

Court File No. 17-73967

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

FIRST NATIONAL FINANCIAL GP CORPORATION

Applicant

and

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

Respondents

TENTH REPORT OF THE RECEIVER & MANAGER

DATED FEBRUARY 5, 2021

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Appendix “I”	Fee Affidavit of David Preger of Dickinson Wright LLP sworn February 4, 2021

INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (the “**Court**”) dated September 22, 2017 (the “**Appointment Order**”), Deloitte Restructuring Inc. (“**Deloitte**”) was appointed as the interim receiver (the “**Receiver**”) of certain real property of Golden Dragon Ho 10 Inc. (“**GDH 10**”) municipally known as 347 Barber Street, Ottawa, Ontario (formerly known as 347 Clarence Street, Ottawa) (“**347 Barber**”) and of certain real property of Golden Dragon Ho 11 Inc. (“**GDH 11**”, and combined with GDH 10, the “**Debtors**”) municipally known as 345 Barber Street, Ottawa, Ontario (formerly known as 345 Clarence Street, Ottawa) (“**345 Barber**”) (collectively, with 347 Barber, referred to herein as the “**Property**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. The Appointment Order authorized the Receiver to, among other things:
 - (a) take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) undertake any renovations and make any repairs to the Property necessary to ensure that the Property is well maintained and rentable and is in compliance with the applicable laws and building codes; and
 - (c) market available rental units, enter into new rental agreements or renew expiring rental agreements where applicable.
3. On October 20, 2017, the Applicant, First National Financial GP Corporation (“**FN**”), brought a motion to, among other things, extend the appointment of the Receiver as permitted under section 47(1)(c) of the *Bankruptcy and Insolvency Act*. In support of that motion, the Receiver filed with the Court its First Report of the Interim Receiver dated October 17, 2017 (the “**First Report**”). Based on the First Report and submissions made to the Court by counsel for FN and the Receiver on October 20, 2017, the Court granted an Order that, among other things, extended the appointment of the Receiver until further Order of this Court.
4. On May 21, 2019, Liahona Mortgage Investment Corp. (“**Liahona**”), the second secured creditor on 345 Barber, and the Receiver each brought motions, for among other things,

advice and direction with respect to expanding the Receiver's mandate to that of a receiver and manager, authorizing the Receiver to conduct a marketing and sale process to realize on the Property, approving the Receiver's proposed marketing and sale process, and authorizing the Receiver to enter into a listing agreement with CBRE Group Inc.. In support of that motion, the Receiver filed with the Court the Sixth Report of the Interim Receiver dated May 6, 2019 (the "**Sixth Report**").

5. Based on the Sixth Report and the submissions made by Liahona, on May 26, 2019 the Court granted an order (the "**Expanded Powers Order**") approving the relief sought. A copy of the Expanded Powers Order is attached hereto as **Appendix "B"**.
6. On October 3, 2019, the Receiver brought a motion (the "**Sale Approval Motion**") for a Court order approving, among other things, the transaction (the "**Transaction**") contemplated in the Offer to Purchase dated August 27, 2019 made by Royal United Investments Limited (the "**Purchaser**") and accepted by the Receiver (the "**APS**"), together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, for the sale of the Property and vesting the Debtors' right, title and interest in the Property in and to the Purchaser's designees, 347 Barber Street Ltd. and 345 Barber Street Ltd., upon the closing of the Transaction. In support of the Sale Approval Motion, the Receiver filed with the Court the Seventh Report of the Receiver dated September 27, 2019 (the "**Seventh Report**") and the Supplemental Report to the Seventh Report dated October 2, 2019 to advise the Court of, among other things, a late offer received for the Property and an Agreement reached between the Purchaser, the City of Ottawa and the Ontario Ministry of Housing for the continuation of the affordable housing program at 347 Barber.
7. On October 3, 2019, after hearing preliminary submissions from the parties, Justice Hackland adjourned the Sale Approval Motion to October 11, 2019 so that Liahona and other parties could file responding material.
8. On October 8, 2019, the Receiver filed with the Court its Second Supplemental Report to the Seventh Report which: i) addressed the immediate financial implications to the Debtors' estates if the Sale Approval Motion was further adjourned or dismissed; ii) addressed the

purported concerns raised in the Affidavit of Chi Van Ho sworn October 3, 2019; and iii) reported to the Court on the receipt of a revised late offer.

9. On October 11, 2019, the Sale Approval Motion was heard by Justice Hackland who granted the Amended and Restated Approval and Vesting Order (the “**Vesting Order**”).
10. In his endorsement made with respect to the October 11, 2019 hearing, which was released on October 23, 2019, Justice Hackland:
 - i) approved a distribution from the net proceeds of sale, subject to the Receiver holding back “the sum of \$1.7 million pending the Court’s further ruling on a disputed prepayment penalty claimed by FN.”;
 - ii) held that there must be a trial of issues (the “**Trial of Issues**”) with respect to the FN’s entitlement to the payment of what he referred to as the “yield maintenance penalty” (“**Yield Maintenance**”) and any ancillary issues; and
 - iii) directed counsel to arrange a case conference to agree on a timetable for the Trial of Issues.
11. The Receiver and the Purchaser agreed on a Transaction closing date of October 18, 2019. However, on October 17, 2019, counsel for the Debtors served a Notice of Appeal in respect of the Vesting Order. As a result, the parties agreed to extend the closing date to November 5, 2019 to enable the Receiver to move for directions before a single judge of the Court of Appeal for Ontario (the “**COA**”).
12. On November 4, 2019, the Receiver brought an urgent motion (the “**Receiver’s Urgent Motion**”) before Justice Fairburn of the COA seeking, among other things:
 - i) a declaration that the *Bankruptcy and Insolvency Act* R.S.C. 1985, c. B-3 (the “**BIA**”) governs the appeal of the Vesting Order;
 - ii) a declaration that there is no automatic right of appeal with respect to the Vesting Order pursuant to subsections 193(a) through (d) of the BIA; and

- iii) a declaration that the Vesting Order is not stayed pursuant to section 195 of the BIA or the *Courts of Justice Act*, R.S.O. 1990 c. C.43 or the *Rules of Civil Procedure*, R.R.O. 1990 Reg. 194.
13. In support of the Receiver's Urgent Motion, the Receiver filed its Eighth Report dated October 30, 2019 (the "**Eighth Report**").
14. On November 4, 2019, Justice Fairburn granted the Receiver's motion and held that there is no automatic right to appeal the Vesting Order and that leave to appeal must be sought under s. 193(e) of the BIA, which the Debtors had failed to seek. Justice Fairburn further held that even if the Debtors had a right of appeal or were granted leave to appeal, triggering a stay pursuant to section 195 of the BIA, she would cancel the stay because the appeal lacked merit and the relative prejudice to the parties arising from a stay weighed against a stay.
15. The parties agreed to extend the closing date of the Transaction to a date that was three days after the COA's decision in order to accommodate the time necessary to recalculate the statement of adjustments and for the Purchaser to arrange for the balance of the purchase price to be wired to the Receiver. The Transaction closed on November 7, 2019.
16. On November 25, 2019, as a result of the parties having settled the terms of an interim distribution and other matters, Justice Hackland granted the Interim Administration and Distribution Order dated October 23, 2019 (the "**Interim Distribution Order**"), a copy of which is attached hereto as **Appendix "C"**.
17. The Trial of Issues was held by videoconference on July 22, 30, 31, August 12 and 13, 2020. In advance of the Trial of Issues, the Receiver filed with the Court its Ninth Report to the Court dated June 29, 2020 (the "**Ninth Report**") which, among other things, provided the Court with an update on the closing of the Transaction and the status of the reserves being held by the Receiver, and sought the Court's approval of its activities and its fees up to June 20, 2020 and the fees of its counsel, Dickinson Wright LLP ("**DW**"), up to June 24, 2020. A copy of the Ninth Report is attached hereto as **Appendix "D"** (without appendices).

18. By Order dated August 13, 2020 (the “**August 13 Order**”), Justice Hackland, among other things, approved the Receiver’s activities as described in the Eighth Report and the Ninth Report, and reserved his decision regarding the dispute over the allocation of the Reserve and the approval of the Receiver’s professional fees referenced in the Ninth Report until the release of reasons in the Trial of Issues. A copy of the August 13 Order is attached hereto as **Appendix “E”**.
19. On November 16, 2020, Justice Hackland released his Reasons for Judgment with respect to the Trial of Issues (the “**YM Decision**”) in which he found that prepayment of future interest on the FN mortgages was properly payable to FN in the amount of \$1,473,141.82 (the “**YM Judgment Amount**”). Justice Hackland further determined that the Receiver’s expenses are properly allocated on the basis recommended by the Receiver in its Ninth Report.
20. On November 26, 2020, Liahona served an appeal (the “**Liahona Appeal**”) of the YM Decision of Justice Hackland seeking, among other things, judgment that i) FN is not entitled to the YM Judgment Amount from the estates of the Debtors; and ii) that the Receiver pay all amounts in its reserve fund credited to the estate of GDH11 to Liahona forthwith.
21. On December 15, 2020, the Debtors also served an appeal (and together with the Liahona Appeal, the “**Appeals**”) of the YM Decision seeking, among other things, judgment that FN is not entitled to the YM Judgment Amount and that the Receiver pay to Liahona the amounts in its reserve fund credited to the estate of GDH 11 that are due to Liahona, and to pay all other monies credited to the estate of the Debtors.
22. The above noted Court Orders, Endorsements, the Receiver’s previous reports, this the Receiver’s Tenth Report to the Court (the “**Tenth Report**”), and other key documents have been posted on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/GoldenDragonHo10-11.

PURPOSE OF REPORT

23. The purpose of this Tenth Report is to:

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- (a) seek the Court's approval of the activities of the Receiver as described in the Tenth Report;
- (b) update the Court on the status of the Appeals;
- (c) update the Court on the status of the reserves held by the Receiver;
- (d) seek the Court's approval of the Receiver's Interim Statement of Receipts and Disbursements for the period from September 22, 2017 to February 5, 2021;
- (e) seek the Court's approval of the fees and disbursements of the Receiver from to January 29, 2021 and the fees and disbursements of DW from June 25, 2020 to February 4, 2021.

TERMS OF REFERENCE

24. In preparing this Tenth Report and its previous reports, the Receiver has reviewed unaudited financial information and other records related to the Property provided by its property manager, CLV Group Inc. ("**CLV**"), information provided by third-party sources, and has held discussions with individuals involved in administering the Property (collectively, the "**Information**"). Except as described in this report:
- (a) the Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
 - (b) the Receiver has prepared this Tenth Report in its capacity as a Court-appointed officer to support the Court's approval of the Receiver's activities to date, its course of action with respect to the Trial of Issues, and the other relief being sought. Parties using this

report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes.

25. Unless otherwise stated, all dollar amounts contained in this Tenth Report are expressed in Canadian dollars.
26. Unless otherwise provided, all other capitalized terms not otherwise defined in this Tenth Report are as defined in the Terms and Conditions of Sale, the APS, the Appointment Order, the Expanded Powers Order, the Interim Distribution Order or the YM Judgment (collectively, the “**Orders**”).

RECEIVER’S ACTIVITIES SINCE THE NINTH REPORT

27. Since the date of the Ninth Report, the Receiver has undertaken the following activities in accordance with the terms of the Orders:
 - (a) attended and participated in the Trial of Issues;
 - (b) reviewed the YM Decision with DW;
 - (c) responded to information requests from Blaneys concerning the reserves being held by the Receiver;
 - (d) reviewed and provided comments on drafts of the YM Judgment;
 - (e) attended a videoconference convened with Justice Hackland on January 15, 2021 at which a timetable was established for cost submissions concerning the Trial of Issues and the Receiver’s motion for approval of its fees and disbursements and those of DW;
 - (f) updated its reserve analysis to the date of this Tenth Report; and
 - (g) prepared the Receiver’s Interim Statement of Receipts and Disbursements.

STATUS OF THE APPEALS

28. The Receiver understands that Liahona, the Debtors, and FN have agreed that the Appeals should be consolidated under one file number. As of the date of this Tenth Report, we have not been advised that the consolidation has been completed. The hearing of the Appeal has not yet been scheduled.

STATUS OF THE RESERVE

29. As set out in the Ninth Report, prior to the parties agreeing to the terms of the Interim Distribution Order, the Receiver prepared an analysis of the funds available for distribution. The analysis showed the Receiver's proposed reserve for current unpaid and future fees and disbursements for itself and its legal counsel, the funds ordered held back by Justice Hackland in respect of Yield Maintenance (including an amount equivalent to one year's interest thereon) (collectively, the "**Reserve**"), and the proposed funds to be distributed on an interim basis. The analysis was summarized as follows:

	Total	345 Barber	347 Barber
Proceeds from sale of the Property			
Gross Purchaser Price	\$ 13,000,000.00	\$ 9,490,000.00	\$ 3,510,000.00
Less: net deductions re: statement of adjustments	(327,886.33)	(211,089.14)	(116,797.19)
Net proceeds received by Receiver	\$ 12,672,113.67	\$ 9,278,910.86	\$ 3,393,202.81
Add: total excess cash from operations available for distribution	(81,743.60)	(59,672.83)	(22,070.77)
Total Funds Available for Interim Distribution before Reserve	\$ 12,590,370.07	\$ 9,219,238.03	\$ 3,371,132.04
Less: total Reserve	(800,000.00)	(539,235.49)	(260,764.51)
Gross funds available for Interim Distribution	11,790,370.07	8,680,002.55	3,110,367.52
Less: Holdback for Yield Maintenance Issue	(1,550,258.56)	(999,504.81)	(550,753.75)
Net funds available for Interim Distribution	10,240,111.51	7,680,497.73	2,559,613.78
Interim Distributions as of November 26, 2019:			
First National	\$ 8,551,802.03	\$ 5,996,477.07	\$ 2,555,324.96
Liahona	1,684,020.66	1,684,020.66	
Undistributed	4,288.82		4,288.82
	\$ 10,240,111.51	\$ 7,680,497.73	\$ 2,559,613.78

30. The amount of the Reserve attributable to Yield Maintenance, being \$1,550,358.56, was based on the “prepayment penalty” amount set out in FN payout statements dated November 22, 2019, which statements were the basis for the interim distribution that was completed on November 26, 2019. The amount of \$1,550,358.56 consisted of FN’s prepayment penalty calculation of \$1,525,845.04 plus one year of simple interest at 1.6% of \$24,413.52.
31. In considering the issue further, the Receiver formed the view, which FN agrees with, that the prepayment penalty crystallized on the date of the sale of the Property, being November 7, 2019. As a result, the portions of the Reserve that should be attributable to paragraphs 7(f)(ii) and (iii) of the Interim Distribution Order are \$1,473,141.82 and \$23,570.27, respectively. This revised amount of the Reserve for the “Prepayment penalty” is consistent with the amount set out in paragraph 37 of the Agreed Statement of Facts dated July 29, 2020 and the YM Judgment Amount.
32. The changes in the Reserve as of February 5, 2021 are as follows:

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	Interim Distribution Order Reserve				
	7(i)	7(ii)	7(iii)	7(iv)	Total
Original Reserve balance	\$ 525,000.00	\$ 1,525,845.04	\$ 24,413.52	\$ 275,000.00	\$ 2,350,258.56
Amended Reserve balance	\$ 525,000.00	\$ 1,473,141.82	\$ 23,570.27	\$ 275,000.00	\$ 2,296,712.09
Less: Reserve draw downs					
DW Invoice #1436120	(217,172.20)				(217,172.20)
DW Invoice #1487978	(43,097.51)				(43,097.51)
DW Invoice #1502968	(63,946.44)				(63,946.44)
DW Invoice #1551081	(14,977.02)				(14,977.02)
Receiver Invoice #8000947566	(18,297.53)				(18,297.53)
Receiver Invoice #8001245537	(28,287.86)				(28,287.86)
Receiver Invoice #8001358235	(35,310.24)				(35,310.24)
Receiver Invoice #8001585577	(11,011.85)				(11,011.85)
Current Reserve balance	\$ 92,899.35	\$ 1,473,141.82	\$ 23,570.27	\$ 275,000.00	\$ 1,864,611.44
Less: Reserve for prepayment amounts (7(ii)) and interest thereon (7(iii))					\$ (1,496,712.09)
Plus: Unreserved cash held by the Receiver					\$ 204,096.56
Total cash held by the Receiver, excluding prepayment amounts (7(ii)) and interest thereon (7(iii))					<u>\$ 571,995.91</u>

Discription of Reserves:

7(i) - Reserve for the outstanding and future fees and disbursements of the Receiver and its counsel in administering the receivership, including the trial of the Yield Maintenance Issue and ancillary issues

7(ii) - Reserve for the prepayment amounts claimed by FN arising from the early payment of its charges against the Property

7(iii) - Reserve for an amount equivalent to one (1) year of interest at 1.6% per annum on the Yield Maintenance Penalties, commencing from the date the Transaction is completed

7(iv) - Reserve for the future legal fees and disbursements of FN in connection with the receivership, including the Trial of Issues

33. As provided for in the YM Decision, the payment of professional fees and disbursements outstanding as at the date of the Interim Distribution Order have been allocated on the 73/27 Allocation, whereas the professional fees and disbursements incurred since then have been allocated based on the Yield Maintenance allocation. As a result, the current allocation of the components of the Reserve is as follows:

<u>Components of Reserve</u>	<u>Total</u>	<u>345 Barber</u>	<u>347 Barber</u>
7(i) - Outstanding and future fees and disbursements of the Receiver and DW	92,899.35	61,175.09	31,724.26
7(ii) - Yield Maintenance Penalty	1,473,141.82	949,305.70	523,836.12
7(iii) - One year of interest at 1.6% per annum on the Yield Maintenance Penalty	23,570.27	15,188.89	8,381.38
7(iv) - Outstanding and future fees and disbursements of FN	275,000.00	177,212.45	97,787.55
	<u>\$ 1,864,611.44</u>	<u>\$ 1,202,882.12</u>	<u>\$ 661,729.31</u>

STATEMENT OF RECEIPTS AND DISBURSEMENTS

34. Attached hereto as **Appendix “F”** is the Interim Statement of Receipts and Disbursements for the receivership for the period September 22, 2017 to February 5, 2021 (the “**R&D**”). The R&D includes the rental receipts received into the property management account and the disbursements made by the Receiver from its trust account. The R&D separates out the receipts and disbursements between September 22, 2017 and June 25, 2020, which receipts and disbursements were reported on in the Receiver’s previous reports and approved by the Court, and the receipts and disbursements between June 26, 2020 and February 5, 2021, which reflect the Receiver’s receipt and disbursement activity since the Ninth Report.
35. As the R&D indicates, the Receiver is holding \$2,068,708 in its trust account, an amount which exceeds the current balance of the Reserve by \$204,097. The excess balance is attributed to cash being held in a deposit account by CLV that was not reported to the Receiver when it calculated the amount of funds available for distribution on an interim basis, and to interest earned on funds being held by the Receiver, including the Reserve.

PROFESSIONAL FEES

36. The Receiver and its legal counsel have maintained detailed records of their professional time and costs since the issuance of the Appointment Order. Pursuant to paragraph 17 of the Appointment Order, the Receiver and its legal counsel were directed to pass their accounts from time to time before a judge of the Court.
37. The total fees of the Receiver during the period from June 20, 2020 to January 29, 2021, amount to \$40,993.00 together with disbursements of \$nil plus HST of \$5,329.09, totaling \$46,322.09. The time spent by the Receiver is more particularly described in the Affidavit of Hartley Bricks, a Senior Vice-President of Deloitte, sworn on February 2, 2021 in support hereof and attached hereto as **Appendix “G”**.
38. Attached hereto as **Appendix “H”** is the Affidavit of Hartley Bricks sworn June 25, 2020 regarding the Receiver’s fees for the period September 1, 2019 to June 19, 2020 in the

amount of \$117,816.07, inclusive of HST. The aforesaid Affidavit was previously appended to the Ninth Report. In his August 13 Order, Justice Hackland reserved approval of these fees until the release of his reasons of the Trial of Issues. With the YM Decision now released, the Receiver is also seeking approval of these fees.

39. The total legal fees and disbursements of DW, in its capacity as counsel to the Receiver, for the period August 11, 2020 to February 4, 2021 amount to \$78,923.46, inclusive of HST (the “**DW Fees**”). The time spent by DW is more particularly described in the Affidavit of David Preger, a partner of DW, sworn February 4, 2021 in support hereof and attached hereto as **Appendix “I”**.
40. The Receiver has reviewed the DW Fees as set out in Appendix “I” and finds the work performed and charges to be appropriate and reasonable in the circumstances.

RECEIVER REQUESTS

41. For the reasons set out above, the Receiver requests that the Court make an Order:
 - (a) approving the activities of the Receiver as described in this Tenth Report;
 - (b) approving the R&D;
 - (c) approving the professional fees and disbursements of the Receiver from September 1, 2019 to January 29, 2021, and the fees and disbursements of DW from August 11, 2020 to February 4, 2021, all as set out in the fee affidavits, and authorizing the Receiver to pay the professional fees from available funds; and
 - (d) such further and other relief as counsel may advise and this Honourable Court may permit.

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All of which is respectfully submitted at Toronto, Ontario this 5th day of February, 2021.

DELOITTE RESTRUCTURING INC.,
solely in its capacity as the Court-
appointed Receiver and Manager of
certain real property of Golden Dragon Ho
10 Inc. and Golden Dragon Ho 11 Inc., and
without personal or corporate liability

A handwritten signature in cursive script that reads "Deloitte Restructuring Inc.".

Paul Casey, CPA, CA, FCIRP, LIT
Senior Vice-President

Hartley Bricks MBA, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix “A”

Appointment Order of Justice Hackland dated September 22, 2017

Court File No. 17-73967

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) FRIDAY, THE 22nd
JUSTICE C.T. Hackland) DAY OF SEPTEMBER, 2017
BETWEEN:

FIRST NATIONAL FINANCIAL GP CORPORATION

Applicant

- and -

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

Respondents

APPLICATION UNDER Section 47 of the
Bankruptcy and Insolvency Act R.S.C. 1985, C. B-3, as amended

**APPOINTMENT ORDER
(Interim Receiver)**

THIS APPLICATION made by First National Financial GP Corporation (the “**Applicant**”) for an Order pursuant to section 47 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) appointing Deloitte Restructuring Inc. (“**Deloitte**”) as interim receiver (in such capacity, the “**Receiver**”) of certain property of Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc. (the “**Respondents**”) identified on the attached Schedule “A” (collectively, the “**Property**”), and sealing Confidential Exhibit “42”, being an Appraisal Report of Juteau Johnson Comba Inc. dated August 15, 2017, including Schedule “A” thereto, and Confidential

Exhibit "45", being the Agreement of Purchase and Sale dated August 31, 2017 (collectively, the "Confidential Exhibits") of the Affidavit of Christopher Sebben sworn September 19, 2017 (the "Sebben Affidavit") from the public record until further Order of the Court, was heard this day at 161 Elgin Street, Ottawa, Ontario.

ON READING the Sebben Affidavit and the Exhibits thereto, including the Confidential Exhibits, and on reading the Consent of Deloitte to act as the Receiver, *and on hearing submissions of applicants counsel, no one else appearing at.*

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 47 of the *BIA*, Deloitte is hereby appointed interim receiver of the Property.

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to engage to engage contractors, tradespersons, quantity surveyors, consultants, appraisers, agents, experts, auditors, accountants, managers, including a property manager, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (d) to undertake any renovations and make any repairs to the Property necessary to ensure the Property is well maintained and rentable and is in compliance with the applicable laws and building codes;
- (e) to market available rental units, enter into new rental agreements or renew expiring rental agreements where applicable;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Respondents in respect of the Property and to exercise all remedies of the Respondents in collecting such monies, including, without limitation, to enforce any security held by the Respondents in respect of the Property;
- (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Respondents, for any purpose pursuant to this Order;

- (h) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property and to settle or compromise any such proceedings, and the authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (i) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (j) to register a copy of this Order against title to the Property;
- (k) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority in respect of the Property and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Respondents;
- (l) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondents in respect of the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE RESPONDENTS OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Respondents in respect of the Property or against the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently

under way against or in respect of the Respondents in respect of the Property or against the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

10. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondents in respect of the Property, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Respondents or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services,

centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondents in respect of the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Respondents' current telephone numbers, facsimile numbers, internet addresses and domain names in respect of the Property, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Respondents or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part in respect of the Property, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

14. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the Canadian *Environmental Protection Act*, the Ontario *Environmental Protection Act*, the Ontario *Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of

any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

16. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

FUNDING OF THE RECEIVERSHIP

19. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

23. **THIS COURT ORDERS** that the service of documents shall be made by way of an HTML link to the documents as posted by the serving party on either the Case Website (set out below) or if time does not permit, on the serving party's own website, or as a PDF attachment where the party serving the documents is unable to create an HTML link, with HTML Links to the website for cross-referenced documents already posted there (the "**Protocol**"), and such service shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<www.insolvencies.deloitte.ca/en-ca/GoldenDragonHo10-11>'.

24. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by

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

GENERAL

25. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

27. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal; regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

28. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

30. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

31. **THIS COURT ORDERS** that notwithstanding the commencement of the within Application and the appointment of the Receiver, the Applicant shall be deemed to be protecting its security, shall not be deemed to have resorted to realizing upon its security over the Property, and the equitable right of redemption in respect of the Applicant's mortgages over the real property of the Respondents identified on the attached Schedule "A" shall not be triggered.

32. **THIS COURT ORDERS** that the Confidential Exhibits shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order.

33. **THIS COURT ORDERS** that the Confidential Exhibits shall remain under seal until further Order of the Court.

Hackel J.

ENTERED AT OTTAWA
INSCRIT A OTTAWA
ON/LE SEP 27 2017
DOCUMENT # 0411
IN BOOK NO. 73-13
AU REGISTRE NO. 73-13

SCHEDULE "A"**THE PROPERTY**

Golden Dragon Ho 10 Inc.

PIN 04213-0302 LT in LRO #4

Description: PART OF LOT 18 PLAN 43586 N/S CLARENCE STREET BEING PART 1 ON 4R21669; OTTAWA. T/W RIGHT-OF-WAY AND EASEMENT OVER PART LOTS 16,17 & 18 PLAN 43586 PT 3 PLAN 4R21669 AS IN OC699531. T/W EASEMENT OVER PART LOTS 16,17 & 18 PLAN 43586 PART 4 ON 4R21669 AS IN OC699531. T/W RIGHT-OF-WAY OVER PART LOTS 16, 17 & 18 PLAN 43586 PART 2 ON 4R21669 AS IN OC699531. S/T RIGHT-OF-WAY AND EASEMENT OVER PART 1 ON 4R21669 IN FAVOUR OF PART LOTS 16, 17 & 18 PLAN 43586 PARTS 2,3 & 4 ON 4R21669 AS IN OC699531.

Golden Dragon Ho 11 Inc.

PIN 04213-0303 LT in LRO #4

Description: PART LOTS 16,17 & 18 PLAN 43586 N/S CLARENCE STREET BEING PARTS 2,3 & 4 ON 4R21669; OTTAWA S/T RIGHT-OF-WAY AND EASEMENT OVER PART 3 ON 4R21669 IN FAVOUR OF PART LOT 18 PLAN 43586 PART 1 ON 4R21669 AS IN OC699531. S/T EASEMENT OVER PART 4 ON 4R21669 IN FAVOUR OF PART LOT 18 PLAN 43586 PART 1 ON 4R21669 AS IN OC699531. S/T RIGHT-OF-WAY OVER PART 2 PLAN 4R21669 IN FAVOUR OF PART LOT 18 PLAN 43586 PART 1 ON 4R21669 AS IN OC699531. T/W RIGHT-OF-WAY AND EASEMENT OVER PART 1 ON 4R21669 IN FAVOUR OF PART LOTS 16, 17 & 18 PLAN 43586 PARTS 2,3 & 4 ON 4R21669 AS IN OC699531.

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the interim receiver (the "**Receiver**") of the real property of Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc. identified on Schedule "A" to the Appointment Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 22nd day of September, 2017 (the "**Order**") made in an action having Court file number _____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance on the 1st day of each month after the date hereof at a notional rate per annum equal to the rate of two per cent above the prime commercial lending rate of Royal Bank of Canada from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ___ day of _____, 20__.

DELOITTE RESTRUCTURING INC., solely in its capacity as Receiver of the Property, and not in its personal or corporate capacity

Per: _____

Name:

Title:

Per: _____

Name:

Title:

FIRST NATIONAL FINANCIAL GP CORPORATION

and

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

45

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding Commenced at **OTTAWA**

**APPOINTMENT ORDER
(Interim Receiver)**

BLANEY MCMURTRY LLP
Barristers & Solicitors
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

Eric Golden (LSUC #38239M)
(416) 593-3927 (Tel)
(416) 596-2049 (Fax)
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Chad Kopach (LSUC #48084G)
(416) 593-2985 (Tel)
(416) 594-0957 (Fax)
Email: ckopach@blaney.com

Lawyers for the Applicant

Appendix “B”

Expanded Powers Order of Justice Hackland dated May 21, 2019

Court File No. 17-73967

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)	TUESDAY, THE 21 ST
)	
JUSTICE HACKLAND)	DAY OF MAY, 2019

B E T W E E N:

FIRST NATIONAL FINANCIAL GP CORPORATION

Applicant

- and -

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

Respondents

APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*
R.S.C. 1985, C. B-3, as amended

EXPANDED POWERS ORDER

THESE MOTIONS by: (a) Liahona Mortgage Investment Corp. "**Liahona**"; and (b) Deloitte Restructuring Inc., in its capacity as interim receiver of certain real property of the Respondent Golden Dragon Ho 10 Inc., municipally known as 347 Barber Street, Ottawa, Ontario, and of certain real property of the Respondent Golden Dragon Ho 11 Inc., municipally known as 345 Barber Street, Ottawa, Ontario, were heard this day at 161 Elgin Street, in Ottawa, Ontario.

ON READING Liahona's Motion Record and the Affidavit of Aaron Rumley sworn May 13, 2019 and the Motion Record and Sixth Report of Deloitte Restructuring Inc. dated May 6, 2019 (the "**Sixth Report**"), and upon hearing the submissions of counsel for Liahona, counsel for

Deloitte Restructuring Inc., counsel for First National Financial GP Corporation (“FN”) and counsel for the Respondents, no one else appearing, although served as set out in the affidavit of service of Sharron Eaton sworn May 14, 2019, filed, and the affidavit of service of Laura Micoli sworn May 10, 2019, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of Liahona’s Notice of Motion and Motion Record is hereby abridged and validated so that Liahona’s motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record of Deloitte Restructuring Inc. is hereby abridged and validated so that the motion of Deloitte Restructuring Inc. is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

3. **THIS COURT ORDERS** that the status and mandate of Deloitte Restructuring Inc. as interim receiver pursuant to the Appointment Order dated September 22, 2017 (the “**Appointment Order**”), as extended by the Order dated October 20, 2017, is hereby varied and amended as hereinafter set out.

4. **THIS COURT ORDERS** that pursuant to section 101 of the *Court of Justice Act*, Deloitte Restructuring Inc. is hereby appointed as receiver and manager (in such capacities, the “**Receiver**”), without security, of the lands and premises legally described in Schedule “A” of the Appointment Order, the business operated thereon (the “**Business**”), and all proceeds thereof

(collectively, the “**Property**”). For greater certainty, all references to the “Receiver” in the Appointment Order shall be deemed to refer to the “Receiver” as defined herein and all references to “Property” in the Appointment Order shall be deemed to refer to “Property” as defined herein.

SIXTH REPORT

5. **THIS COURT ORDERS** that the marketing and sale process in respect of the Property described in the Sixth Report, including the engagement of CBRE Limited as listing broker, is hereby approved.

6. **THIS COURT ORDERS** that the activities and proposed activities of the Receiver described in the Sixth Report are hereby approved.

7. **THIS COURT ORDERS** that Receiver’s interim statement of receipts and disbursements for the period September 22, 2017 to March 31, 2019 contained in the Sixth Report is hereby approved.

8. **THIS COURT ORDERS** that the fees and disbursements of the Receiver as set out in the Affidavit of Hartley Bricks, sworn May 1, 2019 contained in the Sixth Report and the fees and disbursements of Blaney McMurty LLP as set out in the Affidavit of Chad Kopach sworn May 6, 2019 contained in the Sixth Report are hereby approved.

RECEIVER’S POWERS

9. **THIS COURT ORDERS** that in addition to the powers set out in paragraph 3 of the Appointment Order, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to manage, operate, and carry on the Business, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the Business, or cease to perform any contracts of the Respondents in relation to the Property;
- (b) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the Business or any part or parts thereof;
- (c) to settle, extend or compromise any indebtedness owing to the Respondents in relation to the Property;
- (d) subject to paragraphs 5 and 6 hereof, to market any or all of the Property, advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (e) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$25,000.00, provided that the aggregate consideration for all such transactions does not exceed \$100,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (f) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

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

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

PIPEDA

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

identical to the prior use of such information by the Respondents, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

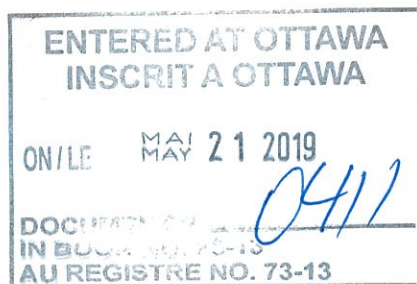
CONTINUING EFFECT OF APPOINTMENT ORDER

11. **THIS COURT ORDERS** that except as otherwise varied and amended by this Order, all other terms of the Appointment Order shall remain in full force and effect.

12. **THIS COURT ORDERS** that notwithstanding (i) the variation and amendment of the status and mandate of the interim receiver Deloitte Restructuring Inc. as provided for in this Order, (ii) any other term(s) of this Order, and (iii) FN not opposing this Order, FN shall still be deemed to be protecting its security over the Property, shall not be deemed to have resorted to realizing upon its security over the Property, and the equitable right of redemption in respect of FN's mortgages over the lands and premises legally described in Schedule "A" to the Appointment Order shall not be triggered.

Hacklaed J.

TORONTO 58347-2 1605135v10



FIRST NATIONAL FINANCIAL GP CORPORATION
Applicant

-and-

GOLDEN DRAGON HO 10 INC. et al.
Respondents

Court File No. 17-73967

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
OTTAWA

EXPANDED POWERS ORDER

DICKINSON WRIGHT LLP
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Lawyers for the Receiver, Deloitte Restructuring Inc.

TORONTO 58347-2 1601560v8

Appendix “C”

Interim Administration and Distribution Order dated October 23, 2019

- 2 -

ON READING the Seventh Report of the Receiver dated September 27, 2019 (the “**Seventh Report**”), the Receiver’s Supplemental Report to the Seventh Report dated October 2, 2019 (the “**Supplemental Report**”), the Receiver’s Second Supplemental Report to the Seventh Report dated October 9, 2019 (the “**Second Supplemental Report**”), the Affidavit of Chad Kopach sworn October 3, 2019, the Affidavit of Eric Golden sworn October 7, 2019, the Affidavit of Christopher Sebben sworn October 7, 2019, the Affidavit of Chi Van Ho sworn October 3, 2019, the Affidavit of Aaron Rumley sworn October 4, 2019, the Affidavit of Aaron Rumley sworn October 9, 2019 and the Affidavit of Stephanie Baldwin sworn October 9, 2019, on hearing the submissions of counsel for the Receiver, counsel for First National Financial GP Corporation (“**FN**”), counsel for Liahona Mortgage Investment Corp. (“**Liahona**”), counsel for the City of Ottawa, counsel for Quex Property Corporation and counsel for the GDH 10 Debtor and the GDH 11 Debtor, and counsel for Royal United Investments Limited, 347 Barber Street Ltd. and 345 Barber Street Ltd., no one appearing for anyone else on the service list, although properly served, as appears from the Affidavit of Jennifer Samuels sworn September 27, 2019, filed, and for reasons issued October 23, 2019:

SERVICE

1. **THIS COURT ORDERS AND DECLARES** that the time for service of the Receiver’s Notice of Motion and Motion Record, including the Seventh Report, the Supplemental Report and the Second Supplemental Report is hereby abridged and validated so that the motion is properly returnable today and hereby dispenses with further service thereof.

RECEIVER’S ACTIVITIES

2. **THIS COURT ORDERS AND DECLARES** that the activities and proposed activities of the Receiver described in the Seventh Report, the Supplemental Report and the Second Supplemental Report are hereby approved.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

3. **THIS COURT ORDERS AND DECLARES** that Receiver’s Interim Statement of Receipts and Disbursements for the period September 22, 2017 to August 31, 2019 contained in the Seventh Report is hereby approved.

PROFESSIONAL FEES

4. **THIS COURT ORDERS AND DECLARES** that the fees and disbursements of the Receiver as set out in the Fee Affidavit of Hartley Bricks, sworn September 26, 2019 contained in the Seventh Report, the fees and disbursements of Dickinson Wright LLP as set out the Fee Affidavit of David Preger, sworn September 9, 2019 contained in the Seventh Report, and the fees and disbursements of Blaney McMurty LLP as set out in the Fee Affidavit of Chad Kopach sworn September 26, 2019 contained in the Seventh Report, are hereby approved.

SEALING

5. **THIS COURT ORDERS AND DECLARES** that the Receiver is authorized and directed, *nunc pro tunc*, to redact from the Seventh Report served on the parties named in the service list Confidential Appendices "A", "B", "C", "D", "E", "F" and "G".

6. **THIS COURT ORDERS AND DECLARES** that the unredacted version of the Seventh Report, including the Confidential Appendices "A" through "G" shall be sealed, kept confidential, and shall not form part of the public record, but shall rather be placed separate and apart from all other contents of the Court File in a separately sealed envelope on which is affixed a notice setting out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be unsealed after the Transaction (as defined in the Amended and Restated Approval and Vesting Order dated October 11, 2019 (the "AVO")) is completed, or further Order of this Court

DISTRIBUTION

7. **THIS COURT ORDERS**, on consent, that upon the completion of the Transaction:

- (a) the Receiver shall pay to CBRE Group Inc., its commission of 1.25% (plus HST) of the purchase price payable under the APS (as defined in the AVO) (the "Commission");
- (b) on an interim basis, the Commission shall be allocated on the basis of 73% to 345 Barber and 27% to 347 Barber;

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- (c) on an interim basis, FN's expenses with respect to its charges over the Property shall be allocated on the basis of 73% to 345 Barber and 27% to 347 Barber;
- (d) the Receiver shall repay the amount outstanding under the Receiver's Borrowing Charge (as defined in the Appointment Order (Interim Receiver) dated September 22, 2017) (the "**Receiver's Borrowings**");
- (e) on an interim basis, the Receiver's Borrowings shall be allocated on the basis of 81.43% to 345 Barber and 18.57% to 347 Barber;
- (f) on an interim basis, the Receiver shall set aside a reserve (hereinafter the "**Reserve**") for:
 - (i) the outstanding and future fees and disbursements of the Receiver and its counsel in administering the receivership, including the Trial of Issues (hereinafter defined);
 - (ii) the prepayment amounts claimed by FN arising from the early payment of its charges against the Property (individually, a "**Yield Maintenance Penalty**" and, collectively the "**Yield Maintenance Penalties**");
 - (iii) an amount equivalent to one (1) year of interest at 1.6% *per annum* on the Yield Maintenance Penalties, commencing from the date the Transaction is completed; and
 - (iv) the future legal fees and disbursements of FN in connection with the receivership, including the Trial of Issues.

8. **THIS COURT ORDERS**, on consent, that subparagraph 7(f) of this Order with respect to the Reserve is made without prejudice to the right of any interested stakeholder to dispute the reasonableness of any component of the Reserve, including any amount(s) claimed in connection therewith.

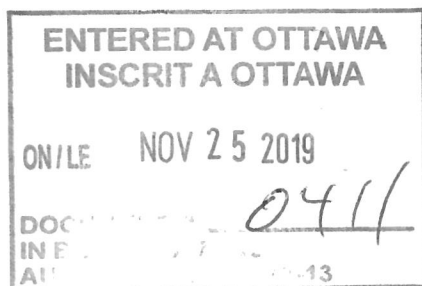
9. **THIS COURT ORDERS**, on consent, that subject to paying and allocating the amounts referred to in paragraph 7 and retaining the Reserve, the net sale proceeds and any excess funds

in the Receiver's hands shall be allocated on the basis of 73% to 345 Barber and 27% to 347 Barber and distributed as follows:

- (a) with respect to 345 Barber:
 - (i) to fully satisfy FN's first ranking charge over 345 Barber, save and except for the Yield Maintenance Penalty related thereto; and
 - (ii) the balance to Liahona in partial satisfaction of its second charge over 345 Barber;
- (b) with respect to 347 Barber:
 - (i) to fully satisfy FN's first ranking charge over 347 Barber and FN's second ranking charge over 347 Barber, save and except for the Yield Maintenance Penalties related thereto; and
 - (ii) the balance remaining in the Receiver's hands attributable to 347 Barber shall be retained by the Receiver until further Order of this Court.

TRIAL OF ISSUES

10. **THIS COURT ORDERS** that counsel shall arrange a case conference to agree on a timetable for a trial of the Yield Maintenance Penalties and any ancillary issues (the "Trial of Issues").



Mackenzie J.

Court File No. CV-17-73967

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
OTTAWA

ADMINISTRATION AND DISTRIBUTION ORDER

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Lawyers for the Court-appointed Receiver,
Deloitte Restructuring Inc.

Appendix “D”

Receiver’s Ninth Report to the Court dated June 29, 2020 (without appendices)

Court File No. 17-73967

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

FIRST NATIONAL FINANCIAL GP CORPORATION

Applicant

and

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

Respondents

NINTH REPORT OF THE RECEIVER & MANAGER

DATED JUNE 29, 2020

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APPENDICES

Appendix “A”	Appointment Order of Justice Hackland dated September 22, 2017
Appendix “B”	Expanded Powers Order of Justice Hackland dated May 21, 2019
Appendix “C”	Seventh Report of the Receiver dated September 27, 2019 along with the Supplemental Report to the Seventh Report dated October 2, 2019 and the Second Supplemental Report to the Seventh Report dated October 8, 2019
Appendix “D”	Amended and Restated Approval and Vesting Order of Justice Hackland dated October 11, 2019
Appendix “E”	Endorsement of Justice Hackland dated October 23, 2019
Appendix “F”	Eighth Report of the Receiver dated October 30, 2019
Appendix “G”	Reasons of Decision of Justice Fairburn release November 5, 2019

Appendix “H”	Interim Administration and Distribution Order dated October 23, 2019
Appendix “I”	Schedule of Funds Available for Interim Distribution dated November 26, 2019
Appendix “J”	Interim Statement of Receipts and Disbursements for the period September 22, 2017 to June 25, 2020
Appendix “K”	Fee Affidavit of Hartley Bricks of Deloitte Restructuring Inc. sworn June 25, 2020
Appendix “L”	Fee Affidavit of David Preger of Dickinson Wright LLP sworn June 24, 2020

INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (the “**Court**”) dated September 22, 2017 (the “**Appointment Order**”), Deloitte Restructuring Inc. (“**Deloitte**”) was appointed as the interim receiver (the “**Receiver**”) of certain real property of Golden Dragon Ho 10 Inc. (“**GDH 10**”) municipally known as 347 Barber Street, Ottawa, Ontario (formerly known as 347 Clarence Street, Ottawa) (“**347 Barber**”) and of certain real property of Golden Dragon Ho 11 Inc. (“**GDH 11**”, and combined with GDH 10, the “**Debtors**”) municipally known as 345 Barber Street, Ottawa, Ontario (formerly known as 345 Clarence Street, Ottawa) (“**345 Barber**”) (collectively, with 347 Barber, referred to herein as the “**Property**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. The Appointment Order authorized the Receiver to, among other things:
 - (a) take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) undertake any renovations and make any repairs to the Property necessary to ensure that the Property is well maintained and rentable and is in compliance with the applicable laws and building codes; and
 - (c) market available rental units, enter into new rental agreements or renew expiring rental agreements where applicable.
3. On October 20, 2017, the Applicant, First National Financial GP Corporation (“**FN**”), brought a motion to, among other things, extend the appointment of the Receiver as permitted under section 47(1)(c) of the *Bankruptcy and Insolvency Act*. In support of that motion, the Receiver filed with the Court its First Report of the Interim Receiver dated October 17, 2017 (the “**First Report**”). Based on the First Report and submissions made to the Court by counsel for FN and the Receiver on October 20, 2017, the Court granted an Order that, among other things, extended the appointment of the Receiver until further Order of this Court.

4. On May 21, 2019, Liahona Mortgage Investment Corp. (“**Liahona**”), the second secured creditor on 345 Barber, and the Receiver each brought motions, for among other things, advice and direction with respect to expanding the Receiver’s mandate to that of a receiver and manager, authorizing the Receiver to conduct a marketing and sale process to realize on the Property, approving the Receiver’s proposed marketing and sale process, and authorizing the Receiver to enter into a listing agreement with CBRE Group Inc. (“**CBRE**”). In support of that motion, the Receiver filed with the Court the Sixth Report of the Interim Receiver dated May 6, 2019 (the “**Sixth Report**”).
5. Based on the Sixth Report and the submissions made by Liahona, on May 26, 2019 the Court granted an order (the “**Expanded Powers Order**”) approving the relief sought. A copy of the Expanded Powers Order is attached hereto as **Appendix “B”**.
6. On October 3, 2019, the Receiver brought a motion (the “**Sale Approval Motion**”) for a Court order approving, among other things, the transaction (the “**Transaction**”) contemplated in the Offer to Purchase dated August 27, 2019 made by Royal United Investments Limited (“**Royal United**” or the “**Purchaser**”) and accepted by the Receiver (the “**APS**”), together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, for the sale of the Property and vesting the Debtors’ right, title and interest in the Property in and to the Purchaser’s designees, 347 Barber Street Ltd. and 345 Barber Street Ltd. (collectively, the “**Purchaser’s Designees**”), upon the closing of the Transaction. In support of the Sale Approval Motion, the Receiver filed with the Court the Seventh Report of the Receiver dated September 27, 2019 (the “**Seventh Report**”) and the Supplemental Report to the Seventh Report dated October 2, 2019 (the “**First Supplement**”) to advise the Court of, among other things, a late offer received for the Property (the “**Late Offer**”) and an Agreement reached between the Purchaser, the City of Ottawa and the Ontario Ministry of Housing for the continuation of the affordable housing program at 347 Barber.

7. On October 3, 2019, after hearing preliminary submissions from the parties, Justice Hackland adjourned the Sale Approval Motion to October 11, 2019 so that Liahona and other parties could file responding material.
8. On October 8, 2019, the Receiver filed with the Court its Second Supplemental Report to the Seventh Report (the “**Second Supplement**”) which: i) addressed the immediate financial implications to the Debtor’s estates if the Sale Approval Motion was further adjourned or dismissed; ii) addressed the purported concerns raised in the Affidavit of Chi Van Ho sworn October 3, 2019; and iii) reported to the Court on the receipt of a revised Late Offer. Copies of the Seventh Report along with the First Supplement and the Second Supplement (all without appendices) are attached hereto as **Appendix “C”**.
9. On October 11, 2019, the Sale Approval Motion was heard by Justice Hackland who granted the Amended and Restated Approval and Vesting Order (the “**Vesting Order**”). A copy of Vesting Order is attached hereto as **Appendix “D”**.
10. In his endorsement made with respect to the October 11, 2019 hearing, which was released on October 23, 2019 (the “**October 23 Endorsement**”), Justice Hackland:
 - i) approved a distribution from the net proceeds of sale, subject to the Receiver to holding back “the sum of \$1.7 million pending the Court’s further ruling on a disputed prepayment penalty claimed by FN.”;
 - ii) held that there must be a trial of an issue (the “**Yield Maintenance Issue**”) with respect to the FN’s entitlement to the payment of what he referred to as the “yield maintenance penalty”; and
 - iii) directed counsel to arrange a case conference to agree on a timetable for a trial of the Yield Maintenance Issue and any ancillary issues.

A copy of the October 23 Endorsement is attached hereto as **Appendix “E”**.

11. The parties had agreed on a Transaction closing date of October 18, 2019. However, on October 17, 2019, counsel for the Debtors served a Notice of Appeal in respect of the Vesting Order (“**Notice of Appeal**”). As a result, the parties agreed to extend the closing date to November 5, 2019 to enable the Receiver to move for directions before a single judge of the Court of Appeal for Ontario (the “**COA**”).
12. On November 4, 2019, the Receiver brought an urgent motion (the “**Receiver’s Urgent Motion**”) before Justice Fairburn of the COA seeking, among other things:
 - i) a declaration that the *Bankruptcy and Insolvency Act* RSC 1985, c. B-3 (the “**BIA**”) governs the appeal of the Vesting Order;
 - ii) a declaration that there is no automatic right of appeal with respect to the Vesting Order pursuant to subsections 193(a) through (d) of the BIA; and
 - iii) a declaration that the Vesting Order is not stayed pursuant to section 195 of the BIA or the *Courts of Justice Act*, R.S.O. 1990 c. C.43 or the *Rules of Civil Procedure*, R.R.O. 1990 Reg. 194.
13. In support of the Receiver’s Urgent Motion, the Receiver filed its Eighth Report dated October 30, 2019 (the “**Eighth Report**”), a copy of which is attached here to as **Appendix “F”** (without appendices).
14. On November 4, 2019, Justice Fairburn granted the Receiver’s motion and held that there is no automatic right to appeal the Vesting Order and that leave to appeal must be sought under s. 193(e) of the BIA, which the Debtors had failed to seek. Justice Fairburn further held that even the Debtors had a right of appeal or were granted leave to appeal, triggering a stay pursuant to section 195 of the BIA, she would cancel the stay because the appeal lacked merit and the relative prejudice to the parties arising from a stay weighed against a stay. A copy of the Reasons for Decision of Justice Fairburn dated November 5, 2019 are attached hereto as **Appendix “G”**.

15. The parties agreed to extend the closing date of the Transaction to a date that was three days after the COA's decision in order to accommodate the time necessary to recalculate the statement of adjustments and for the Purchaser to arrange for the balance of the purchase price to be wired to the Receiver. The transaction closed on November 7, 2019.
16. On November 25, 2019, as a result of the parties having settled the terms of an interim distribution and other matters, Justice Hackland granted the Interim Administration and Distribution Order dated October 23, 2019 (the "**Interim Distribution Order**"), a copy of which is attached hereto as **Appendix "H"**.
17. The above noted Court Orders, Endorsements, the Receiver's previous Reports, the Receiver's Ninth Report to the Court (the "**Ninth Report**"), and other key documents have been posted on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/GoldenDragonHo10-11.

PURPOSE OF REPORT

18. The purpose of this Ninth Report is to:
 - (a) seek the Court's approval of the activities of the Receiver as described in the Eighth Report and this Ninth Report;
 - (b) update the Court on the closing of the Transaction;
 - (c) update the Court on the status of the case conference and the Yield Maintenance Issue;
 - (d) update the Court on the status of the reserves held by the Receiver;
 - (e) seek the Court's approval of the Receiver's Interim Statement of Receipts and Disbursements for the period from September 22, 2017 to June 25, 2020;
 - (f) seek the Court's approval of the fees and disbursements of the Receiver from September 1, 2019 to June 19, 2020 and the fees and disbursements of Dickinson Wright LLP ("**DW**") from August 13, 2019 to June 24, 2020.

TERMS OF REFERENCE

19. In preparing this Ninth Report, the Receiver has reviewed unaudited financial information and other records related to the Property provided by its property manager, CLV Group Inc., (“CLV”), information provided by third-party sources, and has held discussions with individuals involved in administering the Property (collectively, the “**Information**”). Except as described in this report:
 - (a) the Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“CAS”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
 - (b) the Receiver has prepared this Ninth Report in its capacity as a Court-appointed officer to support the Court’s approval of the Receiver’s activities to date, its course of action with respect to a sale of the Property, the Yield Maintenance Issue and the other relief being sought. Parties using this report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes.
20. Unless otherwise stated, all dollar amounts contained in this Ninth Report are expressed in Canadian dollars.
21. Unless otherwise provided, all other capitalized terms not otherwise defined in this Ninth Report are as defined in the Terms and Conditions of Sale, the APS, the Appointment Order, the Expanded Powers Order or the Interim Distribution Order (collectively, the “**Orders**”).
22. The Receiver has sought the advice of Blaneys, counsel to the Applicant, for general legal matters that have arisen in respect of these proceedings. Where the Receiver has required independent legal advice, the Receiver has sought the counsel of DW.

BACKGROUND

23. The Property is comprised of 2 adjoining six-story multi-unit apartment buildings that consist of 110 units in total. Eighty of these units are located in 345 Barber, and the remaining 30 units are located in 347 Barber. The buildings operate as one complex as they are connected on every floor except the basement, and share common areas and facilities. Of the 110 units, 30 units are to be used for affordable housing purposes pursuant to agreements with the City and the Ministry.

RECEIVER'S ACTIVITIES SINCE THE SEVENTH REPORT

24. Since the date of the Seventh Report, the Receiver has undertaken the following activities in accordance with the terms of the Orders:
- (a) prepared the Eighth Report in connection with the Receiver's Urgent Motion to dispose of the Notice of Appeal;
 - (b) reviewed and revised various statements of adjustments in connection with the closing of the Transaction;
 - (c) held various discussions and prepared various correspondence with the Purchaser regarding the statement of adjustments and other closing and transition matters;
 - (d) received and temporarily invested the proceeds from the Transaction;
 - (e) reviewed and negotiated post-closing adjustments with the Purchaser;
 - (f) responded to information requests from FN and Liahona and their legal counsel concerning the interim distribution of the sale proceeds and completed the interim distribution;
 - (g) reviewed and provided comments on correspondence concerning the case management of the Yield Maintenance Issue;
 - (h) attended a case management conference call convened by Justice Hackland;

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- (i) prepared the Receiver's Interim Statement of Receipts and Disbursements;
- (j) prepared various analyses of drawdowns of funds held back; and
- (k) responded to various creditor inquiries.

CLOSING OF THE TRANSACTION

25. As discussed above, the Transaction closed on November 7, 2020. The Purchase Price under the APS was \$13,000,000.00. At closing, after taking into account adjustments for the Deposits previously paid to the Receiver (First Deposit of \$125,000.00 and Second Deposit \$525,000.00), realty taxes, pre-paid tenancy rent and current month's tenancy rent, and other miscellaneous customary adjustments, the Purchaser wired to DW funds amounting to \$12,255,979.90. From those proceeds, \$183,625.00 were wired to CBRE Group Inc. in payment of its commission and \$50,241.23 was paid to the City of Ottawa in respect of realty tax arrears, leaving \$12,022,113.67 of proceeds that were wired by DW to the Receiver.
26. By early December 2020, the Receiver was in a position to settle post-closing adjustments with the Purchaser, which were in the nature of tenancy rent received by the Vendor post-closing, the November 2020 affordability payment received by the Vendor, the Telus rental payment for December 2020 received by Vendor and November 2020 tenancy rental payments for 5 units that were received by the Purchaser. The total amount of adjustments were in favour of the Purchaser in the amount of \$8,535.19.
27. The Receiver also settled all post-closing obligations with the Property, including utilities, property management fees, and any repair and maintenance costs. The property bank accounts were closed on or about January 13, 2020 and all surplus funds were transferred to the Receiver's trust account.

INTERIM DISTRIBUTION AND RESERVES

28. Prior to the parties agreeing to the terms of the Interim Distribution Order, the Receiver prepared an analysis of the funds available for distribution. The analysis showed the

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Receiver's proposed reserve for current unpaid and future fees and disbursements for itself and its legal counsel, the funds ordered held back by Justice Hackland in respect of the Yield Maintenance Issue (including an amount equivalent to one year's interest thereon) (collectively, the "**Reserve**"), and the proposed funds to be distributed on an interim basis. A copy of the analysis is attached hereto as **Appendix "I"** and is summarized as follows:

	Total	345 Barber	347 Barber
Proceeds from sale of the Property			
Gross Purchaser Price	\$ 13,000,000.00	\$ 9,490,000.00	\$ 3,510,000.00
Less: net deductions re: statement of adjustments	(327,886.33)	(211,089.14)	(116,797.19)
Net proceeds received by Receiver	\$ 12,672,113.67	\$ 9,278,910.86	\$ 3,393,202.81
Add: total excess cash from operations available for distribution	(81,743.60)	(59,672.83)	(22,070.77)
Total Funds Available for Interim Distribution before Reserve	\$ 12,590,370.07	\$ 9,219,238.03	\$ 3,371,132.04
Less: total Reserve	(800,000.00)	(539,235.49)	(260,764.51)
Gross funds available for Interim Distribution	11,790,370.07	8,680,002.55	3,110,367.52
Less: Holdback for Yield Maintenance Issue	(1,550,258.56)	(999,504.81)	(550,753.75)
Net funds available for Interim Distribution	10,240,111.51	7,680,497.73	2,559,613.78
Interim Distributions as of November 26, 2019:			
First National	\$ 8,551,802.03	\$ 5,996,477.07	\$ 2,555,324.96
Liahona	1,684,020.66	1,684,020.66	
Undistributed	4,288.82		4,288.82
	\$ 10,240,111.51	\$ 7,680,497.73	\$ 2,559,613.78

29. The Receiver's analysis was generally based on an allocation of proceeds and costs of 73% to 345 Barber and 27% to 347 Barber (the "**73/27 Allocation**"). The Receiver was of the view that the 73/27 Allocation was the most appropriate in the circumstances because:

- it was the identical basis upon which the purchase price was allocated when the Debtors purchased the Property in May 2016;
- it substantially reflected the percentage split of the units between the properties, namely 80 units in 345 Barber (72.7%) and 30 units in 347 Barber (27.3%);

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- it substantially reflected the percentage split of revenue from the Property that the Receiver had collected during the course of these proceedings, namely 73.7% for 345 Barber and 26.3% for 347 Barber;
 - it was not materially dissimilar from the average of the market value appraisals of the Properties which were prepared in February 2019, which indicated an allocation of 78.6% to 345 Barber and 21.4% to 347 Barber; and
 - it was not materially dissimilar to from the City of Ottawa's allocation of realty tax between the two addresses, that being 74.5% to 345 Barber and 25.5% to 347 Barber;
30. There were instances where the Receiver determined that another method of allocation was more appropriate. In particular:
- when certain revenue or expenses were directly attributable to either 345 Barber or 347 Barber, such as the payment of tax arrears for 347 Barber; and
 - where the apportionment of the Yield Maintenance between the properties was based on the calculations referable to specific mortgages;
 - with respect to Receiver's Borrowings, where a substantial portion of the funds was used to pay for repairs to 345 Barber (81.4%).
31. Pursuant to paragraph 7(f) of the Interim Distribution Order, the Receiver set aside the Reserve for:
- i) the outstanding and future fees and disbursements of the Receiver and its counsel in administering the receivership, including the trial of the Yield Maintenance Issue and ancillary issues (the "**Trial of Issues**");
 - ii) the prepayment amounts claimed by FN arising from the early payment of its charges against the Property (the "**Yield Maintenance Penalties**");

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- iii) an amount equivalent to one (1) year of interest at 1.6% per annum on the Yield Maintenance Penalties, commencing from the date the Transaction is completed; and
- iv) the future legal fees and disbursements of FN in connection with the receivership, including the Trial of Issues.
32. As a result, the Receiver determined the appropriate quantum amount of the Reserve to be as follows:

<u>Components of Reserve</u>	<u>Total</u>	<u>345 Barber</u>	<u>347 Barber</u>
7(i) - Outstanding and future fees and disbursements of the Receiver and DW	\$ 525,000.00	\$ 359,801.93	\$ 165,198.07
7(ii) - Yield Maintenance Penalty	1,525,845.04	983,764.58	542,080.46
7(iii) - One year of interest at 1.6% per annum on the Yield Maintenance Penalty	24,413.52	15,740.23	8,673.29
7(iv) - Outstanding and future fees and disbursements of FN	275,000.00	179,433.57	95,566.43
	<u>\$ 2,350,258.56</u>	<u>\$ 1,538,740.31</u>	<u>\$ 811,518.25</u>

As set out in the notes in Appendix “I”, the Receiver allocated the outstanding and unpaid fees and disbursements of the Receiver, DW and FN between 345 Barber and 347 Barber based on the 73/27 Allocation, whereas the holdback for future fees and disbursements was allocated based on the relative proportion of the Yield Maintenance Penalties between the properties, that being 64.5% to 345 Barber and 35.6% to 347 Barber (the “**Yield Maintenance Allocation**”), since the purpose of that portion of the Reserve was intended to fund professional fees to adjudicate the Yield Maintenance Issue.

33. The estimated fees in the Reserve reflect estimates provided by the Receiver, DW and Blaneys. With respect to the Yield Maintenance Penalties, the Receiver notes that while the October 23 Endorsement directed the Receiver to hold back \$1.7 million from the sale proceeds in respect of the Yield Maintenance Issue, that amount was based on FN payout statements prepared as of August 16, 2019. At the date of closing of the Transaction, FN’s calculation of the Yield Maintenance Penalties was lower due to the passage of approximately 3 months and an increase in Government of Canada Bond Yields, on which the yield maintenance is based, from 1.18% to 1.49%. As a result, FN advised the Receiver that it was satisfied with a reserve for the Yield Maintenance Penalties that reflected the lower amount.

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34. On November 26, 2019, the Receiver made the interim distributions to FN and Liahona as noted in paragraph 28 above.
35. With respect to 347 Barber, there were sufficient funds available to fully payout the two FN mortgages (except for the Yield Maintenance portion which is subject to the Reserve), resulting in \$4,288.82 of undistributed funds relating to 347 Barber (the “**347 Barber Surplus Amount**”). The 347 Barber Surplus Amount may increase if a portion of the Reserve allocated to 347 Barber is no longer required and may be adjusted if the allocation percentages between 345 Barber and 347 Barber are otherwise amended. At this juncture, the Receiver has not conducted any analysis or process to determine which parties may have claims to these funds. It will endeavor to do so once the quantum of the 347 Barber Surplus Amount becomes more clear.
36. As provided for in paragraph 8 of the Interim Distribution Order, interested stakeholders are at liberty to dispute the reasonableness of any component of the Reserve, including any amount(s) claimed in connection therewith.

CURRENT STATUS OF THE RESERVE

37. Since the Interim Distribution was completed, the Receiver has made certain payments of outstanding professional fees to the Receiver and DW. The balance of the Reserve as of June 25, 2020 is as follows:

	Interim Distribution Order Reserve				
	7(i)	7(ii)	7(iii)	7(iv)	Total
Original Reserve balance	\$ 525,000.00	\$ 1,525,845.04	\$ 24,413.52	\$ 275,000.00	\$ 2,350,258.56
Less: Reserve draw downs					
DW Invoice #1436120	(217,172.20)				(217,172.20)
DW Invoice #1487978	(43,097.51)				(43,097.51)
Receiver Invoice #8000947566	(18,297.53)				(18,297.53)
Receiver Invoice #8001245537	(28,287.86)				(28,287.86)
Current Reserve balance	\$ 218,144.90	\$ 1,525,845.04	\$ 24,413.52	\$ 275,000.00	\$ 2,043,403.46

38. As discussed above, the payment of professional fees and disbursements outstanding as at the date of the Interim Distribution Order have been allocated on the 73/27 Allocation,

- 15 -

whereas the professional fees and disbursements incurred since then have been allocated based on the Yield Maintenance Allocation. The following is the current allocation of the components of the Reserve:

<u>Components of Reserve</u>	<u>Total</u>	<u>345 Barber</u>	<u>347 Barber</u>
7(i) - Outstanding and future fees and disbursements of the Receiver and DW	218,144.90	141,884.43	76,260.47
7(ii) - Yield Maintenance Penalty	1,525,845.04	983,764.58	542,080.46
7(iii) - One year of interest at 1.6% per annum on the Yield Maintenance Penalty	24,413.52	15,740.23	8,673.29
7(iv) - Outstanding and future fees and disbursements of FN	275,000.00	179,433.57	95,566.43
	<u>\$ 2,043,403.46</u>	<u>\$ 1,320,822.82</u>	<u>\$ 722,580.64</u>

STATEMENT OF RECEIPTS AND DISBURSEMENTS

39. Attached hereto as **Appendix “J”** is the Interim Statement of Receipts and Disbursements for the receivership for the period September 22, 2017 to May 31, 2020 (the “**R&D**”). The R&D includes the rental receipts received into the property management account and the disbursements made by the Receiver from its trust account. The R&D separates out the receipts and disbursements between September 22, 2017 and August 31, 2019, which receipts and disbursements were accepted and approved in the previous orders, and the receipts and disbursements between September 1, 2019 and May 31, 2020, which reflect the Receiver’s receipt and disbursement activity since the Seventh Report.
40. The R&D indicates that the Receiver is holding \$2,176,406 in its trust account, an amount which exceeds the current balance of the Reserve by \$133,003. The excess balance is attributed to cash being held in a deposit account by CLV that was not reported to the Receiver when it was calculating the amount funds available for distribution on an interim basis. The Receiver will continue to hold these funds until final disposition of the Yield Maintenance Issue at which point it will seek the Court’s direction for the distribution of those funds.

PROFESSIONAL FEES

41. The Receiver and its legal counsel have maintained detailed records of their professional time and costs since the issuance of the Appointment Order. Pursuant to paragraph 17 of the

Appointment Order, the Receiver and its legal counsel were directed to pass their accounts from time to time before a judge of the Court.

42. The total fees of the Receiver during the period from September 1, 2019 to June 19, 2020, amount to \$104,262.00 together with disbursements of \$nil plus HST of \$13,554.07, totaling \$117,816.07 (the “**Receiver Fees**”). The time spent by the Receiver is more particularly described in the Affidavit of Hartley Bricks, a Senior Vice-President of Deloitte, sworn via zoom on June 25, 2020 in support hereof and attached hereto as **Appendix “K”**.
43. The total legal fees and disbursements of DW, in its capacity as counsel to the Receiver from August 15, 2019 to June 24, 2020, amount to \$43,077.17, inclusive of HST (the “**DW Fees**”). The Time spent by DW is more particularly described in the Affidavit of David Preger, a partner of DW, sworn June 24, 2020 in support hereof and attached hereto as **Appendix “L”**.
44. The Receiver has reviewed the DW Fees as set out in Appendix “L” and finds the work performed and charges to be appropriate and reasonable in the circumstances.

RECEIVER REQUESTS

45. For the reasons set out above, the Receiver requests that the Court make an Order:
 - (a) approving the activities of the Receiver as described in the Eighth Report and this Ninth Report;
 - (b) approving the R&D;
 - (c) approving the professional fees and disbursements of the Receiver and DW, as set out in the fee affidavits, and authorizing the Receiver to pay the professional fees from available funds; and
 - (d) such further and other relief as counsel may advise and this Honourable Court may permit.

- 19 -

All of which is respectfully submitted at Toronto, Ontario this 29th day of June, 2020.

DELOITTE RESTRUCTURING INC.,
solely in its capacity as the Court-
appointed Receiver and Manager of
certain real property of Golden Dragon Ho
10 Inc. and Golden Dragon Ho 11 Inc., and
without personal or corporate liability

Deloitte Restructuring Inc.

Paul Casey, CPA, CA, FCIRP, LIT
Senior Vice-President

Hartley Bricks MBA, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix “E”

Order of Justice Hackland dated August 13, 2020

Court File No. 17-73967

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)	THURSDAY, THE 13 TH
)	
JUSTICE HACKLAND)	DAY OF AUGUST, 2020

B E T W E E N:

FIRST NATIONAL FINANCIAL GP CORPORATION

Applicant

- and -

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

Respondents

ORDER

THIS MOTION, made by Deloitte Restructuring Inc. in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of certain real property of Golden Dragon Ho 10 Inc. (the “**GDH 10 Debtor**”), municipally known as 347 Barber Street, Ottawa, Ontario (formerly known as 347 Clarence Street, Ottawa) (“**347 Barber**”), and of certain real property of Golden Dragon Ho 11 Inc. (the “**GDH 11 Debtor**”), municipally known as 345 Barber Street, Ottawa, Ontario (formerly known as 345 Clarence Street, Ottawa) (“**345 Barber**” and together with 347 Barber, the “**Property**”), was heard this day by videoconference due to the COVID-19 crisis.

ON READING the Eighth Report of the Receiver dated October 30, 2019 (the “**Eighth Report**”) and the Ninth Report of the Receiver dated June 29, 2020 (the “**Ninth Report**”) and on hearing the submissions of counsel for the Receiver, counsel for First National Financial GP Corporation (“**FN**”), counsel for Liahona Mortgage Investment Corp. and counsel for the GDH 10 Debtor and the GDH 11 Debtor (collectively, the “**Debtors**”), no one appearing for anyone else on the service list, although properly served, as appears from the Affidavit of Janet Nairne sworn June 30, 2020, filed,

SERVICE

1. **THIS COURT ORDERS AND DECLARES** that the time for service of the Receiver’s Notice of Motion and Motion Record, including the Eighth Report and the Ninth Report, is hereby abridged and validated so that the motion is properly returnable today and hereby dispenses with further service thereof.

RECEIVER’S ACTIVITIES

2. **THIS COURT ORDERS AND DECLARES** that the activities and proposed activities of the Receiver described in the Eighth Report, including, without limitation, the steps taken by the Receiver to successfully move for directions to the Court of Appeal for Ontario with respect to a notice of appeal filed by the Debtors of the Amended and Restated Approval and Vesting Order of Justice Hackland dated October 11, 2019 (the “**Vesting Order**”), are hereby approved.

3. **THIS COURT ORDERS AND DECLARES** that, subject to paragraph 5 of this Order, the activities and proposed activities of the Receiver described in the Ninth Report are hereby approved including, without limitation, the steps taken by the Receiver to complete the sale of the Property on November 7, 2019 in accordance with the Vesting Order and deal with closing and post-closing adjustments, distribute a portion of the net sale proceeds and set aside reserves (the “**Reserves**”) in accordance with the Interim Administration and Distribution Order of Justice Hackland dated October 23, 2019.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS AND DECLARES** that Receiver's Interim Statement of Receipts and Disbursements for the period September 22, 2017 to June 25, 2020 contained in the Ninth Report is hereby approved.

RESERVES AND PROFESSIONAL FEES

5. **THIS COURT ORDERS AND DECLARES** that the dispute over the allocation of the Reserves and the approval of professional fees as sought by the Receiver in the Ninth Report are hereby reserved until reasons are released in respect of FN's claim arising from the early prepayment of its charges against the Property.

Charles Hackland J.

Justice Charles Hackland

FIRST NATIONAL FINANCIAL GP CORPORATION
Applicant

-and-

GOLDEN DRAGON HO 10 INC. et. al.
Respondents

Court File No. CV-17-73967

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
OTTAWA

ORDER

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, P.O. Box 447
Commerce Court Postal Station
Toronto, Ontario, M5L 1G4
Fax: (844) 670-6009

DAVID P. PREGER (36870L)
Email: dpreg@ dickinsonwright.com
Tel: (416) 646-4606

Lawyers for the Court-appointed Receiver,
Deloitte Restructuring Inc.

Appendix “F”

Receiver’s Interim Statement of Receipts and Disbursements for the period September 22, 2017
to February 5, 2021

**In the Matter of the Receivership
of certain real property of
Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc.
Interim Receiver's Statement of Receipts and Disbursements (consolidated)
For the period September 22, 2017 to February 5, 2021**

	Cumulative to June 25, 2020	June 26, 2020 to Feb 5, 2021	Cumulative to Feb 5, 2021
Receipts			
Proceeds from sale of property	\$ 13,000,000		\$ 13,000,000
Tenant rental receipts	1,845,744		1,845,744
Provincial Affordability Payments	162,555		162,555
Telus (rooftop cellular equipment)	36,894		36,894
Coin laundry receipts	22,179		22,179
Interest	9,951	17,663	27,615
Miscellaneous receipts	10,453		10,453
Receiver's Certificate	484,753		484,753
Total Receipts	\$ 15,572,529	\$ 17,663	\$ 15,590,192
Disbursements			
Filing fees paid to Official Receiver	70		70
Receiver's fees	522,738	40,993	563,731
Legal fees	428,260	69,844	498,103
Commissions	162,500		162,500
Consultants fees	2,900		2,900
GST/HST paid	318,703	14,409	333,112
PST paid	12,949		12,949
Bank charges	1,244	115	1,359
Operating expenses:	-		-
Postage	21		21
Signage	95		95
Enterphones	1,137		1,137
Insurance	161,859		161,859
Property Manager fees	179,140		179,140
Repairs & maintenance	820,322		820,322
Janitorial	70,378		70,378
Prepaid deposits - utilities	3,102		3,102
Gas & heating	69,500		69,500
Electricity	48,604		48,604
Water and sewage	88,441		88,441
Computer	964		964
Equipment	34,407		34,407
Rental agent fees	14,732		14,732
General expense	4,286		4,286
Realty taxes (net)	22,735		22,735
Other	23,257		23,257
Redirection of Monthly Affordability Payments to FN	167,958		167,958
Distributions to secured creditors	10,235,823		10,235,823
Total Disbursements	\$ 13,396,124	\$ 125,360	\$ 13,521,484
Excess of Receipts and Disbursements	\$ 2,176,405	\$ (107,697)	\$ 2,068,708

Appendix “G”

Fee Affidavit of Hartley Bricks of Deloitte Restructuring Inc. sworn February 2, 2021

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

FIRST NATIONAL FINANCIAL GP CORPORATION

Applicant

and

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

Respondents

**AFFIDAVIT OF HARTLEY M. BRICKS
(Sworn February 2, 2021)**

I, Hartley M. Bricks of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Senior Vice-President of Deloitte Restructuring Inc., the court-appointed receiver (the “**Receiver**”) of certain real property of Golden Dragon Ho 10 Inc. municipally known as 347 Barber Street, Ottawa, Ontario (formerly known as 347 Clarence Street, Ottawa) (“**347 Barber**”) and of certain real property of Golden Dragon Ho 11 Inc. municipally known as 345 Barber St. Ottawa, Ontario (formerly known as 345 Clarence Street, Ottawa) (“**345 Barber**”) (collectively, with 347 Barber, referred to herein as the “**Property**”). As such, I have personal knowledge of the matters to which I hereinafter refer.

2. Attached hereto as **Exhibit “A”** is a summary of the accounts issued by the Receiver for services rendered during the period June 20, 2020 to January 29, 2021 (the “**Period**”). The total fees incurred during the Period were \$40,993.00 plus disbursements of nil and HST of \$5,329.09 for total fees of \$46,322.09.

3. Attached hereto as **Exhibit "B"** are true copies of the accounts of the Receiver with respect to the Property for the Period, including a detailed description of the activities, number of hours worked, applicable hourly rates, and totals. The Receiver's average hourly rate charged over the Period is approximately \$523. I confirm that these accounts accurately reflect the services provided by the Receiver in this proceeding for the Period.

4. Based on my review of the accounts referred to herein and my personal knowledge of this matter, the accounts referred to herein represent a fair and accurate description of the services provided and the amounts charged by the Receiver.


5. I swear this affidavit in support of the Receiver's Motion for, among other things, approval of its fees and disbursements and for no other or improper purpose.

SWORN before me
Via Zoom at the City of Toronto,
in the Province of Ontario,
on February 2, 2021

)
)
)
)



HARTLEY M. BRICKS



A commissioner for taking oaths, etc.

EXHIBIT "A"

REFERRED TO IN THE AFFIDAVIT OF HARTLEY BRICKS
(Sworn February 2, 2021)

A handwritten signature in blue ink, appearing to be "Hartley Bricks", is written on a light blue rectangular background.

- 1 -

Exhibit "A"**Summary of Invoices Issued by the Receiver of certain real property of
Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc.**

<u>Invoice Date</u>	<u>Invoice Period</u>	<u>Fees</u>	<u>Disbursements</u>	<u>HST</u>	<u>Total</u>
11-Sep-20	20-Jun-20 to 25-Aug-20	\$ 31,248.00	-	\$ 4,062.24	\$ 35,310.24
02-Feb-21	25-Aug-20 to 29-Jan-21	9,745.00	-	1,266.85	11,011.85
		<u>\$ 40,993.00</u>	<u>-</u>	<u>\$ 5,329.09</u>	<u>\$ 46,322.09</u>

EXHIBIT "B"

REFERRED TO IN THE AFFIDAVIT OF HARTLEY BRICKS
(Sworn February 2, 2021)

A handwritten signature in blue ink, appearing to be "Hartley Bricks", is written on a light blue rectangular background.


Invoice 8001358235
Deloitte LLP

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Golden Dragon Ho 10 Inc. & Golden Dragon Ho 11 Inc.
c/o Deloitte Restructuring Inc., Interim Receiver
8 Adelaide St. West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: September 11, 2020
Client No.: 1148618
WBS#: FIRC0013
Engagement Partner: Paul Casey

HST Registration : 133245290RT0001

For professional services rendered
Fees

By Deloitte Restructuring Inc. in its capacity as Court-appointed receiver and manager of certain of the real property of Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc. for the period of June 20, 2020 to August 25, 2020.

Please see the attached appendices for details.

Sales Tax

HST applicable 31,248.00

HST at 13.00% 4,062.24

Total Amount Due (CAD) 35,310.24



Appendix #1

Summary of Fees

Name	Level	Hours	Rate	Amount
Casey, Paul	Partner	2.0	630.00	1,260.00
Saunders, John	Senior Vice President	0.2	525.00	105.00
Bricks, Hartley	Senior Vice President	55.4	525.00	29,085.00
Hristow, Catherine	Senior Vice President	1.4	525.00	735.00
Brown, Rose	Trust Administrator	0.6	105.00	63.00
Total Professional Hours and Fees		59.6		31,248.00
Out-of-pocket Expenses				-
Total Fees and Expenses (CAD)				31,248.00



Appendix #2

Work performed from June 20, 2020 to August 25, 2020

Date	Name	Narrative	Hours
6/22/2020	Bricks, Hartley	Respond to various inquiries from E. Golden, prepare R&D and revise ninth report.	4.0
6/23/2020	Bricks, Hartley	Prepare R&D; review of DW comments on report; respond to questions from E. Golden.	3.5
6/24/2020	Bricks, Hartley	Disc. with D. Preger re comments and Cash Management status; revisions to ninth report and forward to C. Hristow for QA review.	3.3
6/25/2020	Bricks, Hartley	Prepare fee affidavit; review of QA comments on ninth report and disc. with C. Hristow re same; review of draft notice of motion and provide comments to D. Preger.	3.8
6/25/2020	Hristow, Catherine	Review draft Ninth Report to the court and supporting documents and discuss same with H. Bricks.	1.3
6/25/2020	Brown, Rose	Trust Banking Administraiton - Prepare two wire and send for signatures.	0.4
6/26/2020	Brown, Rose	Fax signed Wire to RBC and input into Ascend.	0.1
6/26/2020	Casey, Paul	Commence review of Eighth Report; discuss with H. Bricks.	1.0
6/26/2020	Hristow, Catherine	Review and approve wire transfers.	0.1
6/29/2020	Casey, Paul	Review Report to Court and comments to H. Bricks.	1.0
6/29/2020	Bricks, Hartley	Final revisions to Ninth Report and forward to DW for service	2.2
7/2/2020	Bricks, Hartley	Review of corresp. from E. Golden	0.3
7/7/2020	Bricks, Hartley	Review of various corresp. regarding trial of the issue.	0.5
7/8/2020	Bricks, Hartley	Review of various corresp. from E. Golden and T. Conway	0.4
7/9/2020	Bricks, Hartley	Review of corresp. from E. Golden.	0.3
7/13/2020	Bricks, Hartley	Review and provide responses to information requested by M. Diegel.	2.7
7/14/2020	Bricks, Hartley	Attendance on case conference with Justice Hackland.	1.6
7/16/2020	Bricks, Hartley	Review of A. Rumley affidavits.	0.5
7/17/2020	Bricks, Hartley	Review and respond to questions from M. Diegel; review of affidavits filed; attendance on Case Conference call with Justice Hackland	1.4
7/21/2020	Bricks, Hartley	Disc. with D. Preger re prep for hearing.	0.3

Date	Name	Narrative	Hours
7/22/2020	Bricks, Hartley	Prepare for and attend Zoom court hearing re Receiver's motion, follow up disc. with D. Preger.	2.5
7/24/2020	Bricks, Hartley	Review questions forwarded by M. Diegel and prepare responses to same and forward to D. Preger.	4.2
7/27/2020	Bricks, Hartley	Disc. with D. Preger re response to M. Diegel questions, review of files and forward G/L.	1.0
7/29/2020	Bricks, Hartley	Corresp. and disc. with E. Golden re information in Receiver's report; review of GDH factum.	1.6
7/30/2020	Bricks, Hartley	Attendance at Zoom Court hearing for Trial of the Issue and receiver's motion.	7.0
7/31/2020	Bricks, Hartley	Attendance at Zoom court hearing; various corresp. with D. Preger re same.	5.0
8/7/2020	Saunders, John	Review Stmt of Claim against Golden Dragon sent to Deloitte; Confirm that it does not relate to Golden Dragon Ho 10 or 11; Confirm with H. Bricks that he already advised plaintiff that claim was sent to wrong party.	0.2
8/7/2020	Bricks, Hartley	Review of Statement of Claim and respond to J. Saunders.	0.1
8/12/2020	Bricks, Hartley	Preparation for and attendance at Zoom court hearing for the Trial of the issue and receiver's motion.	4.5
8/13/2020	Bricks, Hartley	Attendance on Zoom court hearing; various disc. with D. Preger regarding hearing and receiver's motion; disc. with E. Golden re hearing matters.	4.7
8/25/2020	Brown, Rose	Print Disbursement request.	0.1
Total			59.6


Invoice 8001585577
Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

c/o Deloitte Restructuring Inc., Interim Receiver
8 Adelaide St. West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: February 02, 2021
Client No.: 1148618
WBS#: FIRC0013
Engagement Partner: Paul Casey

HST Registration : 122893605RT0001

For professional services rendered
Fees

By Deloitte Restructuring Inc. in its capacity as Court-appointed receiver and manager of certain of the real property of Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc. for the period of August 25, 2020 to January 29, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 9,745.00

HST at 13.00 % 1,266.85

Total Amount Due (CAD) 11,011.85



Appendix #1

Summary of Fees

Name	Level	Hours	Rate	Amount
Bricks, Hartley	Senior Vice President	17.2	550.00	9,460.00
Hristow, Catherine	Senior Vice President	0.2	550.00	110.00
Brown, Rose	Trust Administrator	1.4	125.00	175.00
Total Professional Hours and Fees		18.8		9,745.00
Out-of-pocket Expenses				-
Total Fees and Expenses (CAD)				9,745.00



Appendix #2

Work performed from August 25, 2020 to January 29, 2021

Date	Name	Narrative	Hours
25-08-20	Brown, Rose	Print Disbursement request.	0.1
26-08-20	Brown, Rose	Trust Banking Administration - process wire transfer	0.1
26-08-20	Hristow, Catherine	Review and approve wire transfer.	0.1
27-08-20	Brown, Rose	Trust Banking Administration - input wire transfer into Ascend	0.3
15-09-20	Hristow, Catherine	Review and approve wire transfer.	0.1
15-09-20	Brown, Rose	Trust banking Administration - Prepare wire request.	0.2
16-09-20	Brown, Rose	Fax to RBC and input wire into Ascend.	0.1
16-11-20	Bricks, Hartley	Review of Reasons of Judgement; review of files re yield maintenance calculation and corresp. to E. Golden and D. Preger re same.	1.5
26-11-20	Bricks, Hartley	Review of Notice of Appeal, disc. with E. Golden re status of reserves, update reserve balances and forward, further disc. re same.	1.5
30-11-20	Brown, Rose	Trust Banking Administration - Renew investment.	0.6
21-12-20	Bricks, Hartley	Disc. with E. Golden and review of reserves and cash on hand.	0.5
22-12-20	Bricks, Hartley	Review of E. Golden corresp including Ho Notice of Appeal, prepare update of reserves and cash on hand and respond to E. Golden email.	1.2
06-01-21	Bricks, Hartley	Review of corresp. from D. Preger including draft Judgement, review of files and subsequent disc. with D. Preger re same.	1.5
07-01-21	Bricks, Hartley	Disc. with E. Golden re draft Judgement an amount of pre-payment penalty	0.2
15-01-21	Bricks, Hartley	Attendance at hearing with J. Hackland for scheduling matters and form of orders; review of files re yield maintenance amounts and corresp. with D. Preger and E. Golden re same.	1.5
20-01-21	Bricks, Hartley	Disc. with D. Preger re materials to be prepared for Receiver's motion record.	0.3
22-01-21	Bricks, Hartley	Draft tenth report to court.	3.0
26-01-21	Bricks, Hartley	Continue draft of tenth report to court.	2.5
28-01-21	Bricks, Hartley	Prepare schedules for court report	1.5
29-01-21	Bricks, Hartley	Prepare schedules and R&D for court report.	2.0
Total			18.8

Appendix “H”

Fee Affidavit of Hartley Bricks of Deloitte Restructuring Inc. sworn June 25, 2020

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

FIRST NATIONAL FINANCIAL GP CORPORATION

Applicant

and

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

Respondents

**AFFIDAVIT OF HARTLEY M. BRICKS
(Sworn June 25, 2020)**

I, Hartley M. Bricks of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Senior Vice-President of Deloitte Restructuring Inc., the court appointed interim receiver (the “**Receiver**”) of certain real property of Golden Dragon Ho 10 Inc. municipally known as 347 Barber Street, Ottawa, Ontario (formerly known as 347 Clarence Street, Ottawa) (“**347 Barber**”) and of certain real property of Golden Dragon Ho 11 Inc. municipally known as 345 Barber St. Ottawa, Ontario (formerly known as 345 Clarence Street, Ottawa) (“**345 Barber**”) (collectively, with 347 Barber, referred to herein as the “**Property**”). As such, I have personal knowledge of the matters to which I hereinafter refer.

2. Attached hereto as **Exhibit “A”** is a summary of the accounts issued by the Receiver for services rendered during the period September 1, 2019 to June 19, 2020 (the “**Period**”). The total fees incurred during the Period were \$104,262.00 plus disbursements of nil and HST of \$13,554.07 for total fees of \$117,816.07.

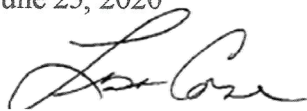
- 2 -

3. Attached hereto as **Exhibit "B"** are true copies of the accounts of the Receiver with respect to the Property for the Period, including a detailed description of the activities, number of hours worked, applicable hourly rates, and totals. The Receiver's average hourly rate charged over the Period is approximately \$496. I confirm that these accounts accurately reflect the services provided by the Receiver in this proceeding for the Period.

4. Based on my review of the accounts referred to herein and my personal knowledge of this matter, the accounts referred to herein represent a fair and accurate description of the services provided and the amounts charged by the Receiver.

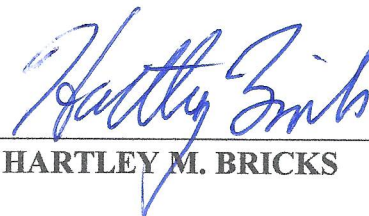
5. I swear this affidavit in support of the Receiver's Motion for, among other things, approval of its fees and disbursements and for no other or improper purpose.

SWORN before me
Via Zoom at the City of Toronto,
in the Province of Ontario,
on June 25, 2020



A commissioner for taking oaths, etc.

)
)
)
)



HARTLEY M. BRICKS

EXHIBIT "A"

REFERRED TO IN THE AFFIDAVIT OF HARTLEY BRICKS
(Sworn June 25, 2020)



Commissioner for Taking Affidavits (or as may be)

- 1 -

Exhibit "A"

**Summary of Invoices Issued by the Receiver of certain real property of
Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc.**

<u>Invoice Date</u>	<u>Invoice Period</u>	<u>Fees</u>	<u>Disbursements</u>	<u>HST</u>	<u>Total</u>
12-Nov-19	01-Sep-19 to 08-Nov-19	\$ 63,036.00	-	\$ 8,194.68	\$ 71,230.68
07-Jan-20	12-Nov-19 to 31-Dec-19	16,192.50	-	2,105.03	18,297.53
23-Jun-20	01-Jan-19 to 19-Jun-20	25,033.50	-	3,254.36	28,287.86
		<u>\$ 104,262.00</u>	<u>-</u>	<u>\$ 13,554.07</u>	<u>\$ 117,816.07</u>

EXHIBIT "B"

REFERRED TO IN THE AFFIDAVIT OF HARTLEY BRICKS
(Sworn June 25, 2020)

A handwritten signature in cursive script, appearing to read "L. C. Case".

Commissioner for Taking Affidavits (or as may be)


Invoice 8000864198
Deloitte LLP

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Golden Dragon Ho 10 Inc. & Golden Dragon Ho 11 Inc.
c/o Deloitte Restructuring Inc., Interim Receiver
8 Adelaide St. West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: November 12, 2019
Client No.: 1148618
WBS#: FIRC0013
Engagement Partner: Paul Casey

HST Registration: 133245290RT0001

For professional services rendered
Fees

By Deloitte Restructuring Inc. in its capacity as Court-appointed receiver and manager of certain of the real property of Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc. for the period of September 1, 2019 to November 8, 2019.

Please see the attached appendices for details.

Sales Tax

HST applicable 63,036.00

HST at 13.00% 8,194.68

Total Amount Due (CAD) 71,230.68



Appendix #1
Summary of Fees

Name	Level	Hours	Rate	Amount
Casey, Paul	Partner	4.8	\$ 630.00	\$ 3,024.00
Bricks, Hartley	Senior Vice President	89.6	\$ 525.00	\$ 47,040.00
Saunders, John	Senior Vice President	23.3	\$ 525.00	\$ 12,232.50
Koo, Ada	Analyst	0.5	\$ 240.00	\$ 120.00
Keene, Ashley	Trust Administrator	0.3	\$ 105.00	\$ 31.50
Brown, Rose	Trust Administrator	5.6	\$ 105.00	\$ 588.00
Total Professional Hours and Fees		124.1		\$ 63,036.00

Appendix #2

Work performed from September 1, 2019 to November 8, 2019.

Date	Name	Narrative	Hours
9/3/2019	Bricks, Hartley	Disc. with D. Preger re status; respond to various corresp. from the Purchaser re access; draft report to court.	3.5
9/3/2019	Saunders, John	Review and approve cheques processed by CLV; Discuss, with H. Bricks the purchaser's request to inspect the property with prospective property managers.	0.4
9/4/2019	Bricks, Hartley	Draft report to court; disc. with N. Zentil of CBRE re status of purchaser due diligence and timelines for agreement.	3.2
9/4/2019	Brown, Rose	Trust Banking Administration - Set up new Investment and have signed request and input in to Ascend.	0.4
9/4/2019	Saunders, John	Review rent roll - follow up on vacancy with CLV; Update call with CLV to discuss maintenance issues and sale timing, rent roll, and other matters	0.6
9/5/2019	Bricks, Hartley	Draft report to court for approval of the APS; corresp. with P. Muchnick re terms of the APS.	4.5
9/5/2019	Brown, Rose	Trust Banking - Disbursement cheques.	0.2
9/6/2019	Bricks, Hartley	Preparation of report to court for approval of the APS.	2.5
9/6/2019	Koo, Ada	Prepare July bank reconciliation.	0.1
9/9/2019	Saunders, John	Call from CLV to discuss Superintendent issue - advise H. Bricks; Review CLV's results for August; Email to H. Bricks providing further details on Super.	0.9
9/10/2019	Brown, Rose	Trust Banking Administration - Confirm GL balances and scan copies of statement to H. Bricks. Update Ascend with GL's number per Property Mgmt company reports.	0.5
9/10/2019	Bricks, Hartley	Prepare R&D for court report, revise report, prepare schedule of priority charges; review and respond to corresp. from counsel to Purchaser re extension of Condition Date and advise lenders and counsel of same.	5.8
9/10/2019	Saunders, John	Review and approve cheques processed by CLV - follow up with CLV for explanations of unsupported amounts; Emails with H. Bricks and CLV re termination of superintendent.	1.1
9/11/2019	Brown, Rose	Trust Banking Administration - Prepare disbursement cheque and prepare deposit and take to the bank.	0.6
9/11/2019	Bricks, Hartley	Draft court report and forward to J. Saunders for comments; Disc. with L. Corne re security opinions; disc. with J. Saunders re Telus issues.	2.2
9/11/2019	Saunders, John	Email from Telus with revised drawings for cell equipment - follow up with Deloitte engineer and H. Bricks; Review draft 7th report in detail - check info to various docs - provide comments and suggested edits.	1.9
9/12/2019	Bricks, Hartley	Finalize draft report and forward to Dickinson Wright for comments; corresp. with S. Rubner re status of ESA report and other matters; disc. with J. Saunders re cost allocations.	2.4
9/12/2019	Saunders, John	Review emails re possible change of court date; Discuss allocation of costs between 345 and 347 Barber with H. Bricks.	0.3

Date	Name	Narrative	Hours
9/16/2019	Saunders, John	Review emails on City and Ministry positions on BMR units, and status of Court date.	0.2
9/16/2019	Bricks, Hartley	Review corresp. from City of Ottawa, draft response to same and forward to counsel.	1.2
9/17/2019	Bricks, Hartley	Various corresp. concerning insurance coverage with E. Murphy; prepare insurance questionnaire for Firstbrooke; corresp. concerning revised court date; finalize and send corresp. to City of Ottawa responding to their email from Sept 13.	2.2
9/17/2019	Brown, Rose	Trust Banking Administration - Stop payment.	0.3
9/17/2019	Saunders, John	Email to Telus explaining deferral of response to engineering issues related to equipment installation.	0.3
9/18/2019	Bricks, Hartley	Disc. with D. Preger re status of various issues; Disc. with E. Golden re insurance coverage, timing for court date; various corresp. with S. Rubner re court date and transaction matters.	1.8
9/19/2019	Bricks, Hartley	Review and respond to corresp. from E. Murphy re decline to continue insurance coverage; disc. and corresp. with A. Colucci of FCA regarding obtaining replacement coverage; various disc. with S. Rubner re insurance matters; corresp. with D. Hayward re online advertisements.	2.5
9/19/2019	Saunders, John	Review emails re other offer from contact of Chi Ho; Review legal opinions of security of Liahona and City.	0.3
9/20/2019	Bricks, Hartley	Review of Loss Report from E. Murphy and forward same to A. Colucci; prepare corresp. to M. Diegel re unauthorized rental ads; corresp. with A. Colucci regarding quote; prepare corresp. to FN concerning the status of insurance coverage.	1.4
9/20/2019	Saunders, John	Update CLV on Court timing; Follow up with CLV on status of superintendent's duties.	0.2
9/23/2019	Bricks, Hartley	Review of insurance policy, disc. with E. Golden re same re coverage and closing date; write to purchaser re timing for closing.	1.0
9/23/2019	Saunders, John	Review and sign cheques from CLV - follow up on annual fee for fire monitoring; Provide approval to CLV to provide access to purchaser's property manager; Discuss D. Hayward's questions on inquiry from purchaser re BMR units.	0.8
9/23/2019	Brown, Rose	Trust Banking Adm - disbursement cheque.	0.2
9/24/2019	Bricks, Hartley	Disc. with J. Saunders re court report and timing to complete; email to D. Preger re status of review of court report.	0.3
9/24/2019	Saunders, John	Discuss proposed distributions, status of report, and other issues with H. Bricks.	0.3
9/25/2019	Bricks, Hartley	Review of D. Preger comments on court report; disc. with D. Preger and E. Golden re report and timing; revise court report and provide comments to Dickinson Wright on APS.	4.0
9/26/2019	Casey, Paul	Review Seventh Report to Court; comments to H. Bricks.	2.0
9/26/2019	Bricks, Hartley	Various disc. with D. Preger concerning the transaction; revis report and forward to P. Casey for comments; disc. with E. Golden and D. Preger re report matters.	3.3

Date	Name	Narrative	Hours
9/26/2019	Brown, Rose	Trust Banking Administration - Deposit and scan and send a copy to Property Mgmt Company.	0.3
9/26/2019	Koo, Ada	Prepare August bank reconciliation.	0.2
9/27/2019	Casey, Paul	Review comments and responses from H. Bricks on report.	0.5
9/27/2019	Saunders, John	Review emails re sale closing; Discuss issues with H. Bricks; Review Property Mgmt Agreement - analyze and provide findings to team; Review final changes to Receiver's report - discuss with H. Bricks; Follow up on requested reduction to fire monitoring fe	1.4
9/27/2019	Brown, Rose	Trust Banking Administration - Deposit.	0.3
9/27/2019	Bricks, Hartley	Review of P. Casey comments on report, respond to same, and revise report; disc. with J. Saunders re property manager; disc. with D. Preger re status; revise and finalize report and forward to D. Preger.	2.5
9/30/2019	Saunders, John	Provide instructions on releasing docs to City and Ministry.	0.1
10/1/2019	Saunders, John	Review motion record; Provide rent roll to D. Preger.	0.3
10/2/2019	Saunders, John	Review emails and docs related to court hearing; Review and approve Receiver's supplementary report - discuss with D. Preger.	0.4
10/2/2019	Brown, Rose	Trust Banking Administration - Pull Online banking report for Sep/19 and send to Property Management company.	0.1
10/3/2019	Brown, Rose	Update Receiver's website for various documents.	0.6
10/3/2019	Saunders, John	Review emails and docs related to court hearing.	0.3
10/3/2019	Casey, Paul	Review supplementary report and distribute to counsel; review motion materials and emails counsel; web administration; emails CBRE etc.	1.5
10/4/2019	Saunders, John	Review emails, draft affidavit and respond to FN and D. Preger's inquiries.	0.5
10/4/2019	Casey, Paul	Review reports form counsel and emails H. Bricks.	0.3
10/7/2019	Saunders, John	Review emails and E.Golden affidavit;	0.6
10/8/2019	Saunders, John	Respond to inquiry from Telus; Follow-up on break-in to laundry machines; Review 2nd supplemental report.	0.5
10/9/2019	Bricks, Hartley	Review of motion materials; review and respond to corresp. from D. Preger; review supplemental report and provide comments to D. Preger.	2.5
10/9/2019	Saunders, John	Discuss laundry room options with CLV - provide instructions; Review additional affidavit of A. Rumley of Liahona; Review motion record from Blaney, and Receiver's revised 2nd supplemental report - provide comments.	1.0
10/10/2019	Casey, Paul	Supplemental report & emails H. Bricks.	0.5
10/10/2019	Saunders, John	Call from K Perron of BLG, now acting for purchaser - provided background on receivership and referred her to D. Preger; Reviewed Liahona's motion record.	0.6
10/11/2019	Brown, Rose	Trust Banking Administration - Scan and save receipts and disbursement on Q Drive for Feb to Sept/19.	0.6

Date	Name	Narrative	Hours
10/15/2019	Saunders, John	Review emails re approved sale; Update discussion with H. Bricks; Respond to Telus request for info on sale of property and purchaser contact.	0.5
10/15/2019	Bricks, Hartley	Various corresp. with P. Muchnick re closing matters, review of files and provide docs.	3.1
10/16/2019	Saunders, John	Respond to purchaser's inquiry re Telus engineering issues - review previous emails on engineering issues.	0.3
10/16/2019	Bricks, Hartley	Review Statement of Adjustments and provide comments to P. Muchnick; corresp. with purchaser re closing date; corresp. with insurer re timing of coverage; review of closing docs.	3.5
10/17/2019	Bricks, Hartley	Review of revised closing documents; attend at DW to sign closing docs in escrow; prepare estimate of distribution of proceeds; draft letter to P. Crichton re disbursement of funds; corresp. with D. Preger re notice of appeal.	5.5
10/17/2019	Brown, Rose	Banking Adm-Disbursement cheque.	0.2
10/18/2019	Bricks, Hartley	Various correspondence re notice of appeal; corresp. to CLV to walk back closing work; email to broker re continuation of coverage; disc with D. Preger re go forward plan; draft supplemental report.	4.4
10/18/2019	Brown, Rose	Update Website page. Inquiring with RBC regarding investment rates.	0.3
10/18/2019	Saunders, John	Review emails; Respond to CBRE's inquires; Review 3rd supplemental report and provide comments; Instruct CLV to proceed with boiler maintenance	0.6
10/21/2019	Bricks, Hartley	Review comments from J. Saunders and D. Preger and revised third supplemental report.	1.5
10/21/2019	Brown, Rose	Website update - Delete one document and add two documents.	0.2
10/21/2019	Saunders, John	Call with CLV to provide update on court appeal, and to receive update on maintenance issues and BMR vacancies; Review repair quote for intercom and update H. Bricks; Respond to CBRA inquiry; Review emails on appeal issues	0.7
10/21/2019	Koo, Ada	Prepare Sept. bank reconciliation.	0.1
10/22/2019	Saunders, John	Review and follow up on cheques from CLV.	0.2
10/23/2019	Bricks, Hartley	Review of Endorsement and arrange for posting on website, review and respond to corresp. from C. Sebben re status of appeal and closing of transaction; corresp with D. Preger re go-forward timing.	0.7
10/23/2019	Saunders, John	Review Hackland endorsement and emails.	0.2
10/23/2019	Keene, Ashley	Website update.	0.1
10/24/2019	Bricks, Hartley	Review and respond to email from purchaser re rent roll and laundry machines; Disc. with J. Saunders re laundry machines; Disc. with D. Preger re status and go-forward timing for appeal and closing; revise supplemental report and forward to D. Preger.	2.0
10/24/2019	Saunders, John	Email from purchaser; Discuss laundry machines, insurance and Court appeal with H. Bricks; Respond to purchaser; Respond to queries on cheques from B. Beggs; Follow up on invoice for cancelled elevator service call.	0.8

Date	Name	Narrative	Hours
10/25/2019	Saunders, John	Corresp. with CBRE re last minute offer and Notice of Appeal.	0.2
10/25/2019	Bricks, Hartley	Corresp. with P. Muchnick and CLV regarding rent roll and last month deposits; forward insurance premium invoice to CLV for payment.	0.7
10/28/2019	Bricks, Hartley	Disc. with D. Preger re status of report and hearing; respond to questions from E. Golden.	0.4
10/29/2019	Bricks, Hartley	Review and revise Eighth Report to Court and forward to D. Preger.	2.2
10/30/2019	Bricks, Hartley	Disc. with D. Preger re comments on Eighth Report; Review J. Saunders QA comments on report; review and revise draft, sign report and forward to D. Preger; respond to D. Sider of City of Ottawa re rent roll.	2.1
10/30/2019	Saunders, John	Review Receiver's 8th report and provide comments - compare narrative to purchase offers; Follow up on status of laundry machines with CLV - discuss with J. Tweedie; Review Coin O Matic contract; Draft email to H. Bricks and lawyers providing update.	1.7
10/30/2019	Brown, Rose	Update website page.	0.1
10/31/2019	Bricks, Hartley	Disc. with J. Saunders re laundry machines and email to DW re same; review of factum; review and respond to corresp. from purchaser.	1.3
10/31/2019	Saunders, John	Discuss status of laundry machines and possible options with H. Bricks; Review cheques and follow up on unusual invoice with CLV; Follow up on FMV of used machines and possible replacement cost for new machines - update team. Advise CLV of new closing date.	1.2
10/31/2019	Brown, Rose	Website update.	0.2
11/4/2019	Brown, Rose	Pull online banking report and send to property management company.	0.1
11/4/2019	Bricks, Hartley	Review of Reasons for Decision from Court of Appeal; prepare corresp. to CLV and purchaser re closing date.	0.5
11/5/2019	Saunders, John	Review CBRE invoice - forward to lawyer; Discuss Court decision, maintenance, and closing issues with CLV; Discuss laundry machine issues with H. Bricks - follow up on possible options with CLV; Review Court of Appeal decision; Review emails re sale close	1.7
11/5/2019	Keene, Ashley	Website updates.	0.2
11/5/2019	Bricks, Hartley	Review of rent roll and determine BMR adjustment; various corresp. re BMR adjustment; disc. with CLV re closing adjustments; disc. with J. Saunders re laundry issue and disc. with Purchaser re same	2.5
11/5/2019	Brown, Rose	Check online to confirm Ministry funds for H. Bricks.	0.1
11/6/2019	Koo, Ada	Prepare October bank reconciliation.	0.1
11/6/2019	Bricks, Hartley	Various corresp. with Purchaser and counsel regarding laundry machine issue; review of statement of adjustments and disc. with P. Muchnick re same; corresp. with CLV re SOA and closing matters;	4.1

Date	Name	Narrative	Hours
11/6/2019	Saunders, John	Email from CLV re costs to repair & replace certain laundry machines - discuss details with D. Hayward and update H. Bricks; Obtain contact info for repairman; Provide comments on proposal to Purchaser re laundry machines, & response to vacancy concerns	1.0
11/7/2019	Bricks, Hartley	Various corresp. re closing matters; review of updated FN payout statements and update distribution allocation schedule; various disc. with D. Preger and E. Golden re distribution schedule and order.	4.5
11/7/2019	Saunders, John	Update from CLV on laundry repairs - advise team of purchaser's instructions to repairman; Follow up on status of laundry settlement with purchaser; Emails with team, CLV and CBRE re sale closing issues.	0.9
11/8/2019	Bricks, Hartley	Review of draft Administration and Distribution Order, and various discussions with D. Preger and E. Golden regarding same; revise anticipated distribution schedule; review of direction of funds for disbursement detail; revise and execute Notice of Direction re tenants of property.	3.8
11/8/2019	Saunders, John	Follow up with CLV to confirm that keys, etc. were turned over to purchaser with no issue; Update team; Review emails re proposed distribution of funds.	0.3
11/8/2019	Brown, Rose	Trust Banking Adm - Prepare wire instruction sheet and confirm wire received.	0.3
Total			124.1


Invoice 8000947566
Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
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ATTN: Golden Dragon Ho 10 Inc. & Golden Dragon Ho 11 Inc.
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8 Adelaide St. West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: January 07, 2020
Client No.: 1148618
WBS#: FIRC0013
Engagement Partner: Paul Casey

HST Registration: 122893605RT0001

For professional services rendered
Fees

By Deloitte Restructuring Inc. in its capacity as Court-appointed receiver and manager of certain of the real property of Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc. for the period of November 12, 2019 to December 31, 2019.

Please see the attached appendices for details.

Sales Tax

HST applicable 16,192.50

HST at 13.00% 2,105.03

Total Amount Due (CAD) 18,297.53



Appendix #1
Summary of Fees

Name	Level	Hours	Rate	Amount
Casey, Paul	Partner	0.2	\$ 630.00	\$ 126.00
Bricks, Hartley	Senior Vice President	26.4	\$ 525.00	\$ 13,860.00
Saunders, John	Senior Vice President	2.7	\$ 525.00	\$ 1,417.50
Koo, Ada	Analyst	0.3	\$ 250.00	\$ 75.00
Keene, Ashley	Trust Administrator	0.2	\$ 105.00	\$ 21.00
Brown, Rose	Trust Administrator	6.6	\$ 105.00	\$ 693.00
Total Professional Hours and Fees		36.4		\$ 16,192.50
Out-of-pocket Expenses				\$ -
Total Fees and Expenses				\$ 16,192.50

Appendix #2
Work performed from November 12, 2019 to December 31, 2019.

Date	Name	Narrative	Hours
11/12/2019	Saunders, John	Review correspondence re dispute over distributions.	0.2
11/12/2019	Bricks, Hartley	Review of corresp. from counsel to Liahona, review of files, and provide comments to D. Preger; review of D. Preger response and further response from T. Conway; analysis of Conway distribution document and respond to D. Preger	2.3
11/13/2019	Saunders, John	Review cheques from CLV for approval; Confirm amount of termination payment to terms of contract.	0.2
11/13/2019	Bricks, Hartley	Disc. with E. Golden re FN payout statements; review and revise distribution schedules; disc. with CLV re post-closing obligations; review various corresp. re distribution issue.	1.6
11/13/2019	Brown, Rose	Trust Banking Administration - Disbursement cheques. Input incoming wire - review coding with HB.	0.5
11/14/2019	Saunders, John	Inquiry from CLV; Emails re proposed distributions	0.2
11/14/2019	Bricks, Hartley	Corresp. with CLV re post-closing obligations and surplus cash; review and revise allocation of proceeds analysis; review corresp. from T. Conway; disc. with D. Preger re distribution issue.	3.5
11/14/2019	Brown, Rose	Investment purchase, prepare documents and input into Ascend.	0.8
11/15/2019	Bricks, Hartley	Prepare revised proposed distribution schedule and discuss same with D. Preger; prepare notes to schedule and forward to D. Preger and further discussions regarding same; corresp. with N. Hermaj re payout statements.	4.2
11/15/2019	Brown, Rose	Renewal of investment	0.1
11/18/2019	Saunders, John	Review and approve cheques from CLV; Follow up on invoice for laundry equipment repairs with CLV to confirm that this is an expense of Receiver and not purchaser	0.6
11/18/2019	Bricks, Hartley	Review of various corresp. Regarding comments on draft order and prepare corresp to D. Preger re same.	0.7
11/18/2019	Brown, Rose	Renewal of investment.	0.1
11/19/2019	Brown, Rose	Renewal of investment. Check bank account to confirm cheques not cashed and prepare stop payment on 5 cheques and send to TD Bank.	0.8
11/19/2019	Bricks, Hartley	Review of revisions to draft interim distribution order and corresp. with D. Preger re same; review and respond to a request for a status update from N. Hermaj.	1.0
11/20/2019	Bricks, Hartley	Corresp. with N. Hermaj re affordability payments; corresp. with D. Preger re status of court order.	0.7
11/21/2019	Brown, Rose	Renew investment	0.1
11/21/2019	Bricks, Hartley	Corresp. with D. Preger re court order; corresp. with N. Hermaj re timing for updated payout statements; disc. with E. Golden re timing for distribution; review of corresp. from M. Diegel re allocations and respond to D. Preger re same.	1.3

Date	Name	Narrative	Hours
11/25/2019	Bricks, Hartley	Review of updated payout statements received from FN, cash on hand, and supporting docs and revise interim distribution schedule and prepare disbursement vouchers for same	5.5
11/25/2019	Brown, Rose	Trust Banking Administration - Prepare wires and review with HB. Confirm wire was maturity into account and request investment for 1 day with RBC and prepare investment sheets for inputting into Ascend. Pull online banking report for H. Bricks.	0.9
11/25/2019	Koo, Ada	Prepare October bank reconciliation for review.	0.1
11/26/2019	Casey, Paul	Disc. with H. Bricks re distribution amounts.	0.2
11/26/2019	Bricks, Hartley	Disc. with P. Casey re distribution calculations; corresp. re wire transfers.	0.7
11/26/2019	Saunders, John	Review and approve cheques from CLV; Follow up on cheque and supporting invoices for painting - CLV will investigate.	0.4
11/26/2019	Brown, Rose	Trust Banking Administration - Prepare an additional wire and have all 5 wire signed and send RBC for processing, Review bank account on line for maturity of investment and input maturity into Ascend and obtain wire confirmation from RBC and send to HB.	1.5
11/26/2019	Keene, Ashley	Website updates.	0.2
11/27/2019	Brown, Rose	Administration of wire transfers.	0.2
11/28/2019	Saunders, John	Search for contact info for Telus; Respond to H. Bricks' inquiry; Follow up with CLV for Telus contact.	0.5
11/28/2019	Bricks, Hartley	Review and respond to corresp. from N. Hermaj re allocation of proceeds and holdback; confirm receipt of wire transfer with Liahona; corresp. with J. Saunders re Telus payment for December	0.9
11/28/2019	Brown, Rose	Administration of wire transfers.	0.5
11/29/2019	Brown, Rose	Investment Purchase.	0.3
12/2/2019	Saunders, John	Review and approve cheques from CLV; Follow up on painting and washer repair invoices	0.4
12/2/2019	Bricks, Hartley	Prepare corresp. to Purchaser re post closing adjustments.	0.5
12/2/2019	Brown, Rose	Investment set up with RBC. Prepare investment sheet.	0.3
12/3/2019	Bricks, Hartley	Corresp. with P. Muchnick re post closing adjustment and to S. Rubner re same.	0.5
12/4/2019	Bricks, Hartley	Prepare final post-closing statement of adjustments and forward to purchaser and various corresp. regarding same	1.2
12/5/2019	Bricks, Hartley	Prepare corresp. and disbursement info for post closing adjustments.	0.7
12/6/2019	Bricks, Hartley	Review of corresp concerning proposed handling of Trial of the Issues and disc. with E. Golden re same.	0.3
12/9/2019	Bricks, Hartley	Provide details on legal fees to N. Hermaj.	0.3
12/9/2019	Brown, Rose	Trust Banking Administration - Pull online banking report and send to Property Management company. Scan copy of deposit made on Thursday.	0.2

Date	Name	Narrative	Hours
12/10/2019	Koo, Ada	Prepare Nov. bank reconciliation	0.2
12/12/2019	Saunders, John	Respond to inquiry from CBRE	0.2
12/19/2019	Bricks, Hartley	Review of Dickinson Wright legal fees and prepare disbursement voucher	0.2
12/20/2019	Brown, Rose	Trust Banking Administration - Wire prepare and send to RBC.	0.3
12/23/2019	Bricks, Hartley	Review of corresp. concerning Trial of the Issues.	0.3
Total			36.4


Invoice 8001245537
Deloitte Restructuring Inc.

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ATTN: Golden Dragon Ho 10 Inc. & Golden Dragon Ho 11 Inc.
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8 Adelaide St. West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
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www.deloitte.ca

Date: June 23, 2020
Client No.: 1148618
WBS#: FIRC0013
Engagement Partner: Paul Casey

HST Registration : 122893605RT0001

For professional services rendered
Fees

By Deloitte Restructuring Inc. in its capacity as Court-appointed receiver and manager of certain of the real property of Golden Dragon Ho 10 Inc. and Golden Dragon Ho 11 Inc. for the period of January 1, 2020 to June 19, 2020.

Please see the attached appendices for details.

Sales Tax

HST applicable 25,033.50

HST at 13.00% 3,254.36

Total Amount Due (CAD) 28,287.86



Appendix #1

Summary of Fees

Name	Level	Hours	Rate	Amount
Saunders, John	Senior Vice President	0.5	525.00	262.50
Bricks, Hartley	Senior Vice President	46.6	525.00	24,465.00
Koo, Ada	Analyst	0.3	250.00	75.00
Brown, Rose	Trust Administrator	2.2	105.00	231.00
Total Professional Hours and Fees		49.6		25,033.50
Out-of-pocket Expenses				-
Total Fees and Expenses (CAD)				25,033.50



Appendix #2

Work performed from January 1, 2020 to June 19, 2020

Date	Name	Narrative	Hours
1/2/2020	Brown, Rose	Trust Banking Administraiton - sent Property Mgmt copy the online banking report for Dec/19. Received and input Nov/19 bank GL entries into Ascend. Update GL with various entries for Dec/19	0.6
1/8/2020	Bricks, Hartley	Disc. with N. Hermaj re funds held back for the Prepayment Penalty and the Trial of the Issue	0.2
1/9/2020	Brown, Rose	Trust Banking Administration - Disbursement cheque	0.1
1/14/2020	Bricks, Hartley	Review of corresp from D. Preger re corresp to court regarding requesting dates from court for case conference	0.1
1/17/2020	Bricks, Hartley	Disc. with E. Golden and update current holdback amounts	1.5
1/21/2020	Bricks, Hartley	Review and respond to corresp. from N. Hermaj re future receiver and legal fees	0.2
2/4/2020	Koo, Ada	Prepare Dec. bank reconciliation (2 accounts)	0.2
2/13/2020	Saunders, John	Review email and old unpaid invoice provided by CLV - follow up with CLV and H. Bricks	0.2
2/26/2020	Brown, Rose	Trust Banking Administration - Disbursement cheque	0.2
2/28/2020	Bricks, Hartley	Respond to corresp. from N. Hermaj re update on holdback amounts	0.5
3/2/2020	Bricks, Hartley	Review and respond to corresp. from S. Rubner	0.1
3/3/2020	Brown, Rose	Trust Banking Administration - Disbursement cheque	0.2
3/9/2020	Bricks, Hartley	Update Schedule of funds on hand and forward to E. Golden	0.6
3/10/2020	Koo, Ada	January bank reconciliation	0.1
3/10/2020	Bricks, Hartley	Corresp. with S. Rubner re purchaser re leases; review of corresp. from CLV re water bill	0.2
3/13/2020	Brown, Rose	Trust Banking Administration - Deposit. Email TD To remove account from online banking.	0.4
3/17/2020	Bricks, Hartley	Review and respond to lawyer re Statement of Claim	0.2
3/20/2020	Bricks, Hartley	Review of corresp. re trial of issues	0.2
3/27/2020	Saunders, John	Review emails and legal docs re FN yield maintenance dispute	0.3
4/15/2020	Bricks, Hartley	Review of case conference agenda and submissions from the parties in preparation for case conference	2.3
4/16/2020	Bricks, Hartley	Attend Case Management conference call re Trial of the Issues	2.5

Date	Name	Narrative	Hours
4/28/2020	Brown, Rose	Prepare transfer between accounts and sent to RBC and input into Ascend	0.1
5/4/2020	Bricks, Hartley	Review of various corresp. concerning case conference scheduling and next steps	0.5
5/7/2020	Bricks, Hartley	Review of corresp. concering the case conference and trial and disc. with D. Preger re same	1.2
5/8/2020	Bricks, Hartley	Review of further corresp. re case management; preparation of court report update	1.2
5/14/2020	Bricks, Hartley	Review of corresp from D. Preger regarding case conference matters	0.2
5/15/2020	Bricks, Hartley	Review of various corresp concerning case conference	0.2
5/20/2020	Bricks, Hartley	Prepare materials for court report; review of corresp. re case conference	2.2
5/25/2020	Bricks, Hartley	Prepare ninth report to court	5.0
5/26/2020	Bricks, Hartley	Prepare ninth report to court	4.8
5/27/2020	Bricks, Hartley	Prepare ninth report to court	5.5
5/28/2020	Bricks, Hartley	Prepare ninth report to court	4.0
6/3/2020	Bricks, Hartley	Draft report to court	2.5
6/5/2020	Bricks, Hartley	Prepare statement of receipts and disbursements; review of City of Ottawa water invoice and forward to R. Brown for payment.	6.0
6/5/2020	Brown, Rose	Review payment and confirm City of Ottawa payment.	0.2
6/8/2020	Brown, Rose	Trust Banking Adm. - Print cheque disbursement requests.	0.1
6/9/2020	Brown, Rose	Trust Banking Administration - Disbursement cheque - prepare, print, have signed, scan and sent out.	0.3
6/15/2020	Bricks, Hartley	Disc. with E. Golden re prior cash flow forecast	0.5
6/17/2020	Bricks, Hartley	Review of various corresp. re upcoming hearing	0.2
6/19/2020	Bricks, Hartley	Update report to court and forward to D. Preger for comments	4.0
Total			49.6

Appendix "I"

Fee Affidavit of David Preger of Dickinson Wright LLP sworn February 4, 2021

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

FIRST NATIONAL FINANCIAL GP CORPORATION

Applicant

- and -

GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC.

Respondents

FEE AFFIDAVIT OF DAVID PREGER

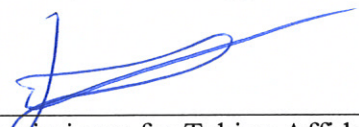
(Sworn February 4, 2021)

I, **DAVID PREGER**, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:

1. I am a partner with the law firm of Dickinson Wright LLP (“**DW**”). I have personal knowledge of the matters to which I hereinafter depose unless such knowledge is stated to be on information received from other sources, in which case, I believe such information to be true.
2. DW has acted as independent counsel to Deloitte Restructuring Inc. (the “**Receiver**”), in its capacity as Court-appointed receiver of the assets, undertaking and property of Golden Dragon Ho Inc. and Golden Dragon Ho 11 Inc.

3. DW's fees and disbursements in connection with this matter for the period of August 11, 2020 to February 4, 2021 total \$78,923.46, including HST. Attached as **Exhibit "A"** are true copies of DW's accounts for the period indicated.
4. Attached as **Exhibit "B"** is a chart which summarizes the expertise and area of practice of the lawyers involved in rendering services to the Receiver, their hourly rates charged to the Receiver, as well as the average hourly rate charged. The hourly rates charged to the Receiver by DW are DW's normal hourly rates.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario this 4th day of February, 2021.



Commissioner for Taking Affidavits
(or as may be)

DAVID J. PREGER (7-774F)



DAVID PREGER

This is Exhibit "A" referred to in the Affidavit of DAVID
PREGER sworn February 4, 2021.



Commissioner for Taking Affidavits (or as may be)

DAVID SEPPER



INVOICE DATE: AUGUST 17, 2020
 INVOICE NO.: 1502968

DELOITTE RESTRUCTURING INC.
 22 ADELAIDE STREET WEST
 SUITE 2000
 TORONTO, ONTARIO M5H 0A9
 TORONTO ON

CLIENT/MATTER NO.: 058347-00002

RE: RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.

PRIVILEGED AND CONFIDENTIAL

FOR PROFESSIONAL SERVICES THROUGH AUGUST 17, 2020		<u>CAD</u>
TOTAL FEES CURRENT INVOICE	\$	56,157.50
TOTAL DISBURSEMENTS CURRENT INVOICE	\$	432.27
HST - ONTARIO	\$	7,356.67
TOTAL CURRENT INVOICE	\$	<u>63,946.44</u>

This statement may reflect time and professional services rendered by attorneys or other legal personnel associated with the Firm's international or other affiliate(s). Such attorneys, who are licensed in other jurisdictions, are consulted and serve as legal advisors to the Firm based on their licensed status in such jurisdictions and expertise in particular legal specialties.

CAD Remittance Instructions		
Terms: Due and Payable Upon Receipt		
Mail To:	Electronic Direct Deposits (EFT non-wire payments): (Domestic Only - Canada):	Wire Instructions:
Dickinson Wright LLP 199 Bay Street Suite 2200 Commerce Court West Toronto, ON, M5L 1G4	Royal Bank of Canada 200 Bay Street Toronto, ON Canada M5J 2J5 Bank Number: 003 Branch Number: 00002 Account#: 1056399 (Please Reference Invoice Numbers)	Royal Bank of Canada 200 Bay Street Toronto, ON Canada M5J 2J5 Bank Number: 003 Branch Number: 00002 Account#: 1056399 SWIFT CODE: ROYCCAT2 Sort Code://CC000300002 (Sort Code used only for Non-US Foreign Wires) (Please Reference Invoice Numbers)

RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.
CLIENT/MATTER NO.:058347-00002

INVOICE DATE: AUGUST 17, 2020
INVOICE NO.: 1502968
PAGE 2

CURRENT INVOICE DETAIL

<u>DATE</u>	<u>INITIALS</u>	<u>SERVICES</u>	<u>HOURS</u>	<u>VALUE</u>
06/25/20	DPP	Emails from and to Hartley Bricks, revise notice of motion, emails from and to Hartley Bricks regarding status of Ninth Report	0.7	486.50
06/25/20	LSC	Review email from D Preger and draft statement of issues	0.2	139.00
06/25/20	LSC	Email , and zoom video and telephone call with H. Bricks to commission fee affidavit	0.5	347.50
06/29/20	DPP	Receive and review email from Eric Golden regarding joint document brief, request for production from Liahona and from Golden Dragon	0.2	139.00
07/07/20	DPP	Receive and review email from Tom Conway to Eric Golden regarding production request and other trial-related issues, receive and review response from Eric Golden, receive and review email and draft Order from Tom Conway	0.6	417.00
07/08/20	DPP	Receive and review email from Eric Golden requesting that conference call be scheduled with Hackland J., receive and review emails between Tom Conway and Eric Golden, email to Eric Golden, Tom Conway and Martin Diegel to request their written confirmation that formulation of issues/endorsement circulated on June 24, 2020 is acceptable, emails from and to Martin Diegel, email to and from Tom Conway, emails from and to Eric Golden, emails from and to Hackland J. regarding upcoming trial	1.7	1,181.50
07/09/20	DPP	Email formulation of issues to Hackland J. and request telephone case conference in relation to Liahona's motion to strike, emails to ad from Tina Johanson,	0.4	278.00
07/10/20	DPP	Receive and review email from Tina Johanson, email to all counsel to notify them of case conference with Hackland J. via teleconference on Tuesday, July 14, at 10 am, email to Tina Johanson, receive and review email from Eric Golden to Tina Johanson with attachments, email First National's material to Hackland J., receive and review correspondence and notice of motion to strike from Tom Conway, email Liahona's material to Hackland J., receive and review request for information and documentation from Martin Diegel, forward to Hartley Bricks and Paul Muchnik, emails from ad to Hartley Bricks, receive and review email from Hackland J.	2.9	2,015.50
07/13/20	LSC	Review correspondence and affidavits and prepare for case conference to address issues raised regarding evidence in advance of trial	1.2	834.00
07/13/20	LS	Received instructions from Paul Muchnik and asked follow up questions regarding the assignment. Arranged the requested email attachments in chronological order and prepared an index/schedule detailing the list of attachments.	1.2	294.00

RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.
CLIENT/MATTER NO.:058347-00002

INVOICE DATE: AUGUST 17, 2020
INVOICE NO.: 1502968
PAGE 3

<u>DATE</u>	<u>INITIALS</u>	<u>SERVICES</u>	<u>HOURS</u>	<u>VALUE</u>
07/13/20	PAM	To receipt and review request for documents from Martin Diegel; to discussions with David preger; to review file to produce documents requested; to discussions with Lipika Singh to compile all documents in brief form; to correspondence to and from Hartley Bricks;	1.5	1,125.00
07/13/20	DPP	Receive and review responses from Paul Muchnik and Hartley Bricks in relation to Martin Diegel's requests, confer with Paul Muchnik, receive and review documents from Paul Muchnik, email to Paul Muchnik and Lipika Singh	1.3	903.50
07/14/20	LSC	Case conference with Justice Hackland , confer with David Preger, begin drafting agreed statement of facts	3.7	2,571.50
07/14/20	DPP	Attend telephone case conference with all counsel, Hartley Bricks and Hackland J., telephone conference with Hartley Bricks, finalize response to Martin Diegel and revise document brief, email to Martin Diegel, emails from and to Kevin Caron, receive and review email from Martin Diegel, confer with Lisa Corne regarding preparation of agreed statement of facts	3.8	2,641.00
07/16/20	LSC	Continue drafting agreed statement of facts for trial, review and comment to emails from counsel for Liahona and debtor regarding evidence and procedure at trial	2.0	1,390.00
07/16/20	DPP	Receive and review draft agreed statement of facts, email to all counsel for approval, receive and review email from Tina Johanson regarding conference call with Hackland J. at 3 pm on July 17, receive and review Supplementary Affidavit and Second Supplementary Affidavit of Aaron Rumley from Kevin Caron	2.1	1,459.50
07/17/20	DPP	Attend telephone case conference with all counsel and Hackland J., review file material in preparation for trial, receive and review emails from Kevin Caron, Martin Diegel and draft Reply Affidavit of Chris Sebben, receive and review email from Hartley Bricks regarding issue of vacancy raised by Martin Diegel	2.7	1,876.50
07/17/20	LSC	Review emails from counsel for Liahona and regarding evidence and procedure at trial and proposed revisions to Agreed Statement of Facts and draft order.	0.6	417.00
07/20/20	DPP	Receive and review email and attachments from Eric Golden, email to Martin Diegel regarding issue of vacancies	0.4	278.00

RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.
CLIENT/MATTER NO.:058347-00002

INVOICE DATE: AUGUST 17, 2020
INVOICE NO.: 1502968
PAGE 4

<u>DATE</u>	<u>INITIALS</u>	<u>SERVICES</u>	<u>HOURS</u>	<u>VALUE</u>
07/21/20	DPP	Review and compile material filed by all parties, email material to Tina Johanson, receive and review email from Kevin Caron regarding trial procedure and confirming that Liahona will not be cross-examining Chris Sebben, email to all counsel regarding trial procedure and inquiring whether any party intends to cross-examine Hartley Bricks, emails from and to Martin Diegel, receive and review email from Kevin Caron, emails to and from Tina Johanson, receive and review amended Order from Eric Golden, email to all counsel, telephone conference with Hartley Bricks, prepare for trial	4.9	3,405.50
07/22/20	DPP	Prepare for hearing before Justice Hackland, attend hearing before Justice Hackland by Zoom video conference, telephone conference with Hartley Bricks, receive and review signed Order directing trial of issues from Tina Johanson, email to civil administration to office, email Order to all counsel	2.5	1,737.50
07/23/20	DPP	Email to Martin Diegel, receive and review emails from and to Hartley Bricks	0.3	208.50
07/24/20	DPP	Receive and review further questions for the Receiver from Martin Diegel, email to Hartley Bricks, telephone conference with Hartley Bricks	0.7	486.50
07/25/20	DPP	Emails from and to Hartley Bricks, telephone conference with Hartley Bricks, receive and review General Ledger printout to June 25 from Hartley Bricks	0.4	278.00
07/27/20	DPP	Emails to and from Hartley Bricks, telephone conference with Hartley Bricks, receive, review and revise draft response from Hartley Bricks, telephone conference with Hartley Bricks, emails response to Martin Diegel	1.6	1,112.00
07/28/20	DPP	Receive and review email from Eric Golden, receive and review Factum and Book of Authorities of Liahona, receive and review Factum of Golden Dragon, receive and review Factum of First National, forward material to Justice Hackland and Tina Johanson, receive and review First National's Book of Authorities	5.4	3,753.00
07/29/20	DPP	Email further material to Hackland J. and Tina Johanson, receive and review Liahona's Amended Notice of Motion to Strike, Factum (re Motion to Strike), Book of Authorities (re Motion to Strike), Liahona's Reply Factum and Liahona's Reply Book of Authorities, forward to Hackland J. and Tina Johanson, receive and review Agreed Statement of Facts and First National's Compendium, forward to Hackland J. and Tina Johanson, emails from and to Hartley Bricks, receive and review cases from Martin Diegel	2.3	1,598.50
07/30/20	DPP	Attend trial of issues before Hackland J.	6.0	4,170.00
07/31/20	DPP	Attend trial of issues before Hackland J., draft memo to file regarding factual and legal issues that require clarification	5.4	3,753.00

RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.
 CLIENT/MATTER NO.:058347-00002

INVOICE DATE: AUGUST 17, 2020
 INVOICE NO.: 1502968
 PAGE 5

<u>DATE</u>	<u>INITIALS</u>	<u>SERVICES</u>	<u>HOURS</u>	<u>VALUE</u>
08/10/20	DPP	Conduct legal research regarding legal differences between proposals and bankruptcies, application of harmonization principle, impact of bankruptcy on secured claims, effect of vesting orders on secured claims against sale proceeds, begin drafting memorandum of law	5.7	3,961.50
08/11/20	DZS	Conduct research re Houlden and Morawetz bankruptcy and insolvency analysis and cases referenced thereto; telephone call and email correspondence with D. Preger re same;	1.0	320.00
08/11/20	DPP	Complete drafting and revise memorandum of law, email to all counsel, receive and review further Factum from Marti Diegel, forward Receiver's memorandum of law and Martin Diegel's Factum to Hackland J. and Tina Johanson	6.6	4,587.00
08/12/20	DPP	Prepare for trial, receive and review First National's Reply Factum and Reply Book of Authorities, forward to Hackland J. and Tina Johanson, attend trial	7.1	4,934.50
08/13/20	DPP	Attend trial	2.7	1,876.50
08/17/20	DPP	Prepare Order approving Eighth Report and Ninth Report, email to counsel for approval, email to Justice Hackland and Tina Johanson Debtor's Notice of Motion to Vary/Amend, FN Factum with citations to the Agreed Statement and brief containing the Receiver's Reports 1 through 6	1.7	1,181.50

	82.0	\$	56,157.50
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<u>DISBURSEMENTS</u>	<u>VALUE</u>
Reproduction - Inside Firm	432.27
TOTAL DISBURSEMENTS	\$ 432.27
HST - ONTARIO	\$ 7,356.67
TOTAL CURRENT INVOICE	\$ 63,946.44

IN ACCOUNT WITH

DICKINSON WRIGHT LLP

132

199 BAY STREET, SUITE 2200
P.O. BOX 447, COMMERCE COURT POSTAL STATION
TORONTO, ON CANADA M5L 1G4
TELEPHONE: (416) 777-0101
<http://www.dickinsonwright.com>
GST/HST NUMBER: 831204003 RT0001

RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.
CLIENT/MATTER NO.:058347-00002

INVOICE DATE: AUGUST 17, 2020
INVOICE NO.: 1502968
PAGE 6

TIMEKEEPER SUMMARY				
<u>TIMEKEEPER</u>	<u>TITLE</u>	<u>RATE</u>	<u>HOURS</u>	<u>VALUE</u>
PAUL A. MUCHNIK	PARTNER	750.00	1.50	1,125.00
LISA S. CORNE	PARTNER	695.00	8.20	5,699.00
DAVID P. PREGER	PARTNER	695.00	70.10	48,719.50
DAVID Z. SEIFER	ASSOCIATE	320.00	1.00	320.00
LIPIKA SINGH	STUDENT LAW	245.00	1.20	294.00
TOTAL FEES CURRENT INVOICE			82.00	\$ 56,157.50

PLEASE NOTE THAT THIS ACCOUNT IS DUE UPON RECEIPT

DICKINSON WRIGHT LLP



DAVID P. PREGER

In accordance with the Solicitors Act interest at 1.3% will be charged on all accounts outstanding over 30 days. E.&O.E.



199 BAY STREET, SUITE 2200
 P.O. BOX 447, COMMERCE COURT POSTAL STATION
 TORONTO, ON CANADA M5L 1G4
 TELEPHONE: (416) 777-0101
 http://www.dickinsonwright.com
 GST/HST NUMBER: 831204003 RT0001

INVOICE DATE: FEBRUARY 4, 2021
 INVOICE NO.: 1551081

DELOITTE RESTRUCTURING INC.
 22 ADELAIDE STREET WEST
 SUITE 2000
 TORONTO, ONTARIO M5H 0A9
 TORONTO ON

CLIENT/MATTER NO.: 058347-00002

RE: RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.

PRIVILEGED AND CONFIDENTIAL

FOR PROFESSIONAL SERVICES THROUGH FEBRUARY 4, 2021

	<u>CAD</u>
TOTAL FEES CURRENT INVOICE	\$ 13,254.00
HST - ONTARIO	\$ 1,723.02
TOTAL CURRENT INVOICE	\$ <u>14,977.02</u>

This statement may reflect time and professional services rendered by attorneys or other legal personnel associated with the Firm's international or other affiliate(s). Such attorneys, who are licensed in other jurisdictions, are consulted and serve as legal advisors to the Firm based on their licensed status in such jurisdictions and expertise in particular legal specialties.

CAD Remittance Instructions		
Terms: Due and Payable Upon Receipt		
Mail To:	Electronic Direct Deposits (EFT non-wire payments): (Domestic Only - Canada):	Wire Instructions:
Dickinson Wright LLP 199 Bay Street Suite 2200 Commerce Court West Toronto, ON, M5L 1G4	Royal Bank of Canada 200 Bay Street Toronto, ON Canada M5J 2J5 Bank Number: 003 Branch Number: 00002 Account#: 1056399 (Please Reference Invoice Numbers)	Royal Bank of Canada 200 Bay Street Toronto, ON Canada M5J 2J5 Bank Number: 003 Branch Number: 00002 Account#: 1056399 SWIFT CODE: ROYCCAT2 Sort Code://CC000300002 (Sort Code used only for Non-US Foreign Wires) (Please Reference Invoice Numbers)

RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.
CLIENT/MATTER NO.:058347-00002

INVOICE DATE: FEBRUARY 4, 2021
INVOICE NO.: 1551081
PAGE 2

CURRENT INVOICE DETAIL

<u>DATE</u>	<u>INITIALS</u>	<u>SERVICES</u>	<u>HOURS</u>	<u>VALUE</u>
11/16/20	DPP	Receive and review Reasons of Hackland J., emails from and to Hartley Bricks, emails from and to Eric Golden, telephone conference with Eric Golden	1.5	1,042.50
11/26/20	DPP	Receive and review Notice of Appeal of Liahona, research issue of whether leave to appeal is required under s. 193 of BIA, email to Eric Golden and Hartley Bricks regarding sufficiency of funds in estates, receive and review emails from Hartley Bricks with calculations regarding status of reserve, emails to and from Eric Golden	2.7	1,876.50
12/15/20	DPP	Receive and review Notice of Appeal of Debtors	0.5	347.50
12/17/20	DPP	Receive and review amended Notice of Appeal of Liahona	0.1	69.50
12/21/20	DPP	Receive and review emails from Eric Golden and Hartley Bricks regarding reserve drawdowns to date, emails to and from Eric Golden, receive and review email from Eric Golden to Tom Conway and Martin Diegel	1.1	764.50
12/22/20	DPP	Receive and review email from Hartley Bricks to all counsel regarding status of reserve, receive and review email from Eric Golden	0.2	139.00
01/03/21	DPP	Receive and review email from Tom Conway to Eric Golden and attachments, email to Tom Conway, receive and review email from Eric Golden	0.5	372.50
01/04/21	DPP	Receive and review emails from Martin Diegel and Tom Conway	0.2	149.00
01/05/21	DPP	Review file, pull materials filed at trial to reference in draft Judgment, prepare draft Judgment, emails to and from Hartley Bricks, receive and review email from Eric Golden to Martin Diegel	2.7	2,011.50
01/06/21	DPP	Receive and review email from Hartley Bricks, telephone conference with Hartley Bricks regarding draft Judgment	0.5	372.50
01/08/21	DPP	Revise draft Judgment, email to all counsel for approval as to form and content and reiterate request for approval of draft Order of August 13, 2019 as to form and content, receive and review email from Tom Conway, email to Hackland J. and Tina Johanson to request Zoom videoconference with His Honour and all counsel	0.8	596.00
01/11/21	DPP	Emails from and to Tina Johanson, email to all counsel to enquire if they are available on Jan 15 at 9:30 am, receive and review emails from Eric Golden, Marin Diegel and Tom Conway confirming their availability, email to Tina Johanson to confirm hearing	0.4	298.00
01/13/21	DPP	Emails from and to Tina Johanson, email to all counsel to confirm hearing and Zoom coordinates	0.3	223.50

IN ACCOUNT WITH



199 BAY STREET, SUITE 2200
 P.O. BOX 447, COMMERCE COURT POSTAL STATION
 TORONTO, ON CANADA M5L 1G4
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<http://www.dickinsonwright.com>
 GST/HST NUMBER: 831204003 RT0001

RECEIVERSHIP OF GOLDEN DRAGON HO 10 INC. ET AL.
 CLIENT/MATTER NO.:058347-00002

INVOICE DATE: FEBRUARY 4, 2021
 INVOICE NO.: 1551081
 PAGE 3

<u>DATE</u>	<u>INITIALS</u>	<u>SERVICES</u>	<u>HOURS</u>	<u>VALUE</u>
01/15/21	DPP	Attend videoconference hearing before Hackland J., receive and review email from Hartley Bricks regarding yield maintenance, email draft Order of August 13, 2020 to Hackland J. for signature, analyze issue of proper date to fix date for calculating yield maintenance, email to Hartley Bricks and Eric Golden to confirm it should be November 7, 2019	2.8	2,086.00
01/16/21	DPP	Receive and review signed Order of August 13, 2020 from Hackland J., email to Hackland J.	0.1	74.50
01/18/21	DPP	Receive and review emails from Eric Golden and Martin Diegel	0.1	74.50
01/19/21	DPP	Ev and review emails from Eric Golden	0.1	74.50
01/20/21	DPP	Receive and review emails form Eric Golden and Kevin Caron, revise draft Judgment, email to all counsel for review and approval	0.8	596.00
01/21/21	DPP	Receive and review email from Martin Diegel, receive and review emails form Etic Golden, Kevin Caron and Martin Diegel	0.9	670.50
01/27/21	DPP	Receive and review email from Jacob Diegel	0.1	74.50
02/01/21	DPP	Emails from and Hartley Bricks	0.1	74.50
02/02/21	DPP	Emails from and to Hartley Bricks, receive and review email from Eric Golden, telephone conference with Eric Golden, email from Eric Golden to Martin Diegel and Tom Conway regarding resolution of costs, video conference with Hartley Bricks to commission his fee Affidavit	1.0	745.00
02/04/21	DPP	Emails from and to Hartley Bricks, prepare fee affidavit, email to Hartley Bricks	0.7	521.50
TOTAL FEES			18.2	\$ 13,254.00
HST - ONTARIO				\$ 1,723.02
TOTAL CURRENT INVOICE				\$ <u>14,977.02</u>

TIMEKEEPER SUMMARY

<u>TIMEKEEPER</u>	<u>TITLE</u>	<u>RATE</u>	<u>HOURS</u>	<u>VALUE</u>
DAVID P. PREGER	PARTNER	745.00	12.1	9,014.50
DAVID P. PREGER	PARTNER	695.00	6.1	4,239.50
TOTAL FEES CURRENT INVOICE			<u>18.20</u>	\$ <u>13,254.00</u>

IN ACCOUNT WITH

DICKINSON WRIGHT LLP

136

199 BAY STREET, SUITE 2200
P.O. Box 447, COMMERCE COURT POSTAL STATION
TORONTO, ON CANADA M5L 1G4
TELEPHONE: (416) 777-0101
<http://www.dickinsonwright.com>
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CLIENT/MATTER NO.:058347-00002

INVOICE DATE: FEBRUARY 4, 2021
INVOICE NO.: 1551081
PAGE 4

PLEASE NOTE THAT THIS ACCOUNT IS DUE UPON RECEIPT

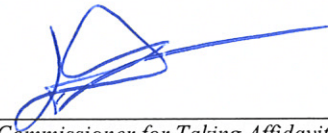
DICKINSON WRIGHT LLP



DAVID P. PREGER

In accordance with the Solicitors Act interest at 1.3% will be charged on all accounts outstanding over 30 days. E.&O.E.

This is Exhibit "B" referred to in the Affidavit of DAVID
PREGER sworn February 4, 2021.

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Commissioner for Taking Affidavits (or as may be)

Billing Rates of Dickinson Wright LLP

For the period June 25, 2020 to February 4, 2021

	Rate	Hours	Year of Call	Area of Practice
Paul Muchnik	750.00	1.50	1987	Real Estate
Lisa Corne	695.00	8.20	1988	Bankruptcy and Insolvency
David Preger	695.00 (2020) 745.00 (2021)	82.00 6.1	1995	Bankruptcy and Insolvency
David Seifer	320.00	1.00	2018	Bankruptcy and Insolvency
Lipika Singh	245.00	1.20		Student Law

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FIRST NATIONAL FINANCIAL GP CORPORATION
Applicant

-and- GOLDEN DRAGON HO 10 INC. et al.
Respondents

Court File No. 17-73967

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
TORONTO

FEE AFFIDAVIT OF DAVID PREGER

DICKINSON WRIGHT LLP
Barristers & Solicitors
Commerce Court West
199 Bay Street, Suite 2200
Toronto, ON M5L 1G4

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Lawyers for Deloitte Restructuring Inc., Court-appointed
Receiver of Golden Dragon Ho 10 Inc. and Golden Dragon Ho
11 Inc.