

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

DBDC SPADINA LTD.,
and THOSE CORPORATIONS LISTED ON SCHEDULE "A" HERETO
Applicants

- and -

NORMA WALTON, RONAULD WALTON, THE ROSE & THISTLE GROUP LTD.
and EGLINTON CASTLE INC.,
Respondents

- and -

THOSE CORPORATIONS LISTED IN SCHEDULE "B" HERETO, TO BE BOUND
BY THE RESULT

NOTICE OF MOTION
(Motion returnable August 31, 2017)

The Applicants will make a Motion to a Judge presiding over the Commercial List on August 31, 2017 at 10:00 a.m., or as soon after that time as the Motion can be heard. at the court house, 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The Motion is to be heard orally.

THE MOTION IS FOR AN ORDER:

1. Abridging the time for service of the Notice of Motion and the materials filed in support of the Motion and dispensing with further service thereof; and

2. Discharging Schonfeld Inc. (the “**Manager**”) of any responsibilities that it may have had in respect of Northern Dancer Lands Ltd., Riverdale Mansion Ltd. and Weston Lands Ltd. (collectively, the “**Discharge Companies**”), declaring the Applicants to be the owners of all of the shares of the Discharge Companies and transferring management and control of the Discharge Companies to the Applicants.

3. Ordering the Manager to retain a total of \$40,248 (the “**Weston Lands Holdback**”) from the proceeds currently in its possession relating to Weston Lands Ltd. pending further Order of this Court, and directing that all claims against Weston Lands Ltd. shall be channeled to and be a claim exclusively against the Weston Lands Holdback.

4. Ordering that any claims, now extant or that could exist, whether discovered or undiscovered against any of the Discharge Companies, other than the claims of the Applicants, shall be deemed to be extinguished and satisfied, and that such claims shall not flow through to any successor corporation or amalgamated entity of any of the Discharge Companies.

5. Releasing the Manager from any and all liability that the Manager has or may have by reason of, or in any way arising out of, the acts or omissions of the Manager while acting in its capacity as the Manager of the Discharge Companies, other than any liability arising out of any gross negligence or wilful misconduct on the part of the Manager; and

6. Such further and other relief as to this Honourable Court seems just.

THE GROUNDS FOR THE MOTION ARE:

7. Pursuant to the Order of Justice Newbould dated November 5, 2013, the Manager was appointed as manager of (i) certain companies listed in Schedule “B” to the Order of Justice Newbould dated November 5, 2013 (the “**Schedule B Companies**”), together with the real estate

properties owned by the Companies (the “**Schedule B Properties**”), as amended by Order of Justice Newbould dated January 16, 2014, and (ii) the properties listed at Schedule “C” to the Order of Justice Brown dated August 12, 2014 (the “**Schedule C Properties**”, together with the Schedule B Properties, the “Properties”).

8. Each of the Discharge Companies is a Schedule B Company, and each owned a property that has now been sold.

9. Pursuant to the Judgment of Justice Brown dated August 12, 2014, the shareholder interests in each of the Schedule B Companies are to be calculated by reference to the Applicants’ and Respondents’ equity contributions, and on that basis the Manager has concluded that the Applicants are the owners of 100% of the shares of the Discharge Companies, as described in the 49th Report of the Manager dated August 24, 2017.

10. The Manager has, in consultation with the Applicants, determined that no further steps should be taken in respect of the Discharge Companies. The transfer of control over the Discharge Companies represents an important step towards the completion of the Manager’s mandate, will allow the Applicants to benefit from certain tax losses incurred by the Discharge Companies and, to the knowledge of the Manager and the Applicant, the relief granted will not compromise any recovery that would otherwise be available to any stakeholder of the Discharge Companies if the relief were not granted.

11. Rules 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194.

12. 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:

- (a) The 49th Report of the Manager dated August 24, 2017; and
- (b) Such further and other material as counsel may advise and this Honourable Court may permit.

August 24, 2017

**LENCZNER SLAGHT ROYCE
SMITH GRIFFIN LLP**

Barristers
Suite 2600
130 Adelaide Street West
Toronto ON M5H 3P5

Peter H. Griffin (19527Q)

Tel: (416) 865-2921

Fax: (416) 865-3558

Email: pgriffin@litigate.com

Shara N. Roy (49950H)

Tel: (416) 865-2942

Fax: (416) 865-3973

Email: sroy@litigate.com

Christopher Yung

Tel: 416-865-2976 Ext. 312

Fax: (416) 865-2858

Email: cyung@litigate.com

Lawyers for the Applicants

DBDC SPADINA LTD. et al.
Applicants

-and- NORMA WALTON et al.
Respondents

Court File No. CV13-10280-00CL

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PROCEEDING COMMENCED AT TORONTO

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**LENCZNER SLAGHT ROYCE
SMITH GRIFFIN LLP**

Barristers
Suite 2600
130 Adelaide Street West
Toronto ON M5H 3P5

Peter H. Griffin (19527Q)

Tel: (416) 865-2921

Fax: (416) 865-3558

Email: pgriffin@litigate.com

Shara N. Roy (49950H)

Tel: (416) 865-2942

Fax: (416) 865-3973

Email: sroy@litigate.com

Christopher Yung

Tel: 416-865-2976 Ext. 312

Fax: (416) 865-2858

Email: cyung@litigate.com

Lawyers for the Applicants