

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

THE HONOURABLE MADAM	)	MONDAY, THE 27 TH
	)	
JUSTICE CONWAY	)	DAY OF MARCH, 2023

BETWEEN:

ONTARIO SECURITIES COMMISSION

Applicant

- and -

MONEY GATE MORTGAGE INVESTMENT CORPORATION

Respondent

**APPLICATION UNDER
Sections 126 and 129 of the *Securities Act*, R.S.O. 1990, C.S.5, as amended
ORDER**

THIS MOTION, made by Grant Thornton Limited, in its capacity as court-appointed receiver and manager (the “**Receiver**”) over the property, assets and undertakings of Money Gate Mortgage Investment Corporation (the “**Company**”) for an order:

- (a) abridging and validating service of the Receiver’s Notice of Motion and motion record and dispensing with further service thereof;
- (b) approving the Receiver’s Sixth Report to the Court dated November 22, 2022 (the “**Sixth Report**”), the Receiver’s Seventh Report to the Court dated March 20, 2023 (the “**Seventh Report**”) and the conduct and activities of the Receiver described therein;

- (c) authorizing and directing the Receiver to follow the Surplus Distribution Procedure as defined and described in paragraph 19 of the Seventh Report;
 - (d) authorizing and directing the Receiver to pay any amounts owing by MGMIC to Morteza Katebian, also known as Ben Katebian (“**Katebian**”) on account of his Proven Claim (as such term is defined in the Claims Procedure Order dated June 16, 2020) into Court until the disposition by the Divisional Court of an appeal brought by Katebian and others, from the Merits and Sanctions Decision in the *Matter of Money Gate Mortgage Investment Corporation, Money Gate Corp., Morteza Katebian and Payam Katebian* (File No. 2017-79) released on December 17, 2019 and April 1, 2021, respectively, at which time application may be made for the release of those funds.
 - (e) approving the fees and disbursements of the Receiver and its counsel Chaitons LLP (“**Chaitons**”) as set out in the Seventh Report, the Affidavit of Jonathan Krieger sworn March 20, 2023 (the “**Krieger Affidavit**”) and the Affidavit of Darren Marr sworn March 16, 2023 (the “**Marr Affidavit**”, and together with the Krieger Affidavit, the “**Fee Affidavits**”) for the period set out therein as well as estimated fees and disbursements of the Receiver and its counsel estimated to be incurred to the effective time of discharge, such amount estimated not to exceed \$50,000, excluding HST;
 - (f) approving the Receiver’s Final Statement of Receipts and Disbursements dated March 16, 2023, a copy of which is attached as Appendix E to the Seventh Report (the “**Final R&D**”);
 - (g) discharging GTL as the Receiver of all of the assets, undertakings and properties of the Company; and
 - (h) releasing GTL from any and all liability as set out in paragraph 9 of this Order,
- was heard this day at Toronto via Zoom videoconference.

ON READING the Seventh Report and on hearing the submissions of counsel for the Receiver and such other counsel as were present at the hearing of this motion:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated such that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF DISTRIBUTIONS AND FINAL R&D

2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its legal counsel as described in the Seventh Report and the Fee Affidavits be and hereby are approved.

3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and Chaitons LLP, estimated not to exceed \$50,000 (excluding HST), in aggregate, for the completion of the remaining activities in connection with this proceeding are hereby approved.

4. **THIS COURT ORDERS** that the Final R&D be and hereby is approved.

5. **THIS COURT ORDERS** that the Receiver is authorized and directed to pay any amounts owing by MGMIC to Katebian on account of his Proven Claim (as such term is defined in the Claims Procedure Order dated June 16, 2020) into Court until the disposition by the Divisional Court of an appeal brought by Katebian and others, from the Merits and Sanctions Decision in the *Matter of Money Gate Mortgage Investment Corporation, Money Gate Corp., Morteza Katebian and Payam Katebian* (File No. 2017-79) released on December 17, 2019 and April 1, 2021, respectively, at which time application may be made for the release of those funds.

6. **THIS COURT ORDERS** that the proposed Surplus Distribution Procedure as defined and set out in paragraph 19 of the Seventh Report be and is hereby approved and the Receiver is hereby directed to make a distribution in accordance with the Surplus Distribution Procedure.

APPROVAL OF THE RECEIVER'S REPORTS AND ACTIVITIES

7. **THIS COURT ORDERS** that the Sixth Report, the Seventh Report and the activities described 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.

RECEIVER'S DISCHARGE AND RELEASE

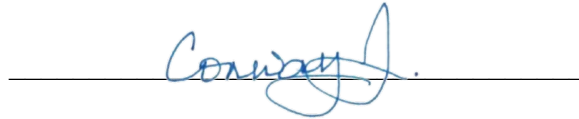
8. **THIS COURT ORDERS** that, effective upon the filing by the Receiver of a certificate (the “**Discharge Certificate**”) confirming the completion of the terms and conditions of its discharge have been met, as set out in the Seventh Report, the Receiver shall be discharged as receiver of all of the assets, undertakings and properties of the Company, provided however that notwithstanding its discharge lien herein (a) the Receiver 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 this proceeding, including all approvals, protections and stay of proceedings in favour of GTL in its capacity as Receiver.

9. **THIS COURT ORDERS AND DECLARES** that upon the filing of the Discharge Certificate, GTL is hereby released and discharged from any and all liability that GTL now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of GTL while acting in its capacity as the Receiver, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, GTL 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; 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 relief.

10. **THIS COURT ORDERS** that notwithstanding its discharge, the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of GTL in its capacity as Receiver.

MISCELLANEOUS

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States 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.

A handwritten signature in blue ink is written over a horizontal line. The signature is cursive and appears to read "Conway J.".

ONTARIO SECURITIES COMMISSION

Applicant

- and -

**MONEY GATE MORTGAGE INVESTMENT
CORPORATION**

Respondent

Court File No. CV-18-00608086-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at TORONTO

DISCHARGE ORDER

(March 27, 2023)

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