

LOT 128 PRIORITY SPECIAL TERMS & CONDITIONS OF BUSINESS

A. SALE NOTICE

On April 24, 2025, the Ontario Superior Court of Justice granted an Amended and Restated SISP Approval Order, Court File No. CV-25-00738613 (“Court Order”) that approved the engagement of Heffel Gallery Limited as Auctioneer (“Auction House”) to conduct the auction sale. In accordance with an order issued by the Court on September 25, 2025, the auction sale is scheduled to take place on May 21, 2026, or such other date as determined by the Auction House and the Consignor, in consultation with Alvarez & Marsal Canada Inc. in its capacity as monitor of the Applicants (in such capacity, the “Monitor”). The following are the *Priority Special Terms & Conditions of Business* which are in addition to the Auction House standard *Terms and Conditions of Business*, as published by the Auction House.

The purchase price shall be the Hammer Price plus the Buyer’s Premium calculated at a rate of twenty-five percent (25%) of the Hammer Price of the Lot up to and including \$25,000; plus twenty percent (20%) on the part of the Hammer Price over \$25,000 plus applicable Sales Tax.

Please note that Lot 128 is subject to the *Priority Special Terms & Conditions of Business*. Prior to bidding, bidders are advised to review these terms in full. Auction registration is available in person at our offices and online at Heffel.com.

B. PRIORITY SPECIAL TERMS & CONDITIONS OF BUSINESS

The Buyer and the Consignor are hereby advised to read fully the *Terms and Conditions of Business* and *Catalogue Terms*, which set out and establish the rights and obligations of the Auction House, the Buyer and the Consignor, and the terms by which the Auction House shall conduct the sale and handle other related matters. The following *Priority Special Terms & Conditions of Business* are in addition to, and will take precedence over, the Auction House standard *Terms and Conditions of Business*, *Code of Business Conduct*, *Ethics and Practices* and *Privacy Statement*.

This agreement shall be governed by and construed in accordance with Ontario Law and the laws of Canada, applicable therein. Any dispute, controversy or claim arising out of, relating to, or in connection with this Agreement, or the breach, termination, or validity thereof (“Dispute”), shall be submitted to the Ontario Superior Court of Justice, Commercial List.

1. a) “As Is, Where Is”:
The Property will be sold on an “as is, where is” basis as per the Court Order. The Auction House provides no warranties with respect to the state of the Property. The Buyer accepts the Property in its actual physical condition and at the location specified.

- b) “Free of Any and All Claims and Interests”:¹
Pursuant to the Court Order, the sale of the Property and all of the rights, title and interests in and to the Property will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (collectively, the “Claims and Interests”).
- c) Notwithstanding any other terms in this Agreement, the only indemnity obligations of each party are the following: Each party shall indemnify the other party completely, including reasonable legal fees, against all costs, Expenses, claims, actions, damages, awards, settlements or liabilities such party may incur as a result of (a) any breach by such party of their obligations, warranties or representations made with respect to the Property or any terms of this Agreement; or (b) the gross negligence, fraud or misconduct by such party or such party’s employees or agents.

2. Export Control

Without limitation, the Buyer acknowledges that the Property may be of Canadian cultural importance as sold by the Auction House and will be subject to the provisions of the *Cultural Property Export and Import Act* (RSC, 1985, c C-51) (“the Act”) and its two regulations, the *Canadian Cultural Property Export Control List* (“the Control List”) and the *Cultural Property Export Regulations*, and that compliance with the provisions of the Act is the lawful responsibility of the Buyer. Failure by the Buyer to obtain any necessary Export Permit shall not affect the finality of the sale of the Property or the obligations of the Buyer.

3. Preview of the Property

The Property can be viewed online at Heffel.com including detailed cataloguing and digital images. Please consult Heffel.com for published in-person auction preview times and location.

4. Payment Contact

Meredith Longridge
meredith@heffel.com
604-732-6505 ext. 134

5. Payment of Proceeds of Sale

- a) The Auction House shall pay the Proceeds of Sale to the Court-appointed Monitor twenty-one (21) days after

the date of sale, if the Auction House has been paid the Purchase Price in full by the Buyer;

- b) If the Auction House has not received the Purchase Price from the Buyer within the time period specified, then the Auction House will pay the Proceeds of Sale within seven (7) working days following receipt of the Purchase Price from the Buyer; and
- c) If before the Purchase Price is paid in full by the Buyer, the Auction House pays the Consignor an amount equal to the Proceeds of Sale, title to the Property in the Lot shall pass to the Auction House.

6. Non-payment of Debt

If the Buyer fails either to pay for or to take away any Lot by 4:30 p.m. on the seventh (7th) day following the date of the auction sale, the Auction House, with the consent of the Consignor and the Court-appointed Monitor, may in its absolute discretion be entitled to one or more of the remedies listed in the standard *Terms and Conditions of Business*.

7. Post-sale Logistics and Transport

Gordon Butler
gordon@heffel.com
416-961-6505 ext. 337

If you have further questions regarding this specialty auction, please contact:

Rebecca Rykiss
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416-961-6505 ext. 323

¹. As approved by the Ontario Superior Court of Justice on September 25, 2025.