

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) THURSDAY, THE 13th
)
JUSTICE HAINEY) DAY OF APRIL, 2017



IN THE MATTER OF THE RECEIVERSHIP OF SCOLLARD
DEVELOPMENT CORPORATION

AND IN THE MATTER OF A MOTION PURSUANT TO
SUBSECTION 243(1) OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O.
1990, C. C.43, AS AMENDED

ORDER

THIS MOTION, made by KSV Kofman Inc., in its capacity as receiver and manager (the "**Receiver**") of the real property ("**Real Property**") registered on title as being owned by Scollard Development Corporation (the "**Company**") and of all of the assets, undertakings and properties of the Company acquired for or used in relation to the Real Property (together with the Real Property, the "**Property**"), for an order, among other things:

- a) approving the Strategic Process (as defined below), including the engagement of TD Cornerstone Commercial Reality Inc. ("**TD**") as listing agent under the Strategic Process;
- b) approving the First Report of the Receiver dated April 5, 2017 (the "**First Report**") and the activities of the Receiver as set out therein; and
- c) sealing the confidential appendices to the First Report pending further Order of this Court,

was heard this day at the Courthouse located at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver, including the First Report, filed,

AND UPON HEARING the submissions of counsel for the Receiver, and those other parties present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Danish Afroz sworn April 5, 2017, filed:

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time and manner of service of the Notice of Motion and Motion Record, including the First Report, are hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF REPORT AND ACTIVITIES

2. **THIS COURT ORDERS** that the First Report and the activities of the Receiver as set out therein be and are hereby approved.

ENGAGEMENT OF LISTING AGENT

3. **THIS COURT ORDERS** that the Receiver and TD are authorized to execute and to carry out and perform their respective obligations under the Listing Agreement dated April 5, 2017 between the Receiver and TD, attached as Confidential Appendix "1" to the First Report (the "**Listing Agreement**") (including payment of the amounts due to be paid to TD pursuant to the terms of the Listing Agreement).
4. **THIS COURT ORDERS** that all claims of TD pursuant to the Listing Agreement are not claims that may be compromised pursuant to any restructuring or other proceeding, and that no such restructuring or proceeding shall be approved if it does not provide for the payment of all amounts due to TD pursuant to the terms of the Listing Agreement.

APPROVAL OF STRATEGIC PROCESS

5. **THIS COURT ORDERS AND DECLARES** that the strategic process (the "**Strategic Process**"), as described in Section 4 of the First Report, be and is hereby approved.
6. **THIS COURT ORDERS** that the Receiver and TD be and are hereby authorized and directed to perform their obligations under and in accordance with the Strategic Process,

including under the terms of the Listing Agreement, and to take such further steps as they consider necessary or desirable in carrying out the Strategic Process, and any steps taken by the the Receiver and TD in connection with the Strategic Process prior to the date hereof, as described in the First Report, be and are hereby approved and ratified.

7. **THIS COURT ORDERS** that each of the Receiver and TD, and their respective affiliates, partners, directors, employees, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Strategic Process, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Receiver or TD, as applicable, in performing its obligations under the Strategic Process (as determined by this Court).

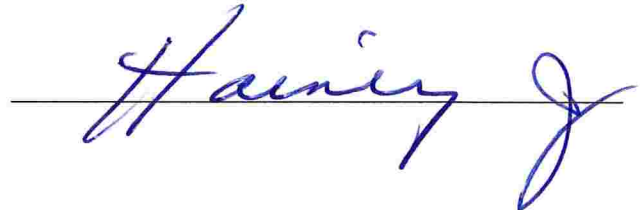
8. **THIS COURT ORDERS** that In connection with the Strategic Process and pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver and TD are authorized and permitted to disclose personal information of identifiable individuals to prospective purchasers or offerors and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more transactions (each, a "**Transaction**"). Each prospective purchaser or offeror to whom such information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to its evaluation of the Transaction, and if it does not complete a Transaction, shall: (i) return all such information to the Receiver or TD, as applicable; (ii) destroy all such information; or (iii) in the case of such information that is electronically stored, destroy all such information to the extent it is reasonably practical to do so. The transacting party with respect to any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Company, and shall return all other personal information to the Receiver or TD, as applicable, or ensure that all other personal information is destroyed.

SEALING ORDER

9. **THIS COURT ORDERS** that the confidential appendices to the First Report be sealed, kept confidential and not form part of the public record pending further Order of this Court.

GENERAL

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or elsewhere to give effect to this Order and to assist the Receiver 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
11. **THIS COURT ORDERS** that the Receiver 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.

A handwritten signature in blue ink, appearing to read "Hainey J.", is written over a horizontal line.

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

APR 13 2017

PER / PAR: 

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PROCEEDING COMMENCED AT
TORONTO

ORDER

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