

July 10, 2014

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VIA E-MAIL & FACSIMILE

Martin Teplitsky, Q.C.
Teplitsky, Colson LLP
200-70 Bond Street
Toronto ON M5B 1X3

RE: Lublin v. Ostfeld

Dear Mr. Teplitsky:

Pursuant to the arbitrator's decision, the Plaintiff has been directed to disclose whether or not a "reporting letter" from Mr. Fried to Lublin Financial Corporation ("Lublin") exists.

We take the position that this information is both irrelevant and privileged, and we expressly reserve our client's right to take this position at trial. Without prejudice to this position, and given the arbitrator's order, I can advise that to my client's knowledge, information and belief, there is no document that is so-titled or identified with respect to the mortgage transaction with Ms. Ostfeld.

Pursuant to the arbitrator's decision, the Plaintiff has also been directed to disclose the existence of an "account" from Mr. Fried to Lublin in connection with the mortgage transaction with Ms. Ostfeld.

We take the position that this information is both irrelevant and privileged, and we expressly reserve our client's right to take this position at trial. Without prejudice to this position, and given the arbitrator's order, I can advise that to my client's knowledge, information and belief, there is no account with respect to this particular transaction.

The foregoing information has been produced because of the arbitrator's interlocutory decision, and does not constitute any waiver of privilege, or any agreement to the foregoing information, or this letter, being filed as evidence at the trial.

The arbitrator has also directed that the existence of any calculations sent to Mr. Tayar, in connection with his demand letter of August 3, 2010, be identified, and if privilege is claimed for the document to be described in a Schedule "B".

Martin Teplitsky, Q.C.

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Lublin has now identified a calculation, which is enclosed. As discussed and agreed yesterday, this calculation is being produced on this basis that its provision does not constitute a waiver of privilege over legal advice or services provided by Mr. Tayar.

Yours truly,



Matthew P. Sammon

MPS/ml

Enclosure

LUBLIN FINANCIAL CORPORATION
MORTGAGE AND LOAN STATEMENT
AS AT JULY 31,2010

FIRST ADVANCE

PRINCIPAL ADVANCED FEB 25/08 (\$2,812,400 REDUCED BY \$300,000 SHORTLY THEREAFTER)	\$2,512,400	
INTEREST UNPAID FOR FIRST YEAR -18% - UP TO FEB 24/09	\$452,232	
UNPAID INTEREST FOR SECOND YEAR UP TO SEPT 29/09- 18% - FROM FEB 25/09 TO SEPT 29/09	\$317,256	
	\$3,281,888	
RECEIVED ON DEMENEGHI SALE ON SEPT 29/09	\$1,908,308	
BALANCE SEPT 29/09	\$1,373,580	
UNPAID INTEREST @ 18% FROM FEB 29/09 TO JULY 31/10 FOR 155 DAYS	\$104,994	\$1,478,574

PER DIEM RATE IS \$729.16 PER DAY

SECOND ADVANCE

ADVANCED MARCH 27/08	\$300,000	
INTEREST UNPAID - 18% - FROM MARCH 27/08 TO MAY 31/09 - 431 DAYS	\$63,764	
INTEREST UNPAID - 18% - FROM JUNE 1/09 TO MAY 31/10	\$65,478	
INTEREST UNPAID - 18% - FROM JUNE 1/09 TO JULY 31/10	\$12,913	\$442,155

PER DIEM RATE IS \$147.94 PER DAY

\$1,920,729

THE ABOVE IS EXCLUSIVE OF ANY COSTS

PRINCIPLE	#REF!
INTEREST	#REF!
TOTAL	#REF!