

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. )  
JUSTICE PATTILLO )  
)  
MONDAY, THE 7<sup>TH</sup>  
DAY OF JUNE, 2021

BETWEEN:

**THE SUPERINTENDENT OF FINANCIAL SERVICES**

**Applicant**

- and -

**BUILDING & DEVELOPMENT MORTGAGES CANADA INC.**

**Respondent**

**APPLICATION UNDER SECTION 37 OF THE  
MORTGAGE BROKERAGES, LENDERS AND ADMINISTRATORS ACT, 2006, S.O. 2006,  
c. 29 and SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990 c. C.43**

**ORDER  
(Jasper Residual Proceeds Settlement, North Residual  
Proceeds Settlement, & Distribution)**

**THIS MOTION**, made by FAAN Mortgage Administrators Inc., in its capacity as Court-appointed trustee (in such capacity, the “**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. C.43, as amended, for an Order, *inter alia*, (i)

approving and ratifying the Settlement and Mutual Release Agreement dated as of May 12, 2021 (the “**Jasper Settlement Agreement**”) among the Trustee, Bel-Edmonton Inc., and B JL Properties Inc. (“**BJL**”); (ii) approving and ratifying the Settlement and Mutual Release Agreement dated as of May 12, 2021 (the “**North Settlement Agreement**” and together with the Jasper Settlement Agreement, the “**Settlement Agreements**”) among the Trustee, Lamb Edmonton Corp., and B JL; (iii) approving the Inter-Project Allocation (as defined in the Twenty-Sixth Report (as defined below)); and (iv) authorizing the Trustee to, upon receipt of the (a) Jasper Realized Property (as defined below), make a distribution of the Jasper Realized Property to the Jasper House Investors (as defined in the Twenty-Sixth Report), and (b) North Realized Property (as defined below), make a distribution of the North Realized Property to the North Investors (as defined in the Twenty-Sixth Report), was heard this day by videoconference in Toronto, in accordance with the changes to the operations of the Commercial List in light of the COVID-19 pandemic;

**ON READING** the Twenty-Sixth Report of the Trustee dated May 21, 2021 (the “**Twenty-Sixth Report**”), and on hearing the submissions of counsel for the Trustee, Chaitons LLP, in its capacity as Representative Counsel, and such other counsel as were present, no one appearing for any other person on the service list, as appears from the affidavit of service of Chloe Nanfara sworn May 25, 2021, filed;

#### **SERVICE AND INTERPRETATION**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the Twenty-Sixth Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that all capitalized terms used but not defined herein shall have the meanings given to them in the Twenty-Sixth Report.

#### **APPROVAL OF THE JASPER SETTLEMENT AGREEMENT**

3. **THIS COURT ORDERS** that (i) the Jasper Settlement Agreement be and is hereby approved in its entirety, including the releases contemplated by Section 5 thereof, with such minor amendments as the Trustee and the other parties thereto may agree upon; and (ii) the execution of the Jasper Settlement Agreement by the Trustee is hereby ratified and approved, and the Trustee

is hereby authorized and directed to comply with all of its obligations under the Jasper Settlement Agreement.

#### **APPROVAL OF THE NORTH SETTLEMENT AGREEMENT**

4. **THIS COURT ORDERS** that (i) the North Settlement Agreement be and is hereby approved in its entirety, including the releases contemplated by Section 5 thereof, with such minor amendments as the Trustee and the other parties thereto may agree upon; and (ii) the execution of the North Settlement Agreement by the Trustee is hereby ratified and approved, and the Trustee is hereby authorized and directed to comply with all of its obligations under the North Settlement Agreement.

#### **RESIDUAL PROCEEDS DISTRIBUTIONS**

5. **THIS COURT ORDERS** that Osler, Hoskin & Harcourt LLP (“**Osler**”) is hereby authorized to make the Distributions (as defined in each of the Settlement Agreements) in accordance with the terms of the Settlement Agreements, and further that, in addition to the protections afforded to Osler in the Settlement Agreements, Osler shall have no liability whatsoever in connection with the Distributions and the Residual Proceeds (as defined in each of the Settlement Agreements).

#### **INTER-PROJECT ALLOCATION**

6. **THIS COURT ORDERS AND DECLARES** that the Inter-Project Allocation be and is hereby approved.

#### **REALIZED PROPERTY**

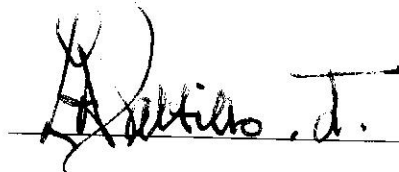
7. **THIS COURT ORDERS** that (i) the amount of \$1,240,612.57 distributed to the Trustee pursuant to the Jasper Settlement Agreement, less the amount of \$384,325.00 pursuant to the Inter-Project Allocation (the “**Jasper Realized Property**”), and (ii) the amount of \$1,138,221.30 distributed to the Trustee pursuant to the North Settlement Agreement, plus the amount of \$384,325.00 pursuant to the Inter-Project Allocation (the “**North Realized Property**”), is and shall be deemed to be “Realized Property” as defined in the Order of this Court dated June 26, 2018.

8. **THIS COURT ORDERS** that, as soon as is practicable upon receipt by the Trustee of (i) the Jasper Realized Property, the Trustee shall make a distribution to Jasper House Investors in an amount equal to 85% of the Jasper Realized Property, *pro rata* to the Jasper House Investors entitled to such funds, and (ii) the North Realized Property, the Trustee shall make a distribution to the North Investors in an amount equal to 85% of the North Realized Property, *pro rata* to the North Investors entitled to such funds, in each case 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.

#### **AID AND RECOGNITION OF FOREIGN COURTS**

9. **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 Trustee 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 Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that the Trustee be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Trustee is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

  
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**THE SUPERINTENDENT OF FINANCIAL SERVICES**

- and -

**BUILDING & DEVELOPMENT MORTGAGES CANADA  
INC.**

Applicant

Respondent

Court File No. CV-18-596204-00CL

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

Proceedings commenced at Toronto

**ORDER**

**(Jasper Residual Proceeds Settlement, North Residual  
Proceeds Settlement, & Distribution)**

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in its capacity as Court-appointed Trustee of  
Building & Development Mortgages Canada Inc.