

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**DBDC SPADINA LTD.,
and THOSE CORPORATIONS LISTED ON SCHEDULE "A" HERETO**

Applicants
(the "Bernstein Group")

- and -

**NORMA WALTON, RONAULD WALTON, THE ROSE & THISTLE
GROUP LTD. and EGLINTON CASTLE INC.**

Respondents
(the "Walton Group")

and

**THOSE CORPORATIONS LISTED IN SCHEDULE "B", TO BE BOUND BY THE
RESULT**

**AFFIDAVIT OF NORMA WALTON
SWORN DECEMBER 17, 2013**

1. I am one of the Respondents in this matter and as such I have knowledge of the matters to which I herein depose.

2. This Affidavit is made in response to the Notice of Motion of the Applicants, returnable December 18, 2013 which motion was served only one week ago, on December 11, 2013. My counsel appeared before Justice Newbould on Friday, December 13, 2013. The motion was adjourned to December 18, 2013 to be spoken to. I am compelled to prepare this Affidavit at short notice in order to answer the Applicants' motion. To do so, I have been

compelled to spend three full days preparing this Affidavit. I make this Affidavit further to my Affidavit sworn October 31, 2013.

3. The Applicants are hereafter collectively referred to as the "Bernstein Group" and the Respondents are collectively referred to as the "Walton Group".

History of Walton Group

4. As set out in my Affidavit sworn October 31, 2013, the Walton Group began developing property in approximately 2001.

5. Between 2001 and 2010, the Walton Group purchased approximately three properties per year for a total of approximately 28 properties. The Walton Group was introduced to Dr. Bernstein in 2008. Dr. Bernstein's involvement with the Walton Group was originally as a debt investor. Dr. Bernstein invested in approximately eight mortgages in the period of 2008 to 2010. In paragraphs 4 to 8 of my Affidavit of October 31, 2013, I set out the growth of The Rose & Thistle Group Limited ("Rose & Thistle Group"), the Walton Group's principal real estate arm, I point out Dr. Bernstein's involvement as an investor and how he became familiar with the Walton Group's operations. It is important to note that I was the sole operating executive officer of Rose & Thistle and the Walton Group in terms of purchase, financing, development and sale of the real estate portfolio. My husband Ronauld had no involvement in the detailed management of the portfolio. He left all of the detailed decisions to me.

6. In 2010, a significant business change occurred in the Walton Group's relationship with Dr. Bernstein and/or the Bernstein Group. They became involved in the Walton Group's acquisition of properties as a shareholder in various holding companies (the Schedule B Companies). From 2010 to 2013, Dr. Bernstein and/or the Bernstein Group were

invited to participate in the Walton Group's real estate acquisitions. In paragraphs 9 to 14 of my Affidavit dated October 31, 2013, I set out the relationship between Dr. Bernstein and the Walton Group where he became an equity investor in properties. I note that he did not involve himself in the day-to-day pre-purchase analysis, purchase, financing, renovation, leasing, development, re-zoning, environmental remediation, property management, accounting or other details except by way of reporting. Dr. Bernstein left all of these matters to me. The projects as a whole were highly profitable to Dr. Bernstein as they were completed.

7. It is important to note that Dr. Bernstein knew and understood that the Walton Group would contribute to the projects by their identification of the properties and carrying out the entire project through to profitable sale. As a result, there was no obligation on the Walton Group or any of its members to match Dr. Bernstein's equity infusion until and unless needed to complete any particular project. Dr. Bernstein knew that the Walton Group and the Rose & Thistle Group did not have the equity to put into projects to match his equity. That is why the agreements provide that we were to provide monies needed to complete a project. Dr. Bernstein knew that if such monies were needed, the Walton Group would have to refinance or sell properties and use their profits on those sales to develop the further properties. All of the borrowings and financings were carried out transparently in that the mortgages replaced on title and the various financings were obvious. All of the debts and obligations were accounted for and any imbalance in contribution was settled or to be settled after the project was sold.

8. Dr. Bernstein is a highly experienced investor in real estate. He has had prior investment relationships litigated in the courts. He is a wealthy man who understood the Walton Group contribution as against his own contribution. He understood that the development of real estate in such a large number of projects was a dynamic enterprise that could only be carried out

by a person like me who has a solid track record of success and an energetic ambition to be successful for both of us. I expressed in my Affidavit of October 31, 2013 in paragraph 41 the dynamic nature of the enterprise of property development. Dr. Bernstein knew of this dynamic enterprise but chose to impose a Receiver/Manager on the properties knowing that it would cause a serious diminution in value and leave the entire portfolio of properties vulnerable to diminution.

9. In some instances, Dr. Bernstein chose to participate in property acquisition and in other cases he declined. Those properties Dr. Bernstein chose to invest in are detailed in my October 31, 2013 Affidavit at paragraphs 15 to 39.

Effects of the Receiver/Manager, and the Court's Finding of "Theft" and Resulting Publicity

10. The involvement of the Receiver/Manager has had negative effects on the joint portfolio, the details of which are set out below:

- (a) the appointment of the Receiver/Manager has triggered default in most of the mortgages held within the joint portfolio;
- (b) mortgagees have served Notices of Appeal and further appearances have been made by mortgagees, resulting in increased legal costs to the portfolio;
- (c) the *National Post* and the *Toronto Star* have run front page articles detailing the dispute between the parties and thus creating the impression that the joint portfolio is in crisis, suggesting to investors that the properties can be purchased for a discount. Those articles are attached to this affidavit as Exhibits A and B respectively;

- (d) despite receiving over 10 offers to purchase properties within the joint portfolio, the Receiver/Manager has not contracted or signed back any of the offers, and thus the portfolio remains stagnant and purchaser interest is waning;
- (e) significant management costs are being incurred, including the cost of Briarlane's fees and employee costs;
- (f) so-called "Vulture Funds" are actively attempting to purchase the joint portfolio for a significant discount;
- (g) the Walton Group's ability to borrow funds has been significantly reduced; and
- (h) the Walton Group has been excluded from discussions with the brokerage community with respect to the joint portfolio, rendering the Walton Group's knowledge about the portfolio and business connections in the community useless.

11. In addition, the public nature of this proceeding, including the November 5, 2013 endorsement, has had a negative effect on the Walton Group in the marketplace, the details of which are set out below:

- (a) the appointment of the Receiver/Manager has triggered default in most of the mortgages held by the Walton Group;
- (b) the Walton Group has had to terminate the employment of approximately 25 employees, many of whom have been with the Walton Group for over 15 years. These terminations involve severance obligations;

- (c) the *National Post* and the *Toronto Star* have run front page articles detailing this dispute between the parties and highlighting the Court's finding of theft, bringing me and the Walton Group into disrepute;
- (d) the Law Society of Upper Canada has sought an undertaking from me that I not practice real estate law and other restrictions related to real estate as a result of the finding of "theft" by Justice Newbould. If I do not sign such an undertaking, I am informed through by law society counsel that an ex parte order enjoining me from practicing real estate law will be sought in committee at the Law Society. This result will gravely impact my reputation and my business;
- (e) the public nature of this dispute has had personal impacts on my family as far reaching as a petition by a parent of a teammate on my child's hockey team that my seven-year-old sons be removed from the team on the basis of the newspaper articles mentioned above;
- (f) investors in non-Bernstein Group projects are concerned and some are demanding to be paid out of their investments, resulting in the requirement to sell properties for less than anticipated profits;
- (g) the Walton Group has had financing offers revoked as a result of the public nature of this litigation resulting in the need to sell properties that the Walton Group originally intended to keep and refinance;
- (h) the Walton Group opened 33 accounts at RBC for non-Bernstein business. Upon receiving copies of the November 5, 2013 endorsement RBC closed all 33

accounts and advised the Walton Group that it no longer wished to do business with the Walton Group; and

- (i) Meridian Bank refused to open any new business accounts for the Walton Group.

12. The results of the Receiver/Manager Order and finding of theft alone has become the subject of broad comment in the development industry based on the reasons. Further, the two newspaper articles in the *National Post* and *Toronto Star* destroyed my business, legal and personal reputation. The finding of theft was key to this result.

13. I believe that I had a colour of right to borrow the monies that I did and to use those monies in the Bernstein portfolio of companies and in the non-Bernstein portfolio of companies. I certainly had no intent to defraud Dr. Bernstein. I have made no admission to fraud or theft in prior affidavits.

14. The rights of mortgagees and other secured and unsecured security holders in the companies and on the properties over which the Receiver/Manager was given power were not considered by the court, in that they were not served. In particular, the mortgages against the properties may have been placed in default by reason of the Receiver/Manager Order.

15. All of these factors have led to a predictable result, namely the imposition of a Receiver/Manager would destroy value for Dr. Bernstein and me; yet my husband and I are the only ones who have personally guaranteed the majority of the mortgages in the Bernstein portfolio.

Non-Bernstein Group of Properties

16. As is detailed below, all of the properties over which the Bernstein Group now seeks Certificates of Pending Litigation and injunctive relief are owned by corporations which are not parties to this action. While my husband and I are equity shareholders in those companies, we are not always alone as equity shareholders. Sometimes, there are other equity shareholders, preferred shareholders, mortgagees, suppliers and trades and other stakeholders whose interests must also be considered and who have no formal notice of this motion.

17. In any event, the requests for such relief amounts to a final determination of a claim in breach of contract, orders for specific performance, damages or damages in lieu of specific performance, a *Mareva* Order or other imposition of injunctive relief which cannot properly be dealt with without a proper claim brought within an action and a trial of the issues and certainly not before cross examination has been permitted.

18. The Bernstein Group now seeks Certificates of Pending Litigation over non-Bernstein Group properties (the "Other Properties"). The Bernstein Group also seeks an Order that the Walton Group may not dispose of or encumber any assets held by the Walton Group without further Order of this Court.

19. The particulars of each of the so-called "Other Properties" are set out below. Other than the first two properties listed below (which are already the subject of the Receiver/Manager order), and 319 Carlaw, Suite 107 (incorrectly identified by the Bernstein Group as 321 Carlaw), neither Dr. Bernstein or any member of the Bernstein Group holds an interest in these properties.

20. Each of the Other Properties has many stakeholders, the particulars of which are also set out below. Certain allegations have been made that some monies from the Don Mills mortgages (which allegations are addressed in detail in my October 31, 2013 Affidavit) were used in these properties. Also set out below is the amount used from the Don Mills mortgages and the amounts that the Walton Group has paid back on account of the monies paid. Also detailed below is the source of funding for the purchase of each of the properties. Again, other than the first two properties (which are already under Schonfeld Inc.'s control) the Bernstein Group was not involved in the purchase of the properties listed below, and in many cases, the properties were purchased before the Walton Group was introduced to the Bernstein Group.

- (a) 620 Richmond Street West (already subject of Receiver/Manager Order)
 - (i) Shareholders: Dr. Bernstein through a holding company (50%), Ronauld and Norma Walton (50%)
 - (ii) Ownership: 165 Bathurst Inc.
 - (iii) Mortgagees: First mortgage is held by First National (approx. \$4mil), and the second mortgage is held by the vendor, 165 Bathurst Financial Inc. (approx. \$6.5mil)
 - (iv) Suppliers/Trades and Other Stakeholders: Cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, building superintendent, property managers.
 - (v) Employees: None

- (vi) Activity: An offer to purchase has been received for \$16 million. The Walton Group has recommended that the Receiver/Manager negotiate this offer.
- (vii) Monies Used from the Don Mills Mortgages: None
- (viii) Monies Paid back on account of this Property: NA
- (ix) Purchased in 2013 with Bernstein Group involvement
- (b) 875 Queen Street East (already subject of Receiver/Manager order)
 - (i) Shareholders: Dr. Bernstein through a holding company (50%), Ronauld and Norma Walton (50%)
 - (ii) Ownership: Red Door Developments Ltd.
 - (iii) Mortgagees: RioCan (approx. \$6.2mil)
 - (iv) Suppliers/Trades and Other Stakeholders: a 106 bed shelter for abused women and children, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
 - (v) Employees: None
 - (vi) Activity: Multiple offers to purchase have been received. The Walton Group has recommended that the Receiver/Manager negotiate these offers.
 - (vii) Monies used from the Don Mills Mortgages: None

- (viii) Monies Paid back on account of this Property: NA
- (ix) Purchased in 2013 with Bernstein Group involvement
- (c) 3270 American Drive
 - (i) Shareholders: Michael and Dr. Christine DeJong through a holding company (50%), Ronauld and Norma Walton (50%).
 - (ii) Ownership: United Empire Lands Ltd.
 - (iii) Mortgagees: Harbour Mortgage as first mortgagee (approx. \$5mil) and the vendor (CENVEO) is the second mortgagee (approx. \$630,000).
 - (iv) Suppliers/Trades and Other Stakeholders: The tenant CENVEO, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
 - (v) Employees: None
 - (vi) Activity: There are currently no offers to purchase or borrowings being negotiated.
 - (vii) Monies used from the Don Mills Mortgages: None
 - (viii) Monies Paid back on account of this Property: NA
 - (ix) Purchased in 2012 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for this purchase came from the DeJong Family.

(d) 2 Kelvin Avenue

- (i) Shareholders: Ronauld and Norma Walton
- (ii) Ownership: 6195 Cedar Street Inc.
- (iii) Mortgagees: Variety Village (approx. \$1.8mil)
- (iv) Suppliers/Trades and Other Stakeholders: Cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers, general contractors, Toronto District School Board as a proposed tenant, existing tenants Orphan Black and St. Clair Ice cream.
- (v) Employees: None
- (vi) Activity: There are currently no offers to purchase or borrowings being negotiated.
- (vii) Monies used from the Don Mills Mortgages: \$200.00
- (viii) Monies Paid back on account of this Property: \$200.00
- (ix) Purchased in 2012. 2 Kelvin was purchased at the same time as 14 Trent. Some of the Bernstein funding for 14 Trent was used to purchase 2 Kelvin. As set out in Schedule B to the Inspector's Second Interim Report, 14 Trent owes Rose and Thistle approximately \$600,646.00, and therefore any Bernstein funds used in the purchase of 2 Kelvin have since been paid back to the Bernstein Group through contributions to 14 Trent.

(e) 346 Jarvis Street

- (i) Shareholders: Ronauld and Norma Walton in trust for 1780355 Ontario Inc. The shareholders of 1780355 Ontario Inc. are Ronauld and Norma Walton and the Mintz Family.
- (ii) Ownership: Ronauld and Norma Walton in trust for 1780355 Ontario Inc.
- (iii) Mortgagees: 346 Jarvis consists of four separately titled townhouses. 346A and B both have Scotiabank as a mortgagee (collectively approx. \$1.2mil). 346E has Stephen Handelman as mortgagee (approx. \$650,000). 346F has Meridian Credit Union as mortgagee (approx. \$650,000).
- (iv) Suppliers/Trades and Other Stakeholders: Each of the four townhouses has approximately four individual tenants per townhouse.
- (v) Employees: None
- (vi) Activity: There are currently no offers to purchase or borrowings being negotiated.
- (vii) Monies used from the Don Mills Mortgages: \$5,400.00
- (viii) Monies Paid back on account of this Property: \$5,400.00
- (ix) Purchased in 2008 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The Funds for the purchase of this property came from the Walton Group.

(f) 3775 St. Clair Avenue East

(i) The Walton Group purchased this property in approximately 2006 as a vacant piece of land and over three years built 17 individual townhouses. All 17 townhouses were sold to third party purchasers with sales closing in approximately 2009, hence the Walton Group has no further ownership in this property.

(ii) Monies used from the Don Mills Mortgages: None

(iii) Monies Paid back on account of this Property: NA

(iv) Purchased in 2006 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from various investors (common shareholders).

(g) 14/16 Montcrest Drive (incorrectly named 14/17 Montcrest)

(i) The Walton Group purchased this property in approximately 2006 along with 646 Broadview. The Walton Group severed off two building lots from 646 Broadview and built two detached houses on those two lots. Third party purchasers purchased those houses in approximately 2008, hence the Walton Group has no further ownership in this property.

(ii) Monies used from the Don Mills Mortgages: None

(iii) Monies Paid back on account of this Property: NA

- (iv) Purchased in 2006 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from various investors (common shareholders).
- (h) 1 William Morgan Drive
 - (i) Shareholders: Ronauld and Norma Walton
 - (ii) Ownership: Cinderella Productions Ltd.
 - (iii) Mortgagees: First mortgagee is Equitable Trust (approx. \$2.7mil), and second mortgagee is Stephen Handelman (approx. \$1mil)
 - (iv) Suppliers/Trades and Other Stakeholders: Cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers, general contractors, Lenz Entertainment as a tenant, SPRINT non-profit seniors association as a tenant.
 - (v) Employees: None
 - (vi) Activity: The Walton Group intends to list this property for sale in January 2014 for approximately \$4.65 million, with net sale proceeds expected of approximately \$800,000.
 - (vii) Monies used from the Don Mills Mortgages: \$42,900.00
 - (viii) Monies Paid back on account of this Property: \$42,900.00

(ix) Purchased in 2012 without Bernstein Group involvement other than as a mortgagee. The Bernstein Group has since been paid out the original mortgage and has no further interest in the property.

(i) 324 Prince Edward Drive

(i) Shareholders: Michael and Dr. Christine DeJong through a holding company (50%), Ronauld and Norma Walton (50%).

(ii) Ownership: Prince Edward Properties Ltd.

(iii) Mortgagees: Vendor CEP Union is the mortgagee (approx. \$1.3mil)

(iv) Suppliers/Trades and Other Stakeholders: The tenant CEP Union, Dr. May dental practice as a tenant, a marketing company as a tenant, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.

(v) Employees: None

(vi) Activity: There are currently no offers to purchase or borrowings being negotiated.

(vii) Monies used from the Don Mills Mortgages: None

(viii) Monies Paid back on account of this Property: NA

- (ix) Purchased in 2013 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). Funds for the purchase of this property came from the DeJong Family.
- (j) 24 Cecil Street
 - (i) Shareholders: Ronauld and Norma Walton as common shareholders and approximately 10 individual investors as preferred shareholders for the amount of approximately \$1.1 million.
 - (ii) Ownership: Cecil Lighthouse Inc.
 - (iii) Mortgagees: State Bank of India (approx. \$2.35mil)
 - (iv) Suppliers/Trades and Other Stakeholders: Gilda's Club as tenant, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
 - (v) Employees: None
 - (vi) Activity: The Walton Group intends to list this property for sale in January 2014 for approximately \$4 million, with net sale proceeds expected of approximately \$450,000 (after payment to preferred shareholders).
 - (vii) Monies used from the Don Mills Mortgages: None
 - (viii) Monies Paid back on account of this Property: NA

- (ix) Purchased in 2011 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). Funds for the purchase of this property came from both the Walton Group and Carlos Carreiro, the co-owner of the property. Mr. Carreiro has since sold his interest in the property to the Walton Group.

- (k) 185 Davenport Road
 - (i) The Walton Group purchased this property in approximately 2002 as a commercial building. The Walton Group converted the property into five condominiums and all condominiums have since been sold to third parties. The first four sales occurred in approximately 2005 and the final sale occurred in approximately 2010. The Walton Group has no further ownership in this property.
 - (ii) Monies used from the Don Mills Mortgages: None
 - (iii) Monies Paid back on account of this Property: NA
 - (iv) Purchased in 2002 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group.

- (l) 30 Hazelton Avenue
 - (i) Shareholders: Ronauld and Norma Walton
 - (ii) Ownership: Atala Investments Ltd.

- (iii) Mortgagees: First mortgagee is Laurentian Bank of Canada (approx. \$2.9mil), and the second mortgagee is Stephen Handelman (approx. \$750,000). Note these mortgages represent half of the blanket mortgage each mortgagee holds over both 30 and 30A Hazelton (i.e. for approx. \$5.8 million and \$1.5 million respectively).
- (iv) Suppliers/Trades and Other Stakeholders: Rose and Thistle Group as tenant, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
- (v) Employees: None
- (vi) Activity: Currently listed for sale for \$12 million for both 30 and 30A Hazelton. Also listed for lease.
- (vii) Monies used from the Don Mills Mortgages: \$18,250.00
- (viii) Monies Paid back on account of this Property: \$18,250.00
- (ix) Purchased in 2001 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group.
- (m) 30A Hazelton Avenue
 - (i) Shareholders: Ronauld and Norma Walton
 - (ii) Ownership: 30A Hazelton Inc.

- (iii) Mortgagees: First mortgagee is Laurentian Bank of Canada (approx. \$2.9mil), and the second mortgagee is Stephen Handelman (approx. \$750,000). Note these mortgages represent half of the blanket mortgage each mortgagee holds over both 30 and 30A Hazelton (i.e. for approx. \$5.8 million and \$1.5 million respectively).
- (iv) Suppliers/Trades and Other Stakeholders: Rose and Thistle Group as tenant on lower level, Israel Foulon as tenant on floors one to five, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
- (v) Employees: None
- (vi) Activity: Currently listed for sale for \$12 million for both 30 and 30A Hazelton. The lower level is listed for lease.
- (vii) Monies used from the Don Mills Mortgages: None
- (viii) Monies Paid back on account of this Property: NA
- (ix) Purchased in 2001 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group.
- (n) 1246 Yonge Street
 - (i) The Walton Group purchased this property in approximately 2002 as a commercial building. The Walton Group converted the property into 28

condominiums and all condominiums have since been sold to third parties. The first 23 sales occurred in approximately 2005 and the final five sales occurred in approximately 2008. The Walton Group has no further ownership in this property.

- (ii) Monies used from the Don Mills Mortgages: None
 - (iii) Monies Paid back on account of this Property: NA
 - (iv) Purchased in 2002 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from various investors.
- (o) 777 St. Clarens Avenue
- (i) Shareholders: Michael and Dr. Christine DeJong through a holding company (50%), Ronauld and Norma Walton (50%).
 - (ii) Ownership: St. Clarens Holdings Inc. and Emerson Holdings Inc.
 - (iii) Mortgagees: Vendor (the Sorger Family) is the mortgagee (approx. \$1.3mil)
 - (iv) Suppliers/Trades and Other Stakeholders: The tenant Jomar Electrical, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
 - (v) Employees: None

- (vi) Activity: There are currently no offers to purchase or borrowings being negotiated.
 - (vii) Monies used from the Don Mills Mortgages: None
 - (viii) Monies Paid back on account of this Property: NA
 - (ix) Purchased in 2013 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the DeJong Family.
- (p) 17 Yorkville Avenue
- (i) The Walton Group purchased this property in approximately 2006 as a commercial building. The Walton Group converted the property into six condominiums and all condominiums have since been sold to third parties. The six sales occurred in approximately 2009. The Walton Group has no further ownership in this property.
 - (ii) Monies used from the Don Mills Mortgages: None
 - (iii) Monies Paid back on account of this Property: NA
 - (iv) Purchased in 2006 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from various investors.

- (q) 252 Carlton Street and 478 Parliament Street
- (i) Shareholders: Ronauld and Norma Walton as common shareholders and approximately 10 individual investors as preferred shareholders for the amount of approximately \$1.1 million.
 - (ii) Ownership: 1793530 Ontario Inc.
 - (iii) Mortgagees: Equitable Trust (approx. \$1.65mil)
 - (iv) Suppliers/Trades and Other Stakeholders: The Salvation Army as tenant, Dance Umbrella of Ontario as tenant, Ginger Restaurant as tenant, Johnny Gs Restaurant as tenant, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
 - (v) Employees: None
 - (vi) Activity: The Walton Group has conditionally sold this property for \$3.1 million, with the sale closing expected January 31, 2014, assuming the purchaser waives his conditions before December 25, 2013. The Walton Group is expecting net sale proceeds in the amount of \$250,000.
 - (vii) Monies used from the Don Mills Mortgages: None
 - (viii) Monies Paid back on account of this Property: NA

- (ix) Purchased in 2008 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group.
- (r) 19 Tennis Crescent
 - (i) The Walton Group purchased this property in approximately 2009 as an eight-plex residential building. The Walton Group sold the property in approximately 2011. The Walton Group has no further ownership in this property.
 - (ii) Monies used from the Don Mills Mortgages: None
 - (iii) Monies Paid back on account of this Property: NA
 - (iv) Purchased in 2009 without Bernstein Group involvement other than perhaps as a mortgagee. To the extent that any mortgage was given, the Bernstein Group has since been paid out their original mortgage and the Bernstein Group does not have any further interest in the property.
- (s) 66 Gerrard Street East
 - (i) Shareholders: Ronauld and Norma Walton
 - (ii) Ownership: Gerrard Church 2006 Inc.
 - (iii) Mortgagees: First mortgagee is Penmor (approx. \$4.25mil), and the second mortgagee is Eric Silverberg (approx. \$1.35mil).

- (iv) Suppliers/Trades and Other Stakeholders: Approximately ten tenants including Starbucks, Zteca and Hassle-Free Clinic and various professional offices, one residential tenant, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
- (v) Employees: None
- (vi) Activity: This property is listed for sale and the Walton Group is negotiating an offer to purchase by the Conservatory Group for \$6.25 million, with expected net proceeds of \$800,000. The Walton Group has proposed a closing date of February 28, 2014.
- (vii) Monies used from the Don Mills Mortgages: \$17,650.00
- (viii) Monies Paid back on account of this Property: \$17,650.00
- (ix) Purchased in 2010 without Bernstein Group involvement other than as mortgagee. The Bernstein Group has since been paid out their mortgage and has no remaining interest on this property. The funds for the purchase of this property came from the Walton Group and various investors who have since sold their interest in the property to the Walton Group.
- (t) 646 Broadview Avenue
 - (i) The Walton Group purchased this property in approximately 2006. The Walton Group severed off two building lots to create 14 and 16 Montcrest (mentioned above). The Walton Group transferred their 50% interest in

the property to the co-owners (my parents) on September 3, 2013, hence the Walton Group has no further ownership in this property.

- (ii) Monies used from the Don Mills Mortgages: None
- (iii) Monies Paid back on account of this Property: NA
- (iv) Purchased in 2006 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property were from the Walton Group and my parents along with various investors. The various investors sold their interest to the Walton Group. The Walton Group has since sold its investment to my parents.
- (u) 14 College Street
 - (i) Shareholders: Ronauld and Norma Walton
 - (ii) Ownership: College Lane Ltd.
 - (iii) Mortgagees: First mortgagee is Rocco Marcello (approx. \$5mil), Stephen Handelman as second mortgagee (approx. \$750,000), and Eric Silverberg as third mortgagee (approx. \$1.35mil). Note that Eric Silverberg also has a second mortgage against 66 Gerrard (above) for the same \$1.35 million.
 - (iv) Suppliers/Trades and Other Stakeholders: Main Drug Mart as tenant along with various doctor subtenants, cleaners, maintenance people, HVAC

suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.

- (v) Employees: None
 - (vi) Activity: The Walton Group intends to list this property for sale in January 2014.
 - (vii) Monies used from the Don Mills Mortgages: None
 - (viii) Monies Paid back on account of this Property: NA
 - (ix) Purchased in 2011 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property were from the Walton Group and Windsor Bancorp (with a mortgage that has since been discharged).
- (v) 26 Gerrard Street East
- (i) Shareholders: Ronauld and Norma Walton
 - (ii) Ownership: Gerrard House Inc.
 - (iii) Mortgagees: First mortgagee is ROI Capital (approx. \$4.2mil), and second mortgagee is the vendor, Ronald McDonald House (approx. \$750,000)
 - (iv) Suppliers/Trades and Other Stakeholders: Cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and

landscaping, property managers, general contractors, Sterling Group Hotels as tenants.

- (v) Employees: None
 - (vi) Activity: The Walton Group is negotiating with the Sterling Group an agreement of purchase and sale with closing in 2014.
 - (vii) Monies used from the Don Mills Mortgages: \$2,600.00
 - (viii) Monies Paid back on account of this Property: \$2,600.00
 - (ix) Purchased in 2012 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group.
- (w) 3 Post Road
- (i) The Walton Group and the DeJong Family purchased this property in approximately 2006 along with 2 Park Lane. The Walton Group severed off 2 building lots and sold those lots to third parties in approximately 2008. The Walton Group has no further ownership in this property.
 - (ii) Monies used from the Don Mills Mortgages: None
 - (iii) Monies Paid back on account of this Property: NA
 - (iv) Purchased in 2006 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The

funds for the purchase of this property came from the Walton Group and the DeJong Family.

(x) 2 Park Lane

(i) The Walton Group and the DeJong Family purchased this property in approximately 2006 along with 3 Post Road. The Walton Group severed off 2 building lots and sold those lots to third parties in approximately 2008. The Walton Group has no further ownership in this property.

(ii) Monies used from the Don Mills Mortgages: None

(iii) Monies Paid back on account of this Property: NA

(iv) Purchased in 2006 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group and the DeJong Family.

(y) 2454 Bayview Avenue

(i) Shareholders: Ronauld and Norma Walton as common shareholders and approximately 10 individual investors as preferred shareholders for the amount of approximately \$2.4 million.

(ii) Ownership: Academy Lands Ltd.

(iii) Mortgagees: The mortgagee is BDC (approx. \$6.2mil),

- (iv) Loans: Brian and Diane Johnson (approx. \$1.6mil)
- (v) Suppliers/Trades and Other Stakeholders: The Junior Academy as tenant, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.
- (vi) Employees: None
- (vii) Activity: The Walton Group intends to list this property for sale in January 2014 for approximately \$11 million, with net sale proceeds expected of approximately \$1.35 million (after payment to preferred shareholders).
- (viii) Monies used from the Don Mills Mortgages: \$54,000.00
- (ix) Monies Paid back on account of this Property: \$54,000.00
- (x) Purchased in 2012 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group and the Johnson Family (through the loan mentioned above).
- (z) 319 Carlaw, Suite 107 (incorrectly identified as 321 Carlaw)
 - (i) Shareholders: Ronauld and Norma Walton
 - (ii) Ownership: Carlaw Corner Corp.
 - (iii) Mortgagees: The mortgagee is 368230 Ontario Limited, a Bernstein Group related company (approx. \$220,000)

- (iv) Suppliers/Trades and Other Stakeholders: None
 - (v) Employees: None
 - (vi) Activity: This property is listed for sale for approximately \$289,000.
 - (vii) Monies used from the Don Mills Mortgages: \$2,900.00
 - (viii) Monies Paid back on account of this Property: None
 - (ix) Purchased in 2013 without Bernstein Group involvement other than as mortgagee (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group.
- (aa) 231-235 King St. East
- (i) The Walton Group purchased this property in approximately 2013 with co-investors. The Walton Group began renovating the property and subsequently transferred ownership to the co-owners on approximately December 4, 2013. The Walton Group no longer has any interest in this property. The Walton Group suffered a loss of approximately \$250,000 on the transfer.
 - (ii) Monies used from the Don Mills Mortgages: \$91,450.00
 - (iii) Monies Paid back on account of this Property: \$91,450.00

- (iv) Purchased in 2013 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group and the co-owners who have since purchased the Walton Group's interest.

(bb) 44 Park Lane

- (i) Shareholders: None
- (ii) Ownership: Ronauld and Norma Walton
- (iii) Mortgagees: First mortgagee is Home Trust (approx. \$5mil), and the second mortgagee is Stephen Handelman (approx. \$3mil)
- (iv) Monies used from the Don Mills Mortgages: \$460,000.00
- (v) Monies Paid back on account of this Property: \$460,000.00
- (vi) Purchased in 2012 without Bernstein Group involvement (i.e. no funding from the Bernstein Group was used for the purchase of the property). The funds for the purchase of this property came from the Walton Group (the particulars of which are discussed in further detail below).

21. As is evidenced in the above list, I personally do not own any property directly (other than my home at 44 Park Lane). All property is owned by companies in which I and others own shares.

22. Any Certificates of Pending Litigation will negatively affect these Other Properties. The imposition of these certificates will put existing mortgages in default. Plainly

this will have a knock on effect forcing me to lose the properties or sell them. A reasonable market price will be difficult to obtain in these circumstances. My ability to fund the Bernstein portfolio of properties or meeting other obligations, such as payroll, through borrowing or sales will therefore be greatly reduced or eliminated. My business depends on my ability to sell or borrow against any and all properties on a rolling basis in order to fund projects and meet the various obligations set out above. An order as requested by Dr. Bernstein will have a major negative impact on the financial security of the various stakeholders listed above. This will have added impact on my present plight where investors in the Other Properties wish to be paid out of their investment as a result of the findings in this litigation.

44 Park Lane

23. The Bernstein Group alleges that the Walton Group used funds from the Bernstein Group to purchase 44 Park Lane (my family home) and to make various renovations to Park Lane (through the so-called Tisdale account). These allegations are dealt with below.

24. The funds for the purchase of 44 Park Lane came from the Walton Group. The Walton Group secured the funds necessary to purchase 44 Park Lane by developing another property, namely 875 Queen. The Walton Group, in partnership with the Red Door Shelter, entered into a contract to purchase 875 Queen for \$4.5 million in June 2011. Over the course of the following 12 months, the Walton Group developed the Red Door project (as detailed in my October 31, 2013 Affidavit). By June 30, 2012, the value of 875 Queen was approximately \$6.6 million. In June 2012, Dr. Bernstein bought into the 875 Queen Street property at the increased value. Dr. Bernstein invested approximately \$2.5 million in exchange for shares in Red Door Developments, the corporation that owns 875 Queen. Dr. Bernstein became a joint owner in Red Door Developments at that time. Unlike most of the other properties developed in the joint

portfolio, in this case, Dr. Bernstein bought into the Red Door project a year after the Walton Group did at an agreed upon valuation, and thereby the Walton Group was entitled to the increase in value they created over that year. Ronauld and I used the proceeds to purchase our family home.

25. With respect to the allegations that the Walton Group used the Tisdale account to make renovations to 44 Park Lane, the Walton Group responds as follows. As detailed in my October 31, 2013 Affidavit, the Walton Group purchased 78 Tisdale in 2010. The holding company for 78 Tisdale is Tisdale Mews Inc. The purchase price for 78 Tisdale in 2010 was \$1.575 million. Between 2010 and 2012, the Walton Group developed the 78 Tisdale project, increasing the value of the property to approximately \$6.4 million. The Walton Group achieved this increased value by working with planners and the City to rezone and site-plan approve the vacant industrial land into a residential townhouse complex. The Walton Group also addressed the environmental contamination issues on the property with the Ministry of the Environment. In late 2011, the Walton Group obtained two independent offers to purchase the 78 Tisdale property for an average price of approximately \$6.4 million. Rather than accept the independent offers, the Walton Group sold a 50% interest in the 78 Tisdale project to Dr. Bernstein (with the intention of building the townhouse complex). As with 875 Queen, Dr. Bernstein bought into the Tisdale project two years after the Walton Group did at an agreed upon valuation, and thereby the Walton Group was entitled to the increase in value they created over that two year period.

26. Prior to Dr. Bernstein's involvement in the 78 Tisdale project and him becoming a 50% owner in Tisdale Mews, the Walton Group used Tisdale Mews for various business transactions unrelated to 78 Tisdale. After Dr. Bernstein became a 50% owner in Tisdale Mews, the Walton Group continued to use Tisdale Mews for business transactions unrelated to 78

Tisdale. In all such instances where the Walton Group used Tisdale Mews and its bank accounts for transactions unrelated to 78 Tisdale, the Walton Group always fully covered all such funds, without exception (i.e. transferred into the 78 Tisdale Mews account funds at least equal to those used for business unrelated to the 78 Tisdale property). The Bernstein Group complains that funds were used from the Tisdale Mews account to make certain payments for renovations to 44 Park Lane. The Walton Group did use the Tisdale Mews account in this regard, but first transferred amounts to the Tisdale Mews account from the Rose and Thistle account. At no time was Dr. Bernstein's money used to pay for renovations to 44 Park Lane. Copies of Tisdale Mews Inc.'s bank statements from June, 2012 to August, 2013 are attached hereto as Exhibit C. These bank statements record a number of significant deposits into the account from Tisdale Mews into The Rose and Thistle Group account.

27. The Tisdale Mews Inc. corporation has a positive net transfer from Rose and Thistle Group of \$2,244,914, as per appendix A to the Second Interim Report of the Inspector.

232 Galloway Road and 65 Front Street

28. The Bernstein Group seeks an order that 232 Galloway Road and 65 Front Street be added to the Receiver/Manager order. Dr. Bernstein is not an owner of these properties nor is he a shareholder in a holding company that owns these properties. The Bernstein Group seeks this order solely on the basis that a non-party company, namely 368230 Ontario Limited, allegedly owned by Dr. Bernstein, is a mortgagee with respect to these properties. I understand it to be common ground that Dr. Bernstein does not have a right to appoint a receiver/manager over these properties pursuant to the mortgage agreements.

29. With respect to 232 Galloway Road, the Walton Group purchased this property in approximately 2008 as a vacant piece of land and over three years built 16 individual

townhouses. This property was purchased before the Walton Group and the Bernstein Group began doing business together. None of the funds used to purchase 232 Galloway were from the Bernstein Group. All 16 townhouses were sold to third party purchasers with sales closing in approximately 2012, hence the Walton Group has no further ownership in this property. It is also alleged that 232 Galloway Road received \$15,100 of the approximately \$2.1 million in Don Mills mortgages alleged to have been improperly taken. The \$15,100 complained of was paid to 368230 Ontario Limited on account of the loan. The Walton Group continues to make monthly interest on the loan.

30. With respect to 65 Front Street East, the particulars are as set out below:

- (i) Shareholders: Ronauld and Norma Walton own the common shares and there are approximately 30 preferred shareholders who collectively own approximately \$3.25 million worth of preferred shares
- (ii) Ownership: Front Church Properties Limited
- (iii) Mortgagees: First mortgagee is Alterna (approx. \$5.8mil), and the second mortgagee is 368230 Ontario Limited, a Bernstein Group related company (approx. \$2.5mil).
- (iv) Suppliers/Trades and Other Stakeholders: Approximately ten tenants including Second Cup, two law firms, one marketing firm, a convenience store and an art gallery, cleaners, maintenance people, HVAC suppliers, electricians, plumbers, contractors, snow removal and landscaping, property managers.

(v) Employees: None

(vi) Activity: This property is listed for sale and the Walton Group is negotiating an offer to purchase by the Conservatory Group for \$12 million, with net proceeds sufficient to pay back all stakeholders. The Walton Group has proposed a closing date of February 28, 2014.

31. 65 Front was purchased in September 2006, more than two years before the Bernstein Group and the Walton Group began doing business together. None of the funds used to purchase 65 Front were from the Bernstein Group. It is alleged that 65 Front Street received \$361,750 of the approximately \$2.1 million in Don Mills mortgages alleged to have been improperly taken. The Walton Group will repay this money upon the closing of the intended sale noted above.

32. As a result of this litigation, the Walton Group had intended to raise funds to discharge 368230 Ontario Limited's mortgage on the 65 Front property. The Walton Group obtained a term sheet with Stephen Handelman for this purpose with closing expected November 22, 2013. The term sheet is attached to this Affidavit as Exhibit D. The Receiver/Manager sent Stephen Handelman a copy of the November 5, 2013 endorsement of Justice Newbould and a copy of the issued Receiver/Manager order also dated November 5, 2013. As a direct result, Stephen Handelman advised he could not provide the financing.

Equity Investments

33. As I describe in paragraphs 4 to 9 of this Affidavit and in my Affidavit of October 31, 2013, Dr. Bernstein knew and understood that the Walton Group would pay monies into the joint portfolio as and when they were needed and subject to the Walton Group's ability to

refinance properties or sell properties both within the Bernstein Group of properties and properties which the Walton Group owned with other individuals or alone. Dr. Bernstein knew that the Walton Group's financial capacity to make payments was therefore limited. Dr. Bernstein also allowed me a free hand to choose what properties I refinanced and sold. The agreement contemplated the consent of Dr. Bernstein. The process contemplated in the contracts of obtaining consents prior to initiating and executing on individual transactions was almost never invoked by Dr. Bernstein until September of this year. In virtually all circumstances I informed Dr. Bernstein of what had transpired either before or after the transaction was negotiated or closed. Dr. Bernstein never questioned any transaction.

34. Regarding the Don Mills mortgages, I informed Dr. Bernstein of those mortgages on September 14, 2013, by way of emails.

35. The Bernstein Group seeks an order that my husband and I make equity investments "as required by the agreements in respect of the Schedule B Companies". As detailed in my affidavit of October 31, 2013, it was always understood that the Walton Group's equity contributions in the Schedule B Companies would be in large part a contribution based on work product and as set out above. It was never contemplated that Ronauld and I would match the cash infusions that Dr. Bernstein made and was able to make (in the amount of \$80 million). This process worked successfully and profitably until the appointment of the Receiver/Manager. The request for equity contributions is therefore a fundamental change in the operation of the joint portfolio. It is made after the Receiver/Manager order has been made and the negative publicity has eliminated my ability to raise funds.

36. The Walton Group's contributions have been made, in part, in the form of work that Rose and Thistle has performed, billed for, and not been paid for. The amount due to Rose and Thistle on account of unpaid invoices in respect of the joint portfolio is approximately \$10,332,826 (as set out in Appendix A to the Second Interim Report of the Inspector dated October 31, 2013).

37. In addition, the Walton Group has invested in the joint portfolio in the form of cash infusions. The Walton Group paid \$352,900 as of October 31, 2013 (as set out in Appendix B to the Second Interim Report of the Inspector dated October 31, 2013) and made debt contributions in the form of shareholder loans in the amount of \$1,797,708 (as set out in Appendix B to the Second Interim Report of the Inspector dated October 31, 2013), for a total equity and shareholder loan interest in the joint portfolio of \$2,150,608 as of October 31, 2013 (as set out in Appendix B to the Second Interim Report of the Inspector dated October 31, 2013). The major equity and shareholder loans that the Walton Group contributed are as follows: \$350,000 on account of Twin Dragons Corporation, \$11,351 on account of Liberty Village Properties Ltd., \$684,682 on account of Fraser Properties Corp., and \$1,101,675 on account of Weston Lands Ltd. Note that as the Receiver/Manager continues to review accounts with the Walton Group, the Receiver/Manager has been able to confirm additional equity/shareholder loan contributions of the Walton Group beyond those noted in his Second Interim Report. Specifically, \$190,000 with respect to Cityview Industrial Ltd., \$100,000 with respect to Skyway Holdings Ltd, \$120,000 with respect to Royal Gate Holdings Ltd., \$25,000 with respect to Lesliebrook Holdings Ltd., \$43,307 with respect to Lesliebrook Lands Ltd., and \$414,347 with respect to Royal Agincourt Corp., for a total of \$892,654. This brings the total

equity/shareholder loan contributions by the Walton Group to \$3,043,262. Further amounts will be reviewed and be confirmed as the Receiver/Manager has time to complete this exercise.

38. At the time that the Don Mills mortgages were taken out, the \$3,043,262 recognized by the Receiver/Manager (which amounts represents only those equity/shareholder loans confirmed by the Receiver/Manager to date) was already paid by Walton Group into the joint portfolio, and therefore the Walton Group was borrowing against its own equity investment in the joint portfolio at the time the Don Mills mortgages were taken out.

39. Further, since October 31, 2013, the Walton Group has invested the following additional amounts into the joint portfolio: \$172,250 (for the period from October 17, 2013 to November 4, 2013) and \$710,250 (for the period from November 5, 2013 to present day). Attached hereto is a chart setting out these amounts, marked as Exhibit E. This exhibit was prepared by the Inspector as of December 16, 2013. The sums above are in addition to the \$692,450 the Walton Group paid to Donalda Development Ltd. pursuant to the Direction dated November 6, 2013, discussed in further detail below.

40. In any event, as set out above in this Affidavit, other than our home at 44 Park Lane, my husband and I do not own property, but rather we own shares in companies that own properties.

Secured Interest

41. The Bernstein Group also seeks an order that the shareholder loans provided by the Bernstein Group to the Schedule B Companies be registered on title of the Schedule B Properties as a secured charge, ranking in second priority to any existing charges.

42. Putting further secured interests on the Schedule B Properties will make the Schedule B Properties less attractive in the marketplace, further impeding the Receiver/Manager's ability to obtain the best price for each property. In addition, this will put the Schedule B Companies in default of mortgages already in place. Finally, Dr. Bernstein's amounts should not rank in priority to other trade creditors' and suppliers' claims.

Full Accounting

43. The Bernstein Group alleges that I have failed to provide a "full accounting". I have provided all information/documentation to the Receiver/Manager. I have given him the QuickBooks Accounts and bank statements for all 31 entities and the Rose and Thistle Group, and ongoing online banking and QuickBooks access for all 31 entities. The Receiver/Manager provided reports based on this information. It was my understanding that in doing so, I was meeting the requirements for a "full accounting" as set out in the order. The Receiver/Manager is in possession and control of all financial documents held by the Walton Group in relation to the Schedule B Companies, and all documents related to the Rose and Thistle Group have been provided to him. The Walton Group has only some of that material now, mostly electronically.

Direction to Devry Smith Frank LLP

44. The Bernstein Group complains that the Direction that I gave to Devry Smith Frank LLP on November 6, 2013 was not the same as the draft Direction presented to the court on November 1, 2013. The main differences between the draft Direction and the Final Direction is that the Final Direction did not discharge the amount payable on account of companies Highland Creek (\$15,100), Front Church Properties Limited (\$361,750), and Carlaw Corner Corp (\$2,900), or approximately \$380,000 in total.

45. I knew that the Bernstein Group were seeking Certificates of Pending Litigation on any property which received funds from the Don Mills mortgages. It was in my personal interest therefore to pay whatever monies were available back to Donalda Developments Limited to avoid any future risk of a Certificate of Pending Litigation on my non-Bernstein properties. I therefore made the repayments despite the fact that I believe that I had a colour of right to take out the Don Mills mortgages and use the proceeds as I did. I paid back whatever monies I could to Donalda Developments but had to change the payment direction in order to protect the joint portfolio from mortgage debts and to pay Devry Smith and Frank LLP's fees as indicated below. I made the Final Direction without consulting my husband or any other person, except Devry Smith and Frank LLP.

46. There were various reasons the Walton Group changed the Direction. First, upon reading the November 5, 2013 endorsement, Devry Smith Frank LLP demanded full payment of their account, totalling \$131,432.87, the bulk of which related to the joint portfolio. Therefore the amount paid to Devry Smith Frank LLP was a further Walton Group contribution to the joint portfolio. Secondly, the Walton Group knew that the joint portfolio would have other immediate pressing needs requiring cash infusions. Monies were therefore held back to meet those needs. As detailed above, the Walton Group has put in the following additional amounts into the joint portfolio: \$172,250 (for the period from October 17, 2013 to November 4, 2013) and \$710,250 (for the period from November 5, 2013 to present day). These amounts are in addition to the \$692,450.00 that was paid into the joint portfolio as a result of the Final Direction dated November 6, 2013.

Response to Allegations in James Reitan's December 10, 2013 Affidavit

47. James Reitan makes further various allegations in his December 10, 2013 affidavit. Each of those allegations are addressed below:

(a) at paragraph 2(b) and 10 of his Affidavit, Mr. Reitan complains that the Walton Group has failed to repay the outstanding principal amounts on mortgages held by Dr. Bernstein's company (368230 Ontario Limited) which terms have expired. There are 5 properties in issue:

- (i) 65 Front Street, which is dealt with above;
- (ii) 47 Jefferson. The Walton Group has secured a letter of intent from Pencor, the lender for 32 Atlantic, for a \$2.2 million mortgage that would replace 368230 Ontario Limited's \$2 million mortgage on this property. This offer has been forwarded to the Bernstein Group, both before the Receiver/Manager order was put in place, and after the order was put in place. The Bernstein Group has yet to confirm if they want to pursue this option;
- (iii) 450 Pape. Prior to the Receiver/Manager order, the Walton Group met with Firm Capital to obtain a commitment to refinance 450 Pape. After the Receiver/Manager was put in place, the Walton Group was no longer able to pursue the refinancing;
- (iv) 1,9/11 Cityview. This property has been conditionally approved for severance. The conditions include the payment of 2013 property taxes. The Receiver/Manager is currently attempting to close the sale 9 and 11

Cityview for \$3.2 million. 368230 Ontario Limited has \$4.65 in mortgages against 1 and 9/11 Cityview together. Prior to the Receiver/Manager being put in place, the Walton Group and the Bernstein Group had agreed that Dr. Bernstein's company would receive \$2 million in principal payment on the sale of 9 and 11 Cityview, and would keep its \$2.65 million in place against 1 Cityview (worth approximately \$5 million). Prior to the Receiver/Manager being put in place, the Walton Group had also secured a commitment from Atrium Mortgages for \$2.8 million to pay out Dr. Bernstein's company in full, but Dr. Bernstein declined to agree to proceeding in this manner. After the Receiver/Manager was put in place, Dr. Bernstein refused to proceed as agreed, and insists on the Walton Group paying all construction lien amounts (approximately \$1 million) so that the Bernstein Group can be paid out all net proceeds from the sale of 9/11 Cityview. The Walton Group does not have the funds to discharge the construction liens, nor was it ever expected that Dr. Bernstein would receive 100% of the net proceeds of sale of 9/11 Cityview. Dr. Bernstein's new demands are putting at risk the severance and the sale. Note that the liens on the property relate to construction work done by third parties to allow the tenant at 1 Cityview to begin tenancy and paying rent. The Bernstein Group was aware of this work. In one instance, payment via post-dated cheque was made, and subsequently stop-paid by The Rose and Thistle Group as a result of the October 4, 2013 order in the within proceeding (i.e. it was for an amount over \$50,000).

- (v) 232 Galloway. Dr. Bernstein's company does not have a mortgage on 232 Galloway. The specifics of 232 Galloway are dealt with above;
- (b) at paragraph 2(c) of his Affidavit, Mr. Reitan complains the Walton Group has not paid back the Don Mills Mortgages. As detailed above, of the \$2.1 million diverted from the joint portfolio, approximately \$692,450 has been paid back to Donalda Developments Limited, and the additional amounts allegedly owing on account of the \$2.1 million will be paid back as soon as possible. For example, and as noted above, an additional \$361,750 will be paid back if/when the sale of 65 Front closes;
- (c) at paragraphs 4-9 of his Affidavit, Mr. Reitan complains that the mortgages have not been discharged as set out in my October 31, 2013 Affidavit. As noted above, the Walton Group had made arrangements to pay out the mortgages prior to the Receiver/Manager order being in place. Initially, as a result of the lack of response from the Bernstein Group, and subsequently as a result of the Receiver/Manager order, the Walton Group has not been in a position to move forward;
- (d) at paragraphs 11 to 15 of his Affidavit, Mr. Reitan complains about the 1, 9/11 Cityview deal. Mr. Reitan is mistaken in his characterization of the deal. The details of the Cityview deal are as set out above;
- (e) at paragraphs 16 to 19 of his Affidavit, Mr. Reitan complains about the Final Direction. The Final Direction is dealt with in detail above;

- (f) in paragraph 18(d) of his Affidavit, Mr. Reitan attempts to connect the \$460,000 that the Walton Group paid back to Donalda Developments Limited on account of the Don Mills mortgages with the sums paid out to Ronauld and I personally as also set out in the same Final Direction (in the amounts of \$300,000 and \$223,873.14). To clarify, these are separate payments, and all monies set out in the Final Direction were raised by the financing placed on 30 and 30A Hazelton, being a fully Walton Group owned property (i.e. not a Bernstein Group property);
- (g) at paragraph 20 of his Affidavit, Mr. Reitan attempts to connect the \$268,104.57 that he alleges Tisdale Mews paid to 44 Park Lane with the losses projected with respect to the sale of the Tisdale property. These amounts are totally unrelated. As dealt with above, the \$268,104.57 paid from Tisdale to Park Lane was fully funded by the Walton Group;
- (h) at paragraph 25 of his Affidavit, Mr. Reitan insinuates that \$22 million was perhaps diverted from the Schedule B Companies. There has been no diversion of \$22 million. As per Exhibit A to the Second Interim Report of the Inspector, The Rose and Thistle Group has billed \$34,587,390 (inclusive of HST) related to work done for the joint portfolio, \$10,332,826 of which has not yet been paid to Rose and Thistle. The \$22 million referred to involves the payment of invoices;
- (i) at paragraph 26 of his Affidavit, Mr. Reitan complains that the Walton Group has not filed corporate tax returns on behalf of the Schedule B Companies. The Walton Group was working on corporate tax returns when this litigation was

commenced. Regarding property tax payments, there are some amounts owing for 2013;

- (j) at paragraph 27 of his Affidavit, Mr. Reitan complains that the Walton Group has not provided an accounting or backup documentation to substantiate Rose and Thistle Group invoices. The allegations with respect to the accounting are dealt with above. With regards to the backup documentation to substantiate the invoices, the Walton Group has provided, and the Inspector has accepted, the backup documentation with respect to the management fees for all properties, along with the backup documentation related to Tisdale and Red Door. The total amount confirmed is approximately \$8.675 million of the invoices on account of Tisdale and Red Door and approximately \$965,938 in management fees (as set out in Exhibit A to the Inspector's Second Interim Report). The Walton Group has hired Intrepid Quantity Surveyors to assist the Walton Group in providing the balance of backup but the Receiver/Manager has not had an opportunity to deal with further backup because he has been spending his time performing his Receiver/Manager responsibilities;
- (k) at paragraphs 3 and 29 to 33 of his Affidavit, Mr. Reitan complains that the Walton Group continues to act unilaterally contrary to the Receiver/Manager order. The Walton Group has fully complied with the Receiver/Manager order. Any offers to purchase that have been brought to the Walton Group have been forwarded directly to the Receiver/Manager for consideration. With respect to allegations that the Rose and Thistle Group website continued to show Schedule B properties for lease and sale, this is true, as historically it has been the Rose and

Thistle Group's practice to advertise sales of properties on its website. Upon being advised by the Receiver/Manager that the advertisements should be taken off the website, The Rose and Thistle Group did so. All inquiries with respect to purchasing were forwarded directly to the Receiver/Manager; and

- (l) at paragraphs 34 to 38 of his affidavit, Mr. Reitan makes certain allegations with respect to the purchase of 44 Park Lane. The purchase of 44 Park Lane has been dealt with in detail above.

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario, this)
17th day of December 2013)

A Commissioner for taking Affidavits, etc.)

Emmeline Morse)



NORMA WALTON

A

This is Exhibit A referred to in the
affidavit of Norma Walton
sworn before me, this 17th
day of December 2013


A COMMISSIONER FOR TAKING AFFIDAVITS

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Successful diet doctor embroiled in thorny legal battle over Toronto real estate investments



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Dr. Stanley Bernstein's business partners allegedly used part of his investment to renovate their 44 Park Lane Circle home in Toronto.

Peter J. Thompson/National Post

Dr. Bernstein victim of \$2.1-million 'theft', judge says

Dr. Stanley Bernstein has made his fortune by founding a line of hugely successful health and diet clinics, with ads over the years featuring taglines such as “Medically supervised weight loss. Guaranteed.”

Unfortunately, the \$110-million the Toronto physician and entrepreneur invested in various commercial real estate projects with his neighbours did not come with such strong assurances.

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Where some of Dr. Bernstein's investment eventually ended up — including \$2.1-million that an Ontario Superior Court judge termed a "theft" — is at the centre of a thorny legal battle between Dr. Bernstein and two business partners from his Bridle Path neighbourhood, the wealthiest area in Canada.

The prominent medical doctor and entrepreneur has taken legal action against Norma Walton and Ronald Walton, co-founders of Toronto-based Rose and Thistle Group, after discovering additional mortgages worth \$6-million were taken out on two of their 31 joint investment properties without Dr. Bernstein's knowledge over the summer, according to provincial court documents.

"My correspondence and dealings with Ms. Walton have done nothing to reduce my concerns, more particularly her refusal to tell us the whereabouts of the \$6-million of the mortgage proceeds," Dr. Bernstein said in his affidavit on Oct. 1.

It was this discovery that prompted the physician in October to submit an application to Ontario Superior Court for an investigation into their business dealings. The probe, which began Oct. 4, found that millions of dollars were funnelled outside of their joint corporations — including more than \$260,000 for renovations on the Waltons' mansion on Park Lane Circle, documents show.

The investigation, ordered through a section of the Ontario Business Corporation Act, also showed that \$2.1-million of the total \$6-million of mortgages on 1450 Don Mills Road (the headquarters of the *National Post* newspaper, purchased by Rose and Thistle in September 2012) and 1500 Don Mills Road taken without Dr. Bernstein's permission were "diverted" outside the business, wrote Justice Frank Newbould in his endorsement to the Ontario Superior Court on Nov. 1.

"Ms. Walton admits that \$2.1-million was 'diverted.'... She offers excuses that do not justify what she did. What happened here, not to put too fine a point on it, was theft," he wrote.



Dr. Stanley Bernstein

www.drbdiet.com

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On Nov. 1, the judge appointed Schonfeld Inc., which acted as the inspector in the initial probe, as receiver/manager, giving the consultancy control of their 31 joint corporations until further order of the court.

Ms. Walton and Rose and Thistle said they “strongly disagree” with Justice Newbould’s decision and are appealing.

“Rose and Thistle has been in business with Dr. Bernstein for five years,” according to a statement e-mailed to the *National Post*.

“Rose and Thistle regrets this situation and we hope to resolve the litigation to both parties’ satisfaction soon.”

What happened here, not to put too fine a point on it, was theft

Lawyers for Mr. Bernstein and his holding company, DBDC Spadina Ltd., and for the consultancy Schonfeld Inc., declined to comment.

Dr. Bernstein, now in his seventies, is perhaps the most successful diet doctor in Canada. The Bernstein regimen involves vitamin-B injections and an ultra low-calorie diet of roughly 850 calories per day. The diet has drawn the ire of critics who claim that the rapid weight loss it produces is dangerous. But Dr. Bernstein’s clients often sing the praises of their weight transformations, and with more than 60 clinics across Canada and about half a million patients (paying more than \$1,100 for an 8-week program), he certainly would have had a lot of money to put into investments.

Why he decided to invest tens of millions with the Waltons and their relatively unknown Rose and Thistle Group is unclear.

Dr. Bernstein met the Waltons in 2008 when he was approached to act as a mortgagor, through one of his companies, for a property in Toronto owned by the Waltons and another investor, he said in his Oct. 1 affidavit.

The doctor acted as the lender and mortgagee for roughly eight mortgages on commercial real estate properties for the Waltons, either through Rose and Thistle or through other corporations, between 2008 and 2010, according to court documents.

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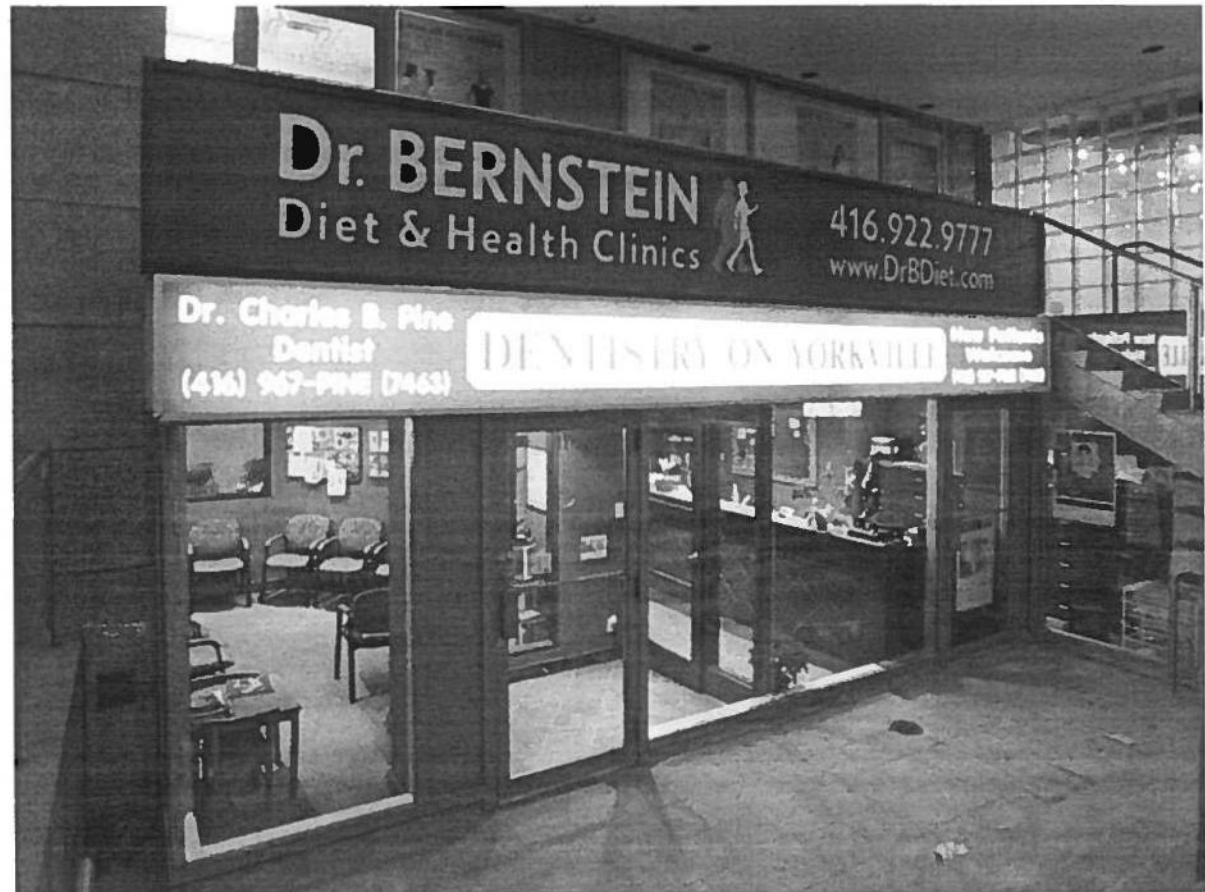
Rose and Thistle Group, in addition to a real estate acquisition and property management arm, has many subsidiaries in a variety of different fields, including a commercial television and film production complex called Film Port Studio and the Urban Amish Interiors furniture company.

Dr. Bernstein and the Waltons, both lawyers, may have run in the same circles. Dr. Bernstein's mansion on Post Road, owned by a trust in his name according to land registry documents, lies just over a kilometre away from the Waltons' home on Park Circle. The Waltons purchased the two-storey home for \$10.5 million in June 2012, according to land registry documents.

In September 2010, Mr. Bernstein jointly invested with the Waltons in a property on Spadina Avenue, according to the doctor's affidavit. That relationship eventually grew to 31 commercial real estate projects over the next three years, with both parties signing on as 50% shareholders of each corporation established for each property.

Dr. Bernstein became a key investor and partner — of the 57 projects listed in Rose and Thistle's real estate portfolio on their website, the physician had involvement in at least 25 of them, based on court documents.

This year, Dr. Bernstein "became increasingly concerned" about how their joint projects were managed, and "the lack of information provided to me," he said in his affidavit.



One of Dr. Bernstein's Clinics located at 11 Yorkville Avenue in Toronto.

Peter J. Thompson/National Post

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He called on James Reitan, his company's director of accounting and finance, to look into his investments with the Waltons. Mr. Reitan discovered that additional \$3-million mortgages had been taken on both 1450 Don Mills Road and 1500 Don Mills Road on July 31 and Aug. 1 of this year, according to the court documents.

After several terse emails between the doctor, Mr. Reitan and Ms. Walton, Dr. Bernstein resorted to legal action, and an investigation into the matter was ordered on Oct. 4.

Ms. Walton was well aware that this was wrong

Just over \$3.3-million of the mortgage proceeds were transferred to 28 of their 31 jointly-owned real estate corporations, Justice Newbould wrote. The balance was used for other purposes, including roughly \$460,000 that was deposited into Ms. Walton's personal account and \$154,000 transferred electronically to Plexor Plastics Corp., Rose and Thistle's injection moulding business, Justice Newbould added.

Ms. Walton said in an Oct. 31 affidavit that the mortgages on the two Don Mills properties "should not have been done without Dr. Bernstein's consent."

However, she said she arranged for the mortgage against 1450 Don Mills because Dr. Bernstein needed a repayment of \$2-million of equity by July 31 "to facilitate a personal purchase he was making, and I wanted to ensure I had it available," the Oct. 31 affidavit says. Ms. Walton says it was to purchase a house for his son, according to an email included in the court documents.

As well, most of Dr. Bernstein's \$1.48-million equity contributions towards a commercial project called Tisdale Mews, for 35 townhomes near Victoria Park and Eglinton Avenue, went outside the business, according to Justice Newbould's endorsement.

Invoices from Tisdale Mews' bank account showed that more than a quarter million dollars was used for work done at 44 Park Lane Circle, the Waltons' personal residence in the Bridle Path area of Toronto, the judge wrote.

Ms. Walton said in her affidavit that the roughly \$268,000 was used to pay renovation costs on her residence, but that Rose and

Thistle funded 100% of the purchases before any cheques were sent out of the Tisdale Mews account.

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But the overall balance on the available bank statements for the Tisdale Mews' project totalled \$96,989.91 "indicating that most, if not all, Dr. Bernstein's money went elsewhere," Justice Newbould wrote.

The investigation also showed that the Waltons were not contributing their share of equity investments, as outlined in their agreements, according to court documents.

From the moment of the appointment, "Ms. Walton took various steps to hinder the Inspector," Justice Newbould wrote in his endorsement. This included a procedure where Rose and Thistle employees could not provide information to the inspector without Ms. Walton vetting it, and some invoices relating to a period between January 2012 and August 2013 being inputted after the fact, the judge wrote.

Justice Newbould wrote that the "co-mingling of accounts" and the "cash sweep" into the Rose and Thistle accounts was "unfairly prejudicial" to Dr. Bernstein.

"\$2.1-million was improperly taken from the proceeds of the \$6-million mortgages that never had Dr. Bernstein's approval, \$400,000 of which was taken by Ms. Walton into her personal bank account," the judge wrote. "Ms. Walton was well aware that this was wrong. She is a lawyer and the agreements were drawn in her office."

The Waltons have since formally called for Justice Newbould to delete his reference to "theft" in his endorsement and challenged the appointment of a receiver/manager, according to court documents.

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B

This is Exhibit B referred to in the
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day of December 20 13


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News / GTA

Toronto diet doctor Stanley Bernstein lost millions to 'theft': Judge

Bernstein and two business partners from his affluent Bridle Path neighbourhood are embroiled in a legal battle over real estate investments.

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Dr. Stanley Bernstein is embroiled in a messy legal battle over commercial real estate investments.

By: **Amy Dempsey** GTA, Published on Sat Dec 14 2013

A Toronto diet doctor and two business partners from his affluent Bridle Path neighbourhood are embroiled in a messy legal battle over commercial real estate investments.

Dr. Stanley Bernstein, a well-known weight-loss physician with clinics across Canada, has poured more than \$100 million into 31 joint projects with Norma Walton and her husband, Ronald Walton, both lawyers and co-founders of the Rose and Thistle Group, an asset management company.

Bernstein took legal action against the Waltons after discovering evidence that mortgages worth \$6 million were taken out on two properties over the summer without his knowledge, according to documents filed in Ontario Superior Court.

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 fury in France

A court-ordered investigation launched in October found that roughly \$2.1 million in mortgage proceeds were diverted from their joint investments, including \$460,000 that was deposited into Norma Walton's personal bank account.

A further \$353,000 was used to repay a loan owed by Rose and Thistle, the probe found, while \$336,000 was transferred into the accounts of other companies owned by the Waltons.

More stories by Amy Dempsey on Thestar.com

The investigation also found that \$268,000 was taken from the bank account used for one joint property and used instead for work on the Waltons' personal residence on Park Lane Circle, the judge's decision said.

"What happened here, not to put too fine a point on it, was theft," Justice Frank Newbould said in an endorsement decision filed in court on Nov. 1.

After reviewing the results of the investigation, Newbould granted a request by Bernstein's lawyers to appoint the inspector who led the probe, Schonfeld Inc., as manager and receiver for the joint corporations until further notice.

The Waltons "strongly disagree" with the decision and are appealing, their lawyer, Guillermo Schible, said in an emailed statement.

Court records show that lawyers for the Waltons asked the judge to strike the word "theft" from the record. In a Nov. 8 motion, they argued Newbould's conclusion "that the conduct of Norma Walton amounted to theft is a finding of fraud and lack of credibility without due process."

Newbould denied their request. The endorsement was an interim decision; the legal action is ongoing.

The Waltons and their lawyers would not speak to the case further. Lawyers for Bernstein declined to comment.

Norma Walton admitted in an Oct. 31 affidavit that mortgages worth \$6 million were taken out on joint properties without Bernstein's consent, and said it "should not have been done." Her explanation was that Bernstein needed a payment of \$2 million for a personal property purchase and she wanted to make sure she had the funds available.

She says the use of the \$6 million was transparent on the books and records of Rose and Thistle.

Walton admitted in her affidavit that the \$2.1 million in diverted funds was "used outside the Bernstein/Walton projects," and promised to pay it back.

She also admitted that \$268,000 from one property account was used to fund renovations to the Walton residence, but said her company, Rose and Thistle, ultimately funded 100 per cent of the expenses for her home.

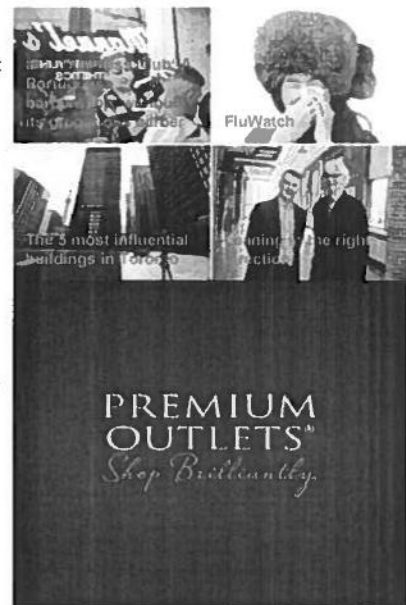
In his endorsement, Justice Newbould wrote that Walton's excuses are inadequate and "do not justify what she did."

Bernstein was introduced to the Waltons as a potential debt investor in 2008, according to Norma Walton's affidavit. He owns a home on Post Rd. not far from the Waltons' property in the Bridle Path area. After the doctor financed the mortgages on several properties owned by the Waltons, they agreed to invest jointly in 31 commercial real estate projects, with each party — Bernstein and the Waltons as a couple — to hold a 50 per cent share in various corporations set up to hold each property.

After growing concerned about the Waltons' record keeping, Bernstein filed an application with the court in October to request an investigation into their business dealings, which was granted.

Justice Newbould wrote in his Nov. 1 endorsement that the Waltons did not provide equal payments of money into any of the 31 properties jointly invested in with Bernstein, contrary to the agreement between them.

"The claim that their equity was provided by way of set-off for fees and work, even if that were permissible under the agreements, is unsupported by any available documents to the Inspector," the judge wrote.



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The investigation showed it was "quite evident," the judge wrote, that Norma Walton took steps to "hinder" the court-ordered inspection process, including shutting down the Rose and Thistle offices early the day the order was made. The investigation also revealed that she refused to allow her employees to speak with the inspector unless she first vetted their information, the judge wrote.

In court filings, Walton says she cooperated with the investigation.

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Bradley 2 days ago

Thft and theft is fraud, there should be no distinction between the two. Laws are written
's and that's why people get away with murder or in this case, theft and fraud

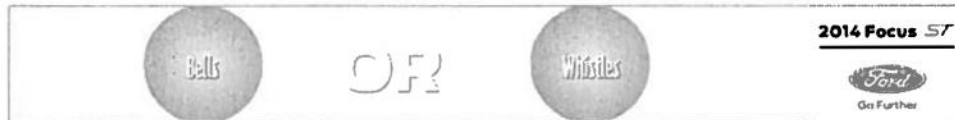
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Bradley 2 days ago

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Statement Period Ending: January 31, 2013
Account Number: 7311574
Number of Cheques: 8

Tisdale Mews Inc.
30 Hazelton Ave.
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1607546 Ont

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
31-Dec-2012	Balance Forward			11,381.66
02-Jan-2013	Transfer In		12,050.00	23,431.66
	7311954 wellesly cheq			
02-Jan-2013	Cheque # 1	-23,333.33		98.33
14-Jan-2013	Cheque Deposit		1,695.00	1,793.33
14-Jan-2013	Transfer In		27,550.00	29,343.33
	7311954 wellesly cheq			
15-Jan-2013	Transfer In		6,150.00	35,493.33
	7311954 wellesly cheq			
17-Jan-2013	Cheque # 382	-9,999.82		25,493.51
17-Jan-2013	Cheque # 384	-5,000.00		20,493.51
18-Jan-2013	Cheque # 380	-10,170.00		10,323.51
21-Jan-2013	Cheque # 383	-6,950.00		3,373.51
24-Jan-2013	Cheque # 379	-350.30		3,023.21
24-Jan-2013	Cheque # 378	-772.57		2,250.64
25-Jan-2013	Cheque # 385	-2,147.00		103.64
31-Jan-2013	Transfer In		13,550.00	13,653.64
	7311954 wellesly cheq			
31-Jan-2013	Transaction Fees	-6.75		13,646.89
	Account Totals	58,729.77	60,995.00	13,646.89



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Number of Cheques: 19

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Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
31-Jan-2013	Balance Forward			13,646.89
01-Feb-2013	Transfer In		23,350.00	36,996.89
	7311954 wellesly cheq			
04-Feb-2013	Cheque # 381	-13,560.00		23,436.89
04-Feb-2013	Cheque # 395	-23,333.33		103.56
05-Feb-2013	Transfer In		29,400.00	29,503.56
	7311954 wellesly cheq			
05-Feb-2013	Cheque # 394	-12,287.04		17,216.52
06-Feb-2013	Transfer In		7,750.00	24,966.52
	7311954 wellesly cheq			
06-Feb-2013	Cheque # 392	-2,203.50		22,763.02
07-Feb-2013	Transfer In		550.00	23,313.02
	7311954 wellesly cheq			
07-Feb-2013	Cheque # 393	-2,650.03		20,662.99
08-Feb-2013	Cheque # 397	-10,000.00		10,662.99
08-Feb-2013	Cheque # 396	-10,000.00		662.99
11-Feb-2013	Cheque # 391	-11,300.00		-10,637.01 OI
11-Feb-2013	Overdraft Fee # 391	-5.00		-10,642.01 OI
	Non Sufficient Funds			
12-Feb-2013	Transfer In		10,700.00	57.99
	7311954 wellesly cheq			
12-Feb-2013	Transfer In		600.00	657.99
	7311954 wellesly cheq			
12-Feb-2013	Cheque # 407	-179.23		478.76
12-Feb-2013	Cheque # 408	-175.15		303.61
13-Feb-2013	Cheque # 400	-195.38		108.23
14-Feb-2013	Transfer In		32,000.00	32,108.23
	7311954 wellesly cheq			
15-Feb-2013	Cheque # 411	-10,170.00		21,938.23
19-Feb-2013	Cheque # 412	-132.80		21,805.43
19-Feb-2013	Cheque # 413	-11,290.96		10,514.47
20-Feb-2013	Cheque # 409	-8,277.22		2,237.25
21-Feb-2013	Transfer In		9,400.00	11,637.25
	7311954 wellesly cheq			

Member Number: 7311574
Member Name: Tisdale Mews Inc.

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
21-Feb-2013	Cheque # 399	-565.00		11,072.25
21-Feb-2013	Cheque # 387	-565.00		10,507.25
22-Feb-2013	Cheque # 414	-10,000.00		507.25
26-Feb-2013	Cheque # 416	-413.81		93.44
28-Feb-2013	Transaction Fees	-14.25		79.19
28-Feb-2013	Interest Debit	-6.12		73.07
Account Totals		127,323.82	113,750.00	73.07



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Statement Period Ending: March 31, 2013
Account Number: 7311574
Number of Cheques: 25

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Deposit Accounts

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Date	Account Activity	Withdrawals	Deposits	Balance
28-Feb-2013	Balance Forward			73.07
01-Mar-2013	Transfer In 7311954 wellesly cheq		40,900.00	40,973.07
04-Mar-2013	Cheque # 424	-6,780.00		34,193.07
04-Mar-2013	Cheque # 423	-10,000.00		24,193.07
04-Mar-2013	Cheque # 426	-23,333.33		859.74
05-Mar-2013	Cheque # 386	-26,932.00		-26,072.26OC
05-Mar-2013	Overdraft Fee # 386 Non Sufficient Funds	-5.00		-26,077.26OC
06-Mar-2013	Transfer In 7311954 wellesly cheq		26,200.00	122.74
06-Mar-2013	Transfer In 7311954 wellesly cheq		2,000.00	2,122.74
06-Mar-2013	Cheque # 422	-762.75		1,359.99
08-Mar-2013	Transfer In 7311954 wellesly cheq		1,250.00	2,609.99
11-Mar-2013	Cheque Deposit		3,390.00	5,999.99
11-Mar-2013	Transfer Out # 055623468 7311954 wellesly cheq	-3,350.00		2,649.99
11-Mar-2013	Cheque # 404	-1,254.30		1,395.69
12-Mar-2013	Transfer In 7311954 wellesly cheq		6,150.00	7,545.69
12-Mar-2013	Cheque # 429	-195.38		7,350.31
13-Mar-2013	Cheque # 436	-3,118.80		4,231.51
13-Mar-2013	Cheque # 437	-3,053.83		1,177.68
13-Mar-2013	Cheque # 434	-179.23		998.45
13-Mar-2013	Cheque # 433	-350.30		648.15
15-Mar-2013	Transfer In 7311954 wellesly cheq		20,550.00	21,198.15
18-Mar-2013	Transfer In 7311954 wellesly cheq		54,900.00	76,098.15
18-Mar-2013	Cheque # 430	-111.87		75,986.28
18-Mar-2013	Cheque # 419	-6,780.03		69,206.25
18-Mar-2013	Cheque # 418	-13,756.62		55,449.63

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
19-Mar-2013	Cheque # 445	-4,614.00		50,835.63
20-Mar-2013	Transfer In 7311954 wellesly cheq		11,300.00	62,135.63
21-Mar-2013	Cheque # 440	-613.48		61,522.15
21-Mar-2013	Cheque # 446	-11,300.00		50,222.15
22-Mar-2013	Cheque # 443	-10,000.00		40,222.15
22-Mar-2013	Cheque # 444	-15,000.00		25,222.15
25-Mar-2013	Transfer In 7311954 wellesly cheq		21,100.00	46,322.15
26-Mar-2013	Transfer In 7311954 wellesly cheq		350.00	46,672.15
26-Mar-2013	Cheque # 450	-3,180.95		43,491.20
27-Mar-2013	Transfer Out # 102909102 7311954 wellesly cheq	-37,000.00		6,491.20
27-Mar-2013	Transfer In 7311954 wellesly cheq		59,000.00	65,491.20
27-Mar-2013	Cheque # 451	-11,140.61		54,350.59
28-Mar-2013	Cheque # 449	-4,500.00		49,850.59
28-Mar-2013	Cheque # 447	-17,464.15		32,386.44
28-Mar-2013	Cheque # 438	-6,748.75		25,637.69
28-Mar-2013	Cheque # 441	-14,490.00		11,147.69
31-Mar-2013	Transaction Fees	-19.50		11,128.19
31-Mar-2013	Interest Debit	-15.00		11,113.19
Account Totals		236,049.88	247,090.00	11,113.19



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Statement Period Ending: April 30, 2013
Account Number: 7311574
Number of Cheques: 56

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
31-Mar-2013	Balance Forward			11,113.19
01-Apr-2013	Transfer In		45,250.00	56,363.19
	7311954 wellesly cheq			
01-Apr-2013	Cheque # 390	-390.76		55,972.43
01-Apr-2013	Cheque # 425	-10,170.00		45,802.43
01-Apr-2013	Cheque # 454	-16,900.00		28,902.43
02-Apr-2013	Cheque # 435	-452.00		28,450.43
02-Apr-2013	Cheque # 452	-23,333.33		5,117.10
03-Apr-2013	Transfer In		52,000.00	57,117.10
	7311954 wellesly cheq			
04-Apr-2013	Cheque Deposit		1,695.00	58,812.10
04-Apr-2013	Cheque # 458	-10,000.00		48,812.10
04-Apr-2013	Cheque # 453	-5,000.00		43,812.10
05-Apr-2013	Cheque # 439	-14,591.84		29,220.26
05-Apr-2013	Cheque # 456	-10,000.00		19,220.26
05-Apr-2013	Cheque # 428	-7,853.50		11,366.76
05-Apr-2013	Cheque # 448	-3,488.29		7,878.47
05-Apr-2013	Cheque # 427	-5,439.91		2,438.56
05-Apr-2013	Cheque # 459	-3,500.00		-1,061.44 OD
06-Apr-2013	Transfer In		5,500.00	4,438.56
	7311954 wellesly cheq			
08-Apr-2013	Transfer In		58,150.00	62,588.56
	7311954 wellesly cheq			
08-Apr-2013	Cheque # 461	-2,537.73		60,050.83
08-Apr-2013	Cheque # 463	-11,300.00		48,750.83
08-Apr-2013	Cheque # 420	-5,085.00		43,665.83
08-Apr-2013	Cheque # 462	-5,650.00		38,015.83
08-Apr-2013	Cheque # 460	-2,411.06		35,604.77
08-Apr-2013	Cheque # 455	-22,000.00		13,604.77
09-Apr-2013	Transfer In		1,750.00	15,354.77
	7311954 wellesly cheq			
09-Apr-2013	Cheque # 401	-2,841.95		12,512.82
10-Apr-2013	Transfer In		2,050.00	14,562.82
	7311954 wellesly cheq			

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
11-Apr-2013	Certified Chq # 484 Treasurer city of toronto	-5,247.00		9,305.82
	Service Charge	-10.00		
11-Apr-2013	Cheque # 464	-681.39		8,624.43
11-Apr-2013	Cheque # 472	-195.38		8,429.05
11-Apr-2013	Cheque # 478	-2,062.25		6,366.80
12-Apr-2013	Transfer In 7311954 wellesly cheq		26,900.00	33,266.80
12-Apr-2013	Cheque # 481	-6,875.82		26,390.98
12-Apr-2013	Cheque # 469	-358.46		26,032.52
12-Apr-2013	Cheque # 468	-350.30		25,682.22
15-Apr-2013	Transfer In 7311954 wellesly cheq		2,050.00	27,732.22
16-Apr-2013	Transfer In 7311954 wellesly cheq		61,450.00	89,182.22
16-Apr-2013	Cheque # 486	-5,000.00		84,182.22
16-Apr-2013	Cheque # 489	-4,375.93		79,806.29
17-Apr-2013	Transfer In 7311954 wellesly cheq		7,350.00	87,156.29
17-Apr-2013	Cheque # 490	-2,062.25		85,094.04
18-Apr-2013	Cheque # 488	-25,000.00		60,094.04
19-Apr-2013	Transfer In 7311954 wellesly cheq		27,900.00	87,994.04
19-Apr-2013	Cheque # 491	-10,000.00		77,994.04
19-Apr-2013	Cheque # 482	-2,981.93		75,012.11
19-Apr-2013	Cheque # 483	-1,500.00		73,512.11
19-Apr-2013	Cheque # 417	-3,729.00		69,783.11
19-Apr-2013	Cheque # 492	-5,000.00		64,783.11
22-Apr-2013	Cheque # 493	-2,372.85		62,410.26
22-Apr-2013	Cheque # 421	-17,195.78		45,214.48
22-Apr-2013	Cheque # 487	-10,000.00		35,214.48
22-Apr-2013	Cheque # 457	-10,000.00		25,214.48
22-Apr-2013	Cheque # 475	-339.00		24,875.48
22-Apr-2013	Cheque # 477	-508.50		24,366.98
23-Apr-2013	Certified Chq # 506 Wolseley Mechanical Group	-6,048.57		18,308.41
	Service Charge	-10.00		
23-Apr-2013	Transfer In 7311954 wellesly cheq		85,750.00	104,058.41
23-Apr-2013	Cheque # 467	-6,780.00		97,278.41
23-Apr-2013	Cheque # 479	-6,780.00		90,498.41
24-Apr-2013	Cheque # 512	-2,364.05		88,134.36
24-Apr-2013	Cheque # 511	-1,308.65		86,825.71
24-Apr-2013	Cheque # 510	-72.46		86,753.25
24-Apr-2013	Cheque # 495	-10,688.92		76,064.33
24-Apr-2013	Cheque # 498	-10,000.00		66,064.33
25-Apr-2013	Transfer In 7311954 wellesly cheq		4,250.00	70,314.33
25-Apr-2013	Cheque # 508	-2,705.21		67,609.12
25-Apr-2013	Cheque # 505	-1,264.70		66,344.42
25-Apr-2013	Cheque # 496	-3,180.95		63,163.47

Member Number: 7311574
Member Name: Tisdale Mews Inc.

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
25-Apr-2013	Cheque # 500	-21,861.55		41,301.92
26-Apr-2013	Transfer In 7311954 wellesly cheq		4,850.00	46,151.92
26-Apr-2013	Cheque # 504	-3,750.00		42,401.92
29-Apr-2013	Cheque # 513	-526.35		41,875.57
29-Apr-2013	Cheque # 502	-10,150.00		31,725.57
29-Apr-2013	Cheque # 509	-9,777.00		21,948.57
30-Apr-2013	Transaction Fees	-44.25		21,904.32
30-Apr-2013	Interest Debit	-0.61		21,903.71
	Account Totals	376,104.48	386,895.00	21,903.71



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Statement Period Ending: May 31, 2013
Account Number: 7311574
Number of Cheques: 42

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
30-Apr-2013	Balance Forward			21,903.71
01-May-2013	Cheque # 514	-2,020.44		19,883.27
01-May-2013	Cheque # 515	-2,486.00		17,397.27
01-May-2013	Cheque # 499	-2,999.02		14,398.25
01-May-2013	Cheque # 497	-7,000.00		7,398.25
01-May-2013	Cheque # 507	-7,000.00		398.25
02-May-2013	Transfer In 7311954 wellesly cheq		63,900.00	64,298.25
02-May-2013	Cheque Deposit		1,695.00	65,993.25
02-May-2013	Transfer In 7311954 wellesly cheq		950.00	66,943.25
02-May-2013	Cheque # 519	-23,333.33		43,609.92
03-May-2013	Transfer In 7311954 wellesly cheq		6,200.00	49,809.92
03-May-2013	Cheque # 521	-5,000.00		44,809.92
03-May-2013	Cheque # 524	-2,629.79		42,180.13
06-May-2013	Transfer In 7311954 wellesly cheq		7,500.00	49,680.13
06-May-2013	Cheque # 528	-1,264.69		48,415.44
06-May-2013	Cheque # 432	-1,469.05		46,946.39
06-May-2013	Cheque # 470	-2,245.06		44,701.33
06-May-2013	Cheque # 494	-134.59		44,566.74
06-May-2013	Cheque # 501	-12,440.96		32,125.78
06-May-2013	Cheque # 403	-4,961.83		27,163.95
07-May-2013	Cheque # 523	-2,248.35		24,915.60
07-May-2013	Cheque # 530	-2,500.00		22,415.60
07-May-2013	Cheque # 518	-11,300.00		11,115.60
08-May-2013	Cheque # 531	-2,961.98		8,153.62
08-May-2013	Cheque # 476	-17,195.78		-9,042.16OD
08-May-2013	Overdraft Fee # 476 Non Sufficient Funds	-5.00		-9,047.16OD
09-May-2013	Transfer In 7311954 wellesly cheq		93,550.00	84,502.84

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
09-May-2013	Certified Chq # 547 Amati Plumbing Supply Ltd.	-42,220.38		42,282.46
09-May-2013	Transfer In 7311954 wellesys cheq		3,200.00	45,482.46
09-May-2013	Cheque # 525	-10,000.00		35,482.46
10-May-2013	Cheque # 526	-10,000.00		25,482.46
13-May-2013	Cheque # 533	-423.75		25,058.71
13-May-2013	Cheque # 516	-316.40		24,742.31
13-May-2013	Cheque # 527	-2,705.20		22,037.11
13-May-2013	Cheque # 550	-3,221.00		18,816.11
13-May-2013	Cheque # 402	-8,247.31		10,568.80
13-May-2013	Cheque # 542	-506.24		10,062.56
13-May-2013	Cheque # 543	-508.50		9,554.06
14-May-2013	Cheque # 517	-8,000.00		1,554.06
14-May-2013	Cheque # 536	-195.38		1,358.68
15-May-2013	Transfer In 7311954 wellesys cheq		32,500.00	33,858.68
15-May-2013	Official Cheque # 00424 Service Charge	-32,390.06 -6.50		1,462.12
15-May-2013	Transfer In 7311954 wellesys cheq		4,700.00	6,162.12
15-May-2013	Cheque # 545	-153.80		6,008.32
17-May-2013	Cheque # 549	-3,000.00		3,008.32
17-May-2013	Cheque # 537	-276.22		2,732.10
18-May-2013	Transfer In 7311954 wellesys cheq		18,700.00	21,432.10
21-May-2013	Cheque # 546	-282.50		21,149.60
21-May-2013	Cheque # 541	-565.00		20,584.60
21-May-2013	Cheque # 556	-1,771.00		18,813.60
22-May-2013	Cheque # 554	-10,151.86		8,661.74
22-May-2013	Cheque # 555	-6,700.00		1,961.74
22-May-2013	Cheque # 552	-1,830.60		131.14
23-May-2013	Transfer In 7311954 wellesys cheq		2,650.00	2,781.14
24-May-2013	Transfer In 7311954 wellesys cheq		10,150.00	12,931.14
24-May-2013	Cheque # 557	-2,650.71		10,280.43
27-May-2013	Cheque # 480	-10,170.00		110.43
28-May-2013	Transfer In 7311954 wellesys cheq		21,000.00	21,110.43
28-May-2013	Official Cheque # 434 Service Charge	-20,147.90 -6.50		956.03
29-May-2013	Transfer In 7311954 wellesys cheq		1,800.00	2,756.03
29-May-2013	Cheque # 539	-867.35		1,888.68
31-May-2013	Transaction Fees	-34.50		1,854.18
31-May-2013	Interest Debit	-5.21		1,848.97
Account Totals		288,549.74	268,495.00	1,848.97



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Statement Period Ending: June 30, 2013
Account Number: 7311574
Number of Cheques: 31

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
31-May-2013	Balance Forward			1,848.97
01-Jun-2013	Cheque # 562	-1,771.38		77.59
03-Jun-2013	Combined Deposit		1,695.00	1,772.59
03-Jun-2013	Transfer In		21,650.00	23,422.59
	7311954 wellesly cheq			
03-Jun-2013	Cheque # 520	-23,333.33		89.26
04-Jun-2013	Cheque # 558	-5,047.02		-4,957.76OI
04-Jun-2013	Overdraft Fee # 558	-5.00		-4,962.76OI
	Non Sufficient Funds			
04-Jun-2013	Cheque # 560	-10,909.00		-15,871.76OI
04-Jun-2013	Overdraft Fee # 560	-5.00		-15,876.76OI
	Non Sufficient Funds			
05-Jun-2013	Transfer In		16,000.00	123.24
	7311954 wellesly cheq			
05-Jun-2013	Transfer In		90,750.00	90,873.24
	7311954 wellesly cheq			
05-Jun-2013	Cheque # 485	-15,374.22		75,499.02
05-Jun-2013	Cheque # 466	-22,656.50		52,842.52
06-Jun-2013	Transfer In		1,350.00	54,192.52
	7311954 wellesly cheq			
07-Jun-2013	Cheque # 474	-1,695.00		52,497.52
07-Jun-2013	Cheque # 565	-10,733.18		41,764.34
10-Jun-2013	Cheque # 559	-10,170.00		31,594.34
10-Jun-2013	Cheque # 561	-6,780.00		24,814.34
10-Jun-2013	Cheque # 574	-282.50		24,531.84
10-Jun-2013	Cheque # 573	-147.24		24,384.60
10-Jun-2013	Cheque # 572	-175.15		24,209.45
11-Jun-2013	Transfer In		12,950.00	37,159.45
	7311954 wellesly cheq			
12-Jun-2013	Cheque # 582	-1,695.00		35,464.45
12-Jun-2013	Cheque # 583	-8,500.00		26,964.45
13-Jun-2013	Cheque # 571	-521.01		26,443.44
13-Jun-2013	Cheque # 581	-307.60		26,135.84
13-Jun-2013	Cheque # 580	-175.15		25,960.69

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
14-Jun-2013	Transfer Out # 012306026 7870017 wellesly maxi	-25,860.69		100.00
14-Jun-2013	Cheque # 577	-1,030.56		-930.56 OD
14-Jun-2013	Overdraft Fee # 577 Non Sufficient Funds	-5.00		-935.56 OD
14-Jun-2013	Cheque # 576	-2,469.05		-3,404.61 OD
14-Jun-2013	Overdraft Fee # 576 Non Sufficient Funds	-5.00		-3,409.61 OD
14-Jun-2013	Cheque # 575	-8,990.56		-12,400.17 OD
14-Jun-2013	Overdraft Fee # 575 Non Sufficient Funds	-5.00		-12,405.17 OD
16-Jun-2013	Transfer In 7311954 wellesly cheq		12,500.00	94.83
17-Jun-2013	Transfer In 7311954 wellesly cheq		23,500.00	23,594.83
17-Jun-2013	Cheque # 503	-4,372.30		19,222.53
17-Jun-2013	Cheque # 564	-13,334.00		5,888.53
17-Jun-2013	Cheque # 563	-5,657.40		231.13
17-Jun-2013	Cheque # 568	-195.38		35.75
18-Jun-2013	Transfer In 7311954 wellesly cheq		500.00	535.75
24-Jun-2013	Cheque # 522	-5,849.00		-5,313.25 OD
24-Jun-2013	Overdraft Fee # 522 Non Sufficient Funds	-5.00		-5,318.25 OD
24-Jun-2013	Cheque # 532	-760.37		-6,078.62 OD
24-Jun-2013	Overdraft Fee # 532 Non Sufficient Funds	-5.00		-6,083.62 OD
25-Jun-2013	Transfer In 7311954 wellesly cheq		800.00	-5,283.62 OD
25-Jun-2013	Transfer In 7311954 wellesly cheq		5,350.00	66.38
26-Jun-2013	Transfer In 7311954 wellesly cheq		7,000.00	7,066.38
27-Jun-2013	Transfer In 7311954 wellesly cheq		27,900.00	34,966.38
27-Jun-2013	Cheque # 599	-11,244.03		23,722.35
28-Jun-2013	Transfer In 7311954 wellesly cheq		50,800.00	74,522.35
28-Jun-2013	Cheque # 593	-18,116.50		56,405.85
28-Jun-2013	Cheque # 601	-6,780.00		49,625.85
28-Jun-2013	Cheque # 594	-1,820.86		47,804.99
30-Jun-2013	Transaction Fees	-24.00		47,780.99
30-Jun-2013	Interest Debit	-26.91		47,754.08
Account Totals		226,839.89	272,745.00	47,754.08

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Statement Period Ending: July 31, 2013
Account Number: 7311574
Number of Cheques: 37

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
30-Jun-2013	Balance Forward			47,754.08
02-Jul-2013	Cheque # 584	-497.19		47,256.89
02-Jul-2013	Cheque # 586	-3,219.99		44,036.90
02-Jul-2013	Cheque # 606	-2,034.00		42,002.90
02-Jul-2013	Cheque # 605	-4,203.60		37,799.30
02-Jul-2013	Cheque # 592	-15,000.00		22,799.30
04-Jul-2013	Combined Deposit		1,695.00	24,494.30
05-Jul-2013	Transfer In 7311954 wellesly cheq		10,000.00	34,494.30
05-Jul-2013	Transfer In 7311954 wellesly cheq		22,500.00	56,994.30
05-Jul-2013	Cheque # 567	-2,007.51		54,986.79
05-Jul-2013	Cheque # 465	-3,663.37		51,323.42
05-Jul-2013	Cheque # 607	-20,114.00		31,209.42
05-Jul-2013	Cheque # 589	-20,340.00		10,869.42
05-Jul-2013	Cheque # 405	-3,521.88		7,347.54
05-Jul-2013	Cheque # 570	-1,077.78		6,269.76
05-Jul-2013	Cheque # 431	-2,730.30		3,539.46
05-Jul-2013	Cheque # 471	-1,825.98		1,713.48
05-Jul-2013	Cheque # 538	-1,013.05		700.43
08-Jul-2013	Transfer In 7311954 wellesly cheq		31,000.00	31,700.43
08-Jul-2013	Cheque # 609	-10,581.49		21,118.94
08-Jul-2013	Cheque # 625	-1,511.60		19,607.34
08-Jul-2013	Cheque # 544	-800.11		18,807.23
08-Jul-2013	Cheque # 406	-641.15		18,166.08
08-Jul-2013	Cheque # 389	-3,431.61		14,734.47
09-Jul-2013	Transfer Out # 041809937 7311954 wellesly cheq	-200.00		14,534.47
09-Jul-2013	Cheque # 551	-5,190.09		9,344.38
10-Jul-2013	Transfer Out # 110145281 7311954 wellesly cheq	-9,000.00		344.38
10-Jul-2013	Transfer In 7311954 wellesly cheq		9,650.00	9,994.38

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
10-Jul-2013	Cheque # 622	-15.07		9,979.31
10-Jul-2013	Cheque # 619	-770.41		9,208.90
11-Jul-2013	Transfer In 7311954 wellesly cheq		11,000.00	20,208.90
12-Jul-2013	Cheque # 548	-146.90		20,062.00
12-Jul-2013	Cheque # 610	-734.50		19,327.50
15-Jul-2013	Transfer Out # 050602033 7311954 wellesly cheq	-4,000.00		15,327.50
15-Jul-2013	Cheque # 473	-565.00		14,762.50
15-Jul-2013	Cheque # 535	-847.50		13,915.00
15-Jul-2013	Cheque # 615	-195.38		13,719.62
15-Jul-2013	Cheque # 620	-307.60		13,412.02
16-Jul-2013	Cheque # 629	-621.50		12,790.52
17-Jul-2013	Transfer In 7311954 wellesly cheq		4,000.00	16,790.52
18-Jul-2013	Cheque # 632	-3,557.42		13,233.10
19-Jul-2013	Cheque # 626	-5,650.00		7,583.10
22-Jul-2013	Transfer In 7311954 wellesly cheq		850.00	8,433.10
22-Jul-2013	Cheque # 621	-184.19		8,248.91
22-Jul-2013	Cheque # 628	-579.67		7,669.24
22-Jul-2013	Cheque # 585	-1,196.69		6,472.55
23-Jul-2013	Transfer Out # 100706750 7311954 wellesly cheq	-6,300.00		172.55
23-Jul-2013	Transfer In 7311954 wellesly cheq		800.00	972.55
24-Jul-2013	Transfer In 7311954 wellesly cheq		6,850.00	7,822.55
25-Jul-2013	Transfer Out # 092421091 7311954 wellesly cheq	-7,750.00		72.55
25-Jul-2013	Cheque # 608	-921.70		-849.15OD
25-Jul-2013	Overdraft Fee # 608 Non Sufficient Funds	-5.00		-854.15OD
26-Jul-2013	Transfer In 7311954 wellesly cheq		900.00	45.85
26-Jul-2013	Transfer In 7311954 wellesly cheq		150.00	195.85
26-Jul-2013	Cheque # 600	-6,894.00		-6,698.15OD
26-Jul-2013	Overdraft Fee # 600 Non Sufficient Funds	-5.00		-6,703.15OD
29-Jul-2013	Transfer In 7311954 wellesly cheq		6,800.00	96.85
29-Jul-2013	Transfer In 7311954 wellesly cheq		4,100.00	4,196.85
29-Jul-2013	Cheque # 566	-10,317.47		-6,120.62OD
29-Jul-2013	Overdraft Fee # 566 Non Sufficient Funds	-5.00		-6,125.62OD
30-Jul-2013	Transfer In 7311954 wellesly cheq		6,200.00	74.38
30-Jul-2013	Transfer In 7311954 wellesly cheq		4,150.00	4,224.38

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
31-Jul-2013	Transfer Out # 092205859 7311954 wellesly cheq	-4,000.00		224.38
31-Jul-2013	Transfer In 7311954 wellesly cheq		2,800.00	3,024.38
31-Jul-2013	Certified Chq # 705 Touch Stone Mantels	-2,825.00		199.38
31-Jul-2013	Transfer In 7311954 wellesly cheq		35,850.00	36,049.38
31-Jul-2013	Transaction Fees	-29.25		36,020.13
31-Jul-2013	Interest Debit	-15.59		36,004.54
	Account Totals	171,044.54	159,295.00	36,004.54



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*0000185

Statement Period Ending: August 31, 2013
Account Number: 7311574
Number of Cheques: 44

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
31-Jul-2013	Balance Forward			36,004.54
01-Aug-2013	Cheque # 623	-2,061.12		33,943.42
01-Aug-2013	Cheque # 602	-6,780.00		27,163.42
01-Aug-2013	Cheque # 703	-10,164.35		16,999.07
01-Aug-2013	Transfer In 7311954 wellesly cheq		85,800.00	102,799.07
01-Aug-2013	Cheque # 595	-4,000.00		98,799.07
02-Aug-2013	Cheque # 700	-124.24		98,674.83
06-Aug-2013	Cheque # 640	-833.33		97,841.50
06-Aug-2013	Cheque # 613	-3,062.30		94,779.20
06-Aug-2013	Cheque # 534	-5,695.20		89,084.00
06-Aug-2013	Cheque # 645	-833.33		88,250.67
06-Aug-2013	Cheque # 642	-833.33		87,417.34
06-Aug-2013	Cheque # 701	-13,830.48		73,586.86
06-Aug-2013	Cheque # 639	-833.33		72,753.53
06-Aug-2013	Cheque # 637	-833.33		71,920.20
06-Aug-2013	Cheque # 624	-29,945.00		41,975.20
06-Aug-2013	Cheque # 646	-833.33		41,141.87
06-Aug-2013	Cheque # 647	-1,666.67		39,475.20
07-Aug-2013	Cheque # 638	-10,000.00		29,475.20
07-Aug-2013	Cheque # 644	-1,666.67		27,808.53
08-Aug-2013	Transfer In 7311954 wellesly cheq		3,200.00	31,008.53
08-Aug-2013	Cheque # 706	-2,500.00		28,508.53
08-Aug-2013	Cheque # 636	-1,666.67		26,841.86
08-Aug-2013	Cheque # 704	-2,373.00		24,468.86
08-Aug-2013	Cheque # 643	-1,666.67		22,802.19
08-Aug-2013	Cheque # 707	-3,392.00		19,410.19
08-Aug-2013	Cheque # 641	-1,666.67		17,743.52
12-Aug-2013	Cheque Deposit		1,695.00	19,438.52
12-Aug-2013	Cheque # 635	-1,666.67		17,771.85
13-Aug-2013	Transfer In 7311954 wellesly cheq		500.00	18,271.85
13-Aug-2013	Cheque # 712	-15.82		18,256.03

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
13-Aug-2013	Cheque # 634	-395.50		17,860.53
13-Aug-2013	Cheque # 633	-5,009.30		12,851.23
13-Aug-2013	Cheque # 713	-291.14		12,560.09
14-Aug-2013	Cheque # 715	-307.60		12,252.49
14-Aug-2013	Cheque # 702	-7,945.00		4,307.49
14-Aug-2013	Cheque # 714	-350.30		3,957.19
16-Aug-2013	Cheque # 718	-197.75		3,759.44
19-Aug-2013	Transfer In 7311954 wellesly cheq		12,400.00	16,159.44
19-Aug-2013	Cheque # 709	-195.38		15,964.06
19-Aug-2013	Cheque # 719	-482.04		15,482.02
20-Aug-2013	Cheque # 723	-2,274.03		13,207.99
20-Aug-2013	Cheque # 710	-124.30		13,083.69
21-Aug-2013	Cheque # 630	-6,780.00		6,303.69
21-Aug-2013	Cheque # 724	-2,532.10		3,771.59
22-Aug-2013	Cheque # 725	-839.16		2,932.43
23-Aug-2013	Transfer In 7311954 wellesly cheq		25,950.00	28,882.43
26-Aug-2013	Transfer In 7311954 wellesly cheq		3,100.00	31,982.43
26-Aug-2013	Cheque # 726	-10,000.00		21,982.43
26-Aug-2013	Cheque # 631	-6,780.00		15,202.43
28-Aug-2013	Cheque # 722	-6,534.06		8,668.37
29-Aug-2013	Cheque # 720	-3,161.36		5,507.01
31-Aug-2013	Transaction Fees	-30.00		5,477.01
Account Totals		163,172.53	132,645.00	5,477.01



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2013 Issue of 'Words on Wealth'
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729(V)

*0000181

Statement Period Ending: December 31, 2012
Account Number: 7311574
Number of Cheques: 12

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
30-Nov-2012	Balance Forward			22,387.96
03-Dec-2012	Certified Chq # 372 Treasurer, City of Toronto	-1,500.00 /		20,877.96
	Service Charge	-10.00 /		
03-Dec-2012	Transfer In 7311954 wellesly cheq		37,000.00 /	57,877.96
03-Dec-2012	Cheque # 319	-23,333.33 /		34,544.63
05-Dec-2012	Certified Chq # 371 Toronto Hydro-Electric System Ltd	-5,650.00 /		28,884.63
	Service Charge	-10.00 /		
05-Dec-2012	Cheque # 355	-5,963.58 /		22,921.05
05-Dec-2012	Cheque # 373	-3,000.00 /		19,921.05
05-Dec-2012	Cheque # 370	-357.36 /		19,563.69
10-Dec-2012	Cheque # 369	-2,842.00 /		16,721.69
10-Dec-2012	Cheque # 362	-13,560.00 /		3,161.69
11-Dec-2012	Transfer In 7311954 wellesly cheq		26,250.00 /	29,411.69
11-Dec-2012	Cheque # 360	-590.85 /		28,820.84
13-Dec-2012	Cheque # 374	-5,792.00 /		23,028.84
14-Dec-2012	Transfer In 7311954 wellesly cheq		650.00 /	23,678.84
17-Dec-2012	Cheque # 375	-1,356.00 /		22,322.84
17-Dec-2012	Cheque # 357	-2,486.00 /		19,836.84
18-Dec-2012	Transfer Out # 104656257 7311954 wellesly cheq	-19,700.00 /		136.84
18-Dec-2012	Transfer In 7311954 wellesly cheq		600.00 /	736.84
20-Dec-2012	Transfer In 7311954 wellesly cheq		19,100.00 /	19,836.84
21-Dec-2012	Cheque # 364	-19,063.62 /		773.22
24-Dec-2012	Cheque # 376	-681.06 /		92.16
28-Dec-2012	Transfer In 7311954 wellesly cheq		11,300.00 /	11,392.16
31-Dec-2012	Transaction Fees	-10.50		11,381.66

Member Number: 7311574
Member Name: Tisdale Mews Inc.

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
	Account Totals	105,906.30	94,900.00	11,381.66



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Meridian is inviting nominations
from all Members for four positions
on our Board of Directors. Download
the application package from
www.meridiancu.ca/agm. Deadline
for application is January 25, 2013

729(J)

*0000182

Statement Period Ending: November 30, 2012
Account Number: 7311574
Number of Cheques: 7

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
31-Oct-2012	Balance Forward			465.53
01-Nov-2012	Cheque # 356	-372.90		92.63
01-Nov-2012	Transfer In 7311954 wellesly cheq		23,350.00	23,442.63
01-Nov-2012	Cheque # 318	-23,333.33		109.30
06-Nov-2012	Cheque Deposit		1,695.00	1,804.30
06-Nov-2012	Transfer Out # 051108448 7311954 wellesly cheq	-1,100.00		704.30
08-Nov-2012	Cheque Deposit		64.91	769.21
13-Nov-2012	Transfer In 7311954 wellesly cheq		38,400.00	39,169.21
13-Nov-2012	Cheque # 343	-2,457.75		36,711.46
14-Nov-2012	Transfer In 7311954 wellesly cheq		5,000.00	41,711.46
14-Nov-2012	Cheque # 359	-13,560.00		28,151.46
15-Nov-2012	Cheque # 367	-15,000.00		13,151.46
16-Nov-2012	Cheque # 368	-10,000.00		3,151.46
20-Nov-2012	Cheque # 366	-3,051.00		100.46
30-Nov-2012	Cheque Deposit		1,695.00	1,795.46
30-Nov-2012	Transfer In 7311954 wellesly cheq		20,600.00	22,395.46
30-Nov-2012	Transaction Fees	-7.50		22,387.96
Account Totals		68,882.48	90,804.91	22,387.96

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Thank you to all who entered the contest!

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729(K)

*0000213

Statement Period Ending: October 31, 2012

Account Number: 7311574

Number of Cheques: 13

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
30-Sep-2012	Balance Forward			1,444.30
01-Oct-2012	Transfer In 7311954 wellesly cheq		23,950.00 ✓	25,394.30
02-Oct-2012	Cheque # 317	-23,333.33 ✓		2,060.97
03-Oct-2012	Cheque Deposit		1,695.00 ✓	3,755.97
03-Oct-2012	Transfer In 7311954 wellesly cheq		750.00 ✓	4,505.97
03-Oct-2012	Cheque # 344	-114.32 ✓		4,391.65
04-Oct-2012	Cheque Deposit		20,097.52 ✓	24,489.17
04-Oct-2012	Cheque # 345	-474.60 ✓		24,014.57
05-Oct-2012	Transfer Out # 044236265 7311954 wellesly cheq	-23,700.00 ✓		314.57
11-Oct-2012	Cheque # 350	-195.38 ✓		119.19
12-Oct-2012	Transfer In 7311954 wellesly cheq		1,400.00 ✓	1,519.19
15-Oct-2012	Transfer In 7311954 wellesly cheq		29,300.00 ✓	30,819.19
16-Oct-2012	Transfer In 7311954 wellesly cheq		250.00 ✓	31,069.19
16-Oct-2012	Cheque # 347	-7,910.00 ✓		23,159.19
17-Oct-2012	Cheque # 349	-10,396.00 ✓		12,763.19
17-Oct-2012	Cheque # 351	-911.75 ✓		11,851.44
18-Oct-2012	Stop Payment # 052519203	-12.00 ✓		11,839.44
18-Oct-2012	Cheque # 353	-508.50 ✓		11,330.94
19-Oct-2012	Transfer In 7311954 wellesly cheq		6,000.00 ✓	17,330.94
22-Oct-2012	Transfer In 7311954 wellesly cheq		55,000.00 ✓	72,330.94
22-Oct-2012	Cheque # 348	-40,657.40 ✓		31,673.54
22-Oct-2012	Cheque # 354	-5,340.00 ✓		26,333.54
22-Oct-2012	Cheque # 352	-14,916.00 ✓		11,417.54
24-Oct-2012	Cheque # 346	-11,300.00 ✓		117.54
25-Oct-2012	Transfer In 7311954 wellesly cheq		100.00 ✓	217.54

Member Number: 7311574
Member Name: Tisdale Mews Inc.

Date	Account Activity (cont.)	Withdrawals	Deposits	Balance
26-Oct-2012	Transfer In 7311954 wellesly cheq		650.00	867.54
29-Oct-2012	Cheque # 358	-390.76		476.78
31-Oct-2012	Transaction Fees	-11.25		465.53
	Account Totals	140,171.29	139,192.52	465.53

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18(C)

*0000311

Statement Period Ending: September 30, 2012
Account Number: 7311574
Number of Cheques: 8

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
31-Aug-2012	Balance Forward			1,745.87
04-Sep-2012	Transfer In 7311954 wellesly cheq		10,500.00	12,245.87
05-Sep-2012	Transfer In 7311954 wellesly cheq		17,100.00	29,345.87
05-Sep-2012	Cheque # 316	-23,333.33		6,012.54
07-Sep-2012	Transfer In 7311954 wellesly cheq		34,650.00	40,662.54
10-Sep-2012	Transfer In 7311954 wellesly cheq		4,800.00	45,462.54
10-Sep-2012	Cheque # 338	-22,500.00		22,962.54
11-Sep-2012	Transfer In 7311954 wellesly cheq		18,100.00	41,062.54
11-Sep-2012	Cheque # 341	-4,830.00		36,232.54
11-Sep-2012	Cheque # 340	-10,170.00		26,062.54
14-Sep-2012	Cheque # 336	-586.14		25,476.40
14-Sep-2012	Cheque # 335	-10,192.60		15,283.80
14-Sep-2012	Cheque # 297	-5,898.12		9,385.68
19-Sep-2012	Cheque # 339	-7,910.00		1,475.68
21-Sep-2012	Transfer In 7311954 wellesly cheq		100.00	1,575.68
24-Sep-2012	Pre-Authorized # 9324 AVIVA	-126.13		1,449.55
30-Sep-2012	Transaction Fees	-5.25		1,444.30
	Account Totals	85,551.57	85,250.00	1,444.30



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18(N)

*0000149

Statement Period Ending: August 31, 2012
Account Number: 7311574
Number of Cheques: 5

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON M5R 2E2

Deposit Accounts

Chequing 0 - Tisdale Mews Inc.

Date	Account Activity	Withdrawals	Deposits	Balance
31-Jul-2012	Balance Forward			3,495.44
01-Aug-2012	Transfer In 7311954 wellesly cheq		23,350.00	26,845.44
02-Aug-2012	Cheque # 315	-23,333.33		3,512.11
08-Aug-2012	Cheque Deposit		1,695.00	5,207.11
09-Aug-2012	Transfer In 7311954 wellesly cheq		4,100.00	9,307.11
10-Aug-2012	Transfer In 7311954 wellesly cheq		50.00	9,357.11
13-Aug-2012	Cheque # 331	-3,390.00		5,967.11
15-Aug-2012	Transfer In 7311954 wellesly cheq		13,800.00	19,767.11
16-Aug-2012	Transfer Out # 023533265 7311954 wellesly cheq	-19,000.00		767.11
17-Aug-2012	Transfer In 7311954 wellesly cheq		18,950.00	19,717.11
20-Aug-2012	Cheque # 332	-3,390.00		16,327.11
20-Aug-2012	Cheque # 334	-10,396.00		5,931.11
22-Aug-2012	Transfer In 7311954 wellesly cheq		150.00	6,081.11
23-Aug-2012	Pre-Authorized # 9323 AVIVA	-126.13		5,954.98
27-Aug-2012	Cheque # 296	-5,898.11		56.87
30-Aug-2012	Cheque Deposit		1,695.00	1,751.87
31-Aug-2012	Transaction Fees	-6.00		1,745.87
Account Totals		65,539.57	63,790.00	1,745.87



Meridian's Mobile Banking

It'll put a smile on your face!

Enjoy the convenience of mobile banking anywhere, anytime! You can check your account balances, view your transaction history, pay bills and even transfer funds.

How to register for Mobile Banking

1. Sign in to Online Banking*
2. Go to the Accounts page
3. Click on "Apply for Mobile Banking" and accept the terms and conditions
4. Go to <https://m.meridiancu.ca> on your smartphone to start banking!

*If you are not registered for Online Banking, please call/visit your branch or call 1-866-592-2226 and sign up today.

*Trademarks of Meridian Credit Union Limited

Your money. Your way. Imagine that.



Please contact your branch within 30 days if this statement does not agree with your records.

Meridian Credit Union Limited

Special Statement

Page: 1

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON
Canada M5R 2E2

Branch: Wellesley
Phone#: (416) 928-6468

Date: 01Jun2012-31Jul2012
Member#: 7311574

Account: cheq-0 CAD

Date	Description	Deposit	Withdraw	Balance
31May2012	Balance Forward			108.90
01Jun2012	cmb	1,695.00		1,803.90
	Combined Deposit			
01Jun2012	Transfer In	21,600.00		23,403.90
	from 7311954 wellesly cheq 0			
05Jun2012	Transfer In	5,950.00		29,353.90
	from 7311954 wellesly cheq 0			
05Jun2012	Cheque # 313		23,333.33	6,020.57
07Jun2012	Transfer In	2,800.00		8,820.57
	from 7311954 wellesly cheq 0			
15Jun2012	Transfer In	1,150.00		9,970.57
	from 7311954 wellesly cheq 0			
18Jun2012	cmb	535.96		10,506.53
	Combined Deposit			
18Jun2012	Cheque # 326		2,825.00	7,681.53
20Jun2012	Transfer Out # 053224303		550.00	7,131.53
	to 7311954 wellesly cheq 0			
20Jun2012	Cheque # 294		5,898.11	1,233.42
22Jun2012	Transfer Out # 055816850		1,000.00	233.42
	to 7311954 wellesly cheq 0			
25Jun2012	Pre-Authorized # 9325		126.13	107.29
	AVIVA			
25Jun2012	Transfer In	1,100.00		1,207.29
	from 7311954 wellesly cheq 0			
27Jun2012	Transfer In	500.00		1,707.29
	from 7311954 wellesly cheq 0			
28Jun2012	Cheque # 327		1,123.99	583.30
28Jun2012	Cheque # 328		1,123.99	-540.690D
28Jun2012	Returned Cheque # 327	1,123.99		583.30
30Jun2012	Interest		6.00	577.30
	Service Fee -6.00			
03Jul2012	Cheque Deposit	1,695.00		2,272.30
03Jul2012	Transfer In	21,550.00		23,822.30
	from 7311954 wellesly cheq 0			
03Jul2012	Cheque # 329		400.64	23,421.66
03Jul2012	Cheque # 314		23,333.33	88.33
05Jul2012	Transfer In	5,900.00		5,988.33
	from 7311954 wellesly cheq 0			
07Jul2012	Cheque # 295		5,898.11	90.22
09Jul2012	Transfer In	3,500.00		3,590.22
	from 7311954 wellesly cheq 0			
30Jul2012	Pre-Authorized # 9323		126.13	3,464.09
	AVIVA			
30Jul2012	Transfer In	4,750.00		8,214.09
	from 7311954 wellesly cheq 0			
30Jul2012	Cheque # 330		3,390.00	4,824.09
06Jul2012	Cheque # 333		4,723.40	100.69
01Jul2012	Transfer In	3,400.00		3,500.69
	from 7311954 wellesly cheq 0			
01Jul2012	Interest		5.25	3,495.44
	Service Fee -5.25			

Meridian Credit Union Limited

Special Statement

Page: 1

Tisdale Mews Inc.
30 Hazelton Ave.
Toronto ON
Canada M5R 2E2

Branch: Wellesley
Phone#: (416) 928-6468

Date: 01Jun2012-31Jul2012
Member#: 7311574

Account: cheq-0 CAD

Date	Description	Deposit	Withdraw	Balance
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	from 7311954 wellesly cheq 0			
05Jun2012	Transfer In	5,950.00		29,353.90
	from 7311954 wellesly cheq 0			
05Jun2012	Cheque # 313		23,333.33	6,020.57
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	to 7311954 wellesly cheq 0			
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25Jun2012	Pre-Authorized # 9325		126.13	107.29
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25Jun2012	Transfer In	1,100.00		1,207.29
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28Jun2012	Returned Cheque # 327	1,123.99		583.30
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	Service Fee -6.00			
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	from 7311954 wellesly cheq 0			
10Jul2012	Cheque # 295		5,898.11	90.22
19Jul2012	Transfer In	3,500.00		3,590.22
	from 7311954 wellesly cheq 0			
23Jul2012	Pre-Authorized # 9323		126.13	3,464.09
	AVIVA			
23Jul2012	Transfer In	4,750.00		8,214.09
	from 7311954 wellesly cheq 0			
23Jul2012	Cheque # 330		3,390.00	4,824.09
26Jul2012	Cheque # 333		4,723.40	100.69
31Jul2012	Transfer In	3,400.00		3,500.69
	from 7311954 wellesly cheq 0			
31Jul2012	Interest		5.25	3,495.44
	Service Fee -5.25			

D

This is Exhibit D referred to in the
affidavit of Norma Walton
sworn before me, this 17th
day of December 2013


A COMMISSIONER FOR TAKING AFFIDAVITS

B and M Handelman Investments Ltd.
620 Wilson Avenue
Suite 150
Toronto, Ontario
M3K, 1Z3

November 15, 2013

Front Church Properties Limited
30 Hazelton Avenue
Toronto, Ontario
M5R 2E2

Attention: Norma Walton

Dear Sirs:

**Re: B and M Handelman Investments Ltd., et al. (collectively the "Lender")
Second Mortgage Loan to Front Church Properties Limited (the "Borrower") on the
security of the property municipally known as 65 Front Street east, Toronto,
Ontario (the "Property") guaranteed by Norma Walton and Ronauld Walton**

We are pleased to advise that we have approved a first mortgage loan on the terms and conditions described in this Commitment Letter. The loan has been approved on, and is subject to, the following terms and conditions.

Borrower: Front Church Properties Limited (the "Borrower")

Guarantor: Norma Walton and Ronauld Walton

Lender: B and M Handelman Investments Ltd., (names of all Lenders to follow).

Loan Amount: \$2,500,000.00 (the "Loan"),

Interest Rate: 9.5 % per annum, interest only, payable monthly.

Term: November 30, 2014.

Purpose: To discharge existing second mortgage financing on the Property.

Key Assumptions:

1. The Property consists of 22,500 square feet.
2. The Property is occupied in accordance with the rent roll attached hereto. All rents are current and leases are in good standing.

3. Existing first mortgage in good standing and the amount outstanding thereunder shall not exceed \$5,900,000.00.

Prepayment Privileges: Open for prepayment at any time upon thirty (30) days written notice. Prior to the 6th month of the term upon payment of 1 month's interest bonus.

Interest Adjustment Date: The Interest Adjustment Date shall be December 5, 2013. The first regular payment shall be January 5, 2014.

Fees: A lender's fee ("Lender's Fee") of \$50,000.00 shall be paid to the Lender in connection with this loan upon acceptance of the Commitment. The Lender's Fee is fully earned upon acceptance by the Borrower of the Commitment Letter. This Lender's Fee is non refundable unless the loan is not advanced as a result of the Lenders default hereunder.

In addition to the Lender's Fee, the Borrower shall pay all of the Lender's costs and expenses incurred in connection with the loan transaction including the costs of the Lender's due diligence, and the costs of its appraisers, environmental consultants, surveyors, financial analyst, engineers, legal counsel, title insurance etc. which shall be paid to the Lender's lawyer, in trust, upon signing of this Commitment Letter. The Lender shall apply this deposit to its due diligence, travel expenses and legal expenses incurred in connection with this loan transaction. The Lender may require additional deposits to ensure payment of these expenses. Any such expenses, except for legal fees and those expressly permitted hereunder shall require the Borrowers prior consent. The parties agree that the Lender's legal fees shall be \$3,750.00 plus disbursements and that the Lender .

Availability: The Loan shall be available by a single draw of \$2,500,000.00 net of all Lenders fees, disbursements costs etc. on or before November 22, 2013.

Security Documents:

To be drawn on the Lender's form and subject to the Lender's approval.

1. Registered Charge/Mortgage over the Property for the full amount of the Loan and all interest, costs and fees payable under the Loan.
2. General Assignment of Leases and Rents for all tenancies upon the Property.
3. General Security Agreement covering all of the Borrower's chattels, equipment, assets and undertaking with respect to the Property.
4. Undertaking from the Borrower to pay all realty taxes, keep the Properties free from all liens and work orders.

6. Property insurance coverage in form, coverage and amounts satisfactory to the Lender and noting the Lender's interest therein.
7. Environmental indemnity from the Borrower.
8. Appropriate corporate documentation and legal opinion from Borrower's counsel.
9. Such other security and such other documents as deemed necessary by the Lender or its counsel.

In addition to the foregoing security documents, the Borrower will deliver a series of 12 monthly post dated interest cheques to each individual Lender and a further set of 12 post dated cheques upon the first anniversary of the mortgage contemplated herein, to each individual Lender.

All security documents may contain such additional provisions and Borrower obligations as the Lender may consider necessary and shall be in form and content satisfactory to the Lender and its counsel.

Conditions Precedent To Advance:

Prior to making an advance hereunder, the Lender and its counsel shall be satisfied that each of the following conditions have been satisfied by the Borrower to the Lender's satisfaction (or waived by the Lender in writing):

1. Discharge of all mortgages or any other encumbrance in priority to the mortgages contemplated herein currently on title, with the exception of the existing first mortgage.
2. Approval of the financial condition of the Property and the Borrower.
3. Review and approval of (a) financial information confirming net operating for the operation of the Property for the last full fiscal year, for the current fiscal year to date, and projections for the full current year and (b) budget for the next fiscal year (c) all leases (d) Phase 1 Environmental report (e) survey (f) Notice of Assessment from CRA for preceding year.
4. Lender inspection of the Properties and review and approval of all property documents including insurance policies, lease, plans and specifications, existing appraisals and environmental, physical and other property reports.
5. Receipt of written confirmation that the Properties are in compliance with current zoning by-laws and that there are no outstanding building, fire or other governmental work orders or deficiency notices.

6. Evidence that the Properties and the purpose for which each property is used by any occupant or tenant complies with all regulations and ordinances and with Fire Underwriters regulations.
7. The Borrower has good and marketable title to the Property. The Lender shall obtain, at the Borrowers cost, title insurance to facilitate closing of the transaction.
8. Evidence that all Properties taxes are current. The Lender shall be provided with evidence that realty taxes are being remitted to and paid by the first mortgagees.
9. Completion and registration of all security documents.
10. Receipt of a Declaration of principal of Lender confirming the terms of each tenancy that would otherwise be included in a Tenant Acknowledgement Form as attached hereto.
11. Confirmation that there has been no material adverse changes from the Key Assumptions or the information initially provided by the Borrower.
12. All representation and warranties contained herein are true and correct as at the date of the advance, all conditions have been satisfied, and all Borrowers obligations have been met.

Mortgage Terms and Covenants: The Borrower agrees as follows:

1. The Borrower shall not further encumber, charge or mortgage the Properties, without the Lenders prior written consent.
2. The Borrower shall comply at all times with applicable construction lien legislation and provide evidence of it to the Lender upon request.
3. The Property shall not be sold or deemed sold by a change in control of a corporate Borrower without the Lender's prior written approval.
4. Until the Loan is repaid in full, the Borrower shall provide to the Lender in respect of the Properties: (a) evidence of payments made under each of the mortgages and payment of realty taxes, and (b) such other financial or reporting information requested by the Lender from the Borrower.
5. The Borrower shall be required th3 following fees: \$150.00 in the event that any regular payment cheque is refused by the Lender's bank; \$200 for a collection letter; and \$250 for preparation of a mortgage statement.

All of the above covenants may at the Lender's option, in such expanded form as Lender considers necessary, be included in the Security Documents.

Representations: The Borrower represents and warrants that on the date hereof and on the date of advance:

1. The Key Assumptions are true and correct and the Borrower has disclosed in writing all information about the Properties that is necessary for the Lender to assess this Loan.
2. All disclosure materials including Phase 1 Environmental report, leases, appraisal, the net worth statements, operating statements, rent roll and all other financial statements and information delivered to the Lender are true and correct and contain no misleading information.
3. There have been no adverse changes in the Borrower, or the Properties since the issuance of this Commitment.
4. There are no defaults under any other agreement relating to the Properties, all work on the Properties has been fully paid for and the Properties is in compliance with all laws, by-laws and regulations including those relating to zoning, fire, life, safety, health and environmental.
5. All services are available to the Properties and are fully paid for and there is appropriate access to the Properties for pedestrians and vehicles.
6. There does not exist any environmental condition, hazardous substance, asbestos, contaminant or any other substance in, on, under or about the Properties that is in violation of any environmental law or regulation.

Events of Default: The Events of Default for this Loan shall include without limitation:

1. Non-payment of mortgage payments owing hereunder and realty taxes when due.
2. Breach of any covenant, representation or obligation hereunder or under any security Documents.
3. Bankruptcy or insolvency of, or writ of execution filed against the Borrower.

Other:

1. The Lender's counsel shall be Lawrence Zimmerman, 3338 Dufferin Street, Toronto, M6A 3A4 (416-489-9222).
2. The provisions of this Commitment shall survive the execution and registration of the Security Documents and shall not merge therein. In the event of any conflict between the Security Documents and the Commitment, to the extent only of the conflict, the terms of this Commitment shall prevail.

3. This letter once signed by the parties will constitute the entire agreement between the parties.
4. Any approvals, waivers or consents required from the Lender must be in writing.
5. The Lender shall be entitled to assign or syndicate this Loan without the approval of the Borrower.
6. Neither this commitment nor the Loan may be assigned by the Borrower without consent of the Lender.
7. The advance of the Loan is subject to the Lender's sole, absolute and unfettered discretion, notwithstanding any steps taken by the parties, including the registration of the security documents.

If you are in agreement with the above terms, please indicate such agreement by signing and forwarding to us a copy of this Commitment Letter.

This Letter is open for acceptance until revoked by the Lender.

B AND M HANDELMAN INVESTMENTS LTD.

Stephen Handelman

Accepted this _____ day of November, 2013.

Front Church Properties Limited

Norma Walton, President
I have the authority to bind the Corporation

Norma Walton (guarantor)

Ronald Walton (guarantor)

E

This is Exhibit.....E.....referred to in the
affidavit of.....Norma Walton
sworn before me, this.....17th
day of.....December.....20.....13

.....
A COMMISSIONER FOR TAKING AFFIDAVITS

	PRE-MGR	MANAGERSHIP					
	Oct 17 to Nov 4	Actual (Nov 5-8)	Actual	Actual	Actual	Actual	Actual
		8-Nov-13	15-Nov-13	22-Nov-13	29-Nov-13	6-Dec-13	13-Dec-13
Ascalon	1,200	16,200	0	0	1,300	18,300	0
Bannockburn		23,900	0	0	82,650	800	0
Cityview		0	0	0	0	0	0
Dewhurst	15,150	0	200	50	15,100	700	0
Donalda	63,750	0	0	0	0	0	0
Double Rose	14,200	0	0	0	0	0	0
Dupont		22,350	0	0	0	65,950	4,750

Eddystone	5,400	1,600	5,450	10,000	0	7,050	0
Fraser Lands		0	0	0	0	0	0
Fraser Properties		47,900	0	0	0	44,600	0
Global Mills		0	0	0	0	0	0
Hidden Gem	3,100	16,600	550	0	9,000	5,200	1,800
Lesliebrook Holdings	14,800	0	0	0	0	0	0
Lesliebrook Lands		0	0	0	0	0	0
Liberty Village Lands		17,600	0	0	13,300	800	0
Liberty Village Properties		0	0	0	0	0	0
Northern Dancer		26,200	0	350	0	24,600	0
Queen's Corner		36,600	0	900	0	26,500	0
Red Door Developments		0	0	0	0	0	0
Red Door Lands		0	0	0	0	0	0
Richmond Row/165 Bathurst	23,450	0	0	0	0	0	0
Riverdale Mansion	900	24,200	0	0	0	20,800	0
Royal Agincourt		0	0	0	0	0	0
Royal Gate Holdings		0	0	0	0	0	0
Salmon River Properties		2,500	0	0	0	3,400	0
Skyway		18,900	0	0	0	16,600	0
Tisdale	21,000	21,800	0	1,600	0	24,200	0
Twin Dragons		0	0	0	0	0	0
West Mall	5,650	0	0	0	0	0	0
Weston Lands	3,650	0	0	200	1,050	24,700	0
Wynford		0	0	0	0	1,100	350
ACTUAL FUNDING PROVIDED	172,250	276,350	6,200	13,100	122,400	285,300	6,900

CUMULATIVE FUNDING PROVIDED			282,550	295,650	418,050	703,350	710,250
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