

ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]

THE HONOURABLE *MR.*)
JUSTICE *WILTON-SIBBIE*)

FRIDAY, THE 6th DAY
OF MARCH, 2015

Handwritten signature

BETWEEN:



PEOPLES TRUST COMPANY

Applicant

- and -

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY

Respondent

ORDER

THIS MOTION made by **Deloitte Restructuring Inc.**, in its capacity as Receiver and Manager over all of the current and future assets, undertakings and properties of the Respondent (in that capacity, the “**Receiver**”) for an Order (i) abridging the time for service of the notice of motion and motion record herein, (ii) approving the Sixth Report of the Receiver dated May 16, 2014 (the “**Sixth Report**”) and the activities described therein, (iii) approving the Seventh Report of the Receiver dated March 3, 2015 (the “**Seventh Report**”) and the activities described therein, (iv) approving the settlement of the construction lien of Mikal-Calladan Construction Inc. (the “**Construction Lien**”) registered against the Rose of Sharon (“**Rose**”) nursing home

and life-lease residence located at 15-17 Maplewood Avenue, Toronto (the “**Property**”) on November 19, 2010, and assigned to Trisura Guarantee Insurance Company (“**Trisura**”) by way of agreement dated January 30, 2012, as well as the related Construction Lien action, and approving the settlement with only Trisura of that portion of Rose’s Statement of Claim issued by its Receiver in connection with the construction of the Property, as set out in Minutes of Settlement made as of February 2, 2015 (the “**Minutes of Settlement**”), (v) sealing the unredacted Minutes of Settlement from the public record until the settlement been completed, or until further Order of the Court, (vi) directing Unimac Group Inc. (“**Unimac**”), John Yoon and Moon Yoon (collectively, the “**Yoons**”), and Leon Hui to each provide an accounting of all amounts each has received in respect of rent for the 10 units (the “**Occupied Units**”) referred to in paragraph 40 of the Seventh Report, provide details of the leases for those Occupied Units and ordering that each pay to the Receiver any and all amounts received from tenants of the Occupied Units from July 29, 2014 onward, (vii) directing all tenants of the Occupied Units to produce to the Receiver on or before March 31, 2015, the information required in the Notices to Tenants, Demands for Particulars of Tenancy Agreement and Notices of Rental Attornment (the “**Notices**”) set out in paragraph 40 and Appendix “G” of the Seventh Report, and to commence payment of rent to the Receiver from the date of the Order onward based on the terms of their lease, and to the extent there is no lease, at market rates as determined by the Receiver, (viii) approving and accepting the Receiver’s Interim Statements of Receipts and Disbursements for the period from September 28, 2011 to November 30, 2014, (ix) increasing to \$6,500,000.00 the amount the Receiver is authorized to borrow pursuant to paragraph 20 of the Appointment Order (as defined in the Notice of Motion), and (x) approving the fees and disbursements for services rendered by the Receiver for the period from November 1, 2013 to November 30, 2014, the fees

and disbursements of Blaney McMurtry LLP (“**Blaneys**”) for the period from November 1, 2013 to September 30, 2014, the fees and disbursements of Gowling Lafleur Henderson LLP (“**Gowlings**”) for the period from December 31, 2013 to December 31, 2014, and the fees and disbursements of Kronis, Rotsztain, Margles, Cappel LLP (“**KRMC**”) for the period from November 26, 2013 to March 6, 2015, was heard this day at Toronto.

ON READING the Receiver’s Motion Record dated March 3, 2015, the Sixth Report, the Seventh Report, the affidavit of Hartley Bricks sworn March 2, 2015, the affidavit of Chad Kopach sworn March 3, 2015, the affidavit of Christopher Stanek sworn February 26, 2015, and the affidavit of Mervyn Abramowitz sworn February 26, 2015, and upon hearing the submissions of counsel for the Receiver, counsel for the Applicant, and counsel for Trisura, no one else appearing,

*AMJ
- and the affidavit of Eric Golden sworn
March 6, 2015*

1. **THIS COURT ORDERS** that the time for service of the Receiver’s Notice of Motion returnable March 6, 2015 (the “**NOM**”), and related motion material filed in support of that NOM (the “**Motion Material**”) be and is hereby abridged, that service of the NOM and Motion Material is hereby validated, and that further service thereof is hereby dispensed with.

2. **THIS COURT ORDERS** that the Sixth Report dated May 16, 2014, and the actions of the Receiver and its counsel described therein be and are hereby approved.

3. **THIS COURT ORDERS** that the Seventh Report dated March 3, 2015, and the actions of the Receiver and its counsel described therein be and are hereby approved.

4. **THIS COURT ORDERS** that (i) the settlement of the Construction Lien of Mikal-Calladan registered against the Property on November 19, 2010, and assigned to Trisura by way

of agreement dated January 30, 2012, and the related Constriction Lien action, and (ii) the settlement with only Trisura of that portion of Rose's Statement of Claim issued by its Receiver in connection with the construction of the Property, as set out in the Minutes of Settlement made as of February 2, 2015, be and is hereby approved.

5. **THIS COURT ORDERS** that the unredacted version of the Minutes of Settlement as defined in paragraph 53 of the Seventh Report and attached to that Report in redacted form as Redacted Appendix "I" 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.

6. **THIS COURT ORDERS** that the unredacted version of the Minutes of Settlement shall remain under seal until the Minutes of Settlement have been completed, or until further Order of the Court. *The balance of Appendix "I" shall remain sealed pending further order of the Court.* *HWS*

7. **THIS COURT ORDERS** that Unimac, John Yoon, Moon Yoon and Leon Hui each provide the Receiver by March 31, 2015 an accounting of any all funds each has received since July 31, 2014, in respect of rent or otherwise from any of the Occupied Units referred to in paragraph 40 of the Seventh Report (the "**Attornment Rent Monies**").

8. **THIS COURT ORDERS** that Unimac, John Yoon, Moon Yoon and Leon Hui each pay to the Receiver by March 31, 2015, any and all Attornment Rent Monies they have received since July 31, 2014.

9. **THIS COURT ORDERS** that Unimac, John Yoon, Moon Yoon and Leon Hui each provide the Receiver by March 31, 2015, copies of any and all leases from July 29, 2014 onward in their possession for any of the Occupied Units they ever claimed any form of interest in, and to the extent no written leases were entered into or can be produced, details of any oral leases for those Occupied Units including start date, term, amount payable and name of tenant(s).

10. **THIS COURT ORDERS** that all tenants of the Occupied Units produce to the Receiver on or before March 31, 2015 the information required in the Notices set out in paragraph 40 and Appendix "G" of the Seventh Report.

11. **THIS COURT ORDERS** all tenants of the Occupied Units commence payment of rent for their respective Occupied Unit to the Receiver from the date of this Order onward based on the terms of their lease, and to the extent there is no lease, at market rates as determined by the Receiver.

12. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements for the period from September 28, 2011 to November 30, 2014 as set out at Appendix "K" of the Receiver's Seventh Report, be and is hereby accepted and approved.

13. **THIS COURT ORDERS** that the amount the Receiver is authorized to borrow pursuant to paragraph 20 of the Appointment Order issued by Justice Campbell on September 27, 2011, be and is hereby increased to \$6,500,000.00.

14. **THIS COURT ORDERS** that the fees and disbursements of the Receiver from November 1, 2013 to November 30, 2014, the fees and disbursements of Blaneys from November 1, 2013 to September 30, 2014, the fees and disbursements of Gowlings from

December 31, 2013 to December 31, 2014, and the fees and disbursements of KRMC from November 26, 2013 to March 6, 2015, be and are hereby approved.

W. Han-M J.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:



MAR 9 2015

PEOPLES TRUST COMPANY

and

Applicant

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding Commenced at **TORONTO**

ORDER

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