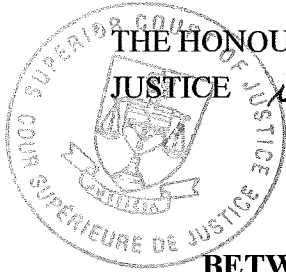


ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST



THE HONOURABLE *MR.*  
JUSTICE *Newbould*

)  
)  
)

WEDNESDAY, THE 17<sup>TH</sup>  
DAY OF DECEMBER, 2014

**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. (the “**Manager**”) in its capacity as the manager appointed pursuant to the Order of Justice Newbould dated November 5, 2013 (the “**November 5 Order**”) and as the receiver/manager pursuant to the Judgment and Order of Justice Brown dated August 12, 2014 (the “**August 12 Order**”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Twenty-First Report (the “**Report**”) of the Manager:

*25*

*And on hearing  
Submissions from counsel for the  
Manager, the Applicants, Laser Heating,  
and the Handelman and Sorger Mortgagees*

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS that the Manager is hereby discharged of any responsibilities that the Manager may have had under the November 5 Order, the August 12 Order or otherwise with respect to the management, preservation or control of the property municipally known as 0 Trent Avenue, Toronto, Ontario (the “**Trent Property**”) and with respect to reporting to affected Persons (as defined in the November 5 Order) in respect of the Trent Property.

3. THIS COURT ORDERS that the Manager is hereby discharged and relieved from any further obligations, liabilities, responsibilities or duties in its capacity as receiver/manager pursuant to the November 5 Order, the August 12 Order or otherwise in respect of the following properties (collectively, the “**Schedule C Discharged Properties**”) municipally known as:

- (a) 3270 American Drive, Mississauga, Ontario;
- (b) 777 St. Clarens Avenue, Toronto, Ontario;
- (c) 260 Emerson Ave., Toronto, Ontario;
- (d) 346 Jarvis Street, Unit E, Toronto, Ontario;
- (e) 252 Carlton Street, Toronto, Ontario;
- (f) 1 William Morgan Drive, Toronto, Ontario;
- (g) 319-321 Carlaw, Toronto, Ontario;
- (h) 2 Kelvin Avenue, Toronto, Ontario; and
- (i) 44 Park Lane Circle, Toronto, Ontario.

4. THIS COURT ORDERS that the Schedule C Discharged Properties are hereby excluded from the receivership/managership proceedings pursuant to the August 12 Order effective as of

the date hereof, including, without limitation, the stay of proceedings granted pursuant to the August 12 Order.

5. THIS COURT ORDERS that, in addition to the protections in favour of the Manager as set out in the November 5 Order, the August 12 Order, any other Order of this Court or reasons provided by this Court, the Manager shall not be liable for any act or omission on the part of the Manager in respect of the Schedule C Discharged Properties, including with respect to any reliance thereof, including, without limitation, with respect to any information disclosed, any act or omission pertaining to the discharge of the Manager's duties under the November 5 Order, the August 12 Order or otherwise in respect of the Schedule C Discharged Properties, save and except for any claim or liability arising out of any gross negligence or wilful misconduct on the part of the Manager. Subject to the foregoing and in addition to the protections of the Manager as set out in the Orders of this Court or any reasons provided by this Court, any claims against the Manager in connection with the performance of its duties as receiver/manager in respect of the Schedule C Discharged Properties are hereby released, stayed, extinguished and forever barred and the Manager shall have no liability in respect thereof.

6. THIS COURT ORDERS that no action or other proceeding shall be commenced against the Manager in any way arising from or related to its capacity or conduct as receiver/manager in respect of the Schedule C Discharged Properties except with prior leave of this Court and on at least seven (7) days' prior written notice to the Manager and such further order securing, as security for costs, the full indemnity costs of the Manager in connection with any proposed action or proceeding as the Court hearing the motion for leave to proceed may deem just and appropriate.

7. THIS COURT ORDERS that, notwithstanding any provision of this Order, nothing contained in this Order shall affect, vary, derogate from or amend any of the rights, approvals and protections in favour of the Manager pursuant to the November 5 Order, August 12 Order, any other Order of this Court or reasons provided by this Court, or otherwise, all of which are expressly continued and confirmed.

8. THIS COURT ORDERS that the November 5 Order and the August 12 Order continue in full force and effect except as modified by this Order in respect of the Trent Property and the Schedule C Discharged Properties.

9. THIS COURT ORDERS that, notwithstanding any other provision of this Order, the Manager's Charge (as defined in the November 5 Order) in respect of the Trent Property and in respect of the Schedule C Properties remains in full force and effect and shall not be modified by this Order in any respect.

10. THIS COURT ORDERS that in the event any mortgagee on any Schedule C Discharged Property sells or otherwise realizes value from a disposition of such Schedule C Discharged Property, the mortgagee shall pay to the Manager the amount of the Manager's Charge applicable to such Schedule C Discharged Property as determined by the Manager pursuant to a fee and cost allocation methodology that is approved by the Court to the extent of any proceeds that may remain from such sale or disposition after the following:

- (a) the discharge of any valid encumbrance, including any liens or other mortgages, registered in priority to any mortgage held by a mortgagee that is registered against that property;
- (b) the satisfaction of all usual costs and expenses of the sale of the property, including but not limited to real estate commissions and legal fees; and
- (c) the payment to any mortgagee on that property in such amounts as are necessary in order to satisfy all claims that such mortgagee may have on that property pursuant to the terms of its mortgage.

11. THIS COURT ORDERS that the Report and the activities of the Manager described therein are hereby approved.

12. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Manager and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully

requested to make such orders and to provide such assistance to the Manager, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Manager and its agents in carrying out the terms of this Order.

ENTERED AT / INSCRIPT A TORONTO  
ON / BOOK NO.:  
LE / DANS LE REGISTRE NO.:  
DEC 1 / 2014  
AS DOCUMENT NO.:  
A TITRE DE DOCUMENT NO.:  
PER / PAR:



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## 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.

#### **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**

**GOODMANS LLP**

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