

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE Mr. ) WEDNESDAY, THE 22ND  
JUSTICE Newbould ) DAY OF OCTOBER, 2014  
)



IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF  
THE ~~BANKRUPTCY AND INSOLVENCY ACT~~, R.S.C. 1985, c. B-3, AS AMENDED  
AND

IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.  
1990 c. C.43, AS AMENDED WITH RESPECT TO DONDEB INC. AND ALL THE  
DEBTORS LISTED AT SCHEDULE "A" HERETO

ORDER

THIS MOTION made by A. Farber & Partners Inc. in its capacity as court-appointed receiver (the "**Receiver**") of the debtors referred to at Schedule "A" attached hereto (collectively, the "**Debtors**") for an order *inter alia*: (i) declaring that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that the motion is properly returnable; (ii) approving the fifteenth report to Court of the Receiver dated October 14, 2014 (the "**Fifteenth Report**") and the activities of the Receiver set out therein; (iii) authorizing the Receiver to distribute the amount of \$4,363,131.71 plus additional reasonable legal fees not to exceed \$2,000, to Addenda Capital Inc. ("**Addenda**") and in full and final satisfaction of the charge/mortgage granted by Dondeb in favour of Addenda in the original principal sum of \$4,300,000 registered on December 5, 2008 as Instrument No. SC704605 (the "**Addenda OIL Charge**") against the Orillia Independent Living ("**OIL**") real property located at 20 Simcoe Street, Orillia, Ontario

(the “**OIL Real Property**”) transferred by Dondeb to 2198392 Ontario Ltd. on December 13, 2010 from the funds held by the Receiver in the account maintained for the OIL property; (iv) authorizing the Receiver to distribute \$100,000.00 to Cameron Stephens Financial Corporation (“**Cameron Stephens**”) in partial satisfaction of the charge/mortgage granted by Dondeb in favour of Cameron Stephens in the original principal sum of \$700,000 registered on March 5, 2009 as Instrument No. SC720662 (the “**Cameron Stephens OIL Charge**”) over the OIL Real Property from the funds held by the Receiver in the account maintained for the OIL property; (v) declaring that the distributions contemplated by the order be without prejudice to any rights of subrogation, marshalling, apportionment or assessment that any subordinate creditors may have; and (vi) declaring that nothing in the Order prevents a person from challenging the amount and allocation of the holdbacks and reserves being retained by the Receiver at a future date; was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion dated October 14, 2014 and the Fifteenth Report, and upon hearing the submissions of the counsel for the Receiver, no other party appearing, although duly served, as appears from the Affidavit of Service of Stephanie Waugh sworn October 14, 2014, filed,

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 Fifteenth Report and the activities of the Receiver set out therein, be and are hereby approved.
3. **THIS COURT ORDERS** that the Receiver is authorized to distribute the amount \$4,363,131.71 plus additional reasonable legal fees not to exceed \$11,000 to Addenda in full and final satisfaction of the Addenda OIL Charge from the funds held by the Receiver in the account maintained for the OIL property.
4. **THIS COURT ORDERS** that the Receiver is authorized to distribute the amount \$100,000 to Cameron Stephens in partial satisfaction of the Cameron Stephens OIL

Charge from the funds held by the Receiver in the account maintained for the OIL property.

5. **THIS COURT ORDERS AND DECLARES** that the distributions contemplated by this Order be without prejudice to any rights of subrogation, marshaling, apportionment or assessment that any subordinate creditors may have.

6. **THIS COURT ORDERS** that nothing in this Order prevents a person from challenging the amount and allocation of the holdbacks and reserves being retained by the Receiver at a future date.

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

  
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OCT 22 2014

## **SCHEDULE "A"**

1281515 Ontario Inc.

2338067 Ontario Inc.

2198392 Ontario Ltd.

King City Holdings Ltd.

Guelph Financial Corporation

Briarbrook Apartments Inc.

2009031 Ontario Inc.

1267818 Ontario Ltd.

1711060 Ontario Ltd.

1182689 Ontario Inc.

Ace Self Storage and Business Centre Inc.

Court File No: CV-12-9794-00CL

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED AND  
IN THE MATTER OF SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990 c. C.43, AS AMENDED WITH RESPECT TO  
DONDEB INC. AND ALL THE DEBTORS LISTED AT SCHEDULE "A" HERETO

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**ONTARIO**

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

PROCEEDING COMMENCED AT TORONTO

**ORDER  
(October 22, 2014)**

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LAWYERS FOR the RECEIVER