



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

The Honourable Justice Hainey ) Thursday, the 17<sup>th</sup> day of  
)  
) October 2019

BETWEEN:

**THE SUPERINTENDENT OF FINANCIAL SERVICES**

Applicant

- and -

**BUILDING & DEVELOPMENT MORTGAGES CANADA INC.**

Respondent

**ORDER**

UPON MOTION made by FAAN Mortgage Administrators Inc., in its capacity as Court – appointed trustee (“Trustee”) of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc. pursuant to Section 37 of the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, S.O. 2006, c. 29, as amended and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, C. 43 for an Order *inter alia*:

- (a) if necessary, abridging the time for service of the Notice of Motion and the Motion Record and dispensing with service on any person other than those served;

- (b) authorizing the Trustee to make a distribution or distributions of 85% of the Realized Property received or receivable of the sale transaction of the mixed use development proposed to be constructed at 40 Charlotte Street, Toronto, Ontario (the “CHAT Transaction”) to certain syndicated mortgage loan investors (“SML Investors”), *pro rata* to the SML Investors entitled to such funds, in accordance with paragraph 3(b) of the Realized Property Order, as amended by the Braestone Settlement Approval Order and the Harlowe Settlement Approval Order and the terms of the Interlender Agreement dated June 8, 2015 or, in the alternative, as the Court may otherwise direct; and
- (c) such further and other relief as this Court may deem just.

**AND UPON** reviewing the Ninth Report of the Trustee dated July 12, 2019 (the “Ninth Report”), the Responding Motion Record of Margin Music Ltd. dated September 20, 2019 and the Responding Motion Record of the SML Investors dated August 16, 2019;

**AND UPON** reviewing the Written Submissions, Facta and Books of Authorities filed by the Trustee, Margin Music Ltd., and the SML Investors;

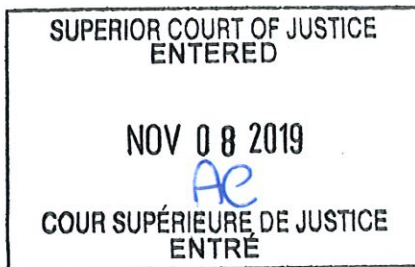
**AND UPON** hearing the oral submissions of counsel for the Trustee, Margin Music Ltd. and the SML Investors;

1. **THIS COURT ORDERS** that all proceeds received or receivable by the Trustee from the CHAT Transaction (collectively, the “Proceeds”) are and shall be deemed to be “Realized Property” as defined in the Order of this Court dated June 26, 2018.

2. **THIS COURT ORDERS** that the Trustee shall make a distribution or distributions in an amount equal to 85% of the Proceeds received by the Trustee, on a *pari passu* basis to the SML Investors and the LH1 Investors (as defined in the Ninth Report), in accordance with paragraph 3(b) of the Order of this Court dated October 30, 2018, as amended by Orders of this Court dated November 28, 2018 and December 20, 2018.

3. **THIS COURT ORDERS** that Margin Music Ltd. is awarded its costs of the motion in the amount of \$175,000, payable within 15 days, which costs are to be paid by the Trustee out of the 15% of Realized Property retained by the Trustee in accordance with previous Orders of this Court as an administrative holdback to fund the required Trustee activities.

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A handwritten signature in black ink, appearing to read "Hammy J.", written over a horizontal line.

THE SUPERINTENDENT OF FINANCIAL SERVICES (Applicant)

Court File No. CV-18-596264-00CL

– and –

**BUILDING & DEVELOPMENT MORTGAGES CANADA INC.** (Respondent)

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

**ORDER**

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