

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE )  
JUSTICE *Robert W. Beaudouin* )

~~THURSDAY~~, THE *20<sup>th</sup>* DAY  
OF FEBRUARY, 2014

**FRONTENAC MORTGAGE INVESTMENT CORPORATION**

Applicant

and

**HYDE PARK RESIDENCES INC.**

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43 and Rules 14.05(2) and (3) (d), (g) and (h) of the *Rules of Civil Procedure*

**ORDER**

**THIS APPLICATION** made by Frontenac Mortgage Investment Corporation ("Frontenac") for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Deloitte Restructuring Inc. as receiver and manager (collectively referred to as the "Receiver") without security, of the assets, undertakings and property of Hyde Park Residences Inc. (the "Debtor") more particularly described herein, was heard this day at 161 Elgin Street, Ottawa, Ontario.

**ON READING** the affidavit of Leo Lee sworn January 31, 2014 and the Exhibits thereto and on hearing the submissions of counsel for Frontenac Mortgage Investment Corporation, and on reading the consent of Deloitte Restructuring Inc. to act as the Receiver,

## **SERVICE**

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

## **APPOINTMENT**

2. **THIS COURT ORDERS** that pursuant to Section 243(1) of the BIA and Section 101 of the CJA, Deloitte Restructuring Inc. is hereby appointed Receiver, without security, of all of the lands and premises legally described in Schedule "B" hereto (the "Lands") and all of the Debtor's interest in assets and undertakings of any kind or nature, present and after-acquired, and located on or solely pertaining to the Lands or used in relation to, the development of the Lands and construction of improvements thereon, including all proceeds thereof (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

relocating of Property to safeguard it, 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 manage, operate, and carry on all or part of the business of the Debtor, 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 Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, 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;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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 Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) 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 Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. 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;

- (k) to market any or all of the Property, including 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;
- (l) 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 \$200,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; 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*, and Section 31 of the Ontario *Mortgages Act* shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (m) 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;
- (n) 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;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) 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 Debtor, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. **THIS COURT ORDERS** that (i) the Debtor, Courtyard Developments Inc. and Hyde Park – A Living Presence in Canada Inc., (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its 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 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 the Receiver be given access to the office premises at 301 Chestnut Green Private, Richmond, Ontario, K0A 2Z0 which the Debtor, Courtyard Developments Inc. and Hyde Park – A Living Presence in Canada Inc. have used for the development and management of the Property (the "Office Premises"). The Receiver shall, at its discretion, be entitled to rent and make use of the Office Premises, and any equipment contained therein, at a per diem rent equivalent to the rent that the Debtor, Courtyard Developments Inc. and/or Hyde Park – A Living Presence in Canada Inc. is presently required to pay.

6. **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 Debtor, 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 6 or in paragraph 7 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.

7. **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, or all Persons having access to 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.

8. **THIS COURT ORDERS** that the Land Registry Office for the appropriate Land Title Division is hereby directed to register a copy of this order on title of the real properties of the Debtor, the particulars of which are attached as Schedule "B" hereto.

#### **UNDERTAKING AS TO DAMAGES**

9. **THIS COURT ORDERS** that the necessity for an undertaking as to damages is hereby dispensed with.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

10. **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 DEBTOR OR THE PROPERTY**

11. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or 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 Debtor or the Property are hereby stayed and suspended pending further Order of this Court. Notwithstanding the provisions of this paragraph, this court orders that Rasmussen Starr Ruddy LLP may release the funds held in its

trust account to the lien claimants identified in the report of Master Calum MacLeod dated December 27, 2013.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

12. **THIS COURT ORDERS** that all rights and remedies against the Debtor, 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 nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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. Notwithstanding the provisions of this paragraph, this court orders that Rasmussen Starr Ruddy LLP may release the funds held in its trust account to the lien claimants identified in the report of Master Calum MacLeod dated December 27, 2013.

#### **NO INTERFERENCE WITH THE RECEIVER**

13. **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 Debtor, without written consent of the Receiver or leave of this Court.

#### **CONTINUATION OF SERVICES**

14. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor 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 Debtor, or to 6143 Perth Street, Richmond, Ontario, or to 301 Chestnut Green Private, Richmond, Ontario, or for the benefit of the Debtor, 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 Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, or telephone numbers, facsimile numbers, internet addresses and domain names in the names of third parties but being used for the benefit of the Debtor, 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 Debtor 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**

15. **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, 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**

16. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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, wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, 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*.

## **PIPEDA**

17. **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 (i) current employees and, (ii) current life lessees, only 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") and for the sole purpose of assisting or facilitating the prospective purchaser's or bidder's negotiation or discussion with said employees and/or life lessees – in respect of said employees – of future employment with the prospective purchaser or bidder, or – in respect of the life lessees – the future development of the Property, changes to existing life leases and/or the provision of services to life lessees. 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## **LIMITATION ON ENVIRONMENTAL LIABILITIES**

18. **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**

19. **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**

20. **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, 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.

21. **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 or master of the Ontario Superior Court of Justice.

22. **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 normal 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**

23. **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 \$750,000 (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.

24. **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.

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

26. **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.

27. **THIS COURT ORDERS** that notwithstanding paragraphs 23 to 26 inclusive above, and as an alternate thereto, the Receiver is hereby authorized to borrow money to fund the exercise of its duties hereunder by way of advances from the Applicant, which advances shall be secured by the Applicant's security on the Property (including, without limitation, the Mortgage as defined in and as attached as an Exhibit to the Affidavit of Leo Lee sworn January 31, 2014) with the same priority that may attach to such security and at a rate of interest of 9.5 per cent per annum, calculated monthly and not in advance.

28. **THIS COURT ORDERS** that the individuals who reside on the Lands and who are signatories or assignees of life lease occupancy agreements with the Debtor which are registered on title of the Lands (the "Life Lessees") shall pay their applicable occupancy charges to the Receiver and the Receiver shall deliver to the Life Lessees the goods and services presently being provided by the Debtor pursuant to the terms of the life lease occupancy agreements in effect between the Debtor and the Life Lessees (the "Goods and Services for Life Lessees"). If the costs incurred by the Receiver in the provision of Goods and Services for Life Lessees exceeds the occupancy charges received from the Life Lessees, and notwithstanding any provision to the contrary in the life lease occupancy agreements, the Receiver is entitled to recover the shortfall from the Life Lessees in a manner to be agreed to between the Receiver and the Life Lessees or in a manner, and in an amount, ordered by this court.

#### **GENERAL**

29. **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.

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

31. **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.

32. **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.

33. **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 Debtor's estate with such priority and at such time as this Court may determine.

34. **THIS COURT ORDERS** that the Receiver be at liberty to serve this Order, any other materials and orders in this proceeding, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Debtor's creditors or other interested parties at their respective addresses as listed in the Service List or as recorded in the records of the Debtor and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the

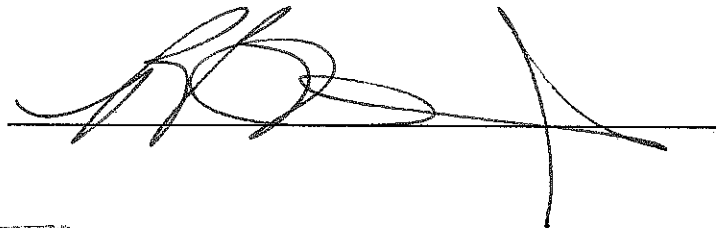
date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

35. **THIS COURT ORDERS** that the Applicant and the Receiver and any party who has served a Notice of Appearance, may serve any materials in this proceeding by e-mailing a pdf or other electronic copy of such material to counsels' email address as recorded on the Service List from time to time.

36. **THIS COURT ORDERS** that the Receiver is hereby authorized to post a copy of this Order and any subsequent proceedings and orders of this court on its website at [http://www.deloitte.com/view/en\\_CA/ca/specialsections/insolvencyandstructuringproceedings/index.htm](http://www.deloitte.com/view/en_CA/ca/specialsections/insolvencyandstructuringproceedings/index.htm).

37. **THIS COURT ORDERS** that the Receiver is authorized to serve its reports in these proceedings on the Debtor, its creditors and other interested parties by posting any such reports on the Website.

38. **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, provided that nothing in this section operates to extend any applicable appeal period.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a horizontal line.

ENTERED AT OTTAWA INSCRIT A OTTAWA
ON/LE FEB 20 2014
DOCUMENT # 591
IN BOOK NO. 73-13
AU REGISTRE NO. 73-13

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. ●

AMOUNT \$ ●

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver and manager (the "Receiver") of certain real property of Hyde Park Residences Inc. (the "Debtor") and all of the Debtor's interest in assets and undertakings of any kind or nature, present and after-acquired, and located on or solely pertaining to the real property or used in relation to, the development of the real property and construction of improvements thereon, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ● of February, 2014 (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 [daily][monthly not in advance on the ● day of each month] after the date hereof at a notional rate per annum equal to the rate of ● per cent above the prime commercial lending rate of Bank of ● 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 \_\_\_\_\_, 2014.

Deloitte Restructuring Inc., solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_

Name:

Title:

**SCHEDULE "B"**

**LEGAL DESCRIPTION**

*PIN* 04437 – 0016 LT

*Description* PCL 96-2, SEC 4D-22; PT UNIT 96, PL 4D-22, PART 1, 4R2141; S/T LT245432. GOULBOURN. SUBJECT TO AN EASEMENT IN FAVOUR OF CITY OF OTTAWA AS IN OC237114, SUBJECT TO AN EASEMENT IN FAVOUR OF CITY OF OTTAWA AS IN OC268744. TOGETHER WITH AN EASEMENT OVER PART OF UNIT 94 ON PLAN 4D-22, DESIGNATED AS PARTS 3, 4, 5, AND 6 ON PLAN 4R-21531 AS IN OC689066. SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF UNIT 96 ON 4D-22, BEING PART 2 ON 4R-21530 OVER PART 4 ON 4R-21530 AS IN OC685443, SUBJECT TO EASEMENT IN GROSS AS IN OC846825. TOGETHER WITH EASEMENT OVER PART OF UNIT 94 PLAN 4D22 PART 8 PLAN 4R23098 IN FAVOUR OF PART OF UNIT 96 PLAN 4D22 PART 1 ON PLAN 4R2141 AS IN OC910959. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 10 AND 11 ON PLAN 4R23098 AS IN OC911266. SUBJECT TO AN EASEMENT IN GROSS OVER PART 7 ON PLAN 4R23098 AS IN OC911267.

*Address* RICHMOND

*PIN* 04437 – 0259 LT

*Description* PART OF UNIT 94 ON PLAN 4D-22, DESIGNATED AS PARTS 1 AND 2 ON PLAN 4R-21531. OTTAWA. TOGETHER WITH AN EASEMENT OVER PART OF UNIT 94 ON PLAN 4D-22, DESIGNATED AS PARTS 3, 4, 5, AND 6 ON PLAN 4R-21531 AS IN OC689066. S/T EASEMENT IN GROSS AS IN OC846825. TW EASEMENT OVER PART OF UNIT 94 PLAN 4D22 PART 8 PLAN 4R23098 IN FAVOUR OF PART OF UNIT 94 PLAN 4R22 PARTS 1 & 2 PLAN 4R21531 AS IN OC910959.; SUBJECT TO AN EASEMENT AS IN LT243953

*Address* RICHMOND

*PIN* 04437 – 0261 LT

*Description* PART OF UNIT 96 ON PLAN 4D-22, DESIGNATED AS PART 1 ON PLAN 4R-21530. OTTAWA. S/T EASEMENT IN GROSS AS IN OC846825.

*Address* RICHMOND

**FRONTENAC MORTGAGE INVESTMENT CORPORATION**

Applicant

- and -

**HYDE PARK RESIDENCES INC.**

Respondent

Court File No. 14-59998

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
PROCEEDING COMMENCED AT  
OTTAWA**

**ORDER**

**GOWLING LAFLEUR HENDERSON LLP**  
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