

**COURT OF APPEAL FOR ONTARIO**

**BETWEEN:**

**FIRST NATIONAL FINANCIAL GP CORPORATION**

Applicant  
(Respondent in Appeal)

- and -

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

Respondent  
(Appellant)

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**NOTICE OF APPEAL**

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**THE APPELLANTS GOLDEN DRAGON HO 10 INC. and GOLDEN DRAGON HO 11 INC. APPEAL** to the Ontario Court of Appeal from the Amended and Restated Approval and Vesting Order of the Honourable Justice Hackland dated October 11, 2019 made on an Application/Motion by Deloitte Restructuring Inc., in its capacity as Court appointed receiver and manager of lands owned by the Appellants, for a vesting order and approval at the Ontario Superior Court of Justice at Ottawa, Ontario.

**THE APPELLANTS ASK** that the Order be set aside and an order granted as follows:

1. An Order setting aside the Amended and Restated Approval and Vesting Order issued by

the Honourable Justice Hackland issued October 11, 2019 and dismissing the Application/Motion for a Vesting Order, and other relief

2. Costs

**THE GROUNDS FOR APPEAL** are as follows:

1. The Application/Motion Judge erred in granting a vesting order
2. The Application/Motion Judge erred in approving the various accounts of the receiver, and of various counsel.
3. The Application/Motion Judge erred in not considering that an 8-10% vacancy rate in the subject properties, when surrounding properties were at 1.2%, raised an issue of mismanagement and artificially depressed the properties' value.
4. The Application/Motion Judge erred in not finding that an offer of \$13,000,000.00 was materially below fair market value when an offer of \$16,500,000.00 had been presented.
5. The Application/Motion Judge erred in not finding that the failure of the real estate broker to post the properties on the internet was a fundamental error in exposing the properties for sale, notwithstanding the scheme for marketing that had been approved.
6. The Application/Motion Judge erred in failing to find that the penalties claimed to discharge the mortgages on title were improper, and not allowing them rather than

allowing for a reserve.

7. Such further and other grounds as may otherwise be raised.

**THE BASIS OF THE APPELLATE COURT'S JURISDICTION IS:**

1. The Order appealed from is a Vesting Order in accordance with Section 100 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, and as such is a final order
2. The Order involves real property valued in the amount of at least \$13,000,000.00, and as such is appealable to the Court of Appeal.
3. Leave to appeal is not required on a Vesting Order.

Date: October 17, 2019

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