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LAWYERS

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*Certified by the Law Society as a
Specialist in Civil Litigation*

March 2, 2020

FILE NUMBER 114479-00001

Attention: Service List

Re: Motion Returnable March 30, 2020 brought by Lerners LLP and James Grout Professional Corp.

Attached please find the motion materials returnable March 30, 2020.

Please be advised we had initially intended to bring the motion before Justice Hainey on February 20, 2020 and prepared our supporting affidavit in early February. We later were advised that there was no time for us to bring the motion on February 20, 2020. Because of this timing, the affidavit does not make mention of any of the events that took place after our retainer ended, as we were not aware of them. We may choose to file a supplementary affidavit.

Please note that Exhibits "D" and "E" to the affidavit are filed separately in a sealed envelope to maintain solicitor-client privilege.

Yours truly,



Cynthia B. Kuehl
CBK/jec

Encl.

6167245.1

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

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

**MOTION RECORD OF JAMES GROUT PROFESSIONAL CORP.
AND LERNERS LLP
(Returnable March 30, 2020)**

February 20, 2020

James Grout Professional Corp.
24 McMaster Avenue
Toronto, ON M4V 1A9

James H. Grout LS#: 22741H 1B
Jimhgrout@gmail.com
Tel: 416.505.6765

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Emily Y. Fan LS#: 59788H
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Tel: 416.601.2390 / Fax: 416.867.2452

TO: Yuan Hua (Mike) Wang
Forme Development Group
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

AND TO: THE SERVICE LIST

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TAB 1

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

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

**NOTICE OF MOTION
(Returnable March 30, 2020)**

James Grout Professional Corporation and Lerner's LLP will make a motion before the Honourable Mr. Justice Hainey on March 30, 2020 at 10:00 a.m. or as soon after that time as the motion can be heard, at the Commercial List at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard:

- in writing under subrule 37.12.1(1) because it is on consent or unopposed or made without notice;
- in writing as an opposed motion under subrule 37.12.1(4);
- orally.

THE MOTION IS FOR:

- (a) An order authorizing and directing Cassels Brock and Blackwell LLP ("CBB") to pay the outstanding fees and disbursements of James Grout Professional Corp. ("Grout Corp.") and Lerner's LLP ("Lerner's"), the amounts of which are attached in Schedule "A". Such amounts would be paid from funds held in trust by CBB (the "Trust Account") pursuant to an

undertaking dated March 11, 2019 (the “**Undertaking**”). Grout Corp. acted as insolvency counsel for the principal of Forme Development Group (“**Forme**”), Yuan Hua (Mike) Wang (“**Mr. Wang**”), between approximately February 2019 and January 2020. Lerner acted as litigation counsel for Mr. Wang between approximately April 2019 and January 2020.

- (b) Such further and other relief as counsel may advise and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

- (a) Forme owns various real estate development projects in Ontario (the “**Projects**”). Forme financed the acquisition and development of the Projects through mortgage loans (the “**Mortgages**”) from numerous lenders (each a “**Mortgagee**”).
- (b) Mr. Wang is subject to personal guarantee claims for certain of the Mortgages.
- (c) Certain of the Projects are owned by the Applicants and three other entities that have filed notices of intention to make proposals under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (“**BIA**”). Other Projects are owned by members of Forme that are not subject to the present or *BIA* proceedings (the “**Non Applicants**”).
- (d) The Projects owned by the Non-Applicants are being sold by their first Mortgagee or the relevant member of Forme. CBB is counsel to the Non-Applicants. Pursuant to the Undertaking given to this court by Forme and Mr. Wang, CBB is holding in trust the proceeds of sale of the Non-Applicants, after payment of closing costs and the applicable Mortgages.
- (e) Mr. Wang required insolvency advice regarding the present proceeding and the Non-Applicants. James Grout of Grout Corp. was retained as insolvency counsel for Mr. Wang personally in February 2019.

- (f) Mr. Wang required litigation advice regarding the present proceeding and the Non-Applicants. Lerner was retained as litigation counsel for Mr. Wang personally in April 2019.
- (g) On August 7, 2019, Lerner brought a motion on behalf of itself and Grout Corp. to amend the Undertaking and allow for the fees and disbursements of Grout Corp. and Lerner to be paid from the Trust Account.
- (h) Pursuant to an endorsement dated August 7, 2019, Justice Hainey adjourned the motion *sine die*, but allowed the fees and disbursements of Grout Corp. incurred up to June 30, 2019 and the fees and disbursements of Lerner incurred up to July 24, 2019 to be paid from the Trust Account. Justice Hainey also ordered that the return of the motion could be scheduled following certain terms, and in the meantime, Grout Corp. and Lerner would be entitled to be paid an additional \$20,000 each from the Trust Account.
- (i) Following the August 7, 2019 order, Lerner and Grout Corp. continued to do work for Mr. Wang, including:
 - (i) Leading up to and during the motion heard on October 22, 2019 brought by the Monitor regarding the claims procedure;
 - (ii) Advising Mr. Wang in respect of the sale of properties for which he personally guaranteed the mortgages, as well as the claims process;
 - (iii) Assisting Mr. Wang in providing a statutory declaration to the Monitor of his assets, income and interests;
 - (iv) Leading up to and during the 9:30 attendance before Justice Hainey on the November 21, 2019; and
 - (v) Responding to the Monitor's request for cross-examination of Mr. Wang on his statutory declaration, including providing requested

documents. The oral examination was originally set for December 17, 2019 but later cancelled.

- (j) On January 6, 2020, Lerner and Grout Corp. brought a motion to remove Lerner and Grout Corp. as lawyers of record for Mr. Wang. The motion was granted by Justice McEwen, removing Lerner and Grout Corp. as lawyers of record for Mr. Wang.
- (k) Justice McEwen further ordered that notwithstanding the removal of Lerner and Grout Corp. as lawyers of record, Lerner and Grout Corp. could bring a motion to this court with respect to payment of their outstanding fees and disbursements.
- (l) Grout Corp. and Lerner have aimed to not duplicate services. To the extent there was any unreasonable duplication of services, only one firm would be entitled to be paid by the Non-Applicants.
- (m) The only source of funding for Grout Corp. and Lerner are the funds in the Trust Account, pursuant to the Undertaking. CBB is currently holding an excess of \$11 million in trust pursuant to the Undertaking. Additional funds will likely be generated from the sales of the Non-Applicants, after payment of closing costs and mortgages. These funds will also be held in trust by CBB.
- (n) The claims bar date has now passed and Grout Corp. and Lerner have filed accounts of their fees incurred on behalf of Mr. Wang, satisfying the conditions set by Justice Hainey in the August 7, 2019 order.
- (o) Rule 37 of Ontario's *Rules of Civil Procedure*, RRO 1990, Reg 194.
- (p) Such further and other grounds as counsel may advise and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) The affidavit of Emily Y. Fan sworn February 5, 2020, with exhibits;
- (b) Such further and other evidence as counsel may advise and this Honourable Court may permit.

February 20, 2020

James Grout Professional Corp.
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TO: Yuan Hua (Mike) Wang
Forme Development Group
7100 Woodbine Avenue, Suite 206
Markham, ON L3R 5J2

AND TO: THE SERVICE LIST

SCHEDULE "A"

James Grout Professional Corporation	
Period	Outstanding fees and disbursements
July 1, 2019 – July 24, 2019	\$7,051.20
October 1, 2019 – December 31, 2019	\$18,260.80
TOTAL	\$25, 312.00

Lemmers LLP	
Period	Outstanding fees and disbursements
July 25, 2019 – August 8, 2019	\$14,027.82
October 25, 2019 – December 20, 2019	\$17,960.04
TOTAL	\$31,987.86

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

**NOTICE OF MOTION
(Returnable March 30, 2020)**

James Grout Professional Corp.
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TAB 2

Court File No.: CV-18-608313-00CL

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

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

**AFFIDAVIT OF EMILY Y. FAN
(Sworn February 5, 2020)**

I, Emily Y. Fan, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am a partner with Lerners LLP, counsel to Yuan Hua (Mike) Wang ("**Mr. Wang**") from approximately April 2019 to January 2020. I worked with lead counsel, Cynthia Kuehl, and as such have knowledge of the matters to which I hereinafter depose.
2. In late April 2019, Mr. Wang retained Lerners in respect of possible actions on personal guarantees he allegedly provided for mortgages on properties owned by members of the Forme Development Group Inc. (the "**Forme Group**"). Certain companies that were part of the Forme Group were in CCAA proceedings, for which KSV Advisory is the Monitor (the "**Monitor**"). Other companies that are part of the Forme Group were denied the protection of the CCAA proceedings due to the opposition of the mortgagees (the "**Non Applicants**") and are represented by Cassels Brock & Blackwell ("**CBB**").

3. By that time, Mr. Wang had also retained James Grout Professional Corp. ("**Grout Corp.**") as his personal insolvency counsel. It was always understood that these retainers were solely on behalf of Mr. Wang personally, and not on behalf of any members of the Forme Group.

4. I am advised by Ms. Kuehl and do verily believe that, by the time of our initial retainer, Mr. Grout and Ms. Kuehl believed that certain funds being held in trust by CBB would be available for payment of our legal fees.

5. I am advised by Ms. Kuehl and do verily believe that as a result of a sale of real estate properties owned by the Non Applicants, there was, as of Fall 2019, in excess of \$11 million held in trust by CBB (the "**Trust Account**"). Those funds are currently being held in trust as a result of a voluntary undertaking that Mr. Wang provided to the Monitor (the "**Undertaking**") which subsequently formed part of a court order. The voluntary Undertaking provided that the funds would be held in trust by CBB pending the outcome a contemplated claims process.

6. But for the Undertaking, the monies held in trust by CBB would have been paid out to the Non Applicants. As I understand there are no judgments against the Non Applicants, the funds would have been available to be paid out to Mr. Wang as the sole shareholder/owner of the non-applicant companies. In short, but for the Undertaking, Mr. Wang would have access to the funds in the Trust Account.

7. I am advised by Mr. Grout, and do verily believe that he was involved, together with counsel from CBB, with the negotiation and execution of the Undertaking. I am further advised by Mr. Grout and do verily believe that although CBB's fees could be paid pursuant to the terms of the Undertaking, through inadvertence, the Undertaking is silent as to payment for any fees of Mr. Wang's personal counsel, including Mr. Grout. I am also advised by Mr. Grout that at the time of our initial retainer it was understood that we would be able to make an application to the court to amend the Undertaking in order to ensure that any accounts rendered by Grout Corp. or Lerners would be paid.

8. On August 7, 2019, Lerner's brought a motion on behalf of itself and Grout Corp. to amend the Undertaking to ensure payment. The motion was formally opposed by one creditor. The motion was adjourned *sine die* by Justice Hailey. A copy of Justice Hailey's endorsement dated August 7, 2019 is attached as **Exhibit "A"**.

9. In the same endorsement, Justice Hailey allowed the fees and disbursements of Grout Corp. incurred up to June 30, 2019, and the fees and disbursements of Lerner's incurred up to July 24, 2019, to be paid from the Trust Account. Until the motion for payment was heard, Justice Hailey also ordered that Grout Corp. and Lerner's would be entitled to each be paid an additional \$20,000 from the Trust Account.

10. A claims procedure order was issued on October 22, 2019. Initially, the claims bar date was to be November 25, 2019. However, on November 21, 2019, the claims bar date was extended to January 10, 2020 at the request of the Monitor. A copy of Justice Hailey's order dated November 21, 2019 is attached as **Exhibit "B"**.

11. Grout Corp. and Lerner's continued to do work for Mr. Wang following the August 7, 2019 order. In particular, Grout Corp. and Lerner's continued to act for Mr. Wang:

- (a) Leading up to and during the motion heard on October 22, 2019 brought by the Monitor regarding the claims procedure. This included numerous discussions and/or meetings with Mr. Wang and with the Monitor in respect of the language of the draft order, and attending on the motion;
- (b) Advising Mr. Wang in respect of the sale of properties for which he personally guaranteed the mortgages, as well as the claims process;
- (c) Advising Mr. Wang and assisting in providing a statutory declaration to the Monitor of his assets, income and interests;
- (d) Advising Mr. Wang and engaging in a number of discussions (including at least one meeting) with the Monitor, leading up to and during the 9:30 attendance before Justice Hailey on the November 21, 2019; and

- (e) Responding to the Monitor's request for the cross-examination of Mr. Wang on his statutory declaration and in negotiating its terms. The oral examination was originally set for December 17, 2019 but later cancelled.

12. Due to the substantial amount of work required, the budget provided in the August 7, 2019 order was well exceeded and additional fees were incurred by Grout Corp. and Lerner on Mr. Wang's behalf. None of those fees have been authorized for payment and remain outstanding to this day.

13. In addition, not all fees from Grout Corp. and Lerner were paid in respect of work completed in July and August 2019. I am advised by Mr. Grout and Ms. Kuehl and do verily believe that this included, but was not limited to, discussions and meeting with Mr. Wang, the Monitor and counsel in respect of the motion that was returnable August 7, 2019, and attendance on that motion.

14. On January 6, 2020, Grout Corp. and Lerner brought a motion to remove Grout Corp. and Lerner as lawyers of record for Mr. Wang on the basis that, due to an impasse between the Monitor and Mr. Wang, there was no prospect that Grout Corp. and Lerner would be paid for services rendered on a go-forward basis and services rendered in the past had either not been invoiced (because there was no prospect of payment) or were unpaid. The motion was granted by Justice McEwen, removing Grout Corp. and Lerner as lawyers of record for Mr. Wang. Justice McEwen further ordered that notwithstanding the removal of Grout Corp. and Lerner as lawyers of record, Grout Corp. and Lerner could bring a motion to this court with respect to payment of their outstanding fees and disbursements. A copy of Justice McEwen's order dated January 6, 2020 is attached as **Exhibit "C"**.

15. Mr. Wang has repeatedly advised that he does not have the financial ability to pay Lerner or Grout Corp. as counsel, absent access to the funds held by CBB.

16. I am advised by Mr. Grout that Grout Corp. currently has \$25,312.00 outstanding in legal fees and disbursements it incurred on behalf of Mr. Wang. In particular, I am advised by Mr. Grout that:

- (a) Grout Corp.'s fees and disbursements up to June 30, 2019 have been paid from the Trust Account, pursuant to the August 7, 2019 order;
- (b) Grout Corp.'s fees and disbursements incurred between July 1, 2019 – July 24, 2019 are unpaid;
- (c) Grout Corp.'s fees and disbursements incurred between July 25, 2019 – September 30, 2019 have been paid from the Trust Account, pursuant to the \$20,000 allowance in the August 7, 2019 order; and
- (d) Grout Corp.'s fees and disbursements incurred between October 1, 2019 – December 31, 2019 are unpaid.

Copies of Grout Corp.'s Accounts from July 1, 2019 – July 24, 2019 (unpaid), July 25, 2019 – September 30, 2019 (paid), and October 1, 2019 – December 31, 2019 (unpaid) are attached as **Exhibit "D"** (which will be provided to the Court in a sealed envelope to maintain privilege).

17. I am advised by Ms. Kuehl that Lerner's currently has \$31,987.86 outstanding in legal fees and disbursements it incurred on behalf of Mr. Wang. In particular, I am advised by Ms. Kuehl that:


- (a) Lerner's fees and disbursements up to July 24, 2019 have been paid from the Trust Account, pursuant to the August 7, 2019 order;
- (b) Lerner's fees and disbursements incurred between July 25, 2019 – August 8, 2019 are unpaid;
- (c) Lerner's fees and disbursements incurred between August 9, 2019 – October 24, 2019 have been paid from the Trust Account, pursuant to the \$20,000 allowance in the August 7, 2019 order; and
- (d) Lerner's fees and disbursements incurred between October 25, 2019 – December 20, 2019 are unpaid.

Copies of Lerner's Accounts from July 25, 2019 – August 8, 2019 (unpaid), August 19, 2019 – September 25, 2019 (paid), September 26, 2019 – October 22, 2019 (paid), and October 25, 2019 – December 20, 2019 (unpaid) are attached as **Exhibit "E"** (which will also be provided to the Court in a sealed envelope to maintain privilege).

SWORN BEFORE ME at the City of Toronto,
in the Province of Ontario, on February 5,
2020.



A Commissioner for taking Affidavits (or as
may be)



Emily Y. Fan

**Lucy Jun Ming Sun, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires June 7, 2022.**

TAB A

This is Exhibit..... Areferred to in the
affidavit of..... Emily Y. Fan
sworn before me, this..... 5th
day of..... February20..20

.....

.....
A COMMISSIONER FOR TAKING AFFIDAVITS

**Lucy Jun Ming Sun, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires June 7, 2022.**



COUNSEL SLIP

COURT FILE NO. CV-18-608313-0001

DATE: Aug 7th, 2019

No. ON LIST 10

TITLE OF PROCEEDING

Home Development Group Inc. et al v. Windsor Family Credit Union et al

COUNSEL FOR:

Phone & Fax No

Plaintiff (s)
Applicant (s)
Petitioner (s)

416 505 6765
416 901 7189

COUNSEL FOR:

Phone & Fax No

Defendant (s)
Respondent (s)

JTGROU JTGROU

Don Michaud for various mortgages on Canville and Appleton

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D.J. Miller for Fenra Construction (mortgage) (TGF)

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SHAYNE KUKULOWICZ FOR NON-APPLICANT FORMER ENTITIES

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Cynthia Kuehl, Lerner LLP for Mike Wang

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Sean Zweig Aiden Nelms

T: 416-777-6254
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For KSV Kofman Inc, in its capacity as court appointed Monitor

E: zweigs@bennettjones.com

Vince R. ... in ...

T: 416 895 9823

August 7/19

My Endorsement is
attached.

Fairy J

ENDORSEMENT

August 7, 2019

17

pursuant to this endorsement

Mr. Wang's motion is adjourned sine die on the terms set out below, pending and following: (i) the expiry of the claims bar date in the claims order to be sought by the Monitor at a later date, and (ii) the filing of a budget by Mr. Wang's counsel seeking funding for any fees that may be sought to be incurred as part of the claims process, as set out below, at which time the return of Mr. Wang's motion may be scheduled on notice to the Service List, with sufficient time for arguments to be made by all parties who wish to do so (the "Return Date"). Capitalized terms used herein and not otherwise defined are as defined in the Undertaking attached as Schedule "B" to the Order of this Court dated March 18, 2019 (the "Undertaking").

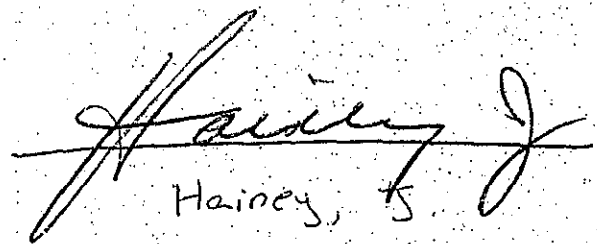
1. Amounts incurred for Mr. Wang personally by Grout to June 30, 2019 (\$127,000) and Lerner to July 24, 2019 (\$50,000) (collectively, the "Accrued Wang Fees") may be paid from the Trust Account. However, all such payments are subject to an undertaking from the recipient in favour of this Court and the Monitor ~~as reflected in this Endorsement to hold such amounts in trust subject to the same terms as the Undertaking, and~~ to immediately repay any or all of such amounts to the Trust Account if so Ordered by this Court.
2. On the basis of no objection by the parties represented by counsel in attendance on this motion, and expressly subject to paragraph 5 herein, Grout and Lerner shall be entitled to be paid an amount of up to \$20,000 each (including disbursements and taxes) from the Trust Account for the period from and after July 24, 2019 to the Return Date (the "Permitted Payment").
3. Not less than twenty-one days (21) days prior to the Return Date, counsel for Mr. Wang shall prepare and deliver to the Monitor, for delivery to the Service List, a budget outlining the fees expected to be incurred by counsel for Mr. Wang for which reimbursement is sought from the Trust Account (the "Wang Claims Budget"). Without waiver of any privilege, the Wang Claims Budget shall contain sufficient details to permit the Monitor and any interested stakeholder to be able to assess and consider their respective position on the hearing of Mr. Wang's motion on the Return Date.
4. All rights are expressly reserved with respect to the fees incurred by CBB on behalf of the Non-Applicants, as disclosed in the Monitor's Supplement to Seventh Report. For greater certainty, nothing in the Order or in this Endorsement constitutes an approval of such fees or an acknowledgement of their reasonableness in any way whatsoever.
5. All rights are reserved with respect to Mr. Wang's motion to be argued on the Return Date, or any further motion that may be brought or request that may be made for any other amounts sought to be paid to Grout or Lerner as counsel for Mr. Wang from the Trust Account. For greater certainty, the fact that the Permitted Payment is permitted to be made in accordance with this Endorsement negotiated by counsel, shall not in any way prejudice or be perceived as waiving or pre-judging any argument that any party may wish to make on the Return Date

and the terms of paragraph 1 hereof,

the Accrued Wang Fees (as defined above);

that: (i) no amounts whatsoever ought to be paid from the Trust Account until all claims of creditors against Mr. Wang are paid in full, or that (ii) no other amounts, save and except the Permitted Payment hereunder, should be permitted to be paid to Mr. Wang's counsel from the Trust Account, regardless of whether any portion of same may have already been paid from the Trust Account.

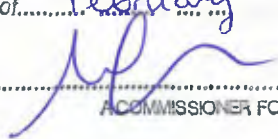
- 6. This Court notes that the Monitor has advised counsel for Mr. Wang that, unless the Monitor is confident that there are sufficient funds in the Trust Account to repay all claims of creditors against Mr. Wang in full and amounts requested for funding, it would not be prepared to consider any request for funding of Mr. Wang's legal fees from the Trust Account, whether on the Return Date or otherwise, unless and until full financial disclosure of all of Mr. Wang's personal assets, income and interests is provided to the Monitor.
- 7. Any objection to the Accrued Wang Fees or any or all of CBB's fees as disclosed in the Supplement to the Monitor's Seventh Report shall be brought to the Monitor's attention not later than seven (7) days' prior to the Return Date, unless otherwise agreed by the parties to the motion.


 Hainey, J.

August 7, 2019

TAB B

This is Exhibit.....^B.....referred to in the
 affidavit of.....Emily Y. Fan.....
 sworn before me, this.....^{5th}.....
 day of.....February.....20.....20



.....
 A COMMISSIONER FOR TAKING AFFIDAVITS

**Lucy Jun Ming Sun, a Commissioner, etc.,
 Province of Ontario, while a Student-at-Law.
 Expires June 7, 2022.**

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) THURSDAY, THE 21ST DAY
)
JUSTICE HAINES) OF NOVEMBER 2019



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 FORMER 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

ORDER

THIS MOTION, made by KSV Kofman Inc., solely in its capacity as Court-appointed monitor (in such capacity, the "Monitor") in the proceedings of the Applicants 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 Monitor's Eleventh Report dated November 18, 2019 (the "Eleventh 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 November 18, 2019, filed,

Service

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and are hereby abridged and validated so that the Motion is properly returnable today.

Claims Procedure Order

2. **THIS COURT ORDERS** that paragraph 2(f) in the Claims Procedure Order of this Court dated October 22, 2019 (the "Claims Procedure Order") shall be deleted in its entirety and replaced with the following:

"Claims Bar Date" means: (i) with respect to a Pre-filing Claim, a D&O Claim, a NOI Claim, a Non-Applicant Claim and a Wang Claim, 5:00 p.m. (Eastern Time) on the later of (A) January 10, 2020, and (B) if applicable, the applicable Sale Triggered Claims Bar Date; and (ii) with respect to a Restructuring Claim, the Restructuring Claims Bar Date;

3. **THIS COURT ORDERS** that paragraph 2(pp) of the Claims Procedure Order shall be deleted in its entirety and replaced with the following:

"Restructuring Claims Bar Date" means, with respect to a Restructuring Claim, the later of (i) 5:00 p.m. (Eastern Time) on the Claims Bar Date for Pre-filing Claims, D&O Claims, NOI Claims, Non-Applicant Claims and Wang Claims (which, for greater certainty, is January 10, 2020) and (ii) the date that is ten (10) Business Days after the Monitor sends a Claims Package with respect to a Restructuring Claim in accordance with the Claims Procedure Order;

Examination of Yuan Hua Wang

~~4. **THIS COURT ORDERS** that Yuan Hua Wang is directed to submit to a cross-examination by the Monitor in respect of the statutory declaration concerning his financial position provided to the Monitor on November 5, 2019.~~

Non-Applicant General Ledgers and Bank Statements

5. THIS COURT ORDERS that each of the 14 companies listed on Schedule "B" hereto is directed to provide its general ledgers and bank statements requested by the Monitor to the Monitor within five (5) business days of this Order.

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

NOV 21 2019

PER / PAR

**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.

SCHEDULE "B"
NON-APPLICANTS

-
- 101 Columbia Development Inc.
 - 186 Old Kennedy Development Inc.
 - 19 Turff Development Inc.
 - 22 Old Kennedy Development Inc.
 - 31 Victory Development Inc.
 - 35 Thelma Development Inc.
 - 376 Derry Development Inc.
 - 390 Derry Development Inc.
 - 4 Don Hillock Development Inc.
 - 4208 Kingston Development Inc.
 - 4550 Steeles Development Inc.
 - 7397 Islington Development Inc.
 - 9500 Dufferin Development Inc.
 - 2495393 Ontario 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

ORDER

BENNETT JONES LLP
3400 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

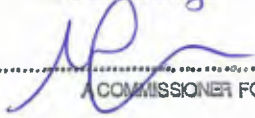
Sean H. Zweig (LSO #57307I)
Tel: (416) 777-6253
Fax: (416) 863-1716

Aiden Nelms (LSO#74170S)
Tel: (416) 777-4642
Fax: (416) 863-1716

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

TAB C

This is Exhibit ^c referred to in the
affidavit of Emily Y. Fan
sworn before me, this ^{5th}
day of February 2020



A COMMISSIONER FOR TAKING AFFIDAVITS

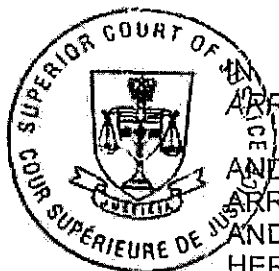
**Lucy Jun Ming Sun, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires June 7, 2022.**

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE
JUSTICE

T. McEwen

) MONDAY, THE 6TH DAY
) OF JANUARY 2020
)



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

ORDER
(RE REMOVAL OF COUNSEL)

THIS MOTION, made by Lerners LLP ("Lerners") and James H. Grout Professional Corporation ("Grout P.C.") for an order removing them as counsel of record for Yuan Hua Wang ("Mr. Wang") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Cynthia Kuehl sworn January 2, 2020, and the exhibits thereto, and on hearing the submissions of counsel Lerners and Grout P.C.,

1. THIS COURT ORDERS THAT Lerners is hereby removed as counsel of record for Mr. Wang, upon service of this Order on him in accordance with paragraph 4 of this Order.
2. THIS COURT ORDERS THAT Grout P.C. is hereby removed as counsel of record for Mr. Wang, upon service of this Order on him in accordance with paragraph 4 of this Order.
3. THIS COURT ORDERS THAT notwithstanding the removal of Lerners and Grout P.C. as counsel of record, Lerners and Grout P.C. may bring a motion to this court with respect to payment of their outstanding fees and disbursement.

- 4. THIS COURT ORDERS THAT this Order may be served on Mr. Wang by sending copies of it as follows:
 - a) By regular mail to Mr. Wang's business address: 7100 Woodbine Avenue, Suite 206, Markham, Ontario L3R 5J2; and
 - b) By email to: mike@formeddevelopmentgroup.com.

- 5. THIS COURT ORDERS THAT Mr. Wang may be contacted at the addresses stated in paragraph 4, above, and that Mr. Wang's telephone number is 905.604.5766 and fax is 905.604.5768.

- 6. THIS COURT ORDERS THAT there shall be no costs payable on this motion.

NOTE: Rule 15.04 (8) A client who is not a corporation shall, within 30 days after being served with the order removing the lawyer from the record,

- (a) appoint a new lawyer of record by serving a notice under subrule 15.03 (2); or
- (b) serve a notice of intention to act in person under subrule 15.03 (3).


Rule 15.04 (9) If the client fails to comply with subrule (8),

- (a) the court may dismiss the client's proceeding or strike out his or her defence; and
- (b) in an appeal,
 - (i) a judge of the appellate court may, on motion, dismiss the client's appeal, or
 - (ii) the court hearing the appeal may deny the client the right to be heard.



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

JAN 06 2020

PER / PAR: 

**ONTARIO
SUPERIOR COURT OF JUSTICE -
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

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Emily Y. Fan LS#: 59788H
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Tel: 416.601.2390 / Fax:
416.867.2452
Lawyers for Yuan Hua Wang

TAB D

This is Exhibit.....^D.....referred to in the
affidavit of.....Emily Y. Fan.....
sworn before me, this.....SM.....
day of.....February.....20..20



A COMMISSIONER FOR TAKING AFFIDAVITS

**Lucy Jun Ming Sun, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires June 7, 2022.**

This exhibit is provided to the Court in a separate sealed envelope, pending a sealing order.

TAB E

This is Exhibit E referred to in the
affidavit of Emily Y. Fan
sworn before me, this 5th
day of February, 2022.


A COMMISSIONER FOR TAKING AFFIDAVITS

**Lucy Jun Ming Sun, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires June 7, 2022.**

This exhibit is provided to the Court in a separate sealed envelope, pending a sealing order.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

**MOTION RECORD OF JAMES GROUT
PROFESSIONAL CORP AND LERNERS LLP
(Returnable March 30, 2020)**

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Lawyers for Yuan Hua Wang