

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.
JUSTICE HAINEY

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FRIDAY, THE 24th
DAY OF AUGUST, 2018



BETWEEN:

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

ORDER

THIS MOTION, made by Schonfeld Inc. in its capacity as the manager (the "**Manager**") appointed pursuant to the Order of Justice Newbould dated November 5, 2013 for an Order for contingent authority to distribute certain funds was heard August 24, 2018 at 330 University Avenue, Toronto, Ontario, with an Endorsement issued this day.

ON READING the 53rd Report of the Manager dated June 19, 2018 and the Supplemental Report to the 53rd Report of the Manager dated August 23, 2018, and on hearing the submissions of counsel:

1. THIS COURT ORDERS that, in the event the application for leave to appeal to the Supreme Court of Canada dated March 22, 2018 commenced by companies controlled by Christine and Michael DeJong is dismissed, or if leave is granted and the appeal is dismissed, the Manager is hereby authorized to distribute funds held in respect of certain Schedule "C" Companies in accordance with the Distribution Table attached hereto as Appendix "A".

2. THIS COURT ORDERS that this order is without prejudice to the rights of all parties on the motion by 781526 Ontario Inc. (which claims a 50% beneficial interest in the property located at 346 Jarvis Street, Units A and B) for a declaration that it is entitled to 50% of the net proceeds from the sale of 346 Jarvis Street, Units A and B (the "**Jarvis Proceeds**"), and potentially a reallocation and/or reimbursement of fees and expenses that were previously allocated to the Jarvis Proceeds from the funds distributed by this Order, at a motion to be heard on *OCTOBER 23, 2018 FOR ONE HOUR.*

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

AUG 27 2018

PER / PAR: *mlh*

APPENDIX "A"

Proposed Distribution

Award is taken first from companies with smallest creditor base, award is reduced for payments received in preceding allocations.

	Cecil (1) Lighthouse	United Empire Lands	1780355 Ont.	The Old Apothecary	Atala Inv.	Gerrard Church	Bible Hill	6195 Cedar St	Emerson Dev.	St. Clarens	Prince Edward Properties
Award	21,488,702	20,622,168	19,836,097	19,748,747	19,684,271	19,677,401	19,668,078	19,668,078	19,666,087	19,512,695	19,095,777
Trade creditors	0	0	0	0	0	0	0	43,595	114	12,231	5,110
Shareholder loans	0	0	0	0	0	0	0	0	665,000	665,000	816,019
	21,488,702	20,622,168	19,836,097	19,748,747	19,684,271	19,677,401	19,668,078	19,711,673	20,331,201	20,189,926	19,916,906
Payment											
Applicants	866,534	786,072	87,350	64,476	6,869	9,323	0	1,991	153,392	416,918	567,851
previously paid (1)	(359,815)										
deferred payment (2)			(87,350)								
Trade creditors	0	0	0	0	0	0	0	4	1	261	152
Dejongs	0	0	0	0	0	0	0	0	5,187	14,209	24,266
	506,719	786,072	0	64,476	6,869	9,323	0	1,995	158,580	431,388	592,269
% Paid	4.03%	3.81%	0.00%	0.33%	0.03%	0.05%	0.00%	0.01%	0.78%	2.14%	2.97%

Notes:

- (1) \$359,814.50 was paid from Cecil proceeds, pursuant to June 28, 2018 Order of Justice McEwen; proposed payment above is balance of payment to be made.
- (2) Payment from 1780355 Ontario is deferred, pending the outcome of a motion by an alleged shareholder claiming entitlement to the sale proceeds.

Schedule A Companies

1. Dr. Bernstein Diet Clinics Ltd.
2. 2272551 Ontario Limited
3. DBDC Investments Atlantic Ltd.
4. DBDC Investments Pape Ltd.
5. DBDC Investments Highway 7 Ltd.
6. DBDC Investments Trent Ltd.
7. DBDC Investments St. Clair Ltd.
8. DBDC Investments Tisdale Ltd.
9. DBDC Investments Leslie Ltd.
10. DBDC Investments Lesliebrook Ltd.
11. DBDC Fraser Properties Ltd.
12. DBDC Fraser Lands Ltd.
13. DBDC Queen's Corner Ltd.
14. DBDC Queen's Plate Holdings Inc.
15. DBDC Dupont Developments Ltd.
16. DBDC Red Door Developments Inc.
17. DBDC Red Door Lands Inc.
18. DBDC Global Mills Ltd.
19. DBDC Donalda Developments Ltd.
20. DBDC Salmon River Properties Ltd.
21. DBDC Cityview Lands Ltd.
22. DBDC Weston Lands Ltd.
23. DBDC Double Rose Developments Ltd.
24. DBDC Skyway Holdings Ltd.
25. DBDC West Mall Holdings Ltd.
26. DBDC Royal Gate Holdings Ltd.
27. DBDC Dewhurst Developments Ltd.
28. DBDC Eddystone Place Ltd.
29. DBDC Richmond Row Holdings Ltd.

Schedule B Companies

1. Twin Dragons Corporation
2. Bannockburn Lands Inc. / Skyline – 1185 Eglinton Avenue Inc.
3. Wynford Professional Centre Ltd.
4. Liberty Village Properties Ltd.
5. Liberty Village Lands Inc.
6. Riverdale Mansion Ltd.
7. Royal Agincourt Corp.
8. Hidden Gem Development Inc.
9. Ascalon Lands Ltd.
10. Tisdale Mews Inc.
11. Lesliebrook Holdings Ltd.
12. Lesliebrook Lands Ltd.
13. Fraser Properties Corp.
14. Fraser Lands Ltd.
15. Queen's Corner Corp.
16. Northern Dancer Lands Ltd.
17. Dupont Developments Ltd.
18. Red Door Developments Inc. and Red Door Lands Ltd.
19. Global Mills Inc.
20. Donalda Developments Ltd.
21. Salmon River Properties Ltd.
22. Cityview Industrial Ltd.
23. Weston Lands Ltd.
24. Double Rose Developments Ltd.
25. Skyway Holdings Ltd.
26. West Mall Holdings Ltd.
27. Royal Gate Holdings Ltd.
28. Royal Gate Nominee Inc.
29. Royal Gate (Land) Nominee Inc.
30. Dewhurst Development Ltd.
31. Eddystone Place Inc.
32. Richmond Row Holdings Ltd.

33. El-Ad (1500 Don Mills) Limited
 34. 165 Bathurst Inc.
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Schedule C Properties

1. 3270 American Drive, Mississauga, Ontario
2. 0 Luttrell Ave., Toronto, Ontario
3. 2 Kelvin Avenue, Toronto, Ontario
4. 346 Jarvis Street, Suites A, B, C, E and F, Toronto, Ontario
5. 1 William Morgan Drive, Toronto, Ontario
6. 324 Prince Edward Drive, Toronto, Ontario
7. 24 Cecil Street, Toronto, Ontario
8. 30 and 30A Hazelton Avenue, Toronto, Ontario
9. 777 St. Clarens Avenue, Toronto, Ontario
10. 252 Carlton Street and 478 Parliament Street, Toronto, Ontario
11. 66 Gerrard Street East, Toronto, Ontario
12. 2454 Bayview Avenue, Toronto, Ontario
13. 319-321 Carlaw, Toronto, Ontario
14. 260 Emerson Ave., Toronto, Ontario
15. 44 Park Lane Circle, Toronto, Ontario
16. 19 Tennis Crescent, Toronto, Ontario
17. 646 Broadview, Toronto, Ontario

DBDC SPADINA LTD. *et al.*

and

NORMA WALTON *et al.*

Court File No: CV-13-10280-00CL

Applicants

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at TORONTO

ORDER

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