

ONTARIO  
SUPERIOR COURT OF JUSTICE

THE HONOURABLE )  
JUSTICE *NICHOLSON* )

*MONDAY 17<sup>th</sup>*  
FRIDAY, THE ~~14<sup>th</sup>~~  
DAY OF JUNE, 2024

BETWEEN:

**COSMAN MORTGAGE CAPITAL CORPORATION**

Applicant

- and -

**LARSON PROPERTIES PARTNERSHIP CORP.**

Respondent

**ANCILLARY RELIEF AND DISCHARGE ORDER**

**THIS MOTION**, made by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) without security, of the lands and premises registered in the name of Larson Properties Partnership Corp. (the “**Debtor**”) for an order, *inter alia*, (a) approving the First Report of the Receiver dated June 4, 2024 (the “**First Report**”) and the Receiver’s conduct and activities described therein; (b) approving the fees and disbursements of the Receiver and its counsel; (c) authorizing and directing the Receiver to make certain payments and distributions arising from the proceeds of the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**APS**”) between the Receiver and Devcor Capital Inc. (the “**Purchaser**”) dated May 8, 2024 and accepted May 15, 2024; and (d) discharging the Receiver was heard this day by judicial videoconference at 80 Dundas St., London, Ontario.

ON READING the Notice of Motion and the First Report, filed, and on hearing the submissions of counsel for the Receiver, and all other counsel and parties listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Daisy Jin sworn June 4, 2024, filed:

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record in support of this Motion and the First Report be and is hereby validated, such that this Motion is properly returnable today and hereby dispenses with further service thereof.

**APPROVAL OF THE RECEIVER'S ACTIVITIES AND FEES**

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

3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver up to and including May 31, 2024, as set out in the First Report and the fee affidavit of Brandon Smith sworn June 4, 2024, appended to the First Report, are hereby approved.

4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's counsel, Aird & Berlis LLP, up to and including May 31, 2024, as set out in the First Report and the fee affidavit of Ian Aversa sworn June 4, 2024, appended to the First Report, are hereby approved.

5. **THIS COURT ORDERS** that the Remaining Fees and Disbursements (as defined in the First Report) be and are hereby approved and that no further approval of the fees and disbursements is required.

**SEALING OF CONFIDENTIAL APPENDICES**

6. **THIS COURT ORDERS** that the Confidential Supplement to the First Report, and each appendice appended thereto, shall be and is hereby sealed, kept confidential, and shall not form part of the public record until the closing of the Transaction or further Order of this Court.

**DISTRIBUTIONS**

7. **THIS COURT ORDERS** that the Receiver is hereby authorized to make (or cause to be made) a distribution to The Corporation of the City of Stratford in respect of property taxes owing on the Real Property and such other amounts as may be due and owing by the Debtor in respect of property tax arrears, in each case in such amount(s), if any, as the Receiver determines is required.

8. **THIS COURT ORDERS** that subject to the Receiver maintaining such reserves as the Receiver deems appropriate for the proper administration of the receivership estate, and the payment by the Receiver of the amounts secured under the Receiver's Borrowings Charge (as defined in the Receivership Order), the fees of the Receiver and its counsel, and other residual costs and expenses incurred in the administration of the receivership estate, the Receiver be and is hereby authorized and directed to distribute to Cosman Mortgage Capital Corporation, in respect of its secured claim, the net proceeds of the receivership estate, but not to exceed the amount of its secured claim.

9. **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 Howard dated September 15, 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.

10. **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.

11. **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) (the “**BIA**”) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor,

any payment or distribution made pursuant to this Order is final and irreversible and shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA 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.

#### **DISCHARGE OF THE RECEIVER AND TERMINATION**

12. **THIS COURT ORDERS** that upon the Receiver filing with this Court a certificate substantially in the form appended hereto as **Schedule “A”** (the “**Receiver’s Discharge Certificate**”) certifying that the Receiver has completed all outstanding receivership matters in connection with its appointment as Receiver in these proceedings, the Receiver shall be unconditionally and absolutely discharged as Receiver, provided, however, that notwithstanding its discharge as Receiver herein, (a) ISI shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of ISI in its capacity as Receiver.

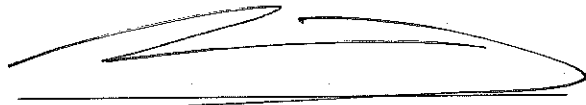
13. **THIS COURT FURTHER ORDERS AND DECLARES** that ISI is hereby released and discharged from any and all liability that ISI now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of ISI while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, ISI is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

14. **THIS COURT ORDERS** that upon the filing of the Receiver's Discharge Certificate, these proceedings shall be terminated without the need for any further authorization or approval.

**GENERAL**

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any other foreign jurisdiction 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 or to assist the Receiver and its agents in carrying out the terms of this Order.

16. **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.



**Schedule A – Form of Receiver’s Discharge Certificate**

Court File No. CV-23-00001179-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

**COSMAN MORTGAGE CAPITAL CORPORATION**

Applicant

- and -

**LARSON PROPERTIES PARTNERSHIP CORP.**

Respondent

**RECEIVER’S DISCHARGE CERTIFICATE**

A. By Order of the Ontario Superior Court of Justice dated September 15, 2023 (the “**Receivership Order**”), Ira Smith Trustee & Receiver Inc. was appointed as receiver (in such capacity, the “**Receiver**”), without security, of the Real Property (as defined in the Receivership Order) registered in the name of Larson Properties Partnership Corp. (the “**Debtor**”), including all proceeds thereof.

B. Pursuant to an Order of the Court dated June 14, 2024 (the “**Ancillary Relief and Discharge Order**”), the Court provided for the discharge of the Receiver upon the Receiver filing this certificate with the Court certifying that the Receiver has, to its knowledge, completed all outstanding receivership matters in connection with its appointment as Receiver in these proceedings (the “**Outstanding Matters**”).

1. **THE RECEIVER CERTIFIES** that it has, to its knowledge, completed the Outstanding Matters.

2. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**IRA SMITH TRUSTEE & RECEIVER INC.,  
IN ITS CAPACITY AS RECEIVER OF  
LARSON PROPERTIES PARTNERSHIP  
CORP., AND NOT IN ITS PERSONAL  
CAPACITY**

Per: \_\_\_\_\_

Name:

Title:

**COSMAN MORTGAGE CAPITAL CORPORATION**  
Applicant

and

**LARSON PROPERTIES PARTNERSHIP CORP.**  
Respondent

Court File No. CV-23-00001179-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT LONDON

**RECEIVER'S DISCHARGE CERTIFICATE**

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as Receiver of Larson Properties Partnership Corp.



**COSMAN MORTGAGE CAPITAL CORPORATION**  
Applicant

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**LARSON PROPERTIES PARTNERSHIP CORP.**  
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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT LONDON

**ANCILLARY RELIEF AND DISCHARGE ORDER**

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as Receiver of Larson Properties Partnership Corp.