



Court File No. CV-23-00698576-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) THURSDAY, THE 16TH
)
JUSTICE OSBORNE) DAY OF NOVEMBER, 2023
)

BETWEEN

KINGSETT MORTGAGE CORPORATION AND DORR CAPITAL CORPORATION

Applicants

- and -

**STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC.,
STATEVIEW HOMES (ON THE MARK) INC., TLSFD TAURASI HOLDINGS CORP. AND
STATEVIEW HOMES (HIGH CROWN ESTATES) INC.**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER 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**

**ANCILLARY MATTERS AND DISTRIBUTION ORDER
(TAURASI HOLDINGS, MINU TOWNS, NAO TOWNS & HIGH CROWN)**

THIS MOTION, made by KSV Restructuring Inc. ("**KSV**") in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**") without security, of the property, assets and undertakings of each of the above noted Respondents, including their real property, pursuant to the Order (Appointing Receiver) of this Court dated May 2, 2023 (the "**Receivership Order**") for an order in respect of TLSFD Taurasi Holdings Corp. ("**Taurasi Holdings**"), Stateview Homes (Minu Towns) Inc. ("**Minu**"), Stateview Homes (Nao Towns) Inc. ("**Nao**") and Stateview Homes (High Crown Estates) Inc. ("**High Crown**"), *inter alia*, (i) approving the Sixth Report of the Receiver dated November 8, 2023 (the "**Sixth Report**") and the Receiver's conduct and activities described therein; (ii) approving the Receiver's statements of receipts and disbursements attached at Appendices "N" to "Q" to the Sixth Report; (iii) approving the fees and

disbursements of the Receiver and the Receiver's counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), as set out in the Affidavit of Noah Goldstein sworn on November 8, 2023 attached at Appendix "L" to the Sixth Report (the "**Goldstein Affidavit**") and the Affidavit of Ryan Jacobs sworn on November 8, 2023 attached at Appendix "M" to the Sixth Report (the "**Jacobs Affidavit**" and, together with the Goldstein Affidavit, the "**Fee Affidavits**"), respectively; and (iv) authorizing and directing the Receiver to make certain payments and distributions and establish, hold and maintain certain reserves as recommended and described in the Sixth Report, was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the Notice of Motion of the Receiver, the First Report and the Appendices thereto, the Sixth Report and the Appendices thereto, the Fee Affidavits, and on hearing the submissions of counsel for the Receiver, KingSett Mortgage Corporation ("**KingSett**"), Dorr Capital Corporation ("**Dorr**") and the other parties listed on the counsel slip, no one appearing for any other party although duly served as appears from the affidavit of service of Alec Hoy sworn November 9, 2023,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record 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 capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sixth Report.

APPROVAL OF RECEIVER'S REPORT, R&D AND FEES AND COSTS

3. **THIS COURT ORDERS** that the Sixth Report, and the activities of the Receiver described therein, are hereby approved; provided that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
4. **THIS COURT ORDERS** that the Receiver's statements of receipts and disbursements for the period from May 2, 2023 to October 31, 2023 attached at Appendices "N" to "Q" to the Sixth Report be and are hereby approved.

5. **THIS COURT ORDERS** that, in accordance with paragraph 5 of the Distribution Order (On the Mark) of this Court dated September 14, 2023, the general fees, disbursements and costs incurred by the Receiver and Cassels in connection with this proceeding shall be allocated to each receivership estate in this proceeding in accordance with the Allocation Methodology.

6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver from April 12, 2023 to and including October 31, 2023 and those of Cassels from April 21, 2023 to and including October 31, 2023, as described in the Sixth Report and supported by the Fee Affidavits, are hereby approved and such amounts shall be paid from the proceeds of the TLSFD Transaction (the “**TLSFD Purchase Proceeds**”), the Minu Transaction (the “**Minu Purchase Proceeds**”), the Nao Transaction (the “**Nao Purchase Proceeds**”) and the High Crown Transaction (the “**High Crown Purchase Proceeds**”), as applicable and apportioned in the Fee Affidavits.

DISTRIBUTIONS

7. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make one or more distributions to KingSett from the TLSFD Purchase Proceeds as described in the Sixth Report, subject to such holdbacks, reserves and priority payments described in the Sixth Report, including such holdbacks as the receiver considers appropriate to fund the receivership, including its fees and the fees of its counsel.

8. **THIS COURT ORDERS** that, subject to: (i) this Court’s determination of the Tarion Priority Motion; and (ii) any appeals therefrom, the Receiver is hereby authorized and directed to make one or more distributions to Dorr from the High Crown Purchase Proceeds as described in the Sixth Report, subject to such holdbacks, reserves and priority payments described in the Sixth Report, including such holdbacks as the receiver considers appropriate to fund the receivership, including its fees and the fees of its counsel.

9. **THIS COURT ORDERS** that, subject to: (i) this Court's determination of the Tarion Priority Motion; and (ii) any appeals therefrom, the Receiver is hereby authorized and directed to make one or more distributions to KingSett and, if applicable, Dorr from the Nao Purchase Proceeds as described in the Sixth Report, subject to such holdbacks, reserves and priority payments described in the Sixth Report, including such holdbacks as the receiver considers appropriate to fund the receivership, including its fees and the fees of its counsel.

10. **THIS COURT ORDERS** that, subject to: (i) this Court's determination of the Tarion Priority Motion; and (ii) any appeals therefrom, the Receiver is hereby authorized and directed to make one or more distributions to KingSett and, if applicable, Dorr from the Minu Purchase Proceeds as described in the Sixth Report, subject to such holdbacks, reserves and priority payments as described in the Sixth Report, including such holdbacks as the receiver considers appropriate to fund the receivership, including its fees and the fees of its counsel.

11. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to establish, maintain and, if applicable, pay or distribute the holdbacks, reserves and priority payments as described in the Sixth Report.

GENERAL

12. **THIS COURT ORDERS** that the Receiver, its counsel and other agents are hereby authorized to take all necessary steps and actions to effect each of the payments and distributions in accordance with the provisions of this Order from time to time, and shall not incur any liability as a result of making any such payments or distributions.

13. **THIS COURT ORDERS** that notwithstanding anything else contained in this Order, each of the payments and distributions provided for in this Order shall be made free and clear of all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges,

or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Steele in the within proceedings dated May 2, 2023; and (ii) all charges, security interests, liens, trusts, or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property or real property registry system.

14. **THIS COURT ORDERS** that the Receiver or any other person facilitating payments and distributions pursuant to this Order shall be entitled to deduct and withhold from any such payment or distribution such amounts as may be required to be deducted or withheld under any applicable law and to remit such amounts to the appropriate governmental authority or other person entitled thereto as may be required by such law. To the extent that amounts are so withheld or deducted and remitted to the appropriate governmental authority or other person entitled thereto, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order.

15. **THIS COURT ORDERS** that, notwithstanding:

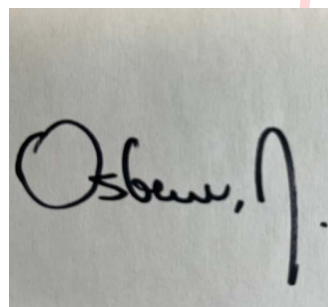
- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of Taurasi Holdings, Minu, NAO or High Crown and any bankruptcy order issued pursuant to any such application; and
- (c) any assignment in bankruptcy made in respect of Taurasi Holdings, Minu, NAO or High Crown;

any payment or distributions made pursuant to this Order are final and irreversible and shall be binding on any trustee in bankruptcy that may be appointed in respect of any of Taurasi Holdings, Minu, NAO or High Crown and shall not be void or voidable by creditors of such entity, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

16. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

17. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal and regulatory or administrative bodies, having jurisdiction in Canada or in any other foreign jurisdiction, to give effect to this Order and to assist the Receiver and its respective agents in carrying out the terms of this Order. All courts, tribunals and 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 or to assist the Receiver and its respective agents in carrying out the terms of this Order.

18. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.



2023.11.1
6
16:04:17
-05'00'

IN THE MATTER OF THE RECEIVERSHIP OF STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC., STATEVIEW HOMES (ON THE MARK) INC., TLSFD TAURASI HOLDINGS CORP. AND STATEVIEW HOMES (HIGH CROWN ESTATES) INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**ANCILLARY MATTERS & DISTRIBUTION ORDER
(TAURASI HOLDINGS, MINU TOWNS, NAO TOWNS &
HIGH CROWN)**

CASSELS BROCK & BLACKWELL LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4

Ryan Jacobs LSO#: 59510J

Tel: 416.860.6465
rjacobs@cassels.com

Joseph Bellissimo LSO#: 46555R

Tel: 416.860.6572
jbellissimo@cassels.com

Alec Hoy LSO#: 85489K

Tel: 416.860.2976
ahoy@cassels.com

Lawyers for the Receiver (Nao Phase 1, Minu, On the Mark,
High Crown and TLSFD Receiverships)