

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) THURSDAY, THE 20th DAY
)
JUSTICE HAINEY) OF FEBRUARY 2020

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF FORME DEVELOPMENT GROUP INC.
AND THE OTHER COMPANIES LISTED ON SCHEDULE "A"
HERETO (the "Applicants")

APPLICATION UNDER THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

DISTRIBUTION ORDER
(Kennedy)

THIS MOTION, made by KSV Kofman Inc. ("**KSV**"), in its capacity as Court-appointed monitor (in such capacity, the "**Monitor**") of the Applicants in their proceedings pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended ("**CCAA**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion and the Twelfth Report of the Monitor and the Eighth Report of the Proposal Trustee dated February 12, 2020 (the "**Report**"), together with the appendices thereto, and on hearing the submissions of counsel for the Monitor and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Aiden Nelms sworn February 13, 2020, filed,

1. **THIS COURT ORDERS** that following the delivery of the Monitor's Certificate contemplated by the Kennedy Approval and Vesting Order granted on the date hereof, the Monitor is authorized and directed to:

- (a) first, make one or more distributions to pay in full all of the property tax arrears relating to the Property (as defined in the Kennedy Approval and Vesting Order);
- (b) second, create and hold a reserve in the amount of the Holdback (as defined in the Report);
- (c) third, make one or more distributions to First Source Financial Management Inc. ("**First Source**"), or as it may direct, up to the amount owing under its registered mortgage on the Property; provided, however, that the Holdback shall not be distributed;
- (d) fourth, with the agreement of the Monitor and First Source, or upon further Order of the Court, to distribute to First Source, or as it may direct, any amount of the Holdback as is agreed or ordered by this Court to be payable to First Source;
- (e) fifth, make one or more distributions to pay the fees and expenses owing to the Monitor and counsel for the Monitor relating to the administration of the CCAA proceedings for the Owner Applicant (as defined in the Kennedy Approval and Vesting Order); and
- (f) sixth, to the extent any funds are remaining, make one or more distributions of all remaining proceeds to Yi Zhou, subject to counsel for the Monitor rendering an

opinion to the Monitor that Yi Zhou has a valid and properly registered mortgage,
up to the amount owing under its registered mortgage on the Property.

Handwritten signature

SUPERIOR COURT OF JUSTICE
ENTERED
FEB 25 2020 JP
COUR SUPÉRIEURE DE JUSTICE
ENTRÉ

SCHEDULE "A"
APPLICANTS

3310 Kingston Development Inc.
1296 Kennedy Development Inc.
1326 Wilson Development Inc.
5507 River Development Inc.
4439 John Development Inc.
2358825 Ontario Ltd.
250 Danforth Development Inc.
159 Carrville Development Inc.
169 Carrville Development Inc.
189 Carrville Development Inc.
27 Anglin Development Inc.
29 Anglin Development Inc.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FORME DEVELOPMENT GROUP INC. AND THE OTHER COMPANIES LISTED ON SCHEDULE "A" HERETO (the "Applicants")

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

Proceeding commenced at Toronto

**DISTRIBUTION ORDER
(Kennedy)**

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Counsel to KSV Kofman Inc., solely in its capacity as Court-appointed monitor and not in its personal capacity