

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE )  
MADAM JUSTICE CORY GILMORE )  
MONDAY, THE 5<sup>th</sup>  
DAY OF JULY, 2021



BETWEEN:

2505243 ONTARIO LIMITED o/a BYPETERANDPAUL.COM

Plaintiff

- and -

PRINCES GATES GP INC. IN ITS CAPACITY AS GENERAL PARTNER OF PRINCES  
GATES HOTEL LIMITED PARTNERSHIP

Defendant

**JUDGMENT**

**THIS ACTION** was heard on March 1, 2, 3, 4, 5, 8, 9, 11, 12, 17, April 12, 13, 14, and May 26, 2021 and with a costs endorsement made August 10, 2021, without a jury, virtually at the courthouse, 330 University Avenue, Toronto, Ontario M5G 1E6 in the presence of the lawyers for all parties.

**ON READING THE PLEADINGS AND HEARING THE EVIDENCE** and the submissions of the lawyers for the parties,

**THIS COURT ORDERS** that the Defendant, Princes Gates GP Inc. in its capacity as General Partner of Princes Gates Hotel Limited Partnership ("PGH"), shall forthwith pay to KSV Restructuring Inc. in its capacity as proposal trustee (the "Trustee") in the proceedings bearing

Court File No./Estate No. 31-2675288, the sum of \$7,124,524.92 less \$735,879.85 in damages owed to PGH by the Plaintiff, 2505243 Ontario Limited o/a ByPeterandPaul.com ("250").


**THIS COURT ORDERS** that PGH shall within 30 days, pay to the Trustee the sum of \$2,063,000.00 in employee compensation damages. The \$2,063,000.00 paid to the Trustee is impressed with a trust in favour of the employees and does not form part of the Estate and are not available to other creditors. Subject to further order of the Court, the Trustee will run a form of claims process over a six-month period and pay out claims as they are received upon confirmation by the Trustee of the validity of the claim. Any amounts left after the claims process will be returned to PGH. If the employees' claims exceed the amount paid to the Trustee, 250 will not be permitted to claim more from PGH.

**THIS COURT ORDERS THAT** 250 shall provide to the Trustee any required employment records in order to facilitate the employee claims process.

**THIS COURT ORDERS** that the Trustee's fees for the administration of the employee claims process shall be brought back to the Court for approval and in any event cannot exceed 10% of the amount paid out in claims.

**THIS COURT ORDERS** that the Trustee shall be entitled to seek further advice and direction in relation to the employee's claims process.

**THIS COURT ORDERS** that PGH shall pay costs to 250 in the amount of \$921,494.43.



JUSTICE GILMORE

**Farhad Rahaman**  
**Registrar**

2505243 ONTARIO LIMITED o/a BYPEETERANDPAUL.COM -and-

PRNCES GATES GP INC. IN ITS CAPACITY AS GENERAL PARTNER OF PRNCES GATES HOTEL LIMITED PARTNERSHIP

Court File No. CV-20-00644262

Plaintiff

Defendant

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**PROCEEDING COMMENCED AT**  
**TORONTO**

**JUDGMENT**

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