

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

B E T W E E N:

PEOPLES TRUST COMPANY

Applicant

- and -

ROSE OF SHARON (ONTARIO RETIREMENT COMMUNITY

Respondent

**APPLICATION UNDER section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended and under Section 101 of the
Courts of Justice Act, R.S.O. 1990, c. C.43**

NOTICE OF MOTION

DELOITTE & TOUCHE INC. (“**Deloitte**”), in its capacity as court appointed receiver and manager (the “**Receiver**”) of Rose of Sharon (Ontario) Retirement Community (“**Rose**”), will make a motion to a judge presiding over the Commercial List at 10:00 a.m. on February 28, 2013 at 330 University Avenue, Toronto, Ontario.

THE PROPOSED METHOD OF HEARING: The motion will be heard orally.

THE MOTION IS FOR an Order substantially in the form of the draft attached as Schedule “A” hereto:

1. if necessary, abridging the time for service of the notice of motion and motion record herein and dispensing with further service thereof;
2. approving the Second Report to the Court of the Receiver dated December 14, 2012 (the “**Second Report**”) and the Receiver’s actions and activities as set out in the Second Report;
3. approving the Third Report to the Court of the Receiver dated February 19, 2013 (the “**Third Report**”), the Receiver’s actions and activities as set out in the Third Report, and the Receiver’s Interim Statement of Receipts and Disbursements attached as **Appendix “Z”** thereto;
4. seeking the advice and direction of this Court with respect to determining any and all claims by the life-lessees of the 27 Arm’s Length Units and the 1 Arm’s Length – Abandoned Unit (as defined in the Third Report), representing holders of Life-Lease Units of Korean heritage with no apparent connection or relationship to Rose (the “**Arm’s Length Unit Holders**”), against their 28 Life-Lease Units and the Property, and/or the proceeds of sale of their 28 Life Lease-Units, under Right to Occupy Agreements (“**RTOAs**”) and Amended RTOAs (being the agreements of purchase and lease respecting their 28 Life-Lease Units), or otherwise, as well as any claims of any tenants of these 28 Arm’s Length Units (the “**Arm’s Length Tenants**”), and specifically determining:

- (a) the quantum and priority of any amount advanced or paid by or on behalf of these Arm's Length Unit Holders and Arm's Length Tenants (collectively, the "**Arm's Length Claimants**") to Rose in any fashion, whether by way of secured loan, unsecured loan, gift, deposit or otherwise and whether evidenced by promissory note, loan agreement, or other contract of debt or obligation (the "**Arm's Length Claims**"); and
 - (b) whether or not the Arm's Length Claims are subordinate in priority to the first mortgage registered against title to the Property (the "**Construction Mortgage**") held by the Applicant and first mortgagee over the Property, Peoples Trust Company ("**Peoples**");
- 5. appointing Kronis, Rotsztain, Margles, Cappel LLP ("**KRMC**") as representative counsel for the Arm's Length Claimants with respect to the Arm's Length Claims, and with respect to the issue of the priority between the Construction Mortgage and the Arm's Length Claims (the "**Arm's Length Priority Issue**");
- 6. to the extent that the Court orders that any of the Arm's Length Claims are subordinate to the Construction Mortgage, declaring that in accordance with the Order to be sought by Peoples: (i) the RTOAs (and Amended RTOAs) relating to the Arm's Length Units of those Arm's Length Unit Holders are terminated; and (ii) that those Arm's Length Claimants deliver up vacant possession of their Life-Lease Units upon written demand from the Receiver;

7. seeking the advice and direction of the Court with respect to determining whether any and all claims of all remaining Life-Lease Unit holders identified in the Receiver's Third Report, other than the Arm's Length Unit Holders (the "**Remaining Unit Holders**"), against their Life-Lease Units and the Property, and/or the proceeds of sale of their Life-Lease Units, under RTOAs, Amended RTOAs, or otherwise, as well as the claims of any tenants of the Remaining Unit Holders (the "**Remaining Tenants**"), including but not limited to any amounts advanced or paid by the Remaining Unit Holders and the Remaining Tenants (collectively, the "**Remaining Claimants**") to Rose in any fashion, whether by way of secured loan, unsecured loan, gift, deposit or otherwise and whether evidenced by promissory note, loan agreement, or other contract of debt or obligation (the "**Remaining Claims**"), are subordinate in priority to the Construction Mortgage. In particular, the Receiver is seeking the advice and direction of the Court as to whether the Construction Mortgage has priority over the following categories of Life-Lease Units (the "**Remaining Units**"), and specifically priority over the Remaining Claims against those Remaining Units (there are 90 Life-Lease Units in all at the Property, including the 27 Arm's Length Units and the 1 Arm's Length Abandoned Unit referenced above, although 4 Life-Lease Units may be subject to the interests of more than one party or fall into more than one category of unit):
- (a) 16 Life-Lease Units purchased in whole or in part by former members of the Board of Directors of Rose and/or their spouses (the "**Director Units**");

- (b) 2 Life-Lease Units purchased by Mugungwha Homes (“**Mugungwha**”), a “non-profit registered charity with particular emphasis on helping senior citizens of the Korean-Canadian community” (the “**Mugungwha Units**”). The President of Mugungwha is Moon Yoon, the wife of John Yoon;
- (c) 18 Life-Lease Units purchased by non-arm’s length purchasers (*i.e.* investors) representing purchasers who are not of Korean heritage, or who are of Korean heritage but were members of a group who appear to have purchased Life-Lease Units for investment purposes, or for purposes other than personal occupation (the “**Non-Arm’s Length Units**”);
- (d) 16 Life-Lease Units that have been released back to Rose and are now vacant, originally purchased by purchasers with a Korean heritage (the “**Released Units**”);
- (e) 6 Life-Lease Units occupied by Unimac Group Ltd./ Mikal-Calladan Construction Inc. (the “**Unimac Units**”);
- (f) 3 Life-Lease Units provided by Rose to Turfpro Investments Inc. (“**Turfpro**”)/William Campbell (“**Campbell**”) in exchange for various loans (the “**Turfpro RTOA Units**”);
- (g) 4 Life-Lease Units for which options to purchase were provided to Turfpro in exchange for various loans (the “**Turfpro Option Units**”); and
- (h) 1 Life-Lease Unit that is unsold and vacant (the “**Unsold Unit**”).

8. to the extent that the Court orders that any of the Remaining Claims of the Remaining Claimants are subordinate to the Construction Mortgage, declaring that in accordance with the Order to be sought by Peoples (i) the RTOAs (and Amended RTOAs) relating to the Life-Lease Units of the Remaining Unit-Holders are terminated; and (ii) that those Remaining Claimants deliver up vacant possession of their Life-Lease Units upon written demand from the Receiver;
9. increasing to \$1,500,000.00 the amount that the Receiver is authorized to borrow pursuant to paragraph 20 of the Appointment Order (as defined below);
10. directing the Korean (Toronto) Credit Union (“KCU”) to pay to the Receiver, without set-off, contra or other deduction, all amounts that were standing to the credit of Rose as at the date of the appointment of the Receiver in bank accounts held by Rose with KCU, net of any banking charges levied against those funds that are approved by the Receiver;
11. approving the fees and disbursements of the Receiver for the period ending December 31, 2012, and the fees and disbursements of counsel to the Receiver for the period ending December 31, 2012; and,
12. such further and other relief as counsel may request and this Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. pursuant to an Order (the “**Appointment Order**”) of Justice Campbell of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 27, 2011 (the “**Appointment Date**”), Deloitte was appointed as Receiver of all of the current and future assets, undertakings and properties of Rose;
2. the Property is a twelve (12) storey building consisting of a 60 bed long term care component on floors 4 to 6 (the Nursing Home), and a residential life lease component consisting of 90 apartments (the Life-Lease Units) and related amenities (the “**Life-Lease Residence**”) on the remaining floors (floors 2, 3 and 7 through 12);
3. since its appointment, the Receiver has managed and administered the Property for the benefit of stakeholders, and among other things:
 - (a) caused the Nursing Home to be operated in accordance with applicable law and regulation, through the professional management of Assured Care Consulting Inc. (“**ACC**”), a manager approved by the Ministry of Health and Long-Term Care;
 - (b) caused the Property, apart from the operations of the Nursing Home, to be professionally managed by Sterling Silver Development Corporation through its division, Sterling Karamar Property Management (“**Sterling**”), as approved by this Court;
 - (c) caused a review of the condition of the building to be prepared by an independent expert;
 - (d) investigated the nature and extent of the payments made by, and interests of, various parties in the Life-Lease Units, and various realization strategies for the Property;

- (e) made appropriate inquiries and pursued the registration of the Property under the *Condominium Act*; and
 - (f) generally managed and administered the Property in a commercially reasonable fashion in accordance with applicable law;
4. Rose is a not-for-profit Ontario corporation, originally organized for the purpose of providing non-profit residential accommodation for senior citizens of Korean heritage. Rose purchased the Property in or about 1996 for the purposes of developing a retirement residence and to provide related nursing home facilities;
 5. in order to foster a Korean community base at the Property, Rose sought to develop the Property on the basis of providing “life-leases” for residents (save and except residents of the Nursing Home);
 6. the construction of the Property was financed by way of Peoples’ Construction Mortgage registered against title to the Property on May 18, 2007;
 7. Rose marketed the Life-Lease Residence as Life-Lease apartments which would give the Life-Lease Unit holder (“**Unit-holder**”, or “**Purchaser**”) the right to use, occupy and enjoy the Life-Lease Unit for the remainder of the Unit-holder’s life, or if there were two Purchasers, until the death of the surviving Unit-holder;
 8. the life-lease arrangements put in place by Rose are governed by the RTOAs (and Amended RTOAs) entered into on a unit-by-unit basis;

9. each RTOA sets out the purchase price, as well as the deposit schedule for the relevant Life-Lease Unit (amounts to be paid, dates on which those amounts are to be paid, and percentage of purchase price that the deposits represent - each Unit-holder was required to pay deposit instalments totalling either 30% or 40% of the purchase price under the RTOA depending on whether a purchaser was defined as an “arm’s length purchaser” or “non-arm’s length purchaser”);
10. each RTOA includes the following provisions:
 - (a) the term of the RTOA was “the lifetime of the Purchaser or if there are two Purchasers, upon the death of the survivor” (Term 1, Terms of Agreement);
 - (b) the Life-Lease Unit is to be used by the Purchaser for “residential purposes only” (Term 11, Terms of the Agreement);
 - (c) the RTOA “shall not create any direct ownership in the real property or building of [Rose] and the Purchaser agrees not to register notice of this [RTOA] against title to the lands upon which the building sits, until Occupancy and then only in accordance with the form of notice approved by [Rose] acting reasonably and in accordance with applicable registration regulations.” (Term 8, Terms of the Agreement);
 - (d) upon possession of the Life-Lease Unit, and on the first day of each and every calendar month thereafter, the Purchaser was to pay a Maintenance Fee calculated based on the area of the unit, which was intended to cover the following (Terms 1 and 3 – Monthly Maintenance Fees):

“operation, maintaining, repairing and managing the residential building, the Unit (the purchaser pays for unit damage and insurance), the common areas, the amenities and facilities, as well as visitor parking areas, including snow and garbage removal, sewer and water, gas, insurance, building maintenance, landscaping, ground maintenance, elevator maintenance contract, equipment costs, equipment replacement reserves, major repairs and major capital repair reserves and management fees”; and “providing services for the residents, including amenity space charges, activity and program co-ordination costs”; and

- (e) Unit-holders were also to pay for “municipal taxes, utilities and any optional services such as communications and entertainment” which were to be billed separately by Rose; (Term 5, Monthly Maintenance Fees)

11. in addition to their RTOA, beginning sometime in the fall of 2003, each Purchaser was also required to execute a “Rose of Sharon - Acknowledgment and Consent Agreement” (the “ACA”) in which it was acknowledged therein that the ACA was “incorporated into and shall form part of the Agreement to Purchase”;

12. the Purchaser also acknowledged in the ACA that:

- (a) he/she is “obligated” to pay the deposits as set out in the RTOA;
- (b) he/she has received a draft copy of the RTOA from Rose and has “reviewed [it] with his/her solicitor”;
- (c) Rose “has the right to amend the [RTOA] in its sole discretion from time to time until it is in a form acceptable to [Rose], its lender and any regulatory authority”;

- (d) the deposits “may be used by [Rose] in the construction for the Project”, and the deposits are “not insured under the provisions of the Ontario New Home Warranty program or otherwise”; and
 - (e) he/she has received independent legal advice prior to signing the ACA;
13. despite the life-lease concept employed by Rose for the development of the Property, from its inception Rose kept open the possibility that the Nursing Home and Life-Lease Residence could be converted to condominiums. The ACA also contained the following provision allowing for the Nursing Home and Life-Lease Residence to be registered as a condominium, and require a Unit-holder to acquire a condominium unit in lieu of his/her life-lease interest, but not entitling the Unit-holder to require acquisition of a condominium unit;

“the purchaser acknowledges and agrees that he/she has been advised that the construction lender has the legal right, in its sole and absolute discretion but without any obligation, to insist that the Life-Lease Project be registered as a condominium corporation” and in that event the purchaser “may be required to acquire, but he/she is not entitled to require a condominium unit rather than a Life-Lease unit on terms and conditions that have been fully explained to the purchaser at the time of executing [the ACA], which terms and conditions will be reflected on the final version of the Agreement”;

14. before Peoples made any advances under the Construction Mortgage, each Purchaser was required to execute an "Acknowledgment and Postponment (sic) Agreement" (the "APA") wherein he/she agreed and acknowledged that "all deposits paid and to be paid under the [RTOA] are subordinated and postponed to, and shall not rank in priority to, the [Construction Mortgage], and the [Peoples] Security";
15. subsequently, Amended RTOAs were entered into in January, 2010, providing for Unit-holders to give a promissory note to Rose representing the balances due under the RTOAs. The term of the Amended RTOAs was for two years, thereby allowing for payment of the notes in full upon anticipated completion of conversion of the Nursing Home and Life-Lease Residence to condominiums;
16. prior to any advance under the Construction Mortgage, Rose was to provide Peoples with confirmation of *bona fide* sales of 80 Life-Lease Units in place amounting to at least \$14,246,000, including the provision of non-refundable cash deposits totalling \$4,170,000 (which included a maximum of 18 non-arm's length unit sales *i.e.* investor sales whose deposit per Life-Lease Unit was to be 40% of the selling price, as compared to 30% for arm's length parties);
17. the first advance under the Construction Mortgage was made in May, 2007, after Peoples was provided with executed RTOAs and APAs with respect to the 82 Life-Lease Units sold to that point, and confirmation of sales of these 82 Life-Lease Units totalling \$15,170,891.93 and generating deposits totalling \$4,190,480.28;

18. in addition, the ACAs cover 69 of the 89 Life Lease Units that are subject to RTOAs (as set out above, while there are 90 Life-Lease Units, 4 Life-Lease Units may be subject to the interests of more than one party or fall into more than one category of unit). The Receiver has located forms of acknowledgment with respect to 13 of the remaining 20 RTOAs, including for all but one of the Arm's Length Units;
19. the Occupancy Permit for the Property was issued on or about November 4, 2010;
20. Rose encountered cash flow issues almost from the start of construction. Beginning in 2006, one of the sources Rose reached out to for funds was the Unit-holders. Rose's records indicate that, in addition to the deposits Rose received in accordance with the terms of the RTOAs, since 2006, Rose borrowed over \$2.6 million from Unit-holders, including Directors, but excluding loans from Turfpro/Campbell and Leon Hui (a principal of Unimac), which funds appear to have been expended by Rose during the construction of the Project. Rose treated the funds received from Unit-holders as loans (details of the amounts borrowed from Unit-holders are set out in **Appendix "E"** to the Third Report), which were evidenced by way of promissory notes given by Rose to the Unit-holders bearing interest at rates of between 0% and 12 % (the "**Rose Promissory Notes**"), and it does not appear that the funds that Rose obtained by way of the Rose Promissory Notes were paid to Peoples to be credited against the Construction Mortgage;
21. of the over \$2.6 million in loans to Rose from Unit-holders and Directors, other than a loan for \$124,912.00 from Mugungwha for one of its two Life-Lease Units, the Rose Promissory Notes evidence loans to Rose from several of the Arm's Length Purchasers (\$984,351 from 12 Arm's Length Unit Holders representing 14 of the 27 Arm's Length Units) and the Directors (approximately \$1.5 million);

22. as per the terms of the RTOAs, ACAs and APAs, the deposits made by the Unit-holders are subordinate to the Construction Mortgage;
23. in addition, any other advances made by the Unit-Holders to Rose, including those evidenced by the Rose Promissory Notes or otherwise, are subordinate to the Construction Mortgage. The Rose Promissory Notes do not contain any wording that would provide them with priority over the Construction Mortgage;
24. four of the 90 Life-Lease Units may be subject to the interests of more than one party, so that the number of Life-Lease Units set out in Paragraphs 4 and 7 of this Notice of Motion totals 94. The 4 overlapping Life-Lease Units are: (i) unit #310 which is a Released Unit and is subject to an option to purchase in favour of Turfpro; (ii) unit #207, which is being claimed by both Unimac and Mugungwha; (iii) unit #802, which is being claimed by Jane Kim, an Arm's Length Unit Holder, and is subject to an option to purchase in favour of Turfpro; and (iv) unit #PH8, which is being claimed by Unimac and is subject to an option to purchase in favour of Turfpro;
25. as of the Appointment Date, 73 of the 90 Life-Lease Units were subject to RTOAs, consisting of the 27 Arm's Length Units, 1 Arm's Length-Abandoned Unit, 16 Director Units, 2 Mugungwha Units, 18 Non-Arm's Length Units, 6 Unimac Units, and 3 Turfpro RTOA Units. However, Rose has contested Unimac's rights to the Unimac Units as part of its ongoing dispute with Unimac (as set out in paragraph 24 above, four of these 73 Life-Lease Units are the subject of competing claims);

26. the remaining Life-Lease Units that were not subject to RTOAs as of the Appointment Date consist of the 1 unsold and vacant unit (the Unsold Unit), the 16 Released Units and the 4 Turfpro Option Units (as set out in paragraph 24 above, 3 of the 4 Turfpro Option Units are currently the subject of competing interests);
27. many of the Arm's Length Unit Holders are treating their Life-Lease Units as investment properties. Of the 27 Arm's Length Units, the current occupancy is as follows:
 - (a) 4 of the Arm's Length Unit Holders are occupying their Arm's Length Unit themselves;
 - (b) 8 of the Arm's Length Units are occupied by family members of the actual Arm's Length Unit-Holders;
 - (c) 3 of the Arm's Length Units are currently vacant; and
 - (d) 12 of the Arm's Length Units are occupied by tenants of the Unit-holders.
28. as of September 30, 2012, the Arm's Length Unit Holders are in arrears on their Maintenance Fee payments in the aggregate amount of \$74,885 and are in arrears on payments under the Amended RTOAs in the aggregate amount of \$185,667;
29. excluding the 27 Arm's Length Units and the 1 Arm's Length – Abandoned Unit, of the remaining 66 Life-Lease Units (the Remaining Units):
 - (a) 16 Life-Lease Units (the Director Units) are held by former members of Rose's Board of Directors (the "**Former Directors**") and/or spouses of the Former Directors, 7 of whom made loans of \$25,000 each to Rose, and one of whom made a loan of \$30,000 to Rose (the "**Director Loans**"). The Former Directors personally borrowed funds from KCU, and these individual personal loans were guaranteed by Rose. Up until the Appointment Date, Rose had been paying to

KCU the monthly interest payments on the Director Loans. Documentation that certain of the Former Directors have provided to the Receiver indicates that those Former Directors intended to set off the amount of their individual Director Loan against the balance owing on their Life-Lease Units;

- (b) 2 Life-Lease Units (unit #205 and unit #207) were purchased by Mugungwha (the Mugungwha Units). Unit #207 is also being claimed by Unimac;
- (c) 18 Life-Lease Units were purchased by non-arm's length purchasers (the Non-Arm's Length Units), which units can be further broken down as follows:
 - i. 2 Non-Arm's Length Units (unit #203 and unit #903) are occupied by ACC/Robert Berg (the principal of ACC). ACC is the manager of the Nursing Home and it is conducting business from those two units (the "ACC Units"). ACC entered into the RTOA for unit #203 on November 8, 2003. The RTOA for unit #903 was originally entered into by York Health Care Developments Inc. (the Project Manager) on November 8, 2003, but it was assigned to ACC on or around December 31, 2010;
 - ii. 1 Non-Arm's Length Unit (unit #1105) is subject to an RTOA with Leon Hui, a principal of Unimac, entered into on February 24, 2007, and the unit is being rented to a third party;
 - iii. 12 Non-Arm's Length Units are subject to RTOAs with individuals who are not of Korean heritage, who have not occupied their units and who appear to have acquired their units as investments using financing provided by Vace Investments Inc. ("Vace"), a company with a principal

who is related to the project architect (the “**First Vace Investment Units**”); and

- iv. 3 Life-Lease Units which were purchased by individuals who would be categorized as Vace Korean Purchasers (as defined below) instead of Non-Arm’s Length Purchasers but for the fact that Letters of Release (as defined below) for their Life-Lease Units could not be located in Rose’s records.
- (d) 16 Life-Lease Units appear to have been initially claimed by persons with a Korean name, of which 15 used financing provided by Vace (the “**Vace Korean Purchasers**”), which units were subsequently released back to Rose by the putative Unit-holders (the Released Units). The Vace Korean Purchasers executed letters of release for the 16 Released Units (the “**Letters of Release**”) confirming that they had “no ongoing financial or legal interest in [the unit being released] at the Rose Retirement Community project”. In addition, the Letters of Release state that “I release Rose from any obligations to me in respect of the above mentioned unit(s)”. In return, Rose agreed to “release the [Unit-holder of the Released Unit] of any obligation [that Unit-holder] may have in respect of the unit(s)”;
- (e) 6 Life-Lease Units are being claimed by Unimac in connection with an agreement entered into on or about October 17, 2008, under which Rose purported to pledge a minimum of 6 unsold units to Unimac as security in relation to amounts claimed by Unimac under its construction contract with Rose (the Unimac Units). One of

the Unimac Units, unit #207, is also being claimed by Mugungwha, and another, unit #PH8, is subject to an option to purchase in favour of Turfpro;

- (f) 7 Life-Lease Units are being claimed by, or are subject to options in favour of, Turfpro/Campbell (the Turfpro RTOA Units and the Turfpro Option Units) in connection with various loans and mortgages provided by Turfpro/Campbell to Rose between 2002 and 2011, pursuant to which Rose: (i) entered into two RTOAs with Turfpro on December 15, 2005 (for unit #PH5 and unit #PH7), and one RTOA with Campbell on April 8, 2005 (unit #305); and ii) beginning in late 2009, pledged four Life-Lease Units to Turfpro as security and provided options to purchase those units (unit #310, unit #PH3, unit #802 and unit #PH8). As set out above, Unimac is also claiming unit #PH8; and
 - (g) 1 Life-Lease Unit is vacant and does not appear to be subject to an RTOA (the Unsold Unit);
- 30. other than the Remaining Claimants of the ACC Units and the Turfpro RTOA Units which have made certain Maintenance Fee payments, the Remaining Claimants have not made any Maintenance Fee payments since the Appointment Date;
 - 31. Peoples advised the Receiver that it will bring a motion seeking priority for the Construction Mortgage over the Arm's Length Claims and the Remaining Claims;
 - 32. based on the Receiver's review and the advice of independent counsel, the Construction Mortgage is a first ranking mortgage against the Property, and is entitled to priority over the other mortgages registered against the Property, and over the Remaining Claims;
 - 33. the Receiver believes that Peoples has a first charge over the Remaining Units and that it is just and equitable that the Receiver be entitled to obtain vacant possession of the

Remaining Units free and clear of any and all claims in respect of the Remaining Units other than the Construction Mortgage;

34. based on the Receiver's review and the advice of independent counsel, the Construction Mortgage is also entitled to priority over the Arm's Length Claims. However, the Receiver recognizes that various Arm's Length Claimants may wish to make submissions to the Court on the issue of priority. In that regard, the Receiver is concerned of the possibility that a number of different counsel will be engaged by the Arm's-Length Claimants. As it appears to the Receiver, based on the documentation it has reviewed, that the circumstances relating to the Arm-Length Claimants' interests in Rose may be similar, and since the Receiver is of the view that it would be more efficient for the Arm's Length Claimants, the Receiver and the Court if the interests of the Arm's Length Claimants were represented by one firm ("**Representative Counsel**"), the Receiver is requesting:

- (a) that Representative Counsel be appointed for the Arm's Length Claimants with respect to the Arm's Length Claims, and with respect to the issue of priority between the Construction Mortgage and the Arm's Length Claims;
- (b) that KRMC be appointed as Representative Counsel and that its fees and costs in that role be funded from the Estate; and
- (c) the advice and direction of this Court with respect to the Arm's Length Priority Issue;

35. Peoples has advised the Receiver that should Representative Counsel be appointed on terms that are acceptable to it, Peoples would support the appointment of Representative Counsel and its funding from the receivership estate;

36. in connection with its administration of the Property, the Receiver originally requested payment of certain monies held by KCU for the credit of Rose as of the Appointment date (\$205,148.61, or the “**KCU Funds**”). Despite these written requests, KCU has refused or failed to make payment of these monies to the Receiver, and instead has set off against the KCU Funds \$150,000.00 representing loans that KCU had made to former members of Rose’s Board of Directors, which loans had been guaranteed by Rose;
37. the interim statement of receipts and disbursements of the Receiver attached as **Appendix “Z”** to the Third Report is a fair and accurate representation of the funds received and disbursed directly by the Receiver since the appointment of the Receiver;
38. the fees and disbursements of the Receiver and its counsel are fair and reasonable in the circumstances;
39. Rule 10.01 of the *Rules of Civil Procedure* and Section 101 of the *Courts of Justice Act*; and
40. such further and other grounds as counsel may advise and this Honourable Court permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

1. The Third Report to the Court of the Receiver, dated February 19, 2013;
2. the Affidavit of Daniel Weisz sworn February 8, 2013;
3. the Affidavit of Harry VanderLugt, to be sworn;
4. the Affidavit of Chad Kopach sworn February 22, 2013; and
5. such further and other evidence as counsel may advise and this Court permit.

February 22, 2013

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

Eric Golden (LSUC # 38239M)

(416) 593-3927 (Tel)
(416) 593-5437 (Fax)

Lawyers for Deloitte & Touche Inc., in its capacity as court appointed receiver and manager of Rose of Sharon (Ontario) Retirement Community

TO: Receivership Service List (see Schedule "B")

AND TO: Arm's Length Claimants Service List (see Schedule "C")

AND TO: Remaining Claimants Service List (see Schedule "D")

TAB A

SCHEDULE "A"

Court File No. CV-11-9399-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]**

THE HONOURABLE

)

THURSDAY, THE 28th DAY

JUSTICE

)

OF FEBRUARY, 2013

B E T W E E N:

PEOPLES TRUST COMPANY

Applicant

- and -

ROSE OF SHARON (ONTARIO RETIREMENT COMMUNITY

Respondent

O R D E R

THIS MOTION made by **Deloitte & Touche 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 abridging the time for service of the notice of motion and motion record herein and dispensing with further service thereof, approving the Second Report of the Receiver dated December 14, 2012 (the "**Second Report**") and the activities described therein, approving the Third Report of the Receiver dated February 19, 2013 (the "**Third Report**") and the activities described therein, approving and accepting the

Receiver's Interim Statements of Receipts and Disbursements for the period from September 27, 2011 to March 31, 2012, increasing to \$1,500,000.00 the amount the Receiver is authorized to borrow pursuant to paragraph 20 of the Appointment Order (as defined in the Notice of Motion), approving the fees and disbursements for services rendered by the Receiver for the period from November 16, 2011 to December 31, 2012, the fees and disbursements of Blaney, McMurtry LLP ("**Blaneys**") for the period from November 1, 2011 to December 31, 2012, and the fees and disbursements of Gowlings LLP ("**Gowlings**") for the period from November 1, 2011 to December 31, 2012, and appointing Kronis, Rotsztain, Margles, Cappel LLP as representative counsel for the Arm's Length Claimants (as defined in the Notice of Motion) with respect to the Arm's Length Claims (as defined in the Notice of Motion) and with respect to the issue of the priority between the Construction Mortgage (as defined in the Notice of Motion) and the Arm's Length Claims, was heard this day at Toronto.

ON READING the Receiver's Motion Record dated February 22, 2013, the Second Report, the Third Report, the affidavit of Daniel Weisz sworn February 8, 2013, 2011, the affidavit of Chad Kopach sworn February 22, 2013, the affidavit of Harry VanderLugt sworn February __, 2013, and upon hearing the submissions of counsel for the Receiver, counsel for the Applicant, and

1. **THIS COURT ORDERS** that the time for service of the Receiver's Notice of Motion returnable February 28, 2013 (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 Second Report dated December 14, 2012, and the actions of the Receiver and its counsel described therein be and are hereby approved.

3. **THIS COURT ORDERS** that the Third Report dated February 19, 2013, and the actions of the Receiver and its counsel described therein be and are hereby approved.

4. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements for the period from September 27, 2011 to March 31, 2012 as set out at Appendix "Z" of the Receiver's Third Report, be and is hereby accepted and approved.

5. **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 \$1,500,000.00.

6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver from November 16, 2011 to December 31, 2012, the fees and disbursements of Blaneys from November 1, 2011 to December 31, 2012, and the fees and disbursements of Gowlings from November 1, 2011 to December 31, 2012, be and are hereby approved.

7. **THIS COURT ORDERS** that Kronis, Rotsztain, Margles, Cappel LLP be and is hereby appointed as representative counsel for the Arm's Length Claimants (as defined in the Notice of Motion) with respect to the Arm's Length Claims (as defined in the Notice of Motion), and with respect to the issue of the priority between the Construction Mortgage (as defined in the Notice of Motion) and the Arm's Length Claims.

PEOPLES TRUST COMPANY

and

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY

Applicant

Respondent

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

Proceeding Commenced at **TORONTO**

ORDER

BLANEY McMURTRY LLP
Barristers and Solicitors
1500 — 2 Queen Street East
Toronto, ON M5C 3G5

Eric Golden (LSUC #38239M)
(416) 593-3927 (Tel)
(416) 593-5437 (Fax)

Lawyers for Deloitte & Touche Inc., in its capacity as court
appointed receiver and manager of Rose of Sharon
(Ontario) Retirement Community

TAB B

SCHEDULE "B"

RECEIVERSHIP SERVICE LIST

AND TO: GOWLING LAFLEUR HENDERSON LLP

Barristers & Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, Ontario M5X 1G5

Clifton Prophet

Tel: 416-862-3509
Fax: 416-863-3609
Email: Clifton.Prophet@Gowlings.com

Lawyers for Peoples Trust Company, and Deloitte & Touche Inc. in its capacity as court-appointed receiver of Rose of Sharon (Ontario) Retirement Community

AND TO: ATTORNEY GENERAL LEGAL SERVICES DIVISION

Crown Law Office – Civil
McMurtry-Scott Building
8th Floor
720 Bay Street
Toronto, ON M7A 2S9

Attention: Eunice Machado

Tel: (416) 326-6084
Fax: (416) 326-4181
Email: Eunice.Machado@ontario.ca

Lawyers for Ministry of Health and Long-Term Care

AND TO: BELSITO, BAICHOO & RUSO

Barristers and Solicitors
1 West Pearce Street, Suite 505
Richmond Hill, Ontario L4B 3K3

Attention: Justine P. Baichoo

Tel: (416) 512-2529
Fax: (866) 395-9140
E-mail: justin@bbrlawyers.com

Lawyers for Mikal-Calladan Construction Inc. and Unimac Group Ltd.

AND TO: GOLDMAN SLOAN NASH & HABER LLP

Barristers and Solicitors
480 University Avenue
Suite 1600
Toronto, Ontario M5G 1V2

Attention: Jeffrey A. Armel

Tel: (416) 597-6477

Fax: (416) 597-3370

Email: armel@gsnh.com

Lawyers for IWOK Corporation

AND TO: ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY

165 Vaughan Road
Toronto, Ontario M6C 2L9

Attention Mr. John Yoon

Tel: (416) 998-2777

Email: john.yoon@sympatico.ca

AND TO: DEPARTMENT OF JUSTICE

Exchange Tower
130 King Street West
Suite 3400
P.O. Box 36
Toronto, Ontario M5X 1K6

Attention: Diane Winters

Tel: (416) 973-3172

Fax: (416) 973-0810

Email: diane.winters@justice.gc.ca

AND TO: MINISTRY OF FINANCE (ONTARIO)

Legal Services Branch
33 King Street West, 6th Floor
Oshawa, Ontario L1H 8H5

Attention: Kevin O'Hara, Senior Counsel

Tel: (905) 433-6934

Fax: (905) 436-4510

Email: kevin.ohara@ontario.ca

AND TO: WILLIAM L. CAMPBELL/TURFPRO INVESTMENTS INC.
112 West Street
Brantford, Ontario N3T 3G1

Tel: (519) 754-1140
Fax: (519) 754-0950
Email: bcampbell320@rogers.com

AND TO: WATEROUS HOLDEN AMEY HITCHON LLP
P.O. Box 1510
20 Wellington Street
Brantford, Ontario N3T 5V6

Attention: Clark Holden
Tel: (519) 759-6220
Fax: (519) 759-8360
Email: law@waterousholden.com

Lawyers for Turfpro Investments Inc.

**AND TO: UNITED FOOD AND COMMERCIAL WORKERS CANADA,
LOCAL 175**
2200 Argentia Road
Mississauga, Ontario L5N 2K7

Attention: Natalie Wiley
Tel: (905) 821-8329
Fax: (905) 821-7144
Email: natalie.wiley@ufcw175.com

Lawyers for United Food and Commercial Workers Canada, Local 175

AND TO: LAVERY DE BILLY LLP
Suite 1810
360 Albert Street
Ottawa, Ontario K1R 7X7

Attention: Paul Lepsoe
Tel: (613) 594-4936
Fax: (613) 594-8783
Email: PLepsoe@lavery.ca

Lawyers for Canada Mortgage and Housing Corporation

AND TO: KOREAN (TORONTO) CREDIT UNION
635 Bloor Street
Toronto, Ontario M6G 1L1

Attention: Brian Kim
Tel: (416) 535-4511
Fax: (416) 535-9323
Email: briankim@koreancu.com

AND TO: BORDEN LADNER GERVAIS LLP
Barristers and Solicitors
Scotia Plaza, 40 King Street West
Toronto, Ontario M5H 3Y4

Attention: Roger Jaipargas / James MacLellan
Tel: (416) 367-6266 / (416) 367-6592
Fax: (416) 361-7067 / (416) 361-7350
Email: rjaipargas@blg.com / jmaclellan@blg.com

Lawyers for Trisura Guarantee Insurance Company

AND TO: VACE INVESTMENTS INC.
101 Frederick Street
Kitchener, Ontario N2H 6R2

Attention: Vern Heinrichs
Email: vheinrichs@amibsc.com

AND TO: KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP
Barristers and Solicitors
8 King Street East
Suite 1000
Toronto, ON M5C 1B5

Attention: Mervyn Abramowitz / Phillip Cho
Tel: (416) 218-5620 / (416) 218-5494
Fax: (416) 306-9874
Email: mabramowitz@krmc-law.com / pcho@krmc-law.com

Proposed Lawyers for Arm's Length Claimants

TAB C

SCHEDULE "C"
SERVICE LIST
ARM'S LENGTH CLAIMANTS

Mary Chon
Rose of Sharon (Ontario) Retirement Community
Suite 304
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Rose of Sharon (Ontario) Retirement Community
Suite 304
15 Maplewood Avenue
Toronto, ON M6C 4B4

Mary Chon
c/o Henry Chon
430 McLevin Ave.
#1503
Scarborough, ON, M4E 1Y8

Occupant
Rose of Sharon (Ontario) Retirement Community
Suite 306
15 Maplewood Avenue
Toronto, ON M6C 4B4

Youngsook Cha
162 Pinewood Dr.
Vaughn, ON, L4J 5P5

Occupant
Rose of Sharon (Ontario) Retirement Community
Suite 308
15 Maplewood Avenue
Toronto, ON M6C 4B4

Jang Hoon Lee
121 Doncaster Ave.
Thornhill ON L3T 1L6

Vivian Rhee (Lee)
121 Doncaster Ave.
Thornhill ON L3T 1L6

Occupant
Suite 706
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Sung-Sun Yoon
86 Ironwood Cres.
Hamilton, ON L8W 3B8

Mi-Kyung Yoon
86 Ironwood Cres.
Hamilton, ON L8W 3B8

Soon Sup Lee
Suite 707
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Hyung Good Lee
Suite 707
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Kyung Yurl Lee
Suite 708
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Jung Ja Lee
Suite 708
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Suite 802
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Jane Kim
57 Citation Dr.
Toronto, ON M2K 1S5

Occupant
Suite 803
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Bog Shim Shin
2433 Finch Avenue West
#604
Toronto, ON M9M 2E5

Eunkyung Yim
Suite 806
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Suite 807
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Jong Ran Kim
21 Passmore Ave
Orangeville, ON L9W 4E1

Occupant
Suite 809
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Sang-Hyun An
Suite 809
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Chang Y An
Suite 809
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Sang-Hyun An
341 Apple Blossom Dr
Vaughan, ON L4J 8W5

Chang Y An
341 Apple Blossom Dr
Vaughan, ON L4J 8W5

Occupant
Suite 811
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Sang-Hyun An
Suite 811
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Chang Y An
Suite 811
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Myung Hee Kim
107 Caulder Dr.
Oakville, ON L6J 4T2

Jun Do Sung
107 Caulder Dr.
Oakville, ON L6J 4T2

Occupant
Suite 908
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Han Hyeong Lee
Suite 908
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Hae Jeong Kang
Suite 908
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Han Hyeong Lee
309 Major MacKenzie Dr. E
Suite 315
Richmond Hill, ON L4C 9V5

Hae Jeong Kang
309 Major MacKenzie Dr. E
Suite 315
Richmond Hill, ON L4C 9V5

Occupant
Suite 909
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Mansoo Chun
Suite 909
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Mansoo Chun
161 High Street
Southampton, ON N0H 2L0

Occupant
Suite 911
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Hyang Ok Hong
Suite 911
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

John Bai
Suite 911
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Hyang Ok Hong
6 Kinnie Court
Toronto, ON M3H 2S9

John Bai
6 Kinnie Court
Toronto, ON M3H 2S9

Chang Joon Kim
Suite 912
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Soon Ja Kim
Suite 912
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Sang Hyon Kim
Suite 912
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Chang Joon Kim
725 Parkwood Street
Bathurst, NB E2A 4C2

Soon Ja Kim
725 Parkwood Street
Bathurst, NB E2A 4C2

Sang Hyon Kim
725 Parkwood Street
Bathurst, NB E2A 4C2

Occupant
Suite 1002
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Brenda (Chun Ja) Ha
27 William Pooleway
Toronto, ON M2N 7A6

Young Sohn
905-28 William Carson Cres
North York, ON M2P 2H1

Occupant
Suite 1009
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Morgiana Lee
1709-30 Charles Street West
Toronto, ON M4Y 1R5

Occupant
Suite 1010
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Gye-Soon Kim
Suite 1010
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Joon Kie Kim
Suite 1010
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Gye-Soon Kim
42 Angus Drive
Toronto, ON M2J 2X1

Joon Kie Kim
42 Angus Drive
Toronto, ON M2J 2X1

Occupant
Suite 1108
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Jae Won Byun
6 Colinayre Cres.
Scarborough, ON M1T 3A8

Occupant
Suite 1110
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Mai Hwa Kim
Suite 1110
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Ellen Kim
Suite 1110
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Mai Hwa Kim
40 Oak Knolis Cres.
Scarborough, ON M1B 4V3

Ellen Kim
40 Oak Knolis Cres.
Scarborough, ON M1B 4V3

Occupant
Suite 1111
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Suite 1112
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Hee Jun Park
E116-2911 Bayview Avenue
Toronto, ON M2K 1E8

Na Rae Choi
E116-2911 Bayview Avenue
Toronto, ON M2K 1E8

Occupant
Suite PH6
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Jong Rye Lee
74 Queen's Circle
Crystal Beach, ON L0S 1B0

Chang Hun Shin
74 Queen's Circle
Crystal Beach, ON L0S 1B0

Soon Ki Chang
63 Patina Drive
Toronto, ON M2H 1R3

TAB D

SCHEDULE "D"
SERVICE LIST
REMAINING CLAIMANTS

Young Jeon
Suite 709
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Suite 710
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Hyun Sook Hwang
20 Dukinfield Cres.
Don Mills, ON M3A 2S1

Moon A. Yoon
20 Dukinfield Cres.
Don Mills, ON M3A 2S1

Occupant
Suite 711
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Young Jeon
Suite 711
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Suite 712
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Daniel Yoon
Suite 712
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Moon Yoon
Suite 712
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Moon Yoon
2465 Grindstone Court
Mississauga, ON L5L 3K8

Daniel Yoon
2465 Grindstone Court
Mississauga, ON L5L 3K8

Occupant
Suite 801
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Steven Yu
72 Bywood Drive
Etobicoke, ON M9A 1M3

Occupant
Suite 804
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Klara Kim
303 Spring Garden Ave.
Toronto, ON M2N 3H2

Occupant
Suite 805
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Han Hyeong Lee
16 Eleanor Circle
Richmond Hill, ON L4C 6K7

Hae Jeong Kang
16 Eleanor Circle
Richmond Hill, ON L4C 6K7

Occupant
Suite 810
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Sun Hwa Lee
8 Eastgate Cres
Scarborough, ON M1L 1W9

Sun Hwa Lee
Suite 812
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Suite 906
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Woo Sam Park
#1705-88 Promenade Circle
Thornhill, ON L4J 9A4

Occupant
Suite 1001
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Albert Yoon
195 Glenview Avenue
Toronto, ON M4R 1R4

Albert Yoon
Suite 1003
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Suite 1007
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Lawrence (Myung Kyou) Kim
19 Fifeshire Road
Toronto, ON M2L 2G4

Occupant
Suite 1011
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

John Yoon
20 Dukinfield Crescent
Don Mills, ON M3A 2S1

Olivia Yoon
Suite 1107
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Mugungwha Homes
20 Dukinfield Crescent
Toronto, ON M3A 2S1

Occupant
Suite 207
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Anne Marie Heinrichs
5163 Guelph Road #1,
Guelph, ON, N1H 6J4

Robert Berg
Suite 203
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Mike Ridley
581 Avenue Road
Suite 605
Toronto, ON M4V 2K5

Aaron Klassen
Apt 112
139 Father David Bauer Drive
Kitchener, ON N2L 6L1

Helen Klassen
Apt 112
139 Father David Bauer Drive
Kitchener, ON N2L 6L1

Tim Schaner
201 Dearborn Boulevard
Kitchener, ON N2J 4Y3

Hans Goetze
202-A Kenilworth Ave.
Toronto, ON M4L 3S6

John Chon
6 Kinnie Court
Toronto, ON M3N 2R9

Choo-Kook Chang
6 Kinnie Court
Toronto, ON M3N 2R9

Yun Ok Lee
426 Clinton Street
Toronto, ON M6G 2Z2

Assured Care Consulting Inc.
Suite 903
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Occupant
Suite 1105
Rose of Sharon (Ontario) Retirement Community
15 Maplewood Avenue
Toronto, ON M6C 4B4

Leon Hui
90 Nolan Court
Suite #31
Markham, ON L3R 4L9

Chang-Yong An
1290 Blundell Rd #2
Mississauga, ON L4Y 1M5

Meerai Cho
360 Bloor Street West
Suite #505
Toronto, ON M5S 1X1

Kim Hong Yang
75 Emmette Ave.
Suite #1207
Toronto, ON M6M 5A7

Myunghee Yu
72 Bywood Drive
Etobicoke, ON M9A 1M3

Tae-Young Kim
72 Bywood Drive
Etobicoke, ON M9A 1M3

Esther Yoon
195 Glenview Avenue
Toronto, ON M4R 1R4

Richard Yoon
195 Glenview Avenue
Toronto, ON M4R 1R4

Sang-Hoon Lee
147 Yorkview Drive
Toronto, ON M2R 1K2

Eun Y. Lee
2374 Lakeshore Blvd. N.
Toronto, ON M8V 1B6

Hee K. Lee
2374 Lakeshore Blvd. N.
Toronto, ON M8V 1B6

Kyung Hwan Lee
121 Doncaster Ave.
Thornhill, ON L3T 1L6

Jang Hoon Lee
121 Doncaster Ave.
Thornhill, ON L3T 1L6

Jin Sook Park
1054 Centre St. #4A
Thornhill, ON L4J 3M7

Mi Kyung Lee
147 Yorkview Drive
Toronto, ON M2R 1K2

Byung Cho
1993 Leslie St
Toronto, ON M3B 2M3

John Cho
2001 Leslie St.
Toronto, ON M3B 2M3

Unimac Group Ltd.
7616 Yonge Street
Thornhill, ON L4J 1V9

William Campbell
112 West Street
Brantford, ON N3T 3G1

Turfpro Investments
320 North Park Street
Unit #3
Brantford, ON N3R 4L3

PEOPLES TRUST COMPANY

and

ROSE OF SHARON (ONTARIO) RETIREMENT COMMUNITY

Applicant

Respondent

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

Proceeding Commenced at **TORONTO**

**NOTICE OF MOTION
(Returnable February 28, 2013)**

BLANEY McMURTRY LLP
Barristers and Solicitors
1500 — 2 Queen Street East
Toronto, ON M5C 3G5

Eric Golden (LSUC #38239M)
(416) 593-3927 (Tel)
(416) 593-5437 (Fax)

Lawyers for Deloitte & Touche Inc., in its capacity as court
appointed receiver and manager of Rose of Sharon
(Ontario) Retirement Community