

Court File Number: CU-15-10882-0001

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Re: Jade Kennedy Development Corporation
Plaintiff(s)

AND

Defendant(s)

Case Management Yes No by Judge: _____

Counsel	Telephone No:	Facsimile No:
See counsel slip (attached)		

- Order Direction for Registrar (No formal order need be taken out)
- Above action transferred to the Commercial List at Toronto (No formal order need be taken out)
- Adjourned to: _____
- Time Table approved (as follows):

Based on the material filed I am satisfied the conduct and activities of the Trustee as set out in the First Report (the Report) should be approved. Further, and based on the relationship between Jade-Kennedy Residential Corporation (JKRC) with Jade Kennedy Development Corporation (JKDC) and that it was the vendor of the residential units, the Trustee is empowered and authorized to execute, issue and endorse documents in the name of and on behalf of JKRC in respect of such property.

May 11/15
Date

[Signature]
Judge's Signature

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Judges Endorsment Continued

HP. * * *

I am satisfied, based on the Trustee's Report, that the four sale agreements entered into between dkRC and Britain Lien Claimants ^{concerning four residential units identified in the Report} should be terminated by the Trustee, as the sale of the four residential units if completed, would result in a preference over other creditors of dkRC.

I have received and considered an email from T.D. Kern who acts for one of the lien claimants containing, among other things, his letters of April 27 and May 1, 2015 to counsel for the Trustee. I have also heard submissions from Mr. Sherkin on behalf of his client (lien claimant) and Mr. Chaston and Mr. Rappas on behalf of the Trustee. I am of the view that the Lien Claims process prepared by the Trustee is fair and transparent and permits resolution of the Lien claims in a timely manner. It is approved.

Mr. Sherkin and Mr. Kern have raised a concern that Mr. Chaston's firm has a conflict of interest acting for the Trustee and for dkRC. Mr. Chaston disagrees.

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If the lien claimants wish to pursue the conflict issue, they should do so prior to May 15, 2015 to ensure that, if new counsel have to be retained by the Trustee, it can take place in time to permit the lien claim process to continue in a timely manner.

Finally, I am satisfied that a vesting order should issue in respect of the terrace unit to YBSCC 1265. I am advised that the only lien filed against that property is by Mr. Ken's client. Mr. Ken's ^{client} has filed no material in opposition nor has Mr. Ken attended today. The title is required to be transferred by dkrc to ~~the~~ YBSCC 1265 pursuant to Article 4.8 of the Condominium Declaration. In my view, it should be transferred free and clear of any liens.

Orders (3) implementing above agreed by me. The issue of the validity of the agreements of purchase and sale entered into by dkrc and Roger Dal and Anna Andrew is adjourned to be heard on May 15, 2015 following the determination of the dispute between the Trustee and Primout Homes (an extra hour added). Confirmed.