeve@Ramachandran.law

<image001.png>

This e-mail, and any attachments thereto, is intended only for use by the addressee(s) named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail, and any attachments thereto, is strictly prohibited. If you have received this e-mail in error, please immediately notify me at (416) 902-8225 and permanently delete the original and any copy of any e-mail and any printout thereof.

From: Richard Williams <rwilliams@brileyfin.com>

Sent: Friday, May 23, 2025 2:17 PM

To: Info (Ramachandran Law) <info@RAMACHANDRAN.LAW>

Cc: warans@gmail.com

Subject: Sussman Mortgage Funding Inc. - Mortgages with Maheswaran Subramaniam

You don't often get email from rwilliams@brileyfin.com. [Learn why this is important](#)

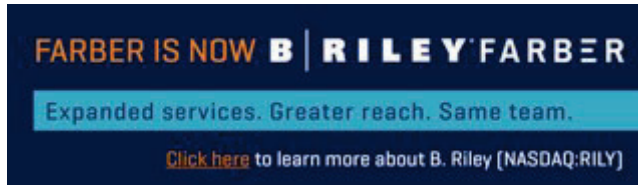
Mr. Ramachandran,

Please find attached our letter of today's date.

Regards,

B





PLEASE VISIT <<https://brileyfin.com/disclosures/>> FOR LEGAL DISCLOSURES.

PLEASE VISIT <<https://brileyfin.com/disclosures/>> FOR LEGAL DISCLOSURES.

PLEASE VISIT <<https://brileyfin.com/disclosures/>> FOR LEGAL DISCLOSURES.

PLEASE VISIT <<https://brileyfin.com/disclosures/>> FOR LEGAL DISCLOSURES.

PLEASE VISIT <<https://brileyfin.com/disclosures/>> FOR LEGAL DISCLOSURES.

PLEASE VISIT <<https://brileyfin.com/disclosures/>> FOR LEGAL DISCLOSURES.

PLEASE VISIT <<https://brileyfin.com/disclosures/>> FOR LEGAL DISCLOSURES.

Appendix “C”
to the Supplemental Report to the First
Report of the Receiver

FRIEDMANS

LAW FIRM

William Friedman*
B.A., B.C.L., LL.B.
Barry M. Polisuk*
B.A., LL.B., LL.L.
Michael W. Ruso*
B.A. (Hons), J.D., TEP.
Khaled Gheddai
B.A. (Hons), M.A., J.D.
Sara Haider
B.A. (Hons), J.D.

Judy Hamilton
B.A., B.Ed., LL.B.
Stephen C. Nadler
B.A., J.D.
Shida Azari*
B.A., LL.B.
Shabnam Riazzi
B.A., J.D.

Bryan C. Friedman*
B.F.A., J.D.
Mark A. Russell
B.A., J.D.
Olohirere Musa
B.A., J.D.
Alexander Hamilton
B.A., J.D.

* provides legal services through a professional corporation

June 5, 2025

BY EMAIL (Kenneth.kraft@dentons.com)

Ken Kraft
Dentons Canada LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

Dear Mr. Kraft:

**Re: Receivership of Sussman Mortgage Funding Inc. ("SMFI")
S26 and S27 Mortgages**

We act for Michael Stein, who is a beneficial owner of the two mortgages discussed below. I understand that you act for the Receiver of SMFI.

Mr. Stein received your letter to Jay Teichman dated June 2, 2025 regarding the said mortgages. This letter is in response to your letter.

S26 Mortgage – Instrument No. SC1988664 – 1345 Bardeau Street, Innisfil, ON

Originally, the mortgagees of this S26 mortgage, registered on June 23, 2023, were:

- SMFI as to 60.8% interest
- Olympia Trust Company ("**Olympia**") as to 39.26% interest, in trust for Mr. Stein's RRSP and TFSA

On October 31, 2023, a Transfer of Charge was registered on title to the subject property as Instrument No. SC2018550. Pursuant to that Transfer of Charge, SMFI transferred its 60.8% interest in the S26 mortgage to Olympia, in trust for Jay Teichman's and Bruce Roberts' respective RRIF accounts.

Accordingly, since October 31, 2023, SMFI has not held any legal or beneficial ownership interest in the S26 mortgage. Instead, since that time, the sole mortgagee of the S26 mortgage has been (and is) Olympia, which holds the mortgage in trust for Messrs. Stein, Teichman and Roberts as to their respective aforesaid interests.

For the said reason, the following statement at paragraph 107 of the Receiver's First Report, is obviously not correct: *"The S-26 Property is currently encumbered by a charge in favour of SMFI and Olympia in trust for certain Registered Investors"*.

Strangely, neither the Receiver's First Report, nor your said letter, made any mention whatsoever of the said registered Transfer of Charge.

Given the same, would you please arrange for the Receiver to amend its First Report as soon as possible in this connection.

Regardless, Olympia has been holding an undivided 39.2% interest in the S26 mortgage in trust for Mr. Stein, since the mortgage's inception. Prior to the registration of the Transfer of Charge in October 2023, SMFI held only a 60.8% interest in the S26 mortgage. Yet, neither your said letter nor the Receiver's First Report acknowledges Mr. Stein's ownership interest as to 39.2% of the S26 mortgage, or recognizes his legal rights in that regard.

Given all the foregoing, your allegation that the S26 mortgage forms part of SMFI's "Property" has no basis in truth, whether in fact or at law.

S27 Mortgage – Instrument No. SC2056785 – 1026 Green Street, Innisfil, ON

As you and the Receiver acknowledge, the S27 mortgage has *at all times* been held by Olympia, in trust for Mr. Stein's RRSP (as to 55.17%) and Mr. Teichman's TFSA and RRIF (as to 44.83%). SMFI has never held any legal or beneficial ownership interest whatsoever in the S27 mortgage.

Therefore, there is clearly no issue whatsoever that the S27 mortgage does not form part of the Property of SMFI. Yet, despite the same, you advise in your letter that the Receiver will recommend to the Court that Messrs. Stein and Teichman be allowed to deal with this mortgage directly. However, that is currently their right. We do not need the court's approval for the legal and beneficial owners of this mortgage to enforce their mortgage.

The Receiver's Improper Interference with these Mortgages

Incredibly, despite all the foregoing, the Receiver has notified the borrower of these two mortgages (Mr. Subramaniam) that the mortgage debts are owed to SMFI only, and he must therefore remit all payments to the Receiver and not to the mortgagee, Olympia, or to the beneficial owners/lenders of the mortgages.

We also understand that, since the Receiver sent its said notice, the borrower has ceased making any further payments under both mortgages. To make matters worse, the S26 mortgage is set to mature in a few days from now – on June 8, 2025. At that time, our client is entitled to be paid out.

The Receiver's actions are interfering with the ability of the legal and beneficial owners of these mortgages to enforce their mortgages, both of which have been in default for several months now.

This situation cannot continue.

We ask that the Receiver immediately reconsider its aforesaid positions concerning these mortgages.

If the Receiver will not do so, we will need to bring a motion for directions from the court (and seek our costs of the same). In such event, please confirm that the matter concerning both of these mortgages will be tabled for discussion before the presiding judge at the next court attendance on June 26, 2025.

Finally, please advise (with particulars) if the Receiver has received any monies or payments from the borrower in respect of these mortgages. If so, any such monies must be sent immediately to Olympia.

We look forward to hearing from you as soon as possible in connection with the foregoing.

Yours truly,

FRIEDMANS LLP

Per:

A handwritten signature in blue ink, appearing to read "Stephen C. Nadler", is written over the printed name.

Stephen C. Nadler

cc. Client

cc. Jay Teichman

Appendix “D”
to the Supplemental Report to the First
Report of the Receiver

Richard Williams

From: Kennedy, Robert <robert.kennedy@dentons.com>
Sent: Monday, June 16, 2025 10:25 AM
To: SN@friedmans.ca
Cc: Richard Williams; Kraft, Kenneth
Subject: SMFI | S-26 and S-27
Attachments: LT Ken Kraft re S26 & S27 mtgs - Jun 5 2025.pdf

[EXTERNAL]

Stephen:

Reference is made to your correspondence dated June 5, 2025 (attached). We reply as follows:

With respect to S-26, in or around November 2023, SMFI received approximately 303K from Roberts and Stein. Based on the Receiver's review of the limited records associated with S-26, it appears that the 303K was to repay the amounts owing to four non-registered investors in S-26 (the "**Non-Registered Investors**"). At this time, the Receiver is unable to confirm that the Non-registered Investors received that payment. Until the Receiver confirms the foregoing, S-26 will continue to form "Property" pursuant to the Receivership Order.

With respect to S-27, as outlined in the Receiver's First Report dated June 2, 2025 at paragraph 137, the Receiver is prepared to allow your client to take enforcement steps with respect S-27 (subject to Court approval).

Note that the Receiver has collected payments for S-26 in the amount of \$4,918 and S-27 in the amount of \$5,706.

If you have any further questions or concerns, please do not hesitate to contact us.

Robert J. Kennedy

Partner
 National Practice Group Co-Leader, Restructuring, Insolvency and Bankruptcy



+1 416 367 6756

robert.kennedy@dentons.com | [Bio](#) | [Website](#)

Dentons Canada LLP | 77 King Street West, Suite 400, Toronto-Dominion Centre, Toronto, ON, M5K 0A1, Canada

**Our Legacy Firms | Client Experience (CX)**

This lawyer practices through a professional corporation.

Dentons is a global legal practice providing client services worldwide through its member firms and affiliates. Email you receive from Dentons may be confidential and protected by legal privilege. If you are not the intended recipient, disclosure, copying, distribution and use are prohibited; please notify us immediately and delete the email from your systems. To update your commercial electronic message preferences email dentonsinsightsca@dentons.com. Please see [dentons.com](https://www.dentons.com) for Legal Notices.



Appendix “E”
to the Supplemental Report to the First
Report of the Receiver

Court File Nos. CV-25-00741044-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**CHIEF EXECUTIVE OFFICER OF THE FINANCIAL SERVICES
REGULATORY AUTHORITY OF ONTARIO**

Applicant

and

**SUSSMAN MORTGAGE FUNDING INC., 2486976 ONTARIO INC.
and 1981361 ONTARIO INC.**

Respondents

AIDE MEMOIRE OF MICHAEL STEIN
(Case Conference – June 26, 2025, at 10:00 a.m.)

1. As discussed below, Michael Stein (“**Mr. Stein**”) is a beneficial owner and lender of two mortgages held by Olympia Trust in trust for him. Mr. Stein is not an investor in any Sussman Mortgage Funding Inc. (“**SMFI**”) mortgage. His mortgages do not form part of the Respondents’ Property and are therefore not subject to this receivership. Despite the same, the Receiver has interfered with his and Olympia Trust’s ability to enforce the mortgages, which are both in default. Regarding mortgage one discussed below, the Receiver acknowledges its overreach and recommends that the court declare that the mortgage is not subject to this receivership. As to mortgage two discussed below, the Receiver maintains that it might have a claim as to a 60.8% interest in the mortgage even though SMFI does not have any registered interest in the mortgage. Given its position, the Receiver has hijacked all enforcement powers of the mortgage from the mortgagee (Olympia Trust) and the beneficial owners. The Receiver acknowledges that Mr. Stein’s

39.2% beneficial interest in that mortgage does not form part of the Respondents' Property. Accordingly, at the very minimum, the Receiver must remit 39.2% of any payments received by it in respect of that mortgage, to Olympia Trust for Mr. Stein.

(1) S-27 Mortgage – Instrument No. SC2056785 – 1026 Green Street, Innisfil, ON

2. A copy of this registered Charge/Mortgage (without its Schedule of additional terms) is at **Attachment 1** hereto. As indicated therein, the sole mortgagee of this mortgage is Olympia Trust Company, which holds the mortgage in trust for Mr. Stein's RRSP (as to 55.17%) and Jay Teichman's TFSA and RRIF (as to 44.83%).

3. The Receiver acknowledges that SMFI does not hold any legal or beneficial interest in this mortgage. Despite the same, the Receiver has notified the borrower of this mortgage (Mr. Subramaniam) that he is to remit all payments regarding this mortgage to the Receiver, and not to the mortgagee (Olympia Trust) or to the beneficial owners/lenders (Messrs. Stein and Teichman). To make matters worse, after the Receiver sent its notice, the borrower ceased making further payments under the mortgage. Due to the Receiver's improper interference, the legal and beneficial owners of this mortgage are unable to enforce their mortgage.

4. The Receiver now acknowledges that SMFI does not have an interest in this mortgage and, therefore, the mortgage does not form part of the "Property" of SMFI. In paragraph 137 of its First Report, the Receiver recommends that the said beneficial and legal owners of this mortgage be allowed to enforce their mortgage. Yet, that is already their legal right. Although completely unnecessary, the Receiver requires that an order be obtained (which the Receiver would not oppose) permitting the said owners to enforce

their mortgage. The Receiver refuses to simply send a letter to the borrower indicating the same and rescinding the Receiver's prior notice to the borrower otherwise.

5. The Receiver advises that it has collected \$5,706 from the borrower regarding this mortgage. The Receiver is holding those funds in trust for the said owners, and must forward those funds to Olympia Trust.

6. Accordingly, Mr. Stein respectfully requests an endorsement or order: (a) declaring that this mortgage does not form part of the Property of the Respondents and is, therefore, not subject to this receivership; (b) requiring the Receiver to notify the borrower of the same; and (c) requiring the Receiver to promptly transfer all monies it has received, and may in the future receive, in respect of this mortgage to Olympia Trust.

(2) S-26 Mortgage – Instrument No. SC1988664 – 1345 Bardeau Street, Innisfil, ON

7. A copy of this registered Charge/Mortgage (without its Schedule of additional terms) is at **Attachment 2**. The mortgagees of this mortgage, registered on June 23, 2023, were originally:

- SMFI as to an undivided 60.8% interest; and
- Olympia Trust as to 39.2% interest, in trust for Mr. Stein's RRSP and TFSA

8. On October 31, 2023, a Transfer of Charge was registered as Instrument No. SC2018550 (**Attachment 3**), pursuant to which, SMFI transferred its 60.8% interest in the mortgage to Olympia Trust, in trust for Jay Teichman's and Bruce Roberts' respective RRIF accounts.

9. Accordingly, since October 31, 2023, SMFI has not held any legal or beneficial interest in this mortgage. Instead, since that time, the sole mortgagee of the mortgage has been (and is) Olympia Trust, which holds the mortgage in trust for Messrs. Stein, Teichman and Roberts as to their respective aforesaid interests.

10. Strangely, the Receiver's First Report (at paragraph 107) makes no mention whatsoever of the said registered Transfer of Charge, and instead states that the property *"is currently encumbered by a charge in favour of SMFI and Olympia in trust for certain Registered Investors"*, which is obviously untrue.

11. Despite the foregoing, the Receiver has notified the borrower (Mr. Subramaniam) that all payments under this mortgage are to be made to it, and not to Olympia Trust or the beneficial owners of the mortgage. The borrower stopped making any further mortgage payments. Further, the mortgage matured on June 8, 2025, and the borrower has not paid out the mortgage.

12. The Receiver refuses to permit Olympia Trust and the said beneficial owners/lenders to enforce their mortgage. According to the Receiver's counsel, this is due to the fact that SMFI formerly held a 60.8% interest in this mortgage. However, since October 2023, SMFI ceased having any registered interest in the mortgage. Accordingly, the Receiver, standing in the shoes of SMFI, has no right to enforce the mortgage. That right belongs to the owners of the mortgage.

13. Regardless of the same, there is no dispute that, ever since the mortgage's inception, Olympia Trust holds an undivided 39.2% interest in the mortgage in trust for Mr. Stein.

14. The Receiver acknowledges that it has no claim to Mr. Stein's 39.2% beneficial interest in this mortgage. The Receiver has reportedly received payments totaling \$4,918 from the borrower regarding this mortgage. According to the Receiver's counsel, the Receiver requires an order permitting it to forward 39.2% of those funds to Olympia Trust in trust for Mr. Stein.

15. The Receiver cannot deprive or impair Mr. Stein's legal rights as to his undisputed 39.2% ownership interest in this mortgage. The Receiver must transfer 39.2% of any monies it has received, and may receive, regarding this mortgage to Olympia Trust in respect of Mr. Stein's undisputed 39.2% interest therein.

16. Mr. Stein respectfully requests an endorsement or order accordingly.

June 23, 2025

FRIEDMANS LLP
150 Ferrand Drive, Suite 800
Toronto, ON M3C 3E5

Stephen C. Nadler (LSO #37946G)
sn@friedmans.ca
Tel: 416-649-4466

Lawyers for Michael Stein

Attachment 1

Properties

PIN 58065 - 0847 LT **Interest/Estate** Fee Simple
Description LOT 29, PLAN 51M1099; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1361759;
SUBJECT TO AN EASEMENT FOR ENTRY AS IN SC1474813; TOWN OF INNISFIL
Address 1026 GREEN STREET
LEFROY

Chargor(s)

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

Name SUBRAMANIAM, MAHESWARAN
Address for Service 1610 19th Avenue
Richmond Hill, Ontario
L4E 3R9

I am at least 18 years of age.

The property is not ordinarily occupied by me and my spouse, who is not separated from me, as our family residence.

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

Chargee(s)	Capacity	Share
Name OLYMPIA TRUST COMPANY		as to an undivided 55.17% interest
Address for Service Olympia Trust Company in trust for RRSP# 330315 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8		
Name OLYMPIA TRUST COMPANY		as to an undivided 25.14% interest
Address for Service Olympia Trust Company in trust for TFSA # 344117 - Jay Teichman 341Joicey Blvd., Toronto, Ontario M5M 2W2		
Name OLYMPIA TRUST COMPANY		as to an undivided 19.69% interest
Address for Service Olympia Trust Company in trust for RRIF # 314249 - Jay Teichman 341Joicey Blvd., Toronto, Ontario M5M 2W2		

Statements

Schedule: See Schedules

The text added or imported if any, is legible and relates to the parties in this document.

Provisions

Principal	\$290,000.00	Currency	CDN
Calculation Period	semi-annually, not in advance		
Balance Due Date	2026/05/03		
Interest Rate	10.50% per annum		
Payments	\$2,853.00		
Interest Adjustment Date	2024 05 03		
Payment Date	3rd day of each month		
First Payment Date	2024 06 03		
Last Payment Date	2026 05 03		
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor			

Signed By

Ku Yim Ng 20 Holly St. Ste 300 acting for Signed 2024 05 21
Toronto
M4S 3B1
Chargor(s)

Tel 416-486-9800

Fax 416-486-3309

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

Submitted By

OWENS, WRIGHT LLP 20 Holly St. Ste 300 2024 05 21
Toronto
M4S 3B1

Tel 416-486-9800

Fax 416-486-3309

Fees/Taxes/Payment

Statutory Registration Fee \$69.95
Total Paid \$69.95

File Number

Chargee Client File Number : 12543030 GDG DR MN

Attachment 2

Properties

PIN 58065 - 0609 LT **Interest/Estate** Fee Simple
Description LOT 146, PLAN 51M1014; TOGETHER WITH AN EASEMENT OVER PTS 6 & 7
51R38128 AS IN SC996675; SUBJECT TO AN EASEMENT IN GROSS OVER LOT 146,
PLAN 51M1014 AS IN SC1333490; TOWN OF INNISFIL
Address 1345 BARDEAU STREET
INNISFIL

Chargor(s)

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

Name SUBRAMANIAM, MAHESWARAN
Address for Service 1345 Bardeau Street, Innisfil, Ontario
LOL 1W0

I am at least 18 years of age.

The property is not ordinarily occupied by me and my spouse, who is not separated from me, as our family residence.

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

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

Name	SUSSMAN MORTGAGE FUNDING INC.	as to an undivided 60.80% interest
Address for Service	129 Dunlop Street East, Barrie, Ontario L4M 1A6	
Name	OLYMPIA TRUST COMPANY	as to an undivided 20.60% interest
Address for Service	Olympia Trust Company in trust for RRSP # 330315 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8	
Name	OLYMPIA TRUST COMPANY	as to an undivided 18.60% interest
Address for Service	Olympia Trust Company in trust for TFSA # 330559 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8	

Statements

Schedule: See Schedules

Provisions

Principal	\$500,000.00	Currency	CDN
Calculation Period	semi-annually, not in advance		
Balance Due Date	2025/06/23		
Interest Rate	10.50% per annum		
Payments	\$4,918.00		
Interest Adjustment Date	2023 06 23		
Payment Date	23rd day of each month		
First Payment Date	2023 07 23		
Last Payment Date	2025 06 23		
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor			

Signed By

Ku Yim Ng

20 Holly St. Ste 300
Toronto
M4S 3B1

acting for
Chargor(s)

Signed 2023 06 23

Signed By

Tel 416-486-9800

Fax 416-486-3309

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

Submitted By

OWENS, WRIGHT LLP

20 Holly St. Ste 300
Toronto
M4S 3B1

2023 06 23

Tel 416-486-9800

Fax 416-486-3309

Fees/Taxes/Payment

Statutory Registration Fee \$69.00

Total Paid \$69.00

File Number

Chargee Client File Number : 12543023 GDG DR MN

Attachment 3

Properties

PIN 58065 - 0609 LT
Description LOT 146, PLAN 51M1014; TOGETHER WITH AN EASEMENT OVER PTS 6 & 7
 51R38128 AS IN SC996675; SUBJECT TO AN EASEMENT IN GROSS OVER LOT 146,
 PLAN 51M1014 AS IN SC1333490; TOWN OF INNISFIL
Address 1345 BARDEAU STREET
 INNISFIL

Source Instruments

Registration No.	Date	Type of Instrument
SC1988664	2023 06 23	Charge/Mortgage

Transferor(s)

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

Name SUSSMAN MORTGAGE FUNDING INC.
Address for Service 129 Dunlop St. East, Barrie, Ontario
 L4M 1A6

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Name OLYMPIA TRUST COMPANY
Address for Service Olympia Trust Company in trust for
 RRSP # 330315 - Michael Stein
 PO Box 2581, STN Central
 Calgary AB T2P 1C8

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Name OLYMPIA TRUST COMPANY
Address for Service Olympia Trust Company in trust for
 TFSA # 330559 - Michael Stein
 PO Box 2581, STN Central
 Calgary AB T2P 1C8

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Transferee(s)**Capacity****Share**

Name	OLYMPIA TRUST COMPANY	as to an undivided 20.60% interest
Address for Service	Olympia Trust Company in trust for RRSP # 330315 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8	
Name	OLYMPIA TRUST COMPANY	as to an undivided 18.60% interest
Address for Service	Olympia Trust Company in trust for TFSA # 330559 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8	
Name	OLYMPIA TRUST COMPANY	as to an undivided 30.80% interest
Address for Service	Olympia Trust Company in trust for RRIF # 314249 - Jay Teichman PO Box 2581, STN Central Calgary AB T2P 1C8	
Name	OLYMPIA TRUST COMPANY	as to an undivided 30.00% interest
Address for Service	Olympia Trust Company in trust for RRIF # 271041 - Bruce Roberts	

Transferee(s)	Capacity	Share
----------------------	-----------------	--------------

PO Box 2581, STN Central
Calgary AB T2P 1C8

Statements

The chargee transfers the selected charge for 2.00 and other good and valuable consideration, without any warranties or representation and on a non-recourse basis.

This document relates to registration number(s) SC1988664 & SC1988665

Signed By

Ku Yim Ng	20 Holly St. Ste 300 Toronto M4S 3B1	acting for Transferor(s)	Signed	2023 10 31
-----------	--	-----------------------------	--------	------------

Tel 416-486-9800

Fax 416-486-3309

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

Ku Yim Ng	20 Holly St. Ste 300 Toronto M4S 3B1	acting for Transferee(s)	Signed	2023 10 31
-----------	--	-----------------------------	--------	------------

Tel 416-486-9800

Fax 416-486-3309

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

Submitted By

OWENS, WRIGHT LLP	20 Holly St. Ste 300 Toronto M4S 3B1	2023 10 31
-------------------	--	------------

Tel 416-486-9800

Fax 416-486-3309

Fees/Taxes/Payment

Statutory Registration Fee	\$69.00
----------------------------	---------

Total Paid	\$69.00
------------	---------

File Number

Transferee Client File Number : 12543023 GDG DR MN

CHIEF EXECUTIVE OFFICER OF THE
FINANCIAL SERVICES REGULATORY
AUTHORITY OF ONTARIO
Applicant

and

SUSSMAN MORTGAGE FUNDING INC., et al.

Respondents

Court File No. CV-25-00741044-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

AIDE MEMOIRE OF MICHAEL STEIN

FRIEDMANS LLP

150 Ferrand Drive, Suite 800
Toronto, ON M3C 3E5

Stephen C. Nadler (LSO #37946G)
sn@friedmans.ca
Tel: 416-649-4466

Lawyers for Michael Stein

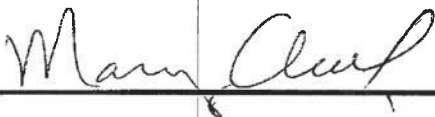
Appendix “F”
to the Supplemental Report to the First
Report of the Receiver

INVESTOR AGREEMENT

This agreement is entered into between Sussman Mortgage Funding Inc. in Trust and Michael Stein TFSA:

1. This mortgage shall be registered in the name of Sussman Mortgage Funding Inc. in Trust.
2. Sussman Mortgage Funding Inc. in Trust hereby acknowledges that the mortgage which we hold as mortgagees is held for and solely on behalf of the investor who gives Sussman Mortgage Funding Inc. in Trust \$93,000.00 to participate in the S-26 Second Mortgage Investment bearing interest at 10.50% maturing in June 2025 repayable in monthly payments of Principal and Interest.
3. Sussman Mortgage Funding Inc. in Trust shall pay the investor their portion of the monthly mortgage payment including any bonuses and penalties that may be paid on this mortgage transaction.
4. In event of default under the mortgage, Sussman Mortgage Funding Inc. in Trust shall contact investors to inform them of the same.
5. The investor shall pay on a pro rate basis any additional sums of money which we require to be paid in the event of the mortgagors default, and all benefits arising out of the pay out of the mortgage shall be shared by the investors to the extent of their respective interest.
6. In event of Power of Sale Sussman Mortgage Funding Inc. in Trust shall retain counsel to exercise Power of Sale and shall retain a real-estate broker to list said property for sale. The Mortgagee shall maintain the property until the sale is complete.
7. Sussman Mortgage Funding Inc. in Trust shall inform the investor in writing in the event that the mortgage broker becomes aware of any subsequent encumbrance on title or any other significant change in circumstances affecting the mortgage.
8. Sussman Mortgage Funding Inc. in Trust shall receive remuneration in the amount of 6.00% of the interest received by the investor. This shall be deducted from the monthly mortgage payment.
9. Should an investor request an early payout prior to maturity, this will be completed provided that Sussman Mortgage Funding Inc. in Trust is able to find another investor to take their position.

Signed and Dated on this 22 day of May, 2023.





ACKNOWLEDGEMENT

I/We hereby acknowledge of being in receipt of all documents listed as Part E on Investor/Lender Disclosure Statement.

Signed and dated this 18 day of MAY, 2023



**FORM 1 – INVESTOR/LENDER DISCLOSURE STATEMENT
FOR BROKERED TRANSACTIONS****IMPORTANT DISCLOSURE DUTIES**

In this Investor/Lender Disclosure Statement For Brokered Transactions ("Disclosure Statement"), mortgage brokerages are required to provide you with the completed Disclosure Statement that contains important information in connection with this transaction.

A brokerage must:

1. Advise you if the brokerage cannot verify the identity of another party to the transaction.
2. Disclose whether the brokerage is acting for the lender, the borrower, or both the borrower and lender.
3. Disclose to a lender the brokerage's relationship with each borrower, and disclose to an investor the brokerage's relationship with each party to the transaction.
4. Disclose whether the brokerage is receiving a fee or remuneration for referring you to a person or entity, and disclose the relationship with that person or entity.
5. Disclose material risks about the transaction that you should consider.
6. Disclose actual or potential conflicts of interest that may arise from this transaction.
7. Take reasonable steps to ensure that any mortgage investment the brokerage presents to you is suitable having regard to your needs and circumstances.
8. If applicable, complete the Addendum (Form 1.1) if Construction and Development Loans are involved, including syndicated or non-syndicated mortgages.

If your investment is being administered, the Mortgage Administrator must:

1. Disclose the relationship, if any, between the administrator and each borrower.
2. Disclose whether the administrator may receive, or may pay, any fees or other remuneration in connection with the administration of the mortgage, the basis for calculating them and the payor's identity.
3. Disclose whether it is receiving a fee or other remuneration for referring you to a person or entity, and disclose the administrator's relationship with that person entity.
4. Disclose actual or potential conflicts of interest that may arise from the transaction.

You must receive these disclosures in writing and acknowledge receipt of them. You should keep a copy for your records.

Important: This form is required by law and will provide the prospective investor/lender with important information to assist you in making a decision about whether to invest/lend.

This information must be disclosed at least two business days before you commit to lend/invest, ie: two business days before the earliest of the following events:

- When the brokerage receives or enters into an agreement to receive money from you.
- When you enter into a mortgage agreement or an agreement to trade in a mortgage.
- The money is advanced to the borrower under the mortgage
- The trade completion date.

You may agree to reduce the two business day waiting period to one business day by consenting in writing by completing the approved Waiver (Form 1.2)

**INVESTOR/LENDER DISCLOSURE STATEMENT
FOR BROKERED TRANSACTIONS**

SECTION 1 – CAUTION

1. This Disclosure Statement has not been filed with the Financial Services Commission of Ontario (FSCO). Neither FSCO nor any other authority of the Government of Ontario has reviewed or approved the completed Disclosure Statement.
2. All Mortgage Investments carry a risk. There is a relationship between risk and return. In general, the higher the rate of return, the higher the risk of the investment. You should very carefully assess the risk of the mortgage transaction described in this Disclosure Statement, the Addendum (Form 1.2) if applicable and in the supporting documentation before making a commitment.
3. Syndicated Mortgages (defined as more than one investor/lender) may carry additional risks pertaining not only to the risk of default but also to the risks associate with participating in a syndication and financing of real estate transactions.
4. Inexperienced investors are **NOT** advised to enter into mortgage investments.
5. You should consider inspecting the property or project as identified in section 3 Part A of this Disclosure
6. This Mortgage Investment is **NOT** insured by the Government of Ontario or any other investor protection fund.
7. You are **STRONGLY** advised to obtain independent legal advice before committing to invest.
8. This mortgage investment cannot be guaranteed by the Mortgage Brokerage. If you are not prepared to risk a loss, you should not consider mortgage investments.
9. If this investment is for a mortgage to fund a development, construction or commercial project, the repayment of this investment may depend on the successful completion of the project, and its successful leasing or sale.
10. If you are one of several investors in a syndicated mortgage, you may not be able to enforce repayment of your investment on your own if the borrower defaults.
11. You should ensure you have sufficient documentation to support the property valuation quoted in this Disclosure Statement. The property value may decrease over time, including the period between the date of the most recent appraisal and the date you complete the transaction. A decline in property value may also affect the return and/or value on your investment in the event of a default in payments under this mortgage.
12. You should satisfy yourself as to the borrower's ability to meet the payments required under the terms of this mortgage investment.
13. The Mortgage Administrator, if applicable, cannot make payments to you except from payments of principal and interest made by the borrower under the mortgage. Therefore, the mortgage administrator cannot continue mortgage payments to you if the borrower defaults.
14. If you want to withdraw your money before the end of the term, a new investor/lender may be required and there is no assurance that there will be a market for the resale or transfer of the mortgage.
15. If the contract provides for an extension, you may not be able to opt out of any extension of a mortgage term. You need to review terms relating to the extension of mortgages carefully.
16. This Disclosure Statement, the Addendum (Form 1.2) if applicable and the attached documents are not intended to provide a comprehensive list of factors to consider in making a decision concerning this investment. There may be additional risks to the investment. You should satisfy yourself regarding all factors relevant to this investment before you commit to invest.

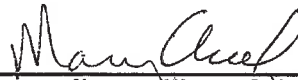
Date: 05/18/23

M08000612

Licence number of Mortgage Broker

10666

Licence number of Mortgage Brokerage



Signature of Mortgage Broker

Mary Chmiel

Print name of Mortgage Broker

Sussman Mortgage Funding Inc.

Name of Mortgage Brokerage

ACKNOWLEDGEMENT

I, Michael Stein TFSA of _____

Print name of Investor/Lender

Address

acknowledge receipt of this Caution, signed by the mortgage broker.

May 18/23
Dated by Investor/Lender


Signature of Investor/Lender

SECTION 2 – DECLARATION BY THE MORTGAGE BROKERAGE

1. The *Mortgage Brokerages, Lenders and Administrators Act, 2006* requires disclosure of the nature of the relationship between the mortgage brokerage and other persons and entities involved in the mortgage transaction. For the purposes Disclosure Statement and Addendum, two persons are "related" if they share any relationship other than an arm's length business relationship. For example, a shareholder, director, officer, partner or employee of a mortgage brokerage is related to the mortgage broker and to any broker or agent authorized to deal or trade in mortgages on behalf of the mortgage brokerage (referred to below as "its" [the brokerage's] brokers and agents).

This declaration is made by: Sussman Mortgage Funding Inc., 129 Dunlop St. E. Barrie, ON L4M 1A6 – 10666

Name, address and licence number of mortgage brokerage

2. Does the mortgage brokerage or any of its brokers or agents have or expect to have a direct or indirect interest in this property identified in section 3, Part A? ☒ No ☐ Yes If Yes, explain: _____

3. Does any person related to the mortgage brokerage or any of its brokers or agents have or expect to have a direct or indirect interest in this property? ☒ No ☐ Yes If Yes, explain: _____

4. Is the borrower related to the mortgage brokerage or to any of the officers, directors, partners, employees or shareholders of the brokerage or any of its brokers or agents?

☒ No ☐ Yes If Yes, explain: _____

5. Is the individual or company that appraised the property related to the mortgage brokerage or to any of its brokers or agents?

☒ No ☐ Yes If Yes, explain: _____

6. Describe any conflicts or potential conflicts of interest in connection with this mortgage investment, other than those described above. N/A

7. Describe what steps the mortgage brokerage has taken to reduce the risk resulting from any conflicts or potential conflicts of interest.

N/A

8. The mortgage brokerage is acting for:

- ☐ The investor/lender and not the borrower
☐ The borrower and not the investor/lender
☒ Both the borrower and the investor/lender

9. If this investment is a purchase of an existing mortgage or portion of an existing mortgage, is the mortgage now in default? ☒ No ☐ Yes

Has it been in default in the last twelve months?

☒ No ☐ Yes If Yes to either explain: _____

10. Will the mortgage proceeds be used to refinance, pay out, redeem or reduce an existing mortgage on this property? ☐ No ☒ Yes If Yes, explain: Paying out S-20 mortgage - \$74,000.00 approx.

11. Does the mortgage brokerage or any of its brokers or agents expect to gain any interest or benefit from this transaction other than the fees disclosed in Part D of this Disclosure Statement?

☒ No ☐ Yes If Yes, explain: _____

12. The mortgage brokerage is required to disclose in writing the material risks of this investment. Describe the material risks of this investment. This is a second mortgage arrangement.

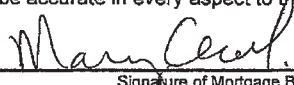
The mortgage brokerage has fully complied with all requirements of the *Mortgage Brokerages, Lenders and Administrators Act, 2006* and its regulations.

I have fully completed the above Declaration by the Mortgage Brokerage in accordance with the *Mortgage Brokerages, Lenders and Administrators Act, 2006* and regulations and declare it to be accurate in every aspect to the best of my knowledge.

Date: 05/18/23

M08000612

Licence number of Mortgage Broker



Signature of Mortgage Broker

Mary Chmiel

Print Name of Mortgage Broker

Mrs. A. McKean & Mr. J. McKean

I, Michael Stein TFSA

Print Name of Investor/Lender

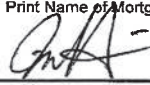
acknowledge receipt of this Declaration by the Mortgage Brokerage, signed by:

Mary Chmiel

Print Name of Mortgage Broker

May 18/23

Dated by Investor/Lender



Signature of Investor/Lender

SECTION 2 – DECLARATION BY THE MORTGAGE BROKERAGE**PART A. – PROPERTY/SECURITY TO BE MORTGAGED**

1. Legal and Municipal address of the property: Plan 51M1014, Lot 146, Town of Innisfil, County of Simcoe known as 1345 Bardeau Street, LeRoy, Ontario, L0L 1W0 – Residential Property.

2. Type of Property:

- ☒ Property with existing buildings
- ☒ Single Family Residential ☐ Five or more unit residential
- ☐ Owner Occupied ☐ Commercial
- ☐ Rental ☐ Industrial
- ☐ Condominium ☐ Agricultural
- ☐ One-to-Four unit residential ☐ Other, explain below:

- ☐ Vacant land, development or construction project/proposed use, including projected starting and completion dates:

- ☐ Other:

- 3 Purchase Price: (a) Purchase Price of Property: \$ (b) Date of Purchase:

- 4 Property Taxes:

Annual Property taxes: \$5,300.00

Are taxes in arrears?

- ☒ No ☐ Yes ☒ Investor/Lender's Solicitor to verify prior to closing or ensure coverage under title insurance.

Amount of arrears: \$

5. Condominium Fees (if applicable):

Monthly condominium fees: \$

Are fees in arrears?

- ☐ No ☐ Yes Amount of arrears: \$

6. Zoning:

Is the zoning on the property appropriate for the proposed use?

- ☐ No ☒ Yes ☐ Investor/Lender's Solicitor to verify prior to closing or ensure coverage under title insurance.

If No, details:

7. Appraisal:

- ☐ An appraisal has not been done on the property within the past 12 months OR

- ☒ An appraisal has been done on the property within the past 12 months

For all properties, appraised "as is" value: \$1,300,000.00

If the appraisal was addressed to someone other than the investor/lender of record, provide a transmittal letter.

Date of Appraisal: May 2, 2023

Name and Address of Appraiser: Kelly Jean, York Simcoe Appraisal Corp Inc. - PO.Box 93026, 1111 Davis Drive, Newmarket, ON L3Y 8K3

PART B. – MORTGAGE PARTICULARS

1. Type of Mortgage:

Your investment represents:

- ☐ the entire mortgage OR ☒ a portion of the mortgage. Your portion represents 18.6 % of the total.

Number of other parties that have an interest in this mortgage.

In what name(s) will the mortgage be registered? Sussman Mortgage Funding Inc. in Trust

If the mortgage is not registered in the investor's name, explain: Mortgage is syndicated and held in trust for investors.

2. Existing or New Mortgage:

- ☐ An existing registered mortgage or portion of an existing mortgage is being purchase

- ☒ Your investment will fund a new mortgage or portion of a new mortgage that has not yet been registered.

3. Mortgage:

Important: A Mortgage Administrator must be licenced under Mortgage Brokerages, Lenders and Administrators Act, 2006

Will the mortgage be administered for you? ☐ No ☒ Yes If "Yes", name, address and Licence No. of administrator:

Sussman Mortgage Funding Inc. in Trust, 129 Dunlop St. E., Barrie, ON L4M 1A6 – Licence No. 11552

Investor/Lender Initials: hjs

Date: May 18/23

PART B. - MORTGAGE PARTICULARS (CONTINUED)

4. Terms of Mortgage:

Amount of your Investment: \$ 93,000.00Face value of the Mortgage: \$500,000.00Interest rate is fixed at 10.50% per annum OR

Interest rate is variable. Explain: _____

Compounding period: semi-annWhat is the borrower's cost of borrowing as disclosed to the borrower: \$121,172.54Payment frequency: monthlyPayments to be made by borrower: \$4,918.00Payments to you: \$ -

(See Part D for fees charged to you)

Term: 2 YearsAmortization: 20 YearsMaturity date: June 2025Balance on maturity: \$483,140.00 approx.Borrower's first payment due: July 2023

Borrower's rate of interest if different from the rate of interest to be paid to the investor:

Borrower's rate of interest: 10.50%Investor(s) rate of interest: 10.50%

Terms and conditions of repayment:

Open Mortgage

5. Rank of Mortgage (according to information from borrower):

The mortgage to be purchased/advanced is/will be a: ☐ First ☒ Second ☐ Third ☐ Other mortgage _____Can the rank of the mortgage change? ☒ No ☐ Yes If yes explain how it might change and is it expected to change? _____

Prior encumbrances (existing or anticipated):

☐ None OR

a) Priority:

1stFace Amount: \$510,000.00Amount Owning: \$431,485.64In default? ☒ No ☐ Yes ☐ Unknown

If yes, explain: _____

b) Priority: _____

Face Amount: _____

Amount Owning: _____

In default? ☐ No ☐ Yes ☐ Unknown

If yes, explain: _____

Name of Mortgagee: Scotiabank

Name of Mortgagee: _____

Other encumbrances, including environmental, regulatory and/or liens: _____

6. Loan to value ratio (according to information from borrower):

a) Total of prior encumbrances

\$ 431,485.64

b) Amount of this mortgage

\$ 500,000.00

c) Total amount of mortgages: (a + b)

\$ 931,485.64

d) Appraised "as is" value: (from Part A)

\$1,300,000.00

e) Loan to "as is" value: (c/d x 100)

71.65%

f) Projected value: (where appropriate):

\$

g) Loan to "projected value" ratio: (c/f x 100)

%

7. Amount of Mortgage Advance

If the amount of the mortgage advance is less than the face value of the mortgage, provide explanation:

Investor is advancing \$93,000.00 to participate in mortgage.**PART C. - THE BORROWER**Name and Address of Borrower: Maheswaran Subramaniam of 1461 Lormel Gate Avenue, Innisfil, ON☒ The brokerage has identified the borrower(s) and evidence of identity is attached/will be provided on Date (yyyy-mm-dd) 05/25/2018☐ The brokerage has not verified the identity of the borrower(s).

Explain what steps the brokerage will take to verify the identity before closing: _____

IMPORTANT: FINANCIAL INFORMATION ABOUT THE BORROWER'S ABILITY TO MEET THE MORTGAGE PAYMENTS MUST BE ATTACHED TO THIS DISCLOSURE STATEMENT**PART D. - FEES**

1. Fees and charges payable by the investor/lender:

Mortgage brokerage fee/commission/other costs: \$ -Approximate legal fees and disbursements: \$ -Administration fees (where applicable) \$.6%Any other charges: Specify \$ -\$ -\$ -\$ -\$ -\$ -

Total:

\$ -

2. Fees and costs payable by the borrower:

Estimate

Paid To

Purpose

\$ 2,000.00Mortgage FundingBrokerage\$18,000.00Mortgage FundingLender Fee\$\$\$\$\$\$20,000.00Are any of the above fees/charges refundable? ☒ No ☐ Yes Explain _____Investor/Lender Initials: MSDate: MAY 18/23

PART E. – ATTACHED DOCUMENTS

IMPORTANT: YOU SHOULD REVIEW THE FOLLOWING DOCUMENTS CAREFULLY AND ASSESS THE RISKS OF THIS INVESTMENT BEFORE COMMITTING TO INVEST. YOU SHOULD CHECK THAT ALL DOCUMENTS ARE CONSISTENT WITH THIS DISCLOSURE SUMMARY. THE FOLLOWING DOCUMENTS SHOULD BE ATTACHED. IF NOT AVAILABLE OR APPLICABLE, PROVIDE COMMENTS IN THE BOX BELOW.

- | | Attached |
|---|--------------------------|
| 1. If the statement concerns an existing mortgage, provide a copy of the mortgage | <input type="checkbox"/> |
| 2a. If an appraisal of the property has been done in the preceding twelve months and is available to the mortgage brokerage, a copy of the appraisal | <input type="checkbox"/> |
| 2b. If a copy of an appraisal of the property is not delivered to you, documentary evidence of the property value, other than an agreement of purchase and sale. | <input type="checkbox"/> |
| 3. If an agreement of purchase and sale in respect of the property has been entered into in the preceding twelve months and is available to the mortgage brokerage, a copy of the agreement of purchase and sale and all related schedules, amendments and waivers. | <input type="checkbox"/> |
| 4a. Documentary evidence respecting the borrower's ability to meet the mortgage payments. | <input type="checkbox"/> |
| 4b. If you request, a copy of the borrower's application for a mortgage including documents submitted in support of application. | <input type="checkbox"/> |
| 5. If the mortgage is for the purchase of a property, documentary evidence of any down payment made by the borrower for the purchase of the property. | <input type="checkbox"/> |
| 6. A copy of any agreement that you may be asked to enter into with the mortgage brokerage and/or mortgage administrator. | <input type="checkbox"/> |
| 7. Completed Addendum for Construction and Development Loans (Form 1.1) | <input type="checkbox"/> |
| 8. List other documents being provided here. _____ | |
| 9. If other relevant documents are not being provided or the documents are not attached. Explain _____ | |

IMPORTANT: THE MORTGAGE BROKERAGE IS ALSO REQUIRED TO PROVIDE YOU WITH ALL OTHER INFORMATION A LENDER OR AN INVESTOR OF ORDINARY PRUDENCE WOULD CONSIDER TO BE MATERIAL TO A DECISION WHETHER TO LEND MONEY ON THE SECURITY OF THE PROPERTY OR INVEST IN THE MORTGAGE, SO THAT YOU CAN MAKE AN INFORMED DECISION BEFORE YOU COMMIT TO LEND/INVEST. THIS INFORMATION MIGHT INCLUDE THE FOLLOWING:

1. If the property is a rental property, details of leasing arrangements, assignment of rent provisions and vacancy status.
2. Environmental considerations affecting the value of the property.
3. If applicable, attach any power of attorney authorizations.
4. If the mortgage is for a construction or development project:
 - i. A detailed description of the project
 - ii. A schedule of the funds that have been advanced to the borrower, and
 - iii. The identity of any person who will monitor the disbursements of funds to the borrower and the use of those funds by the borrower.

PART F. – CERTIFICATION

This Information Disclosure Summary has been completed by:

Sussman Mortgage Funding Inc. – 10666 – 129 Dunlop Street East, Barrie, Ontario L4M 1A6

Name, Licence Number and Address of Mortgage Brokerage

I have fully completed the above Information Disclosure Summary in accordance with the *Mortgage Brokerages, Lenders and Administrators Act, 2006* and its regulations and declare it to be accurate in every respect to the best of my knowledge.

Date: 05/18/23

M08000612

Licence Number of Mortgage Broker

Signature

Mary Chmiel

Print Name of Mortgage Broker

ACKNOWLEDGEMENT

I, **Michael Stein TFSA**

Print Name(s) of Investor/Lender

, of

Address

acknowledge receipt of this Information Disclosure Summary, signed by the Mortgage Broker

Dated by Investor/Lender

Signature of Investor/Lender

One copy of this form must be provided to the prospective investor/lender, and one copy must be retained by the mortgage brokerage.

IMPORTANT: The information in this Disclosure Statement must be provided to you at the earliest opportunity and, in any case, no later than two business days before the earliest of the following events:

- When the brokerage receives or enters an agreement to receive money from you.
- When you enter into a mortgage agreement or an agreement to trade in a mortgage.
- The money is advanced to the borrower under the mortgage.
- The trade completion date.

You may agree to reduce the two business day waiting period to one business day by consenting in writing by completing the approved Waiver (Form 1.2).

INVESTOR AGREEMENT

This agreement is entered into between Sussman Mortgage Funding Inc. in Trust and Michael Stein RRSP:

1. This mortgage shall be registered in the name of Sussman Mortgage Funding Inc. in Trust.
2. Sussman Mortgage Funding Inc. in Trust hereby acknowledges that the mortgage which we hold as mortgagees is held for and solely on behalf of the investor who gives Sussman Mortgage Funding Inc. in Trust \$160,000.00 to participate in the S-27 Second Mortgage Investment bearing interest at 10.50% maturing in April 2026 repayable in monthly payments of Principal and Interest.
3. Sussman Mortgage Funding Inc. in Trust shall pay the investor their portion of the monthly mortgage payment including any bonuses and penalties that may be paid on this mortgage transaction.
4. In event of default under the mortgage, Sussman Mortgage Funding Inc. in Trust shall contact investors to inform them of the same.
5. The investor shall pay on a pro rate basis any additional sums of money which we require to be paid in the event of the mortgagors default, and all benefits arising out of the pay out of the mortgage shall be shared by the investors to the extent of their respective interest.
6. In event of Power of Sale Sussman Mortgage Funding Inc. in Trust shall retain counsel to exercise Power of Sale and shall retain a real-estate broker to list said property for sale. The Mortgagee shall maintain the property until the sale is complete.
7. Sussman Mortgage Funding Inc. in Trust shall inform the investor in writing in the event that the mortgage broker becomes aware of any subsequent encumbrance on title or any other significant change in circumstances affecting the mortgage.
8. Sussman Mortgage Funding Inc. in Trust shall receive remuneration in the amount of 6.00% of the interest received by the investor. This shall be deducted from the monthly mortgage payment.
9. Should an investor request an early payout prior to maturity, this will be completed provided that Sussman Mortgage Funding Inc. in Trust is able to find another investor to take their position.

Signed and Dated on this 9th day of APRIL, 2024.

Manu Chmiele

MA

ACKNOWLEDGEMENT

I/We hereby acknowledge of being in receipt of all documents listed as Part E on Investor/Lender Disclosure Statement.

Signed and dated this 5th day of APRIL, 2024

A handwritten signature in dark ink, appearing to be 'G.A.', is written above a horizontal line.

**FORM 1 – INVESTOR/LENDER DISCLOSURE STATEMENT
FOR BROKERED TRANSACTIONS**

IMPORTANT DISCLOSURE DUTIES

In this Investor/Lender Disclosure Statement For Brokered Transactions ("Disclosure Statement"), mortgage brokerages are required to provide you with the completed Disclosure Statement that contains important information in connection with this transaction.

A brokerage must:

1. Advise you if the brokerage cannot verify the identity of another party to the transaction.
2. Disclose whether the brokerage is acting for the lender, the borrower, or both the borrower and lender.
3. Disclose to a lender the brokerage's relationship with each borrower, and disclose to an investor the brokerage's relationship with each party to the transaction.
4. Disclose whether the brokerage is receiving a fee or remuneration for referring you to a person or entity, and disclose the relationship with that person or entity.
5. Disclose material risks about the transaction that you should consider.
6. Disclose actual or potential conflicts of interest that may arise from this transaction.
7. Take reasonable steps to ensure that any mortgage investment the brokerage presents to you is suitable having regard to your needs and circumstances.
8. If applicable, complete the Addendum (Form 1.1) if Construction and Development Loans are involved, including syndicated or non-syndicated mortgages.

If your investment is being administered, the Mortgage Administrator must:

1. Disclose the relationship, if any, between the administrator and each borrower.
2. Disclose whether the administrator may receive, or may pay, any fees or other remuneration in connection with the administration of the mortgage, the basis for calculating them and the payor's identity.
3. Disclose whether it is receiving a fee or other remuneration for referring you to a person or entity, and disclose the administrator's relationship with that person entity.
4. Disclose actual or potential conflicts of interest that may arise from the transaction.

You must receive these disclosures in writing and acknowledge receipt of them. You should keep a copy for your records.

Important: This form is required by law and will provide the prospective investor/lender with important information to assist you in making a decision about whether to invest/lend.

This information must be disclosed at least two business days before you commit to lend/invest, ie: two business days before the earliest of the following events:

- When the brokerage receives or enters into an agreement to receive money from you.
- When you enter into a mortgage agreement or an agreement to trade in a mortgage.
- The money is advanced to the borrower under the mortgage
- The trade completion date.

You may agree to reduce the two business day waiting period to one business day by consenting in writing by completing the approved Waiver (Form 1.2)

**INVESTOR/LENDER DISCLOSURE STATEMENT
FOR BROKERED TRANSACTIONS**

SECTION 1 – CAUTION

1. This Disclosure Statement has not been filed with the Financial Services Commission of Ontario (FSCO). Neither FSCO nor any other authority of the Government of Ontario has reviewed or approved the completed Disclosure Statement.
2. All Mortgage Investments carry a risk. There is a relationship between risk and return. In general, the higher the rate of return, the higher the risk of the investment. You should very carefully assess the risk of the mortgage transaction described in this Disclosure Statement, the Addendum (Form 1.2) if applicable and in the supporting documentation before making a commitment.
3. Syndicated Mortgages (defined as more than one investor/lender) may carry additional risks pertaining not only to the risk of default but also to the risks associate with participating in a syndication and financing of real estate transactions.
4. Inexperienced investors are **NOT** advised to enter into mortgage investments.
5. You should consider inspecting the property or project as identified in section 3 Part A of this Disclosure
6. This Mortgage Investment is **NOT** insured by the Government of Ontario or any other investor protection fund.
7. You are **STRONGLY** advised to obtain independent legal advice before committing to invest.
8. This mortgage investment cannot be guaranteed by the Mortgage Brokerage. If you are not prepared to risk a loss, you should not consider mortgage investments.
9. If this investment is for a mortgage to fund a development, construction or commercial project, the repayment of this investment may depend on the successful completion of the project, and its successful leasing or sale.
10. If you are one of several investors in a syndicated mortgage, you may not be able to enforce repayment of your investment on your own if the borrower defaults.
11. You should ensure you have sufficient documentation to support the property valuation quoted in this Disclosure Statement. The property value may decrease over time, including the period between the date of the most recent appraisal and the date you complete the transaction. A decline in property value may also affect the return and/or value on your investment in the event of a default in payments under this mortgage.
12. You should satisfy yourself as to the borrower's ability to meet the payments required under the terms of this mortgage investment.
13. The Mortgage Administrator, if applicable, cannot make payments to you except from payments of principal and interest made by the borrower under the mortgage. Therefore, the mortgage administrator cannot continue mortgage payments to you if the borrower defaults.
14. If you want to withdraw your money before the end of the term, a new investor/lender may be required and there is no assurance that there will be a market for the resale or transfer of the mortgage.
15. If the contract provides for an extension, you may not be able to opt out of any extension of a mortgage term. You need to review terms relating to the extension of mortgages carefully.
16. This Disclosure Statement, the Addendum (Form 1.2) if applicable and the attached documents are not intended to provide a comprehensive list of factors to consider in making a decision concerning this investment. There may be additional risks to the investment. You should satisfy yourself regarding all factors relevant to this investment before you commit to invest.

Date: 04/05/24

Mary Chmiel

Signature of Mortgage Broker

M08000612

Licence number of Mortgage Broker

Mary Chmiel

Print name of Mortgage Broker

10666

Licence number of Mortgage Brokerage

Sussman Mortgage Funding Inc.

Name of Mortgage Brokerage

ACKNOWLEDGEMENT

I, Michael Stein RRSP of _____
Print name of Investor/Lender

Address

acknowledge receipt of this Caution, signed by the mortgage broker.

APRIL 5/24

Dated by Investor/Lender

[Signature]

Signature of Investor/Lender

SECTION 2 – DECLARATION BY THE MORTGAGE BROKERAGE

1. The *Mortgage Brokerages, Lenders and Administrators Act, 2006* requires disclosure of the nature of the relationship between the mortgage brokerage and other persons and entities involved in the mortgage transaction. For the purposes Disclosure Statement and Addendum, two persons are "related" if they share any relationship other than an arm's length business relationship. For example, a shareholder, director, officer, partner or employee of a mortgage brokerage is related to the mortgage broker and to any broker or agent authorized to deal or trade in mortgages on behalf of the mortgage brokerage (referred to below as "its" [the brokerage's] brokers and agents).

This declaration is made by: Sussman Mortgage Funding Inc., 129 Dunlop St. E. Barrie, ON L4M 1A6 – 10666

Name, address and licence number of mortgage brokerage

2. Does the mortgage brokerage or any of its brokers or agents have or expect to have a direct or indirect interest in this property identified in section 3, Part A? ☒ No ☐ Yes If Yes, explain: _____
3. Does any person related to the mortgage brokerage or any of its brokers or agents have or expect to have a direct or indirect interest in this property? ☒ No ☐ Yes If Yes, explain: _____
4. Is the borrower related to the mortgage brokerage or to any of the officers, directors, partners, employees or shareholders of the brokerage or any of its brokers or agents?
☒ No ☐ Yes If Yes, explain: _____
5. Is the individual or company that appraised the property related to the mortgage brokerage or to any of its brokers or agents?
☒ No ☐ Yes If Yes, explain: _____
6. Describe any conflicts or potential conflicts of interest in connection with this mortgage investment, other than those described above. N/A
7. Describe what steps the mortgage brokerage has taken to reduce the risk resulting from any conflicts or potential conflicts of interest.
N/A
8. The mortgage brokerage is acting for:
☐ The investor/lender and not the borrower
☐ The borrower and not the investor/lender
☒ Both the borrower and the investor/lender
9. If this investment is a purchase of an existing mortgage or portion of an existing mortgage, is the mortgage now in default? ☒ No ☐ Yes
Has it been in default in the last twelve months?
☒ No ☐ Yes If Yes to either explain: _____
10. Will the mortgage proceeds be used to refinance, pay out, redeem or reduce an existing mortgage on this property?
☒ No ☐ Yes If Yes, explain: _____
11. Does the mortgage brokerage or any of its brokers or agents expect to gain any interest or benefit from this transaction other than the fees disclosed in Part D of this Disclosure Statement?
☒ No ☐ Yes If Yes, explain: _____
12. The mortgage brokerage is required to disclose in writing the material risks of this investment.
Describe the material risks of this investment. This is a residential second mortgage arrangement.

The mortgage brokerage has fully complied with all requirements of the *Mortgage Brokerages, Lenders and Administrators Act, 2006* and its regulations.

I have fully completed the above Declaration by the Mortgage Brokerage in accordance with the *Mortgage Brokerages, Lenders and Administrators Act, 2006* and regulations and declare it to be accurate in every aspect to the best of my knowledge.

Date: 04/05/24

M08000612

Licence number of Mortgage Broker


Signature of Mortgage Broker

Mary Chmiel

Print Name of Mortgage Broker

ACKNOWLEDGEMENT

I, Michael Stein RRSP

Print Name of Investor/Lender

acknowledge receipt of this Declaration by the Mortgage Brokerage, signed by:

Mary Chmiel

Print Name of Mortgage Broker

April 5th / 24
Dated by Investor/Lender


Signature of Investor/Lender

SECTION 2 – DECLARATION BY THE MORTGAGE BROKERAGE**PART A. – PROPERTY/SECURITY TO BE MORTGAGED**

1. Legal and Municipal address of the property: Plan 51M1099, Lot 18, Town of Innisfil. Known as 1026 Green Street, Innisfil, ON L0L 1W0 – Residential Property
2. Type of Property:
- ☒ Property with existing buildings
- ☒ Single Family Residential
- ☐ Owner Occupied
- ☒ Rental
- ☐ Condominium
- ☐ One-to-Four unit residential
- ☐ Five or more unit residential
- ☐ Commercial
- ☐ Industrial
- ☐ Agricultural
- ☐ Other, explain below: _____
- ☐ Vacant land, development or construction project/proposed use, including projected starting and completion dates: _____
- ☐ Other: _____
3. Purchase Price: (a) Purchase Price of Property: \$ _____ (b) Date of Purchase: _____
4. Property Taxes:
- Annual Property taxes: \$4,500.00 approx.
- Are taxes in arrears?
- ☒ No ☐ Yes ☒ Investor/Lender's Solicitor to verify prior to closing or ensure coverage under title insurance.
- Amount of arrears: \$ _____
5. Condominium Fees (if applicable):
- Monthly condominium fees: \$ _____
- Are fees in arrears? ☐ No ☐ Yes Amount of arrears: \$ _____
6. Zoning:
- Is the zoning on the property appropriate for the proposed use?
- ☐ No ☒ Yes ☐ Investor/Lender's Solicitor to verify prior to closing or ensure coverage under title insurance.
- If No, details: _____
7. Appraisal:
- ☐ An appraisal has not been done on the property within the past 12 months OR
- ☒ An appraisal has been done on the property within the past 12 months
- For all properties, appraised "as is" value: \$950,000.00
- If the appraisal was addressed to someone other than the investor/lender of record, provide a transmittal letter.
- Date of Appraisal: 10/25/2023
- Name and Address of Appraiser: Kelly Jean, York Simcoe Appraisal Corp. Inc. – PO Box 93026, 1111 Davis Drive, Newmarket, ON L3Y 8K3

PART B. – MORTGAGE PARTICULARS

1. Type of Mortgage:
- Your investment represents:
- ☐ the entire mortgage OR
- ☒ a portion of the mortgage. Your portion represents 55.17 % of the total.
- Number of other parties that have an interest in this mortgage: _____
- In what name(s) will the mortgage be registered? Sussman Mortgage Funding Inc. in Trust
- If the mortgage is not registered in the investor's name, explain: Mortgage is syndicated and held in trust for investors.
2. Existing or New Mortgage:
- ☐ An existing registered mortgage or portion of an existing mortgage is being purchase
- ☒ Your investment will fund a new mortgage or portion of a new mortgage that has not yet been registered.
3. Administered Mortgage:
- Important: A Mortgage Administrator must be licenced under Mortgage Brokerages, Lenders and Administrators Act, 2006
- Will the mortgage be administered for you? ☐ No ☒ Yes If "Yes", name, address and Licence No. of administrator:
- Sussman Mortgage Funding Inc. in Trust, 129 Dunlop St. E., Barrie, ON L4M 1A6 – Licence No. 11552

Investor/Lender Initials: CHSDate: April 5th 2024

PART B. – MORTGAGE PARTICULARS (CONTINUED)

4. Terms of Mortgage:

Amount of your Investment: \$160,000.00
 Face value of the Mortgage: \$290,000.00
 Interest rate is fixed at 10.50 % per annum OR
 Interest rate is variable. Explain: _____
 Compounding period: semi-ann
 What is the borrower's cost of borrowing as disclosed to the borrower: \$ 21,393.41
 Payment frequency: monthly
 Payments to be made by borrower: \$ 2,853.00
 Payments to you: \$ --
 (See Part D for fees charged to you)

Term: 2 Years
 Amortization: 20 Years
 Maturity date: April 26, 2026
 Balance on maturity: \$280,655.00
 Borrower's first payment due: May 26, 2024
 Borrower's rate of interest if different from the rate of interest to be paid to the investor:
 Borrower's rate of interest: 10.50 %
 Investor(s) rate of interest: 10.50 %
 Terms and conditions of repayment:
Open Mortgage – prepaid 5 months

5. Rank of Mortgage (according to information from borrower):

The mortgage to be purchased/advanced is/will be a: ☐ First ☒ Second ☐ Third ☐ Other mortgage _____
 Can the rank of the mortgage change? ☒ No ☐ Yes If yes explain how it might change and is it expected to change?

Prior encumbrances (existing or anticipated):

☐ None OR

a) Priority: 1st
 Face Amount: \$391,925.54
 Amount Owed: \$387,000.00
 In default? ☒ No ☐ Yes ☐ Unknown
 If yes, explain: _____

b) Priority: _____
 Face Amount: _____
 Amount Owed _____
 In default? ☐ No ☐ Yes ☐ Unknown
 If yes, explain: _____

Name of Mortgagee: TD Canada Trust

Name of Mortgagee: _____

Other encumbrances, including environmental, regulatory and/or liens: _____

6. Loan to value ratio (according to information from borrower):

a) Total of prior encumbrances \$387,000.00
 b) Amount of this mortgage \$290,000.00
 c) Total amount of mortgages: (a + b) \$677,000.00
 d) Appraised "as is" value: (from Part A) \$950,000.00
 e) Loan to "as is" value: (c/d x 100) 71.26%
 f) Projected value: (where appropriate): \$
 g) Loan to "projected value" ratio: (c/f x 100) %

7. Amount of Mortgage Advance

If the amount of the mortgage advance is less than the face value of the mortgage, provide explanation:
Investor is advancing \$160,000.00 to participate in mortgage.

PART C. – THE BORROWER

Name and Address of Borrower: Maheswaran Subramaniam of 1461 Lormel Gate Avenue, Innisfil, ON

- ☒ The brokerage has identified the borrower(s) and evidence of identity is attached/will be provided on
 Date (yyyy-mm-dd) 05/25/2018
☐ The brokerage has not verified the identity of the borrower(s).
 Explain what steps the brokerage will take to verify the identity before closing:

**IMPORTANT: FINANCIAL INFORMATION ABOUT THE BORROWER'S ABILITY TO MEET THE MORTGAGE PAYMENTS
 MUST BE ATTACHED TO THIS DISCLOSURE STATEMENT**

PART D. – FEES

1. Fees and charges payable by the investor/lender:

Mortgage brokerage fee/commission/other costs: \$ --
 Approximate legal fees and disbursements: \$ --
 Administration fees (where applicable) \$.6%
 Any other charges: Specify \$ --
\$ --
\$ --
\$ --
\$ --
\$ --
Total: \$ --

2. Fees and costs payable by the borrower:

Estimate	Paid To	Purpose
<u>\$11,600.00</u>	<u>Mortgage Funding</u>	<u>Brokerage</u>
<u>\$</u>		
<u>\$</u>		
<u>\$</u>		
<u>\$</u>		
<u>\$</u>		
<u>\$</u>		
<u>\$</u>		

Are any of the above fees/charges refundable? ☒ No ☐ Yes Explain _____

Investor/Lender Initials: GA

Date: APRIL 5th 2024

PART E. – ATTACHED DOCUMENTS

IMPORTANT: YOU SHOULD REVIEW THE FOLLOWING DOCUMENTS CAREFULLY AND ASSESS THE RISKS OF THIS INVESTMENT BEFORE COMMITTING TO INVEST. YOU SHOULD CHECK THAT ALL DOCUMENTS ARE CONSISTENT WITH THIS DISCLOSURE SUMMARY. THE FOLLOWING DOCUMENTS SHOULD BE ATTACHED. IF NOT AVAILABLE OR APPLICABLE, PROVIDE COMMENTS IN THE BOX BELOW.

- | | Attached |
|---|--------------------------|
| 1. If the statement concerns an existing mortgage, provide a copy of the mortgage | <input type="checkbox"/> |
| 2a. If an appraisal of the property has been done in the preceding twelve months and is available to the mortgage brokerage, a copy of the appraisal | <input type="checkbox"/> |
| 2b. If a copy of an appraisal of the property is not delivered to you, documentary evidence of the property value, other than an agreement of purchase and sale. | <input type="checkbox"/> |
| 3. If an agreement of purchase and sale in respect of the property has been entered into in the preceding twelve months and is available to the mortgage brokerage, a copy of the agreement of purchase and sale and all related schedules, amendments and waivers. | <input type="checkbox"/> |
| 4a. Documentary evidence respecting the borrower's ability to meet the mortgage payments. | <input type="checkbox"/> |
| 4b. If you request, a copy of the borrower's application for a mortgage including documents submitted in support of application. | <input type="checkbox"/> |
| 5. If the mortgage is for the purchase of a property, documentary evidence of any down payment made by the borrower for the purchase of the property. | <input type="checkbox"/> |
| 6. A copy of any agreement that you may be asked to enter into with the mortgage brokerage and/or mortgage administrator. | <input type="checkbox"/> |
| 7. Completed Addendum for Construction and Development Loans (Form 1.1) | <input type="checkbox"/> |
| 8. List other documents being provided here. _____ | |
| _____ | |
| 9. If other relevant documents are not being provided or the documents are not attached. Explain _____ | |
| _____ | |
| _____ | |

IMPORTANT: THE MORTGAGE BROKERAGE IS ALSO REQUIRED TO PROVIDE YOU WITH ALL OTHER INFORMATION A LENDER OR AN INVESTOR OF ORDINARY PRUDENCE WOULD CONSIDER TO BE MATERIAL TO A DECISION WHETHER TO LEND MONEY ON THE SECURITY OF THE PROPERTY OR INVEST IN THE MORTGAGE, SO THAT YOU CAN MAKE AN INFORMED DECISION BEFORE YOU COMMIT TO LEND/INVEST. THIS INFORMATION MIGHT INCLUDE THE FOLLOWING:

1. If the property is a rental property, details of leasing arrangements, assignment of rent provisions and vacancy status.
2. Environmental considerations affecting the value of the property.
3. If applicable, attach any power of attorney authorizations.
4. If the mortgage is for a construction or development project:
 - i. A detailed description of the project
 - ii. A schedule of the funds that have been advanced to the borrower, and
 - iii. The identity of any person who will monitor the disbursements of funds to the borrower and the use of those funds by the borrower.

PART F. – CERTIFICATION

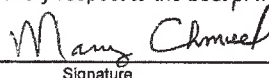
This Information Disclosure Summary has been completed by:

Sussman Mortgage Funding Inc. – 10666 – 129 Dunlop Street East, Barrie, Ontario L4M 1A6

Name, Licence Number and Address of Mortgage Brokerage

I have fully completed the above Information Disclosure Summary in accordance with the *Mortgage Brokerages, Lenders and Administrators Act, 2006* and its regulations and declare it to be accurate in every respect to the best of my knowledge.

Date: 04/05/24



Signature

M08000612

Licence Number of Mortgage Broker

Mary Chmiel

Print Name of Mortgage Broker

ACKNOWLEDGEMENT

I, **Michael Stein RRSP**

Print Name(s) of Investor/Lender

, of

Address

acknowledge receipt of this Information Disclosure Summary, signed by the Mortgage Broker

APRIL 5th 2024

Dated by Investor/Lender

Signature of Investor/Lender

One copy of this form must be provided to the prospective investor/lender, and one copy must be retained by the mortgage brokerage.

IMPORTANT: The information in this Disclosure Statement must be provided to you at the earliest opportunity and, in any case, no later than two business days before the earliest of the following events:

- When the brokerage receives or enters an agreement to receive money from you.
- When you enter into a mortgage agreement or an agreement to trade in a mortgage.
- The money is advanced to the borrower under the mortgage.
- The trade completion date.

You may agree to reduce the two business day waiting period to one business day by consenting in writing by completing the approved Waiver (Form 1.2).

Court File Number: CV-25-00741044-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

SUPPLEMENTAL REPORT OF THE RECEIVER
B. RILEY FARBER INC.

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto, Ontario M5K 0A1

Kenneth D. Kraft LSO #31919P
Robert J. Kennedy LSO#: 474070
Tel: 416 863-4374/ 416-367-6756
Email: kenneth.kraft@dentons.com/
robert.kennedy@dentons.com

Lawyers for the Receiver,
B. Riley Farber Inc.