Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

TENTH REPORT TO COURT OF GRANT THORNTON LIMITED, MONITOR OF THE APPLICANTS UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

MARCH 9, 2016

Grant Thornton

Grant Thornton Limited,
Monitor of the Applicants under the *Companies' Creditors Arrangement Act*

200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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BACKGROUND INFORMATION

1. Silver Streams Homes Inc. ("**Silver Streams**") is a residential home builder in the Greater Toronto Area.

2. Silver Streams Homes (Puccini) Inc. ("**Puccini**") was incorporated in October 2008 for the purpose of developing and selling homes in a development located at Bathurst St. and King Rd. in Richmond Hill, Ontario (the "**Puccini Project**").

3. Title to some (but not all) of the lands in phases II and III of the Puccini Project was held by 2148993 Ontario Inc. ("**2148993**"), 2148990 Ontario Inc. ("**2148990**"), 2147681 Ontario Inc. ("**2147681**") and 2147650 Ontario Inc. ("**2147650**" and, collectively, the "**Title Holders**"). Silver Streams, Puccini and the Title Holders are collectively referred to as the "**Companies**".

4. On December 17, 2013, the Companies made an application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to commence proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"). On that date, the Court issued an order (the "**Initial Order**"), *inter alia*, granting the Companies the protection of a stay of proceedings until January 16, 2014 and appointing Grant Thornton Limited ("**GTL**") as the Companies' monitor under the CCAA (the "**Monitor**"). A copy of the Initial Order is attached as **Appendix "1"**.

5. On January 16, 2014, April 17, 2014, June 26, 2014, September 23, 2014, January 8, 2015 and July 15, 2015, the Court issued orders (collectively, the "**Extension Orders**"), *inter alia*, extending the stay of proceedings first from January 16, 2014 to April 18, 2014, then from April 18, 2014 to July 3, 2014, then from July 3, 2014 to September 26, 2014, then from September 26, 2014 to January 16, 2015, then from January 16, 2015 to July 16, 2015 and most recently from July 16, 2015 to March 31, 2016.

6. Certain of the Extension Orders also approved interim distributions to Bank of Montreal ("**BMO**"), Home Trust Company ("**Home Trust**") and Foremost Financial Corporation ("**Foremost**" and together with BMO and Home Trust collectively, the "**Institutional Mortgagees**") from the proceeds of the sale of nine lots that have occurred in the context of these CCAA Proceedings, which distributions remain subject to reimbursement agreements between these parties and the Monitor.

7. On January 16, 2015, the Court issued an order (the "**Claims Process Order**"), *inter alia*, establishing a claims procedure for secured claims against the Companies' property (the "**Claims Process**"). A copy of the Claims Process Order is attached as **Appendix "2"**.

8. On January 8, 2015, the Court issued an order (the "**Referral Order**"), *inter alia*, referring the construction lien claims and other related issues in these CCAA Proceedings to a referee (the "**Referee**") and ordering the transfer of the action bearing Court File No. CV-13-115757-00 (the "**Con-Drain Action**" from the Newmarket Region of the Ontario Superior Court of

Justice (the "**Newmarket SCJ**") to the Toronto Region of the Ontario Superior Court of Justice (the "**Toronto SCJ**"), such that the Con-Drain Action would be heard separately from the CCAA Proceedings (collectively, the "**Referral Order**"). A copy of the Referral Order is attached as **Appendix "3"**.

9. On June 25, 2015, the Court heard a motion brought by the Companies (the "**Settlement Agreement Motion**") in connection with a settlement agreement dated February 17, 2015 amongst, *inter alios*, Tarion Warranty Corporation ("**Tarion**"), Imran Jinnah and the Companies (the "**Settlement Agreement**"). The motion was for an order: (i) declaring that the Companies had the requisite authority to enter into the Settlement Agreement; or, in the alternative (ii) approving the Settlement Agreement. A number of lien claimants opposed the Companies' motion (collectively, the "**Settlement Agreement Relief**"). The Monitor's understanding of the factual matrix surrounding the Settlement Agreement was outlined in the Monitor's Eighth Report to Court dated April 8, 2015 (the "**Eighth Report**"), which Eighth Report is attached as **Appendix "4"**.

10. Pursuant to an order of the Court dated September 25, 2015 (the "**Settlement Agreement Order**"), the Honourable Justice Wilton-Siegel dismissed the Applicants request for the Settlement Agreement Relief. A copy of the Settlement Agreement Order is attached as **Appendix "5"**.

11. The Applicants filed a motion for leave to appeal the Settlement Agreement Order to a panel of three judges of the Court of Appeal for Ontario, which

motion for leave to appeal was dismissed on February 26, 2016. A copy of the endorsement dismissing the motion for leave to appeal is attached as **Appendix "6"**.

12. This report (the "**Tenth Report**") has been prepared by Grant Thornton Limited in its capacity as Monitor.

PURPOSE OF THE TENTH REPORT

13. The purpose of this Tenth Report is to advise the Court with respect to:

    i) the status of the CCAA Proceedings, including the details of the activities of the Monitor and the Companies since the issuance of the Monitor's Ninth Report to Court dated July 9, 2015 (the "**Ninth Report**");

    ii) the status of the referral established pursuant to the Referral Order, which is being conducted by the Referee (the "**Referee's Proceedings**") and associated matters;

    iii) the status of the Con-Drain Action;

    iv) the status of the marketing and sale efforts relating to the final building lot available for sale;

    v) the Companies' revised cash flow projection to November 30, 2016, (the "**Cash Flow Projection**");

    vi) the Companies' receipts and disbursements from December 17, 2013 to and including February 29, 2016 (the "**Interim R&D**");

vii) the Companies' request for an order, *inter alia*:

a. extending the stay of proceedings from March 31, 2016, being the date that the stay of proceedings currently expires, to and including November 30, 2016;

b. approving this Tenth Report and the Monitor's activities as described herein;

c. approving the Interim R&D; and

d. approving the fees and disbursements of the Monitor and its independent counsel, Aird & Berlis LLP ("**A&B**"), as described herein.

14. Detailed background information concerning the Companies, their stakeholders and these CCAA Proceedings is provided in the affidavits of Imran Jinnah sworn December 11, 2013, January 10, 2014, April 9, 2014, June 19, 2014, August 5, 2014, September 16, 2014, November 18, 2014, December 17, 2014, February 26, 2015, March 25, 2015, July 7, 2015 and March 8, 2016 (collectively, the "**Jinnah Affidavits**"), all of which have been filed with the Court. Accordingly, the Monitor has not repeated information to this effect in this Tenth Report. Copies of all materials filed with the Court in these CCAA Proceedings are accessible on the Monitor's website at www.GrantThornton.ca/Silverstreams.

SCOPE AND TERMS OF REFERENCE

15. In preparing this Tenth Report, the Monitor has relied upon unaudited financial information, the Companies' records, financial information and projections and discussions with the Companies' management and employees. While the Monitor reviewed various documents provided by the Companies and believes that the information therein provides a fair summary of the transactions as reflected in the documents, such work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Monitor expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

16. Some of the information used in preparing this Tenth Report consists of financial projections, including the Cash Flow Projection. The Monitor cautions that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Companies' actual results may vary from the Cash Flow Projection, even if the hypothetical and probable assumptions contained therein materialize, and the variations could be significant. The Monitor's review of the future oriented information used to prepare this Tenth Report did not constitute an audit of such information under GAAP or IFRS.

17. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the

Companies and their management, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions. The Monitor has requested that management bring to its attention any significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, this Tenth Report is based solely on the information (financial or otherwise) made available to the Monitor by the Companies.

18. This Tenth Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to the Companies and to assist the Court in deciding whether to grant the relief sought by the Companies. Accordingly, the reader is cautioned that this Tenth Report may not be appropriate for any other purpose. The Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Tenth Report contrary to the provisions of this paragraph.

19. All references to dollars are in Canadian currency unless otherwise noted.

20. Capitalized terms not defined in this Tenth Report have the meanings ascribed to them in the Jinnah Affidavits, as applicable.

ACTIVITIES OF THE COMPANIES AND STATUS OF THE CCAA PROCEEDINGS

21. The activities of the Companies and the status of each of the properties owned by the Companies are detailed in the Jinnah Affidavits. Since the issuance of the Ninth Report, the Companies have, among other things:

    (i) communicated and corresponded with various stakeholders and creditors regarding the CCAA Proceedings, including, without limitation, the secured lenders, Tarion, the lien claimants and their counsel;

    (ii) corresponded with legal counsel;

    (iii) corresponded and took action in respect of the completion of servicing of the remaining building lot;

    (iv) planned and executed the marketing of the remaining building lot;

    (v) participated in the Referee's Proceedings;

    (vi) prepared the Settlement Hearing Motion and participated in the hearing of same;

    (vii) revised the Cash Flow Projection; and

    (viii) made payments to post-filing vendors as contemplated by the Companies' cash flow projections.

ACTIVITIES OF THE MONITOR

22. Since the date of the Ninth Report, the Monitor's activities have included, among other things:

    (i) corresponding with the Companies, their management and their legal counsel;

    (ii) corresponding and meeting with the Monitor's legal counsel;

    (iii) reviewing and controlling receipts and disbursements of the Companies, in accordance with the Initial Order;

    (iv) corresponding with certain of the Companies' secured lenders and their counsel, as well as counsel for Tarion and certain of the lien claimants;

    (v) assisting the Companies to revise the Cash Flow Projection;

    (vi) maintaining a public website for the CCAA Proceedings;

    (vii) attending to telephone calls and emails from the Companies' creditors and other stakeholders;

    (viii) preparing and filing this Tenth Report;

    (ix) corresponding periodically in respect of the Settlement Agreement Order, the Referee's Proceedings and the Con Drain Action; and

(x) reviewing all materials filed with the Court in respect of the CCAA Proceedings.

UPDATE ON THE REMAINING BUILDING LOT FOR SALE

23. The Monitor is advised by the Companies that they continue to market the remaining building lot for sale. The lot is located at the end of the existing Puccini development and abuts lands for future residential development by a different developer. Until late 2015, the lot was not fully serviced, and, as such, the Monitor is advised by the Companies that interest was limited. Servicing has recently been completed for the future adjoining development, during which time servicing of the remaining building lot was completed. As a result of now being fully serviced, the building lot should be more marketable to interested purchasers, and the Companies have advised the Monitor that they intend to list the remaining lot for sale via The Multiple Listing Service® in the Spring of 2016, being the time of year when the Companies anticipate there being a greater likelihood of obtaining the best price for the lot. Attached as **Appendix "7"** is a site plan of the lot.

THE CLAIMS PROCESS AND THE REFEREE'S PROCEEDINGS

24. Following the Monitor's review of the claims that were submitted pursuant to the Claims Process and the issuance of notices of allowance and disallowance thereunder, the details of which are discussed in the Ninth Report that is attached as **Appendix "8"**, the Monitor and its counsel engaged in lengthy discussions with the Vetting Committee regarding the

possible determination of construction liens and related issues in the context of binding arbitration by a claims adjudicator.

25. After months of negotiation among the Companies' counsel, the Monitor's counsel and the other members of the Vetting Committee, the parties agreed upon the form of the Referral Order, which was granted by the Court on January 8, 2015. Capitalized terms in the paragraph below that are not otherwise defined herein are as defined in the Referral Order.

26. Pursuant to the Referral Order, the following issues were referred to the Referee for determination in the Referee's Proceedings for the purpose of completing the Claims Process:

i) the validity and, if necessary, quantum, of the Construction Claims filed by the Claimants;

ii) whether the Private Mortgagees are Statutory Owners (as defined in the CLA), and, if so, the determination of their liability as Statutory Owners to the Lien Claimants;

iii) the liability of the Private Mortgagees and Mortgagees with respect to any deficiency in holdback to the claims of the Lien Claimants;

iv) the determination of priorities as amongst the Claimants regarding their claims as against the Claimants, the Private Mortgagees and Mortgagees; and

v) any ancillary or peripheral issues that need to be determined in order for the Referee to properly complete its mandate, including any and all issues regarding interest and costs.

27. As contemplated by the Referral Order, the Monitor has had, and will continue to have, a limited involvement in the Referee's Proceedings. The Ninth Report summarizes the various steps that had been taken in the Referee's Proceedings up to the date of the Ninth Report, being July 9, 2015.

28. Since the Ninth Report, a total of six orders have been issued in the Referee's Proceedings, which orders are attached as **Appendices "9" through "14"**.

29. The two most recent orders in the Referee's Proceedings, attached as **Appendices "13" and "14"**, provide that a final pre-hearing conference in the Referee's Proceedings will take place on June 15, 2016, and that the hearing of the balance of the issues in the Referee's Proceedings will take place during the weeks of July 11 and 18, 2016. A final decision from the Referee is not expected until the early fall of 2016.

30. Pursuant to the terms of the Referral Order, the final Report shall bind any and all affected parties without further confirmation by the Court, subject to the right of such parties to appeal the Report to the Divisional Court in accordance with the CLA.

31. The Referral Order provides that the Referee shall, among other things, serve the Report on the Service List in the CCAA Proceedings and file the Report with the Court.

32. In order to avoid the adverse implications of the two-year limitation period under the CLA, certain lien claimants obtained an Order from the Court dated October 1, 2015, pursuant to which: (i) certain claims are deemed to have been set down for trial in accordance with section 37 of the CLA; and (ii) the requirement to have any party to such claims deliver a trial record was left to the discretion and determination of the Referee. Attached as **Appendix "15"** is a copy of the Order dated October 1, 2015.

THE CON-DRAIN ACTION

33. The Con-Drain Action was commenced in the Newmarket SCJ by one of the lien claimants, Con-Drain (1983) Limited ("**Con-Drain**"), by way of a Notice of Action issued on August 15, 2013 and a subsequent Statement of Claim on September 3, 2013. Further details with respect to the Con-Drain Action are discussed in previous materials, including, the Jinnah Affidavits and the Ninth Report.

34. As discussed in the Ninth Report, the Monitor was copied on a letter from the Honourable Regional Senior Justice Morawetz, dated June 9, 2015, which was written following a request by the Newmarket SCJ, wherein His Honour directed the registrar of the Newmarket SCJ to transfer the Con-Drain Action to the Toronto SCJ.

35. Neither the Monitor nor its counsel has been copied on any further correspondence in relation to the Con-Drain Action, and neither the Monitor nor its counsel is aware of any progress between the parties to advance the matter toward a resolution.

COMPANIES' REQUEST FOR AN EXTENSION OF THE STAY OF PROCEEDINGS

36. The stay of proceedings currently expires on March 31, 2016. The Companies have requested that the Court extend the stay to and including November 30, 2016.

37. The Companies' request for an eight month stay extension is commensurate with the anticipated timeline to complete the Claims Process, as estimated by the Referee, and to attend, if necessary, to possible appeals arising from the resulting Report, as permitted by the Referral Order.

38. Once the Referee's Proceedings have concluded, the Companies and/or the Monitor, as applicable, will be in a position to move for an order from this Court to make distributions in accordance with the Report, terminate the CCAA Proceedings and discharge the Monitor.

39. The requested extension also allows for the attempted sale of the remaining vacant lot. According to the most recent Jinnah Affidavit, sworn March 8, 2016, the Companies have reduced their full-time staff to one employee, Asma Jinnah, the wife of Imran Jinnah, who has agreed to waive her

will be assisted by the Companies' remaining part-time employee in marketing the vacant lot for sale and managing any of the Companies' ongoing obligations to past purchasers.

40. During the requested extension, it is not anticipated that there will be further material activity taking place in the CCAA Proceedings, other than with respect to the Referee's Proceedings, in which the Companies, the Monitor and their respective counsel have limited roles. Accordingly, during the requested stay extension period, it is anticipated that the Monitor's planned activities will be limited to:

(i) controlling receipts and disbursements in accordance with the Initial Order;

(ii) monitoring the Referee's Proceedings and the sale process for the remaining lot;

(iii) assisting with the preparation of motion materials regarding the draft distribution, approval and vesting and discharge orders, as applicable;

(iv) corresponding with the relevant stakeholders and their counsel, as necessary; and

(v) reporting to this Court.

41. Subject to the sale of the remaining lot, the Companies have monetized substantially all of their assets and are now in the claims adjudication phase of the CCAA Proceedings. An extension of the stay of proceedings is

necessary if it is deemed appropriate by this Court to allow for the completion of the Referee's Proceedings (and, in turn, the Claims Process) and the marketing of the final lot for sale.

CASH FLOW PROJECTION

42. The Companies have prepared the Cash Flow Projection, on a monthly basis, for the period ending November 30, 2016. The Cash Flow Projection together with management's report on the Cash Flow Projection is attached as **Appendix "16"** and also as Exhibit G to the most recent Jinnah Affidavit sworn March 8, 2016. The Cash Flow Projection has been prepared by management using probable and hypothetical assumptions set out therein.

43. The Monitor makes the following comments on the Cash Flow Projection:

    i) expenses appear to be consistent with the level of operations contemplated by management for the Companies during the projection period;

    ii) the Cash Flow Projection reflects the sale of the Companies' remaining development lot, although it is possible that it will not be sold during the Cash Flow Projection Period;

    iii) even if the remaining development lot is not sold during the Cash Flow Projection Period, the Companies would still have sufficient cash on hand during the Cash Flow Projection period; and

iv) the Cash Flow Projection does not contemplate making payments to the Companies' secured creditors nor servicing interest on such obligations during the CCAA Proceedings.

44. The Monitor's review of the Cash Flow Projection consisted of inquiries, analytical procedures and discussions related to information supplied to the Monitor by the management and employees of the Companies. Since hypothetical assumptions need not be supported, the Monitor's procedures with respect to such assumptions were limited to evaluating whether they were consistent with the purpose of the Cash Flow Projection. The Monitor has also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow Projection. Based on the Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

i) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Projection;

ii) as at the date of this Tenth Report, the probable assumptions developed by management are not suitably supported and consistent with the Companies' plans or do not provide a reasonable basis for the Cash Flow Projection, given the hypothetical assumptions; or

iii) the Cash Flow Projection does not reflect the probable and hypothetical assumptions.

45. The Cash Flow Projection prepared by the Companies projects that the Companies will have sufficient funds on hand to maintain their operations throughout the Cash Flow Projection period.

PROFESSIONAL FEES

46. The Monitor and its independent legal counsel have maintained detailed records of their professional time and costs since the Initial Order was granted.

47. Pursuant to paragraphs 24 and 25 of the Initial Order, the Monitor and its counsel shall be paid their reasonable fees and disbursements and shall pass their accounts before the Court. In addition, pursuant to paragraph 26 of the Initial Order, the Monitor and its counsel, among other parties, were granted an Administration Charge on the property of the Companies as security for their fees and disbursements, up to a maximum of $500,000.

48. The fees and disbursements of the Monitor through June 30, 2015 were previously approved by the Court.

49. The total fees of the Monitor for the period from July 1, 2015 to January 31, 2016 amount to $15,974.98 together with expenses and disbursements in the sum of $0.00, and HST in the amount of $2,076.74, totaling $18,051.72. The details of the time spent and services provided by the Monitor are more particularly described in the Affidavit of Jonathan Krieger, the Senior Vice-President of GTL having carriage of GTL's mandate as the Monitor, sworn February 19, 2016 in support hereof, a copy of which is attached as **Appendix "17"**.

50. The legal fees and disbursements incurred by the Monitor for services provided to the Monitor by the Monitor's independent legal counsel, A&B, through June 30, 2015 were previously approved by the Court.

51. The total legal fees and disbursements incurred by the Monitor for services provided to the Monitor by the Monitor's independent legal counsel, A&B, during the period July 1, 2015 to January 31, 2016 amount to $42,192.92, inclusive of HST. The details of the time spent and services provided by A&B are more particularly described in the Affidavit of Steven L. Graff, sworn February 19, 2016 in support hereof, a copy of which is attached as **Appendix "18"**.

52. The Monitor respectfully requests that the Court approve its fees and disbursements and those of its legal counsel, as set out in the Tenth Report.

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

53. In accordance with the Initial Order, the Monitor has controlled the Companies' receipts and disbursements since the date of the Initial Order.

54. **Appendix "19"** provides a statement of the Companies' receipts and disbursements for the period from December 17, 2013 to February 29, 2016.

RECOMMENDATION REGARDING REQUESTED RELIEF

55. In the Monitor's view, the Companies have acted in accordance with the Initial Order. The Companies have also been working cooperatively with the Monitor to facilitate the carrying out of their respective mandates.

Accordingly, the Monitor is satisfied that the Companies are acting in good faith and with due diligence.

56. Given the forgoing, the Monitor respectfully recommends that this Court grant the Companies' request for relief as set out in paragraph 13 vii) of this Tenth Report and in the Companies' notice of motion.

All of which is respectfully submitted,

GRANT THORNTON LIMITED,
In its capacity as Monitor of the Companies
under the *Companies' Creditors Arrangements Act*
and not in any other capacity

Per:

Jonathan Krieger, CPA, CA, CIRP
Senior Vice President

25291624.3

TAB 1

Court File No. 12-10362-00-CL

3

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE MR.	)	TUESDAY, THE 17TH
	)	
JUSTICE NEWBOULD	)	DAY OF DECEMBER, 2013

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. and 2147650 ONTARIO INC.

the "Applicants"

INITIAL ORDER

THIS APPLICATION, made by Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2148990 Ontario Inc., 2147681 Ontario Inc. and 2147650 Ontario Inc. (collectively, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Imran Jinnah sworn December 11, 2013 and the Exhibits thereto (the "**Jinnah Affidavit**"), the Proposed Monitor's Report to the Court and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants, Grant Thornton Limited (as the proposed Monitor), counsel for Bank of Montreal, counsel for Foremost Mortgage Corporation, counsel for the private secured lenders, counsel for certain lien claimants, counsel for the Corporation of the Town of Richmond Hill, and such other counsel as are present, no one else appearing although duly served as appears from the affidavit of service of Lynn Lee sworn December 12, 2013 and on reading the consent Grant Thornton Limited to act as the Monitor,

SERVICE

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

2. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practicedirections/toronto/#Commercial_List) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <[www.grantthornton.ca/silverstreams]>.

3. **THIS COURT ORDERS** that the E-Service List Keeper and the WebHost (as such terms are defined in the Protocol) for the purpose of this proceeding shall be the Monitor.

3A. **THIS COURT ORDERS** that the sum of $491,985.33, plus interest accrued thereon, being held in trust by Chaitons LLP pursuant to the orders of the Honourable Madam Justice Lack dated August 15, 2013 and the Endorsement of the Honourable Madam Justice Gilmore dated November 20, 2013 in the Con-Drain Company (1983) Limited action bearing Newmarket court file no. CV-12-115757-00 (the "Con-Drain Action") shall be maintained in trust by Chaitons LLP until further court order or consent of the parties to the Con-Drain Action, and the determination of whether the above noted funds form Property, as defined in paragraph 5 of the Initial Order, shall be determined at a late date.

APPLICATION

4. **THIS COURT ORDERS AND DECLARES** that the Applicants are affiliated debtor companies to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that, subject to paragraph 17 the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

(b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course on and after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the completion of Phases II and III of the Puccini Project (as defined in the Jinnah Affidavit) including, without limitation, payments on account of insurance, maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicants following the date of this Order.

8. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. **THIS COURT ORDERS** that the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

(a) permanently or temporarily cease, downsize or shut down any of their business or operations,

(b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deems appropriate;

(c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing; and

(d) complete the construction and sale of the remaining 10 homes in Phases II and III of the Puccini Project with the approval of the Monitor in respect of all sales made in the ordinary course of the Applicants' business and otherwise with prior Court approval,

all of the foregoing to permit the Applicants to proceed with the completion of Phases II and III of the Puccini Project (the "**Restructuring**").

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

11. **THIS COURT ORDERS** that until and including January 16, 2014, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court, including the action commenced in Newmarket, Ontario by Con-Drain Company (1983) Limited against certain Applicants and others bearing Court File Number CV-13-115757-00.

NO EXERCISE OF RIGHTS OR REMEDIES

12. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

13. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

14. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be

agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION

17. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

APPOINTMENT OF MONITOR

18. **THIS COURT ORDERS** that Grant Thornton Limited is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs

of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

19. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicants' receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lender (as defined below) and its counsel on a periodic basis of financial and other information as agreed to between the Applicants and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;

(d) advise the Applicants in the preparation of the Applicants' cash flow statements and reporting, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis or provided to the Court as required;

(e) to assist the Applicants with the Restructuring;

(f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

(g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(h) perform the tasks requested to be performed by the Monitor under the DIP Term Sheet;

(i) to advise and assist the Applicants in their negotiations with their stakeholders;

(j) perform such other duties as are required by this Order or by this Court from time to time; and

(k) in the name and/or for the benefit of the Applicants, to exercise control over the receipts, disbursements and bank accounts of the Applicants and receive and collect all monies and accounts of the Applicants in respect of the Property.

20. **THIS COURT ORDERS** that, subject to paragraph 17(k) of this Order, the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

21. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of

any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

22. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants and the DIP Lender with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

23. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

24. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, incurred both before and after the making of this Order, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a monthly basis upon receipt of an invoice.

25. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

26. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of $500,000 as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of

these proceedings. The Administration Charge shall have the priority set out in paragraphs 31 and 33 hereof.

DIP FINANCING

27. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from Sandall Investments Limited (the "**DIP Lender**") in order to finance the Applicants' working capital requirements, including the cost of completing Phases II and III of the Puccini Project and the costs of these proceedings, provided that borrowings under such credit facility shall not exceed the principal amount of $1,000,000 unless permitted by further Order of this Court.

28. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the term sheet among the Applicants and the DIP Lender dated as of December 11, 2013 (the "**Term Sheet**"), filed.

29. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

30. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 31 and 33 hereof.

31. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender may immediately terminate the facility and, upon seeking an Order of the Court on 5 days notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Term Sheet, Definitive Documents and the DIP Lender's Charge, including without limitation, to apply to this Court for the appointment of a receiver over the Property; and

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver, receiver and manager or lien trustee of the Applicants or the Property.

32. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

33. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $500,000); and

Second – DIP Lender's Charge.

34. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge or the DIP Lender's Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

35. **THIS COURT ORDERS** that each of the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, construction

liens (whether or not perfected or preserved) and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

36. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Administration Charge or the DIP Lender's Charge, unless the Applicants also obtain the prior written consent of the Monitor, the DIP Lender and the beneficiaries of the Administration Charge, or further Order of this Court.

37. **THIS COURT ORDERS** that the Administration Charge, the Term Sheet, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

(c) the payments made by the Applicants pursuant to this Order, the Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SERVICE AND NOTICE

38. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Toronto Star or the Globe and Mail a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than $1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

39. **THIS COURT ORDERS** that the Applicants and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

40. **THIS COURT ORDERS** that the Applicants, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at www.grantthornton.ca/silverstreams.

GENERAL

41. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

42. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, a trustee in bankruptcy or a lien trustee of the Applicants, the Business or the Property.

43. **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 Applicants, the Monitor and their respective 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

44. **THIS COURT ORDERS** that each of the Applicants and the Monitor 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, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

45. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

46. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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

DEC 17 2013

16046568.2

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Court File No. 13-10362-00-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at TORONTO

INITIAL ORDER

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Doc#2886374v1

TAB 2

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	THURSDAY, THE 16TH DAY
	)	
JUSTICE WILTON-SIEGEL	)	OF JANUARY, 2014

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

CLAIMS PROCESS ORDER

THIS MOTION, made by the Applicants for an order establishing a claims procedure was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Imran Jinnah sworn January 10, 2014 and the Monitor's First Report to the Court dated January 14, 2013, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and such other counsel as were present, and on being advised that the Service List was served with the Notice of Motion and Motion Record of the Applicants:

DEFINITIONS

1. **THIS COURT ORDERS** that, for the purposes of this Order, the following terms shall have the following meanings:

(a) **"9:30 Appointment"** means an appearance before a Justice of this Court in chambers which may be made at 9:30 a.m. on any juridical day;

(b) "**Business Day**" means a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;

(c) "**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C - 36, as amended;

(d) "**CCAA Proceeding**" means the CCAA proceeding of the Applicants initiated pursuant to the terms of the Initial Order;

(e) "**Claims Deadline**" means 5:00 p.m. (Eastern Standard Time) on February 14, 2014;

(f) "**Court**" means the Ontario Superior Court of Justice (Commercial List);

(g) "**Claimant**" means any Person having a Secured Claim;

(h) "**Filing Date**" means December 17, 2013;

(i) "**Initial Order**" means the Order of the Honourable Mr. Justice Newbould dated December 17, 2013 issued in the CCAA Proceeding;

(j) "**Known Creditors**" means any Person which the books and records of the Applicants disclose were owed money by one or more of the Applicants as of the Filing Date which obligations remains unpaid in whole or in part;

(k) "**Monitor**" means Grant Thornton Limited in its capacity as Court-appointed Monitor of the Applicants pursuant to the Initial Order;

(l) "**Notice of Disallowance**" means the notice that may be delivered to a Claimant disallowing such Claimant's Secured Claim in whole or in part, which notice shall include the grounds for the disallowance;

(m) "**Notice of Dispute**" means the notice that may be delivered by a Claimant who has received a Notice of Disallowance disputing such Notice of Disallowance, which notice shall include the grounds for the dispute;

(n) "**Notice to Creditors**" means the notice substantially in the form attached hereto as **Schedule "B"**;

(o) "**Person**" means any individual, partnership, firm, joint venture, trust, entity, corporation, unincorporated organization, trade union, employee or other association and any federal, provincial or municipal government or similar entity, howsoever designated or constituted;

(p) **"Property"** means the property of the Applicants described in **Schedule "A"** hereto and the proceeds thereof;

(q) **"Secured Claim"** means all claims against the Property whether as a mortgagee, construction lien claimant or otherwise, including the claim of Con-Drain Company (1983) Limited (**"Con-Drain"**), and subject to paragraph 3A of the Initial Order against the Property in an action commenced in Newmarket, Ontario by Con-Drain against certain Applicants and others bearing Newmarket Court File Number CV-13-115757-00, but excludes the claims of unsecured creditors and the beneficiaries of the Court ordered charges created pursuant to the Initial Order; and

(r) **"Vetting Committee"** means a committee established pursuant to the terms of this Order for the purpose of assisting the Monitor with the review and determination of the validity, quantum and priority of all Secured Claims and which shall have a maximum of six (6) members.

PURPOSE OF CLAIMS PROCESS

2. The claims process contemplated herein applies solely to those persons having Secured Claims against the Property, whether as a mortgagee, a construction lien claimant or otherwise and is not intended as a general claims process for all of the Applicants' creditors.

MONITOR'S ROLE

3. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, shall implement and oversee the claims process provided for herein, and is hereby authorized and directed to take such steps as may be necessary to implement and carry out this Order.

CLAIMS PROCESS

4. **THIS COURT ORDERS** that the Monitor shall cause a Notice to Creditors to be sent to each Known Creditor by facsimile transmission, electronic communication or regular prepaid mail on or before January 21, 2014.

5. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Creditors to be placed once in each of the Toronto Star and the Daily Commercial News as soon as reasonably practicable after the date of this Order.

6. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Creditors and a copy of this Order to be posted and maintained on the Monitor's website at www.grantthornton.ca/silverstreams as soon as reasonably practicable after the date of this Order.

7. **THIS COURT ORDERS** that the Monitor shall cause a copy of this Order and the Notice to Creditors to be sent to any Person requesting such material as soon as practicable.

FILING OF SECURED CLAIMS

8. **THIS COURT ORDERS** that all Claimants shall deliver to the Monitor their written submissions together with all supporting documentation respecting the validity, quantum and priority of their Secured Claims by the Claims Deadline or such later date as the Monitor may agree or the Court may order prior to the Claim Deadline failing which, the Secured Claim of such Claimant against the Property shall be extinguished and forever barred.

9. **THIS COURT ORDERS** that the information and documentation to be provided by a Claimant to the Monitor pursuant to paragraph 8 above, shall include, without limitation:

(a) in the case of lien claimants, a complete copy of the contract or subcontract, change orders, evidence of the date of last supply of work or services, a copy of all invoices, time sheets and a detailed statement of account including all payments received;

(b) in the case of mortgagees, a copy of the commitment letter, offer of finance or similar document, the dates and amounts of all advances, a detailed statement of account, and the amount of any holdback maintained by the mortgagee.

VETTING COMMITTEE

10. **THIS COURT ORDERS AND AUTHORIZES** the establishment of the Vetting Committee. The Vetting Committee shall initially have the following 6 members:

(a) James Klein - lawyer for various lien claimants

(b) Jeffrey Long – lawyer for Con Drain

(c) Jeffrey Spiegleman – lawyer for Bank of Montreal

(d) Marco Drudi – lawyer for private lenders

(e) Stephen Schwartz – lawyer for the Applicants

(f) Steven Graff or Ian Aversa – lawyers for the Monitor

A member of the Vetting Committee may only be replaced with the unanimous consent of the remaining members or an order of this Court.

CLAIMS REVIEW

11. **THIS COURT ORDERS** that the Monitor shall review each Secured Claim received by the Claims Deadline.

12. **THIS COURT ORDERS** that in response to a written request made by the Monitor, a Claimant shall forthwith, and in any event within seven (7) days of the date of the request, provide such further documentation and information as the Monitor may reasonably require with respect to the Claimant's Secured Claim.

13. **THIS COURT ORDERS** that the Monitor, in its sole discretion, upon consultation with the Vetting Committee, may accept or disallow a Secured Claim in part or in whole.

14. **THIS COURT ORDERS** that if the Monitor determines to disallow a Secured Claim, in part or in whole, the Monitor shall deliver to the Claimant a Notice of Disallowance.

15. **THIS COURT ORDERS** that any Claimant who disputes the disallowance of its Secured Claim as set forth in a Notice of Disallowance shall deliver a Notice of Dispute to the Monitor on or before 5:00 p.m. (Eastern Standard Time) on the day which is fourteen (14) days after the date of the Notice of Disallowance (the "**Dispute Deadline**"), or such later date as the Monitor may agree or the Court may order prior to the expiration of the Dispute Deadline.

16. **THIS COURT ORDERS** that any Claimant who fails to deliver a Notice of Dispute by the Dispute Deadline shall be deemed to accept the Monitor's determination as set out in the Notice of Disallowance.

RESOLUTION OF CLAIMS

17. **THIS COURT ORDERS** that the Monitor, with the assistance of the Vetting Committee, may attempt to consensually resolve any disputed Secured Claim.

18. **THIS COURT ORDERS** that upon the expiration of all of the Dispute Deadlines, the Monitor shall prepare, serve and file a report on the results of the claims process.

19. **THIS COURT ORDERS** that the Monitor shall schedule a 9:30 Appointment with the Court returnable within fourteen (14) days after service of its report pursuant to paragraph 18 herein for the purpose of setting a timetable for resolution of any unresolved disputed claims.

20. **THIS COURT ORDERS** that the Monitor may apply to this Court, at any time, for advice and directions regarding the claims process provided for herein.

GENERAL PROVISIONS

21. **THIS COURT ORDERS** that any notice or other communication to be given under this Order by a Claimant to the Monitor shall be in writing and will be sufficiently given only if delivered by facsimile transmission, personal delivery, electronic communication or prepaid mail addressed to:

The Monitor
c/o Grant Thornton Limited
Royal Bank Plaza, South Tower, 19th Floor,
Toronto, ON, M5J 2P9

Attention: Daniel Sobel
Telephone: (416) 369-7033
Fax: (416) 360-4949
Email: daniel.sobel@ca.gt.com

with a copy to

Aird & Berlis LLP
Brookfield Place. 181 Bay Street, Suite 1800
Toronto, ON, M5J 2T9

Attention: Ian Aversa
Telephone: (416) 865-3082
Fax: (416) 863-1515
Email: iaversa@airdberlis.com

Any such notice or other communication delivered by a Claimant shall be deemed to be received upon actual receipt by the Monitor thereof during normal business hours on a Business Day or, if delivered outside of normal business hours, on the next Business Day.

22. **THIS COURT ORDERS** that any notice or other communication to be given under this Order by the Monitor to a Claimant shall be addressed to the last recorded address appearing in the books and records of the Applicants, the address indicated on any security registration or in the submissions filed by the Claimant with the Monitor and will be sufficiently given only if delivered by facsimile transmission, personal delivery, electronic communication or prepaid mail. Any such notice or other communication delivered by the Monitor shall be deemed to be received upon actual receipt by the Claimant thereof during normal business hours on a Business Day or, if delivered outside of normal business hours, on the next Business Day.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:
JAN 16 2014

SCHEDULE "A"

PROPERTY

1. Lot 1, Plan 65M4249, Town of Richmond Hill; Pin: 03206-3418 (LT)
2. Lot 23, Plan 65M4249, Town of Richmond Hill; Pin: 03206-3440 (LT)
3. Lot 24, Plan 65M4249, Town of Richmond Hill; Pin: 03206-3441 (LT)
4. Lot 18, Plan 65M4331, Town of Richmond Hill; Pin: 03206-3501 (LT)
5. Lot 19, Plan 65M4331, Town of Richmond Hill; Pin: 03206-3502 (LT)
6. Lot 20, Plan 65M4331, Town of Richmond Hill; Pin: 03206-3503 (LT)
7. Lot 22, Plan 65M4331, Town of Richmond Hill; Pin: 03206-3505 (LT)
8. Lot 23, Plan 65M4331, Town of Richmond Hill; Pin: 03206-3506 (LT)
9. Lot 24, Plan 65M4331, Town of Richmond Hill; Pin: 03206-3507 (LT)
10. Lot 25, Plan 65M4331, Town of Richmond Hill; Pin: 03206-3508 (LT)
11. Net sale proceeds from the sale of certain homes in the Puccini Project in the amount of $491,985.33 held in trust by Chaitons LLP pursuant to the Orders of Madam Justice Lack dated August 15, 2013 and Madam Justice Gilmore dated November 20, 2013 issued in the action commenced by Con-Drain Company (1983) Limited against certain applicants and other parties bearing Court File Number CV-13-115757-00

SCHEDULE "B"

NOTICE TO CREDITORS

NOTICE TO CREDITORS OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. and 2147650 ONTARIO INC. (COLLECTIVELY, "SILVER STREAMS")

RE: NOTICE OF CLAIMS PROCEDURE FOR SILVER STREAMS PURSUANT TO THE COMPANIES' CREDITORS ARRANGEMENT ACT (THE "CCAA")

TAKE NOTICE that this notice is being published pursuant to an order of the Honourable Mr. Justice Wilton-Siegel of the *Ontario* Superior Court of Justice (Commercial List) dated January 16, 2014 (the "**Claims Process Order**"). Any person who believes that it has a claim against the Property (as defined in the Claims Process Order) whether as a mortgagee, construction lien claimant or otherwise, shall send the documents and information prescribed by the Claims Process Order to Grant Thornton Limited in its capacity as Court-appointed Monitor of Silver Streams (the "**Monitor**") to be received **by 5:00 p.m. (Eastern Standard Time) on February 14, 2014 (the "Claims Deadline")** or such later date as the Monitor may agree or the Court may order prior to the Claim Deadline, **failing which, the claim of such Claimant against the Property shall be extinguished and forever barred.**

A copy of the Claims Process Order is available on the Monitor's website at www.grantthornton.ca/silverstreams.

Dated at ________________ this ____ day of ______________________, 2014

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Court File No. 13-10362-00-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at TORONTO

CLAIMS PROCESS ORDER

CHAITONS LLP
Barristers and Solicitors
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

Harvey Chaiton (LSUC #21592F)
Tel: (416) 218-1129
Fax: (416) 218-1849

Stephen Schwartz (LSUC #25980A)
Tel: (416) 218-1132
Fax: (416) 218-1832

Maya Poliak (LSUC #54100A)
Tel: 416-218-1161
Fax: 416-218-1844

Lawyers for the Applicants

TAB 3

Court File No. 13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	THURSDAY, THE 8TH
	)	
JUSTICE NEWBOULD	)	DAY OF JANUARY, 2015

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. and 2147650 ONTARIO INC.

SUPERIOR COURT OF JUSTICE COUR SUPÉRIEURE DE JUSTICE

Applicants

ORDER

THIS MOTION, made by Grant Thornton Limited, in its capacity as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**"), for an Order, among other things, referring the construction lien claims and other related issues in these proceedings (collectively, the "**Construction Claims**") to a referee (the "**Referee**"), and referring the action bearing Court File No. CV-13-115757-00 (the "**Con-Drain Action**") to a Judge of the Commercial List, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Seventh Report of the Monitor dated December 19, 2014, the consent of lien claimants (the "**Lien Claimants**") #s 1 through 11 (as more specifically listed and identified in **Schedule "A"** attached hereto), the consent of the Private Mortgagees and the Mortgagees (as listed in **Schedule "B"** attached hereto), and the consent of the proposed Referee, and on hearing the submissions of counsel for the Monitor, counsel for the Applicants, ~~counsel for certain of the Lien Claimants, counsel for certain of the Private Mortgagees, and counsel for certain of the Mortgagees,~~ no one appearing for the unsecured claimants (the "**Unsecured Claimants**") (as more specifically listed and identified in **Schedule "C"** attached hereto) (together with the Lien Claimants, the "**Claimants**") or any other person on the service list, although duly served as appears from the affidavit of Susy Moniz sworn December 22, 2014, filed,

1. **THIS COURT ORDERS** that the time for service and filing 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 the following issues with respect to the Construction Claims be and are referred to Duncan Glaholt, who shall act as the Referee:

(a) the validity and, if necessary, quantum, of the Construction Claims filed by the Claimants;

(b) the determination of whether the Private Mortgagees are Statutory Owners (as defined in the *Construction Lien Act*, R.S.O. 1990, c. C.30, as amended (the "**Act**")), and, if so, the determination of their liability as Statutory Owners to the Lien Claimants;

(c) the liability of the Private Mortgagees and Mortgagees with respect to any deficiency in holdback to the claims of the Lien Claimants;

(d) the determination of priorities as amongst the Claimants regarding their claims as against the Claimants, the Private Mortgagees and Mortgagees; and

(e) any ancillary or peripheral issues that need to be determined in order for the Referee to properly complete its mandate, including any and all issues regarding interest and costs.

3. **THIS COURT ORDERS** that the Referee's determination in respect of the issues enumerated in paragraph 2 above shall be set out in a report (the "**Report/Award**"), which shall be served on the Service List in these proceedings and filed with the Court, and that the Report/Award shall bind any and all affected parties without further confirmation by this Court. For greater certainty, each and every party that filed a claim against one or more of the Applicants in the present proceedings shall be deemed to be an affected party of the

Report/Award. Notwithstanding the foregoing, any and all affected parties shall maintain their right to appeal the Report/Award to the Divisional Court in accordance with the Act.

4. **THIS COURT ORDERS** that the anticipated costs of the Referee, up to the amount of $100,000.00, shall be funded equally, and in advance of the Referee commencing its mandate, by the Private Mortgagees (50%) and the Lien Claimants (50%, such that costs shall be borne by each Lien Claimant on a pro rata basis, as calculated in **Schedule "A"** hereto), and that any additional costs of the Referee shall be secured by the Administration Charge (as defined in the Initial Order issued on December 17, 2013 in these proceedings) and paid by the Monitor (collectively, the "**Referee's Costs**"). Notwithstanding the above, the Referee shall maintain the right to assess costs in the Report/Award against any party, including, without limitation, the right to reallocate the Referee's Costs, and any such assessment shall attract the same deference and appeal rights as provided in paragraph 3 of this Order.

5. **THIS COURT ORDERS** that should a Lien Claimant refuse or neglect to pay its pro rata share of costs (a "**Defaulting Lien Claimant**"), then any other Lien Claimant shall be at liberty to advance the costs payable by the Defaulting Lien Claimant and shall be entitled to twice the amount advanced, which repayment shall form a first charge against any sums found to be due and payable to the Defaulting Lien Claimant and which sum shall be repaid before the Defaulting Lien Claimant receives any proceeds under this process.

6. **THIS COURT ORDERS** that the Con-Drain Action shall be transferred from the Superior Court of Justice in Newmarket, Ontario and shall be heard by a Judge of the Superior Court ~~Commercial List~~ in Toronto, separate from the present proceedings and without the participation of the Monitor, but that the funds in dispute in the Con-Drain Action, which are currently held in the trust account of Chaitons LLP (the "**Chaitons Trust Account**"), shall not be released or distributed from the Chaitons Trust Account without a further Order of this Court sitting in the context of the present proceedings.

MRN J.

JAN 8 2015

SCHEDULE "A"

Lien Claimant		Court File No.	Lien Amount ($)	Lien Registration No.	% of Total Lien Amount Claimed by all Lien Claimants
1.	Con-Drain Company (1983) Limited	CV-13-116355-00	94,837	YR2016863	2.6%
2.	Pilbro III Inc.	CV-13-116840-00	554,354	YR2056986	15.5%
3.	Medi Group Incorporated	CV-13-116838-00	521,675	YR2057173	14.6%
4.	Cardell Flooring Ltd.	CV-13-116835-00	94,922	YR2057568	2.6%
5.	Foremont Drywall Inc.; 1382479 Ontario Inc.; 1382503 Ontario Inc.; 2203579 Ontario Inc. c/o Foremont Drywall Contracting	CV-13-116837-00	434,578	YR2057675	12.1%
6.	Canadian Concrete Forming Limited	CV-13-116834-00	216,202	YR2057676	6.0%
7.	Pave Plumbing & Heating Inc.	CV-13-116839-00	227,303	YR2057677	6.3%
8.	E.D. Carpenters Ltd.	CV-13-116836-00	328,674	YR2058240	9.2%
9.	Solo Electric Ltd.	CV-13-116841-00	186,364	YR2058688	5.2%
10.	1865721 Ontario Inc.	CV-13-116833-00	91,519	YR2059379	2.6%
11.	GM Exterior Inc.	CV-13-117058-00	46,559	YR2062198	1.3%
12.	Giancola Aluminum Contractors Inc.	CV-13-117059-00	82,579	YR2062199	2.3%
13.	Renova Recycling (2000) Inc.	CV-14-117811-00	29,392	YR2060384	0.8%
14.	Trudel & Sons Roofing Ltd.	CV-14-117658-00	31,745	YR2073073	0.9%
15.	L.I.U.N.A. Local 183 et al. (Massimo Digiovani as agent)	CV-13-117071-00	22,568	YR2050961	0.6%

16.	Argo Lumber Inc.	**CV-13-116990-00**	**135,060**	**YR2048904**	**3.8%**
17.	Newmar Window Manufacturing Inc.	**CV-13-116991-00**	**67,793**	**YR2050277**	**1.9%**
18.	The King-Con Corporation	**CV-13-116857-00**	**104,574**	**YR2049079**	**2.9%**
19.	The Sanderson-Harold Company Ltd. (Paris Kitchens)	**Not available as at the date hereof**	**203,870**	**YR2058638**	**5.7%**
20.	669857 Ontario Inc. o/a Alma Mechanical	**CV-13-117214-00**	**108,287**	**YR2060246**	**3.0%**
		TOTAL	**3,582,855**		**100.00%**

SCHEDULE "B"

Private Mortgagees

1. Puccini Mortgage Corp.
2. DaPaul Management Limited
3. 388242 Ontario Limited
4. 53 Puccini Mortgage Corp.
5. Nastell Investments Limited
6. Castle Lane Design Group Inc.

Mortgagees

1. Bank of Montreal
2. Foremost Mortgage Holding Corporation
3. Home Trust Company

SCHEDULE "C"

Claimant		Amount ($)
1.	J.S. Construction	**18,750**
2.	Benzi General Contracting	**6,106**
3.	Krcmar Surveyors Ltd.	**9,287**
4.	Quality Door Systems Inc.	**20,724**
5.	ConelCo Utility Contractors	**3,073**
6.	MAS Engineering (part of Cole Engineering)	**4,379**
7.	J.J. Home Products	**28,670**
8.	TorOnCa Fence and Deck	**24,860**
9.	Dream Work Canada Inc. o/a Stone Factory	**91,435**
10.	General Home Built-In Systems Ltd.	**33,594**
11.	ConelCo Utility Contractors	**3,073**
12.	Argyle Flooring*	***129,516**
	TOTAL	**373,467**

*Denotes a late claim filed after the deadline of February 14, 2014.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOME (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
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181 Bay Street, Suite 1800
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Lawyers for Grant Thornton Limited, in its capacity as the Court-appointed Monitor of the Applicants

TAB 4

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,*
R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC.,
2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC.
AND 2147650 ONTARIO INC.

Applicants

EIGHTH REPORT TO COURT OF GRANT THORNTON LIMITED, MONITOR OF THE APPLICANTS UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

APRIL 8, 2015

Grant Thornton

Grant Thornton Limited,
Monitor of the Applicants under the
Companies' Creditors Arrangement Act

Royal Bank Plaza
200 Bay Street, South Tower, 19th Floor
Toronto, Ontario, M5J 2P9

TABLE OF CONTENTS

APPENDICES

1. Initial Order dated December 17, 2013
2. Referral Order dated January 8, 2015
3. Settlement Agreement dated February 17, 2015
4. February Lien Claimants' Objection dated February 27, 2015
5. March Lien Claimants' Objection dated March 4, 2015

BACKGROUND INFORMATION

1. Silver Streams Homes Inc. ("**Silver Streams**") is a residential home builder in the Greater Toronto Area.

2. Silver Streams Homes (Puccini) Inc. ("**Puccini**") was incorporated in October 2008 for the purpose of developing and selling homes in a development located at Bathurst St. and King Rd. in Richmond Hill, Ontario (the "**Puccini Project**").

3. Title to the some (but not all) of the lands in phases I, II and III of the Puccini Project is held by 2148993 Ontario Inc. ("**2148993**"), 2148990 Ontario Inc. ("**2148990**"), 2147681 Ontario Inc. ("**2147681**") and 2147650 Ontario Inc. ("**2147650**" and, collectively, the "**Title Holders**"). Silver Streams, Puccini and the Title Holders are collectively referred to as the "**Companies**" or the "**Applicants**".

4. On December 17, 2013, the Companies made an application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to commence proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"). On that date, the Court issued an order (the "**Initial Order**"), *inter alia*, granting the Companies' the protection of a stay of proceedings until January 16, 2014 and appointing Grant Thornton Limited ("**GTL**") as the Companies' monitor under the CCAA (the "**Monitor**"). A copy of the Initial Order is attached as **Appendix "1"**.

5. On January 16, 2014, April 17, 2014, June 26, 2014, September 23, 2014, and January 8, 2015, the Court issued orders (the "**Extension Orders**"), *inter alia*, extending the stay of proceedings first from January 16, 2014 to April 18, 2014, then from April 18, 2014 to July 3, 2014, then from July 3, 2014 to September 26, 2014, then from September 26, 2014 to January 16, 2015, and finally from January 16, 2015 to July 16, 2015.

6. On January 8, 2015, the Court also issued an order (the "**Referral Order**"), *inter alia*, referring the construction lien claims and other related issues in these CCAA Proceedings to a referee and referring the action bearing Court File No. CV-13-115757-00 (the "**Con-Drain Action**") to a Judge of the Superior Court in Toronto. A copy of the Referral Order is attached as **Appendix "2"**.

7. This report (the "**Eighth Report**") has been prepared by GTL in its capacity as Monitor.

PURPOSE OF THE EIGHTH REPORT

8. The purpose of this Eighth Report is to advise the Court of the Monitor's understanding of the factual matrix surrounding the Settlement Agreement dated February 17, 2015 amongst, *inter alios*, Tarion Warranty Corporation ("**Tarion**"), Imran Jinnah and the Companies (the "**Settlement Agreement**"). A copy of the Settlement Agreement is attached as **Appendix "3"**.

9. Detailed background information concerning the Companies, their stakeholders and these CCAA Proceedings is provided in the affidavit of Imran Jinnah sworn December 11, 2013 (the "**Initial Jinnah Affidavit**"), the affidavit of Imran Jinnah sworn January 10, 2014, the affidavit of Imran Jinnah sworn April 9, 2014, the affidavit of Imran Jinnah sworn June 19, 2014, the affidavit of Imran Jinnah sworn August 5, 2014, the affidavit of Imran Jinnah sworn September 16, 2014, the affidavit of Imran Jinnah sworn November 18, 2014, the affidavit of Imran Jinnah sworn December 17, 2014, the affidavit of Imran Jinnah sworn February 26, 2015 (the "**February Jinnah Affidavit**"), and the affidavit of Imran Jinnah sworn March 25, 2015 (the "**March Jinnah Affidavit**"), all of which have been filed with the Court. Accordingly, the Monitor has not repeated information to this effect in this Eighth Report. Copies of all materials filed with the Court in these CCAA Proceedings are accessible on the Monitor's website at www.GrantThornton.ca/Silverstreams.

10. The February Jinnah Affidavit and the March Jinnah Affidavit were sworn, respectively, to advise of the Settlement Agreement and to support the Applicants' motion for approval of the Settlement Agreement. The Monitor has also received, reviewed and considered the affidavit of Zena Hanson sworn April 2, 2015 (the "**Hanson Affidavit**") and the affidavit of Frank Del Fatti sworn April 6, 2015 (the "**Del Fatti Affidavit**"), both of which were sworn in response to the March Jinnah Affidavit and in opposition to the Settlement Agreement.

SCOPE AND TERMS OF REFERENCE

11. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Companies and their management, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions. The Monitor has requested that management bring to its attention any significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, this Eighth Report is based solely on the information (financial or otherwise) made available to the Monitor by the Companies.

12. This Eighth Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to the Companies and to assist the Court in deciding whether to grant the relief sought by the Applicants. Accordingly, the reader is cautioned that this Eighth Report may not be appropriate for any other purpose. The Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Eighth Report contrary to the provisions of this paragraph.

13. Capitalized terms not defined in this Eighth Report have the meanings ascribed to them in the Initial Jinnah Affidavit.

THE SETTLEMENT AGREEMENT

14. Silver Streams and the Title Holders are registered with Tarion under the *Ontario New Home Warranties Plan Act* (Ontario) (the "**Act**") as vendors, builders or both, as such terms are defined in the Act. In the February Jinnah Affidavit, Mr. Jinnah states that it was his understanding that Puccini was also registered with Tarion as a vendor, which understanding has been communicated to the Court in Mr. Jinnah's previous affidavits filed in these CCAA Proceedings (and referred to above) as well as in the previous reports prepared by the Monitor and filed in these CCAA Proceedings. Both prior and subsequent to the commencement of these CCAA Proceedings, Puccini has acted as a vendor under a number of agreements of purchase with respect to the Puccini Project.

15. In connection with their registrations under the Act, Silver Streams and the Title Holders were required to and did provide letters of credit in the aggregate amount of $920,000 (the "**Letters of Credit**") and a cash deposit in the amount of $320,000 in favour of Tarion to secure Silver Streams and the Title Holders' obligations to Tarion under the Act (collectively, the "**Security**"). The Letters of Credit are secured by $920,000 in cash collateral held on deposit at Bank of Montreal.

16. In the February Jinnah Affidavit, Mr. Jinnah states that in or around September 2014, he learned, for the first time, that contrary to his previous understanding, Puccini was not in fact registered as a vendor under the Act contemporaneously or otherwise with Silver Streams and the Title Holders.

17. On September 3, 2014, a summons was issued to Puccini pursuant to section 24 of the *Provincial Offences Act* (Ontario) (the "**POA Charge**"), which, among other things, charged Puccini with acting as a vendor of a new home without being properly registered under the Act.

18. In December 2014, the Monitor was advised by the Companies of the aforementioned deficiency. On January 9, 2015, the Monitor was asked to review a near final draft of the Settlement Agreement, which draft contemplated the possibility that one or more stakeholders in these CCAA Proceedings would object to the Settlement Agreement and provided a mechanism to bring any such dispute before the Court. Upon review, the Monitor agreed to acknowledge receipt of the Settlement Agreement and communicated to the Applicants and Tarion that it did not object to the parties entering into the agreement on the basis that is was supported by each of Tarion, the Applicants and the Private Mortgagees (as defined in the Referral Order).

19. In the February Jinnah Affidavit, Mr. Jinnah states that: (i) failure to register Puccini as a vendor under the Act was inadvertent; (ii) it was always the Applicants' intention that Puccini be a registered vendor under the Act; and (iii) at all relevant times, he verily believed that Puccini was in fact a registrant under the Act. As of the date of this Eighth Report, the Monitor has not been provided with or made aware of any information that would question the validity or accuracy of these statements.

20. In the February Jinnah Affidavit, Mr. Jinnah further states that: (i) it was always intended by the Applicants, and communicated to the Applicants' stakeholders and the Court in these CCAA Proceedings, that, in order to fulfill its mandate under the Act, Tarion would have recourse and access to the Security for the payment by Tarion of claims made by purchasers against the Applicants under the Act; and (ii) to remedy the issues raised by Puccini not being registered as a vendor under the Act, the Applicants, Mr. Jinnah and Tarion agreed to enter into the Settlement Agreement.

21. The Settlement Agreement provides, amongst other things, that Puccini will assign to Silver Streams all of its rights, title, interest and obligations under the agreements of purchase and sale related to the Puccini Project, which Puccini entered into in its capacity as vendor.

22. The Settlement Agreement remained conditional on, amongst other things, the Applicants advising the service list and the Court of the terms of the Settlement Agreement and requesting that any person wishing to oppose or object to the execution, delivery or performance of the Settlement Agreement serve notice of such objection (the "**Notice of Objection**") by no later than fourteen calendar days from the date on which notice to the service list of the Settlement Agreement was provided. If no such objections were received, the Settlement Agreement provided that the Applicants would perform the Settlement Agreement and take such additional steps and execute such additional documents as may be

necessary for the completion of the transactions contemplated by the Settlement Agreement.

23. If a Notice of Objection were received within fourteen calendar days from the date on which the Settlement Agreement was served on the Service List, the Settlement Agreement provided that the Companies were required to, amongst other things: (i) take steps to seek Court approval of the execution, delivery and performance of the Settlement Agreement; and (ii) request that the Monitor report to the Court on the Settlement Agreement.

24. The Monitor formally acknowledged receipt of the Settlement Agreement on February 4, 2015.

25. On February 26, 2015, the February Jinnah Affidavit was served on the service list. The February Jinnah Affidavit, which attached a copy of the Settlement Agreement, described the relevant terms of the Settlement Agreement, including the objection process described above.

26. On February 27, 2015, a Notice of Objection was served on the Applicants' counsel by counsel to Argo Lumber Inc. and Newmar Window Manufacturing Inc., a copy of which (the "**February Lien Claimants' Objection**") is attached as **Appendix "4"**. The February Line Claimants' Objection requested that the Applicants provide a copy of the POA Charge and related disclosure, and that the objectors may consider withdrawing their objection after receipt and review of such disclosure.

27. On March 4, 2015, a Notice of Objection was served on the service list by counsel to a number of other lien claimants, a copy of which (the "**March Lien Claimants' Objection**") is attached as **Appendix "5"**.

28. On March 6, 2015, counsel for Con-Drain Company (1983) Limited ("**Con-Drain**") advised the service list that Con-Drain also objects to the Settlement Agreement and adopts the grounds for objection set out in the March Lien Claimants' Objection.

29. On March 25, 2015, the Monitor received the March Jinnah Affidavit, which, among other things, responded to the Lien Claimants' Objection by concluding that the Settlement Agreement, if implemented, would restore all stakeholders to the positions in which they would have been had Puccini been properly registered under the Act. The March Jinnah Affidavit also responded to the POA Charge disclosure request, advising that the Applicants' counsel had requested permission from Tarion to release such material, but that Tarion had declined to grant such permission outside the prosecution.

30. On April 6, 2015, the Monitor received the Hanson Affidavit, wherein the affiant suggests that an adverse inference should be drawn from the refusal to provide the POA Charge disclosure, that the conclusion under these circumstances is that Tarion is seeking to obtain an improper preference with respect to the Security and that the Monitor ought to investigate this matter. The Monitor, without having seen the POA Charge disclosure and

having limited powers to compel production of same, can neither agree with nor adequately investigate the position advanced in the Hanson Affidavit.

31. Also on April 6, 2015, the Monitor received the Del Fatti Affidavit, wherein the affiant notes that, but for the Settlement Agreement, the Security and any underlying cash collateral would flow back to the Applicants' estate and be subject to the priorities determined in these CCAA Proceedings. The affiant in the Del Fatti Affidavit also notes that the Settlement Agreement would relieve Mr. Jinnah of his obligations under a guarantee given in favour of Tarion, and that the Settlement Agreement would elevate Tarion from an unsecured party to a secured party. While the Monitor generally agrees with these statements, it also observes that the lien claimants would equally benefit from a windfall but for the Settlement Agreement, having conducted themselves at all relevant times on the basis that Puccini was registered under the Act and that the Security was therefore properly held by Tarion.

All of which is respectfully submitted,

GRANT THORNTON LIMITED,
In its capacity as Monitor of the Applicants
under the *Companies' Creditors Arrangements Act*
and not in any other capacity

Per:

Daniel Sobel, CPA, CA, CIRP
Vice President

TAB 5

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 25TH
	)	
JUSTICE WILTON-SIEGEL	)	DAY OF SEPTEMBER, 2015

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

ORDER

THIS MOTION, made by the Applicants for: (i) an order declaring that they have the requisite authority to enter into the Settlement Agreement dated February 17, 2015 (the "**Settlement Agreement**") between the Applicants, Imran Jinnah ("**Jinnah**") and Tarion Warranty Corporation ("**Tarion**") without the approval of the Court; or, in the alternative (ii) an order approving the Settlement Agreement, was heard on June 25, 2015 day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavits of Imran Jinnah sworn March 25, 2015 and April 13, 2015, Affidavit of Zena Hanson sworn April 2, 2015, Affidavit of Frank Del Fatti sworn April 6, 2015 and the Eighth Report of Grant Thornton Limited in its capacity as the Court-appointed Monitor of the Applicants (in such capacity, the "**Monitor**") dated April 8, 2015 (the "**Eighth Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and counsel for various lien claimants:

1. **THIS COURT ORDERS** that the Applicants' motion be and hereby is denied.

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

DEC 07 2015

W. Wilton-Siegel J.

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Court File No. 13-10362-00-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at TORONTO

ORDER

CHAITONS LLP
Barristers and Solicitors
5000 Yonge Street, 10th Floor
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Maya Poliak (LSUC #54100A)
Tel: 416-218-1161
Fax: 416-218-1844

Lawyers for the Applicants

TAB 6

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36 AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO SILVER STREAMS HOMES INC et. al.

Court of Appeal No.M45666
Court File No. 13-10362-00CL

COURT OF APPEAL FOR ONTARIO

BEFORE MacPHERSON J.A. van Rensburg J.A. MILLER J.A.

DATE FEB 2 6 2016

DISPOSITION OF MOTION

The motion for leave to appeal is dismissed. Costs to the respondents fixed at $2000 inclusive of disbursements and HST.

JC MacPherson J.A.

K. van Rensburg J.A.

[signature] J.A.

COURT OF APPEAL FOR ONTARIO

Proceedings commenced at TORONTO

MOTION RECORD
(VOLUME I OF III)

CHAITONS LLP
Barristers and Solicitors
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

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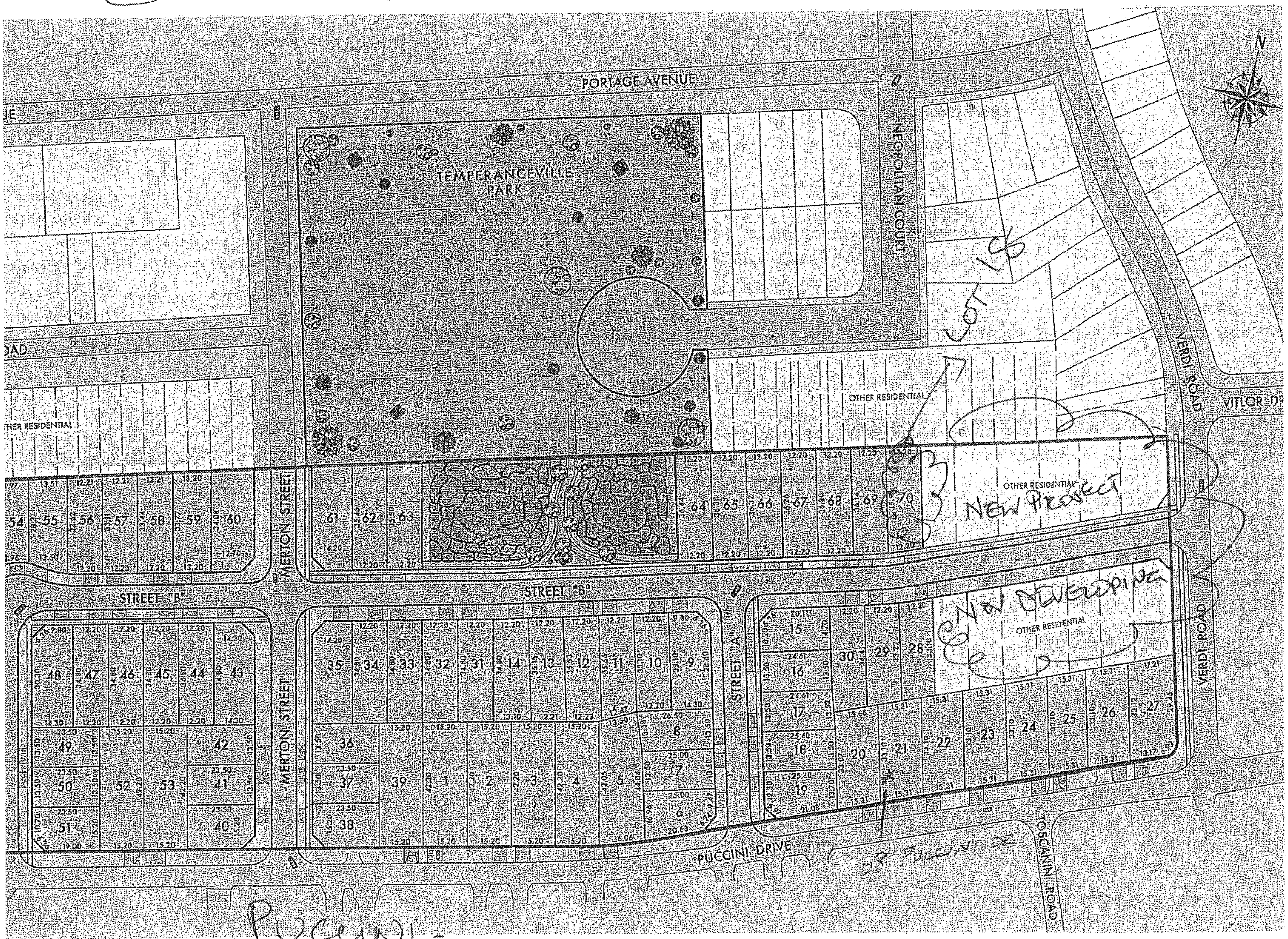
Tel: (416) 218-1131
Fax: (416) 218-1832

Lawyers for Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2148990 Ontario Inc., 2147681 Ontario Inc. and 2147659 Ontario Inc.

Doc#3467128v1

TAB 7

SCHEDULE 'G'



PUCCINI -

TAB 8

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

NINTH REPORT TO COURT OF GRANT THORNTON LIMITED, MONITOR OF THE APPLICANTS UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

JULY 9, 2015

GrantThornton

Grant Thornton Limited,
Monitor of the Applicants under the *Companies' Creditors Arrangement Act*

Royal Bank Plaza
200 Bay Street, South Tower, 19th Floor
Toronto, Ontario, M5J 2P9

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8. Letter from the Honourable Regional Senior Justice Morawetz dated June 9, 2015
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10. Interim Statement of Receipts and Disbursements
11. Affidavit of Jonathan Krieger sworn July 8, 2015
12. Affidavit of Steven L. Graff sworn July 8, 2015

BACKGROUND INFORMATION

1. Silver Streams Homes Inc. ("**Silver Streams**") is a residential home builder in the Greater Toronto Area.

2. Silver Streams Homes (Puccini) Inc. ("**Puccini**") was incorporated in October 2008 for the purpose of selling homes in a development located at Bathurst St. and King Rd. in Richmond Hill, Ontario (the "**Puccini Project**").

3. Title to some (but not all) of the lands in phases II and III of the Puccini Project is held by 2148993 Ontario Inc. ("**2148993**"), 2148990 Ontario Inc. ("**2148990**"), 2147681 Ontario Inc. ("**2147681**") and 2147650 Ontario Inc. ("**2147650**" and, collectively, the "**Title Holders**"). Silver Streams, Puccini and the Title Holders are collectively referred to herein as the "**Companies**".

4. On December 17, 2013, the Companies made an application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to commence proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"). On that date, the Court issued an order (the "**Initial Order**"), *inter alia*, granting the Companies the protection of a stay of proceedings until January 16, 2014 and appointing Grant Thornton Limited ("**GTL**") as the Companies' monitor under the CCAA (the "**Monitor**"). A copy of the Initial Order is attached as **Appendix "1"**.

5. On January 16, 2014, April 17, 2014, June 26, 2014, September 23, 2014 and January 8, 2015, the Court issued orders (collectively, the "**Extension Orders**"), *inter alia*, extending the stay of proceedings first from January 16,

2014 to April 18, 2014, then from April 18, 2014 to July 3, 2014, then from July 3, 2014 to September 26, 2014, then from September 26, 2014 to January 16, 2015, and most recently from January 16, 2015 to July 16, 2015.

6. Certain of the Extension Orders also approved interim distributions to Bank of Montreal ("**BMO**"), Home Trust Company ("**Home Trust**") and Foremost Financial Corporation ("**Foremost**" and, together with BMO and Home Trust, the "**Institutional Mortgagees**") from the proceeds of the sale of 9 lots that have occurred in the context of these CCAA Proceedings, which distributions remain subject to reimbursement agreements between these parties and the Monitor.

7. On January 16, 2015, the Court issued an order (the "**Claims Process Order**"), *inter alia*, establishing a claims procedure for secured claims against the Companies' property (the "**Claims Process**"). A copy of the Claims Process Order is attached as **Appendix "2"**

8. On January 8, 2015, the Court issued an order (the "**Referral Order**"), *inter alia*, referring the construction lien claims and other related issues in these CCAA Proceedings to a referee (the "**Referee**") and ordering the transfer of the action bearing Court File No. CV-13-115757-00 (the "**Con-Drain Action**") from the Newmarket Region of the Ontario Superior Court of Justice (the "**Newmarket SCJ**") to the Toronto Region of the Ontario Superior Court of Justice (the "**Toronto SCJ**") such that the Con-Drain

Action would be heard separately from the CCAA Proceedings. A copy of the Referral Order is attached as **Appendix "3"**.

9. On June 25, 2015, the Court heard a motion brought by the Companies (the "**Settlement Agreement Motion**") in connection with a settlement agreement dated February 17, 2015 amongst, *inter alios*, Tarion Warranty Corporation ("**Tarion**"), Imran Jinnah and the Companies (the "**Settlement Agreement**"). The motion was for an order: (i) declaring that the Companies have the requisite authority to enter into the Settlement Agreement; or, in the alternative (ii) approving the Settlement Agreement. A number of lien claimants opposed the Companies' motion. The Monitor's understanding of the factual matrix surrounding the Settlement Agreement is outlined in the Monitor's Eighth Report to Court dated April 8, 2015 (the "**Eighth Report**"), which Eighth Report is attached as **Appendix "4"**. The Court reserved on its decision with respect to the Companies' motion, and the determination of same remains pending as at the date hereof.

10. This report (the "**Ninth Report**") has been prepared by Grant Thornton Limited in its capacity as Monitor.

PURPOSE OF THE NINTH REPORT

11. The purpose of this Ninth Report is to advise the Court with respect to:

    i) the status of the CCAA Proceedings, including the details of the activities of the Monitor and the Companies since the issuance of the

Monitor's Seventh Report to Court dated December 19, 2014 (the "**Seventh Report**");

ii) the status of the Claims Process established pursuant to the Claims Process Order, which was conducted by the Monitor;

iii) the status of the referral established pursuant to the Referral Order, which is being conducted by the Referee (the "**Referee's Proceedings**");

iv) the status of the Con-Drain Action;

v) the Companies' revised cash flow projection to March 31, 2016, 2015 (the "**Cash Flow Projection**");

vi) the Companies' receipts and disbursements from December 17, 2013 to and including July 6, 2015 (the "**Interim R&D**"); and

vii) the Companies' request for an order, *inter alia*:

a. extending the stay of proceedings from July 16, 2015, being the date that the stay of proceedings currently expires, to and including March 31, 2016;

b. approving the Eighth Report and the Ninth Report and the Monitor's activities as described therein and herein;

c. approving the Interim R&D; and

d. approving the fees and disbursements of the Monitor and its independent counsel, Aird & Berlis LLP ("**A&B**"), as described herein.

12. Detailed background information concerning the Companies, their stakeholders and these CCAA Proceedings is provided in the affidavits of Imran Jinnah sworn December 11, 2013, January 10, 2014, April 9, 2014, June 19, 2014, August 5, 2014, September 16, 2014, November 18, 2014, December 17, 2014, February 26, 2015, March 25, 2015 and July 7, 2015 (collectively, the "**Jinnah Affidavits**"), all of which have been filed with the Court. Accordingly, the Monitor has not repeated information to this effect in this Ninth Report. Copies of all materials filed with the Court in these CCAA Proceedings are accessible on the Monitor's website at www.GrantThornton.ca/Silverstreams.

SCOPE AND TERMS OF REFERENCE

13. In preparing this Ninth Report, the Monitor has relied upon unaudited financial information, the Companies' records, financial information and projections and discussions with the Companies' management and employees. While the Monitor reviewed various documents provided by the Companies and believes that the information therein provides a fair summary of the transactions as reflected in the documents, such work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards

("**IFRS**"). Accordingly, the Monitor expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

14. Some of the information used in preparing this Ninth Report consists of financial projections, including the Cash Flow Projection. The Monitor cautions that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Companies' actual results may vary from the Cash Flow Projection, even if the hypothetical and probable assumptions contained therein materialize, and the variations could be significant. The Monitor's review of the future oriented information used to prepare this Ninth Report did not constitute an audit of such information under GAAP or IFRS.

15. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Companies and their management, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions. The Monitor has requested that management bring to its attention any significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, this Ninth Report is based solely on the information (financial or otherwise) made available to the Monitor by the Companies.

16. This Ninth Report has been prepared for the use of this Court and the Companies' stakeholders as general information relating to the Companies

and to assist the Court in deciding whether to grant the relief sought by the Companies. Accordingly, the reader is cautioned that this Ninth Report may not be appropriate for any other purpose. The Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Ninth Report contrary to the provisions of this paragraph.

17. All references to dollars are in Canadian currency unless otherwise noted.

18. Capitalized terms not defined in this Ninth Report have the meanings ascribed to them in the Jinnah Affidavits, as applicable.

ACTIVITIES OF THE COMPANIES AND STATUS OF THE CCAA PROCEEDINGS

19. The activities of the Companies and the status of each of the properties owned by the Companies are detailed in the Jinnah Affidavits. Since the date of the Seventh Report, the Companies have, among other things:

    i) communicated and corresponded with the Monitor and the various stakeholders and creditors on a regular basis regarding the CCAA Proceedings, including, without limitation, Canada Revenue Agency ("**CRA**"), the secured lenders, Tarion, the lien claimants and their counsel;

    ii) corresponded with legal counsel;

    iii) planned and executed the marketing of the remaining lot;

    iv) participated in the Referee's Proceedings;

v) prepared the Settlement Hearing Motion and participated in the hearing of same;

vi) revised the Cash Flow Projection; and

vii) made payments to post-filing vendors as contemplated by the Companies' cash flow projections.

ACTIVITIES OF THE MONITOR

20. Since the date of the Seventh Report, the Monitor's activities have included, among other things:

i) corresponding and meeting with the Companies, their management and their legal counsel;

ii) corresponding and meeting with the Monitor's legal counsel;

iii) reviewing and controlling receipts and disbursements of the Companies, in accordance with the Initial Order;

iv) corresponding with certain of the Companies' secured lenders and their counsel, as well as counsel for Tarion and certain of the lien claimants;

v) assisting the Companies to revise the Cash Flow Projection;

vi) maintaining a public website for the CCAA Proceedings;

vii) attending to telephone calls and emails from the Companies' creditors and other stakeholders;

viii) preparing and filing the Eighth Report and the Ninth Report;

ix) corresponding periodically with the Referee and certain stakeholders in respect of the Claims Process, the Referee's Proceedings and the Con-Drain Action;

x) participating in the Settlement Hearing Motion; and

xi) reviewing all materials filed with the Court in respect of the CCAA Proceedings.

THE CLAIMS PROCESS

21. As set out in the materials previously filed by the Companies, as of the date of the Initial Order, the Companies had numerous secured creditors, including, but not limited to, mortgagees, lien claimants and CRA.

22. Pursuant to the Claims Process Order, the Court authorized and established the Claims Process. A Vetting Committee (as defined in the Claims Process Order) was established that includes the Monitor's counsel, the Companies' counsel and counsel to certain of the Companies' secured creditors.

23. In accordance with the Claims Process, and as set out in the Monitor's prior reports, the Monitor received 42 claims. Pursuant to an order granted by the Court on October 16, 2014, the claims deadline was subsequently extended for the sole purpose of permitting the claims of two additional lien claimants.

24. The Monitor and its counsel reviewed all of the claims that were submitted in the context of the Claims Process, and the Monitor, with the agreement of the Vetting Committee:

i) sent Notices of Allowance to CRA with respect to CRA's two claims for source deductions with the caveat that: (a) the claims are against Silver Streams and Puccini; (b) neither Silver Streams nor Puccini holds any title in the ten lots that existed at the time of the Companies' application under the CCAA; and (c) accordingly, the proceeds arising from the sale of said homes are not those to which CRA's deemed trust claims against Silver Streams or Puccini attach;

ii) sent a Notice of Disallowance to CRA with respect to CRA's GST/HST claim on the basis that the claim is an unsecured claim in the CCAA Proceedings and the Claims Process Order established a claims process that was limited to secured claims;

iii) sent Notices of Allowance to each of BMO, Home Trust and Foremost with respect to their mortgage claims with the caveat that each of their claims remains subject to the extent of any deficiency in any holdback, if any, that was required to be maintained under the Ontario *Construction Lien Act* (the "**CLA**"), and any trust claim that has been or may be made;

iv) sent a Notice of Disallowance to Imran and Humera Hussain; and

v) sent a Notice of Disallowance to Horizons Holdings Inc., Africana Investments Inc. and Mr. Japanwala.

25. Subsequent to the issuance of the aforementioned notices by the Monitor, CRA's claim for unpaid source deductions became subject to a settlement agreement that was approved by the Court on November 25, 2014.

THE REFEREE'S PROCEEDINGS

26. Following the Monitor's review of the claims that were submitted pursuant to the Claims Process and the issuance of the notices referred to in paragraph 24 above, the Monitor and its counsel engaged in lengthy discussions with the Vetting Committee regarding the possible determination of construction liens and related issues in the context of binding arbitration by a claims adjudicator.

27. After months of negotiation among the Companies' counsel, the Monitor's counsel and the other members of the Vetting Committee, the parties agreed upon the form of the Referral Order, which was granted by the Court on January 8, 2015. Capitalized terms in the paragraph below that are not otherwise defined herein are as defined in the Referral Order.

28. Pursuant to the Referral Order, the following issues were referred to the Referee for determination in the Referee's Proceedings for the purpose of completing the Claims Process:

i) the validity and, if necessary, quantum, of the Construction Claims filed by the Claimants;

ii) whether the Private Mortgagees are Statutory Owners (as defined in the CLA), and, if so, the determination of their liability as Statutory Owners to the Lien Claimants;

iii) the liability of the Private Mortgagees and Mortgagees with respect to any deficiency in holdback to the claims of the Lien Claimants;

iv) the determination of priorities as amongst the Claimants regarding their claims as against the Claimants, the Private Mortgagees and Mortgagees; and

v) any ancillary or peripheral issues that need to be determined in order for the Referee to properly complete its mandate, including any and all issues regarding interest and costs.

29. As contemplated by the Referral Order, the Monitor has had, and will continue to have, a limited involvement in the Referee's Proceedings.

30. Shortly after the Referee's appointment, the Monitor's counsel, A&B, provided the Referee with, amongst other things: (i) copies of the Referral Order; (ii) all documents submitted to the Monitor and/or A&B by the various stakeholders pursuant to the Claims Process; and (iii) all notices that were issued by the Monitor pursuant to the Claims Process.

31. On May 19, 2015, A&B wrote to the Referee, requesting a general update with respect to the status of the Referee's Proceedings. In response, on May 21, 2015, the Referee provided A&B and counsel for certain stakeholders with the requested update by letter, and also provided a copy

of an order for directions that had been issued in the Referee's Proceedings dated February 9, 2015 (the "**February Referee's Order**"). The February Referee's Order contained, among other things, a timetable with respect to the Referee's Proceedings, which timetable culminated with an evidentiary hearing scheduled for the week of August 31, 2015 (the "**August Referee's Hearing**"). The email attaching the Referee's responding letter and the February Referee's Order, together with attachments, is attached as **Appendix "5"**.

32. Upon the Monitor's review of these materials, it became apparent that the Referee's Proceedings had been advancing without the participation of the Institutional Mortgagees. Accordingly, A&B advised the Referee and the various stakeholders of same, to ensure that all stakeholders were being given the opportunity to participate in the Referee's Proceedings.

33. On June 29, 2015, a procedural order was issued in the Referee's Proceedings (the "**June Referee's Order**"), which, *inter alia*:

    i) acknowledged the participation of the Institutional Mortgagees in the Referee's Proceedings;

    ii) bifurcated the issues to be determined by the Referee; and

    iii) revised the timetable that had been originally provided in the February Referee's Order.

34. The revised timetable still scheduled the August Referee's Hearing for the week of August 31, 2015, but now provided that such hearing would only

address the first set of the bifurcated issues. The June Referee's Order is attached as **Appendix "6"**

35. In late June, 2015, A&B wrote to the Referee requesting both a general update and a best estimate as to the time required to complete the Referee's Proceedings. In response, the Referee advised, among other things, that:

 i) the August Referee's Hearing would deal with general lien issues and had been scheduled for the week of August 31, 2015;

 ii) the Referee expected that a further hearing (if necessary) on the balance of the issues would occur in November 2015; and

 iii) the Referee's final Report (as defined in the Referral Order) was expected to be released by the end of 2015. This correspondence is attached as **Appendix "7"**.

36. Pursuant to the terms of the Referral Order, the final Report shall bind any and all affected parties without further confirmation by the Court, subject to the right of such parties to appeal the Report to the Divisional Court in accordance with the CLA.

37. The Referral Order provides that the Referee shall, among other things, serve the Report on the Service List in the CCAA Proceedings and file the Report with the Court.

THE CON-DRAIN ACTION

38. The Con-Drain Action was commenced in the Newmarket SCJ by one of the lien claimants, Con-Drain (1983) Limited ("**Con-Drain**"), by way of a Notice of Action issued on August 15, 2013 and a subsequent Statement of Claim on September 3, 2013. Further background and details with respect to the Con-Drain Action are discussed in the Jinnah Affidavits.

39. As outlined above, the Referral Order provided that the Con-Drain Action was to have been transferred from the Newmarket SCJ to the Toronto SCJ, such that the Con-Drain Action was to be heard separately from the CCAA Proceedings. The Referral Order further provided that the Con-Drain Action was to proceed without the participation of the Monitor, and that, notwithstanding the outcome of the Con-Drain Action, the funds in dispute therein were not to be released or distributed from the trust account of Chaitons LLP, counsel for the Companies, without further order of the Court sitting in the context of the CCAA Proceedings.

40. Subsequent to the issuance of the Referral Order, the Monitor understands that counsel for Con-Drain requested that the Newmarket SCJ transfer the Con-Drain Action to the Toronto SCJ in accordance with the terms of the Referral Order. Following a request by the Newmarket SCJ that such transfer be directed by the Regional Senior Judge of the Toronto SCJ, the Monitor was copied on a letter from the Honourable Regional Senior Justice Morawetz, dated June 9, 2015, wherein His Honour directed the registrar of

the Newmarket SCJ to transfer the Con-Drain Action to the Toronto SCJ. His Honour's letter is attached as **Appendix "8"**.

COMPANIES' REQUEST FOR AN EXTENSION OF THE STAY OF PROCEEDINGS

41. The stay of proceedings currently expires on July 16, 2015. The Companies have requested that the Court extend the stay to and including March 31, 2016.

42. The Companies' request for an eight and one-half month stay extension is commensurate with the anticipated timeline for the Referee to complete the Referee's Proceedings (and, in turn, the Claims Process) and serve and file its Report, as estimated by the Referee, and to attend, if necessary, to possible appeals arising from the Report, as permitted by the Referral Order.

43. Once the Referee's Proceedings have concluded, the Monitor anticipates that the Companies and/or the Monitor, as applicable, will be in a position to move for an order from this Court to make distributions to the Companies' stakeholders in accordance with the Report, terminate the CCAA Proceedings and discharge the Monitor.

44. The requested extension also allows for the attempted sale of the remaining vacant lot. According to the most recent Jinnah Affidavit, sworn July 7, 2015, the Companies have reduced their full-time staff to one employee, Asma Jinnah, the wife of Imran Jinnah, who has agreed to waive her management fees until the completion of the CCAA Proceedings, and who

will be assisted by the Companies' remaining part-time employee in marketing the vacant lot for sale and managing any of the Companies' ongoing obligations to past purchasers.

45. During the requested extension, it is not anticipated that there will be further material activity taking place in the CCAA Proceedings, other than with respect to the Referee's Proceedings, in which the Companies, the Monitor and their respective counsel have limited roles. During the requested stay extension period, it is anticipated that the Monitor's planned activities will be limited to:

i) controlling receipts and disbursements in accordance with the Initial Order;

ii) reviewing the outcome of the Settlement Agreement Motion and its impact on the CCAA Proceedings;

iii) monitoring the Referee's Proceedings and the sale process for the remaining lot;

iv) assisting with the preparation of motion materials regarding draft distribution, approval and vesting and discharge orders, as applicable;

v) corresponding with the relevant stakeholders and their counsel, as necessary; and

vi) reporting to this Court.

46. Subject to the sale of the remaining lot, the Companies have monetized substantially all of their assets and are now in the claims adjudication phase of the CCAA Proceedings. An extension of the stay of proceedings is necessary if it is deemed appropriate by this Court to allow for the completion of the Referee's Proceedings (and, in turn, the Claims Process) and the marketing of the final lot for sale.

CASH FLOW PROJECTION

47. The Companies have prepared the Cash Flow Projection, on a monthly basis, for the period ending March 31, 2016. The Cash Flow Projection together with management's report on the Cash Flow Projection is attached as **Appendix "9"** and also as Appendix E to the most recent Jinnah Affidavit sworn July 7, 2015. The Cash Flow Projection has been prepared by management using probable and hypothetical assumptions set out therein.

48. The Monitor makes the following comments on the Cash Flow Projection:

i) expenses appear to be consistent with the level of operations contemplated by management for the Companies during the projection period;

ii) the Cash Flow Projection reflects the sale of the Companies' remaining lot, although it is possible that it will not be sold during the Cash Flow Projection period;

iii) even if the remaining lot is not sold during the Cash Flow Projection period, the Companies would still have sufficient cash on hand during the Cash Flow Projection period; and

iv) the Cash Flow Projection does not contemplate making payments to the Companies' secured creditors nor servicing interest on such obligations during the CCAA Proceedings.

49. The Monitor's review of the Cash Flow Projection consisted of inquiries, analytical procedures and discussions related to information supplied to the Monitor by the management and employees of the Companies. Since hypothetical assumptions need not be supported, the Monitor's procedures with respect to such assumptions were limited to evaluating whether they were consistent with the purpose of the Cash Flow Projection. The Monitor has also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow Projection. Based on the Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

i) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Projection;

ii) as at the date of this Ninth Report, the probable assumptions developed by management are not suitably supported and consistent with the Companies' plans or do not provide a reasonable basis for the Cash Flow Projection, given the hypothetical assumptions; or

iii) the Cash Flow Projection does not reflect the probable and hypothetical assumptions.

50. The Cash Flow Projection prepared by the Companies projects that the Companies will have sufficient funds on hand throughout the Cash Flow Projection period.

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

51. In accordance with the Initial Order, the Monitor has controlled the Companies' receipts and disbursements since the date of the Initial Order.

52. **Appendix "10"** provides a statement of the Companies' receipts and disbursements for the period from December 17, 2013 to July 6, 2015.

PROFESSIONAL FEES

53. The Monitor and its independent legal counsel have maintained detailed records of their professional time and costs since the Initial Order was granted.

54. Pursuant to paragraphs 24 and 25 of the Initial Order, the Monitor and its counsel shall be paid their reasonable fees and disbursements and shall pass their accounts before the Court. In addition, pursuant to paragraph 26 of the Initial Order, the Monitor and its counsel, among other parties, were granted an Administration Charge on the property of the Companies as security for their fees and disbursements, up to a maximum of $500,000.

55. The fees and disbursements of the Monitor through November 30, 2014 were previously approved by the Court.

56. The total fees of the Monitor for the period from December 1, 2014 to June 30, 2015 amount to $39,519.39, together with disbursements of $125.32 and HST of $5,153.82, totalling $44,798.53. The details of the time spent and services provided by the Monitor are more particularly described in the Affidavit of Jonathan Krieger, the Senior Vice-President of GTL having carriage of GTL's mandate as the Monitor, sworn July 8, 2015, which is attached hereto as **Appendix "11"**.

57. The legal fees and disbursements incurred by the Monitor for services provided to the Monitor by the Monitor's independent legal counsel, A&B, through November 30, 2014 were previously approved by the Court.

58. The total legal fees and disbursements incurred by the Monitor for services provided to the Monitor by the Monitor's independent legal counsel, A&B, during the period December 1, 2014 to June 30, 2015 amount to $49,159.54, inclusive of HST. The details of the time spent and services provided by A&B are more particularly described in the Affidavit of Steven L. Graff, sworn July 8, 2015, which is attached hereto as **Appendix "12"**.

59. The Monitor respectfully requests that the Court approve its fees and disbursements and those of its legal counsel, as set out in the Ninth Report.

RECOMMENDATION REGARDING REQUESTED RELIEF

60. In the Monitor's view, the Companies have acted in accordance with the Initial Order. The Companies have also been working cooperatively with the Monitor to facilitate the carrying out of their respective mandates. Accordingly, the Monitor is satisfied that the Companies are acting in good faith and with due diligence.

61. Given the forgoing, the Monitor respectfully recommends that this Court grant the Companies' request for relief as set out in paragraph 11 of this Ninth Report and in the Companies' notice of motion.

All of which is respectfully submitted,

GRANT THORNTON LIMITED,
In its capacity as Monitor of the Companies
under the *Companies' Creditors Arrangements Act*
and not in any other capacity

Per:

Jonathan Krieger, CPA, CA, CIRP
Senior Vice President

23307769.5

TAB 9

Court File No. 13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
In the matter of a reference under the *Construction Lien Act*, R.S.O. 1990, c. C.30 as amended
And in the matter of R. 54, Ontario Rules of Civil Procedure

THIRD PROCEDURAL ORDER
29 JULY 2015

DUNCAN W. GLAHOLT, Referee

Date:	29 July 2015
File:	13-10362-00CL
Title:	**In the Matter of a Plan of Compromise or Arrangement of Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2147681 Ontario Inc. and 2147650 Ontario Inc.**

Counsel appearing:

Jeffrey Long, for Con-Drain Company (1983) Limited
jlong@kmlaw.ca

James Klein, for Lien Claimants, Pilbro III Inc., Medi Group Incorporated, Cardell Flooring Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum
jklein@kalaw.ca

Sonja Turajlich, for Argo Lumber Inc. and Newmar Window Manufacturing Inc.
sturajlich@lawtoronto.com

Tracey Henry, for LIUNA Local 183 Trust Fund
thenry@cavalluzzo.com

Leonard Finegold, for The Sanderson-Harold Company (Paris Kitchens)
finegold@gsnh.com

Richard J. Mazar, for 669857 Ontario Inc. o/a Alma Mechanical
rmazar@mazarlaw.com

Marco Drudi, for Private Mortgagees, Puccini Mortgage Corp., Da Paul Management Limited, 388242 Ontario Limited, 53 Puccini Mortgage Corp., Nastell Investments Limited and Castle Lane Design Group Inc.
mdrudi@dakllp.com

Jeffrey Spiegelman, for Bank of Montreal
jspiegelman@ACLaw.ca

Harvey Mandel, for Foremost Mortgage Holding Corporation
harvey@harvey-mandel.com

Stephen Schwartz, for the original Silver Stream Applicants
stephen@chaitons.com

The headings below are taken from the agenda for our conference call:

I. Confirmation of notice and roll call

[1] The above-noted counsel participated in our fifth pre-hearing procedural conference, the results of which are noted below.

II. Confirmation of status of claims against non-private mortgagees

Status of List of Issues circulated by Mr. Drudi on 30 June 2015, and updated on 29 July 2015

[2] A more current version of Mr. Drudi's 30 June 2015 List of Issues was circulated in advance of our procedural conference. All counsel attending approved this document. It is adopted as our List of Issues moving forward, subject of course to any necessary amendment as the examinations proceed or circumstances change.

Statements of claim

[3] I was informed that the pleadings of Local 183 (Ms. Henry's client) and King-Con Corporation (Mr. Goodman's client) have now been circulated. Ms. Henry will circulate her statement of claim electronically once again to be sure everyone has it.

[4] Mr. Finegold agreed to deliver the Sanderson-Harold Company (Paris Kitchens) statement of claim on or before **Tuesday, 1 August 2015**.

[5] Counsel for Renova Recycling (2000) Inc., Ms. Esposito and Ms. Ruberto were unable to participate in the call, but I direct them to circulate their client's statement of claim to all parties, electronically, on or before **Tuesday, 1 August 2015**.

[6] Counsel for King-Con Corporation, Mr. Goodman, is directed to circulate his client's statement of claim to Jeffrey Spiegelman, counsel to the Bank of Montreal, no later than **Tuesday, 1 August 2015**.

[7] I have a note that no pleading has been received from Argyle Flooring whose counsel, Ms. O'Rourke and Ms. Chau, were also unable to participate in the call. It is my

understanding that Argyle Flooring, like the other party represented by Ms. O'Rourke and Ms. Chau, Trudel & Sons Roofing, may no longer be pressing their claim in this reference. If that is so, I would appreciate written confirmation no later than **Tuesday, 1 August 2015**, copied to all participating counsel.

Bank documents and statements

[8] Mr. Klein, counsel for the majority of the lien claimants, supported by Ms. Turajlich for Argo Lumber Inc. and Newmar Window Manufacturing Inc., seeks complete ledgers from the Schedule B Private Mortgagees.

[9] Mr. Drudi for the Schedule B Private Mortgagees disputes the relevance of some of the disclosure sought.

[10] Counsel involved in this issue will get together over the next week or so to discuss a path forward with this issue and will advise me what procedure they think appropriate, and over what short timelines.

[11] Having heard this discussion, I would suggest written submissions only, bringing forward and updating Redfern requests.

[12] I will be absent during the week of 3 August 2015. I look forward to hearing back before the end of that week as to counsel's preference for a procedure to get their issue determined and any documents produced in good time for the examinations now being held during the week of 31 August 2015.

Accounting, if any, required from Monitor or Schedule 'B' mortgagees

[13] Mr. Klein and Ms. Turajlich seek production of documentation from Silver Streams Homes, represented by Mr. Schwartz.

[14] Mr. Schwartz points out that the lien claims and amounts of claims are admitted by his client, arguably rendering some types of disclosure irrelevant. Mr. Schwartz is about to produce Silver Streams' bank statements for the years 2010 – 2014 along with canceled cheques. Apparently there is a companion trust action and there is a concern that document requests in this action may relevant only in the companion action.

[15] Counsel involved in this issue will get together by telephone on 30 July 2015 to discuss and agree on a procedural path forward with this issue and will advise me what procedure they think appropriate, and over what short timelines. As I have said, I will be absent during the week of 3 August 2015 and look forward to hearing back before the end of that week as to counsel's preference for a procedure to get their issue determined and any

documents produced in good time for the examinations now being held during the week of 31 August 2015.

Pleadings of private mortgagees

[16] Mr. Drudi for the Schedule B Private Mortgagees has served his pleadings. The issue here is filing. It will cost the Schedule B Private Mortgagees a great deal of money to file these pleadings in court and it was agreed that this requirement would be deferred for the time being.

[17] Mr. Spiegelman for the Bank of Montreal is directed to serve his client's statement of defense, if any, on or before **Monday, 17 August 2015**. If despite Mr. Spiegelman's best efforts, and due to circumstances beyond his client's control, more time is needed for the service of these pleadings, my office can be contacted to arrange a short conference call attendance with relevant counsel. The key constraint now is the week of examinations coming up on our former hearing dates commencing 31 August 2015.

[18] I was advised by counsel for Argo Lumber Inc., Newmar Window Manufacturing Inc. and Foremost Mortgage Holding Corporation that they were one letter away from settling their priority issues. Counsel will advise as and when this claim for priority is settled. If this settlement is affected, there is no extant claim for Mr. Mandel to defend, unless of course Mr. Long amends Con-Drain Company (1983) Limited's statement of claim to raise a priority issue against Mr. Mandel's client. Until now Con-Drain has relied on the fact that as long as Foremost was impleaded in even one action, the issue of its priority would have to be determined on this reference.

[19] Mr. Mandel and Mr. Long will discuss the possibility of a consent amendment adding Foremost to the Con-Drain action provided the amendment is confined to the issue of priority under the *Construction Lien Act.*

[20] Counsel will endeavour to sort this out during the week of 3 August 2015. If they are unsuccessful, I will be available for a half hour motion by conference call on **Monday, 10 August 2015** at a time to be arranged with my mediation and arbitration coordinator Teresa DeSousa.

Status of cross-examinations

[21] Cross-examinations will now all take place during the **week of 31 August 2015** at Neeson's Reporting, 11th floor, 141 Adelaide West, using the reservation I otherwise had in place for the hearing of this matter that week.

[22] I will be available on short notice that week, either in person or by telephone, to assist with rulings as required.

[23] Counsel will make the necessary arrangements with Neesons.

Notice only

[24] The withdrawal of the Argo Lumber Inc. and Newmar Window Manufacturing Inc. Petitions was duly noted.

III. Confirmation of hearing dates

[25] I was advised that counsel had convened their own conference call some days ago to discuss the timing of our reference and had come to the conclusion that it was impossible to complete all pre-hearing steps between now and the scheduled commencement of our hearing on 31 August 2015.

[26] I understand the situation and agreed to reschedule the hearing of at least the first six items on the List of Issues for either the week of 9 November 2015 (or 16 November 2016). Mr. Mazar noted that the sittings for Central Division East commence the week of 16 November 2015 which will make a hearing that week difficult for him. There was general agreement that **the week of 9 November 2015** was available in most calendars. Some had to check.

[27] I will hold this week of 9 November 2015 as our hearing week, subject to hearing back from counsel as to insurmountable difficulties.

[28] Very soon convenience will have to take a back seat to getting the general lien issues heard and decided this calendar year. Counsel can expect me to be increasingly focused on achieving a hearing in time to permit a ruling on the first six items on the List of Issues before calendar year end.

IV. Business arising

[29] No new matters were brought forward to our agenda.

V. Date for our next conference call

[30] After pre-clearing this date and time with all attending counsel (except Messrs. Finegold and Schwartz who were obliged to leave the call early), our sixth procedural conference call in this matter will be held on **Wednesday, 9 September 2015, at 6:00 p.m.** If anyone has an issue for the agenda for that call, please communicate it to my office immediately and it will be included.

VI. Administrative and adjournment

[31] Mr. L. Guarino will be added to the circulation list as co-counsel with Mr. Spiegelman. Mr. Spiegelman will send around an email so that we have the correct spelling of Mr. Guarino's name and his email address.

[32] The parties are at liberty to apply for further directions as may be required from time to time. All appointments are to be arranged through Teresa De Sousa, Mediation and Arbitration Coordinator, (416) 368-8280 ext. 212, tds@glaholt.com.

[33] This order forms part of my procedure book in this reference, and is effective as of the date written below, without further formality.

Duncan W. Glaholt, Referee
29 July 2015

TAB 10

Court File No. 13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
In the matter of a reference under the *Construction Lien Act*, R.S.O. 1990, c. C.30 as amended
And in the matter of R. 54, Ontario Rules of Civil Procedure

FOURTH PROCEDURAL ORDER
9 September 2015

DUNCAN W. GLAHOLT, Referee

Date:	9 September 2015
File:	13-10362-00CL
Title:	**In the Matter of a Plan of Compromise or Arrangement of Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2147681 Ontario Inc. and 2147650 Ontario Inc.**

Counsel appearing:

Jeffrey Long, for Con-Drain Company (1983) Limited
jlong@kmlaw.ca

James Klein, for Lien Claimants, Pilbro III Inc., Medi Group Incorporated, Cardell Flooring Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum
jklein@kalaw.ca

Sonja Turajlich, for Argo Lumber Inc. and Newmar Window Manufacturing Inc.
sturajlich@lawtoronto.com

Amina Hanif, for LIUNA Local 183 Trust Fund
thenry@cavalluzzo.com

Richard J. Mazar, for 669857 Ontario Inc. o/a Alma Mechanical
rmazar@mazarlaw.com

Michael Mazzuca, for Argyle Flooring
michael@rousseaumazzuca.com

Marco Drudi, for Private Mortgagees, Puccini Mortgage Corp., Da Paul Management Limited, 388242 Ontario Limited, 53 Puccini Mortgage Corp., Nastell Investments Limited and Castle Lane Design Group Inc.
mdrudi@dakllp.com

Jeffrey Spiegelman and Lee Guarino, for Bank of Montreal
jspiegelman@ACLaw.ca; Lee.Guarino@ACLaw.ca

Harvey Mandel, for Foremost Mortgage Holding Corporation
harvey@harvey-mandel.com

The headings below are taken from our conference call agenda:

I. Confirmation of notice and roll call

[1] Notice having been duly served on counsel for all Schedule A Lien Claimants, all Schedule B Private Mortgagees, all Schedule B Mortgagees, and counsel for the Monitor and Applicants, by email dated 9 September 2015, Attachment A, the above-noted counsel participated in our sixth pre-hearing procedural conference, the results of which are noted below.

[2] In addition to the agenda circulated with notice of this pre-hearing procedural conference, Mr. Drudi circulated at 12:44 p.m. a supplementary agenda, Attachment B.

[3] All agenda items were canvassed.

II. Status of List of Issues

[4] The list of issues circulated by Mr. Drudi on 30 June 2015, and updated on 29 July 2015 remains the list of issues to be determined.

III. Confirmation of status of claims against non-private mortgagees

[5] I was advised that all claims against Foremost Mortgage Holding Corporation have now been settled, and there are no remaining pleaded issues against Foremost Holding Corporation.

[6] For that reason Mr. Mandel was excused from the conference call and will be removed from the circulation list. If an order is required formally disposing of any proceedings against Foremost, I can be contacted. This disposed of item #5 in Mr. Drudi's supplementary agenda.

IV. Status of private mortgagees' pleadings

[7] I was informed that all of the private mortgagees' pleadings are served and complete.

V. Outstanding statements of claim

[8] I was informed that all statements of claim have now been served. Not everyone had apparently received the pleading of King-Con (Mr. Goodman's client). Mr. Drudi agreed to circulate this statement of claim by email to the participants in the call.

[9] It was the unanimous view of all parties that pleadings are now complete. This disposed of item #2 on Mr. Drudi's supplementary agenda.

VI. Notice only

[10] Pallet Valo was removed as counsel of record for Renova Recycling by Order of Justice Di Tomaso dated 19 August 2015.

[11] Apparently that order was only served on Renova on 3 or 4 September 2015, and by the terms of the order, it is effective only 5 days after service, after which Renova has 30 days to appoint a new solicitor or serve a notice of intention to act in person. None of these steps had been taken as of the date of our conference call.

VII. Status of examinations

[12] I was advised that examinations proceeded largely as contemplated during the week of 31 August 2015. There were refusals, undertakings and some non-attendances. The Bank of Montreal was not-examined, as its pleading had not been filed, nor had its documents been provided. There were other non-attendances.

[13] While counsel are all being as cooperative as possible, there are issues arising from these examinations that will likely have to be disposed of by orders.

[14] This cannot all be done and re-attendance, if any, in time for counsel to have a meaningful opportunity to prepare this case for hearing during the presently reserved weeks of 9 and 16 November 2015. These dates must be vacated. The first week will be reserved for any necessary motions.

VIII. Status of Redfern Schedules after ruling and examination

[15] There are outstanding issues of privilege claimed by Greenberg, and other issues of non-production and refusals to produce documents.

[16] The Bank of Montreal agreed, and I so order, that it shall file its pleadings by Friday 11 September 2015, and provide all counsel with a detailed list and description of its productions by Friday 18 September 2015, so that counsel could select documents they wanted produced in hard copy which will be produced no later than Friday 25 September 2015.

[17] Issues of production, refusals and re-attendance should be sorted out amongst counsel if at all possible, but, failing that, should be dealt with by motion which I will hear at a date, time and place to be scheduled during the week of 9 November 2015. All necessary motions are to be brought with notice and on proper material, the details of which can be worked out among relevant counsel or by conference call with me. All motions to be

notified to all parties on the circulation list; all dates to be confirmed in advance with my office. This addressed item #3 and item #4 in Mr. Drudi's supplementary agenda.

IX. Confirmation of hearing dates

[18] As I have mentioned, it was the unanimous view of all counsel that despite their best efforts, this case cannot be readied for hearing by 9 November 2015.

[19] Bifurcation was discussed, but it was determined that the "one or more improvement" issue could not be sufficiently extricated from other issues so as to take advantage of our hearing dates.

[20] As a result, the hearing dates reserved for the weeks of 9 and 16 November 2015 are vacated and will be rescheduled to the first quarter of 2016 by subsequent procedural order.

[21] All issues in Mr. Drudi's supplementary agenda item #1 relating to the hearing are therefore adjourned to be disposed of by subsequent procedural order.

X. Business arising

[22] No new matters were brought forward to our agenda.

XI. Date for our next conference call

[23] After pre-clearing this date and time with all attending counsel, our seventh procedural conference call in this matter will be held on **Wednesday, 18 November 2015, at 6:00 p.m.** If anyone has an issue for the agenda for that call, please communicate it to my office immediately and it will be included.

XII. Administrative and adjournment

[24] The parties are at liberty to apply for further directions as may be required from time to time. All appointments are to be arranged through Teresa De Sousa, Mediation and Arbitration Coordinator, (416) 368-8280 ext. 212, tds@glaholt.com.

[25] This order forms part of my procedure book in this reference, and is effective as of the date written below, without further formality.

Duncan W. Glaholt, Referee
9 September 2015

TAB 11

Court File No. 13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
In the matter of a reference under the *Construction Lien Act*, R.S.O. 1990, c. C.30 as amended
And in the matter of R. 54, Ontario Rules of Civil Procedure

FIFTH PROCEDURAL ORDER
20 NOVEMBER 2015 MOTIONS

DUNCAN W. GLAHOLT, Referee

Date:	**20 November 2015**
File:	13-10362-00CL
Title:	**In the Matter of a Plan of Compromise or Arrangement of Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2147681 Ontario Inc. and 2147650 Ontario Inc.**

Counsel appearing:

James Klein, for Lien Claimants, Pilbro III Inc., Medi Group Incorporated, Cardell Flooring Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum
jklein@kalaw.ca

Emilio Bisceglia, for Argo Lumber Inc. and Newmar Window Manufacturing Inc.
ebisceglia@lawtoronto.com;

Lori Goldberg, Counsel for Paris Kitchens, a Division of Sanderson-Harold Company Limited
goldberg@gsnh.com

Marco Drudi, for Private Mortgagees, Puccini Mortgage Corp., Da Paul Management Limited, 388242 Ontario Limited, 53 Puccini Mortgage Corp., Nastell Investments Limited and Castle Lane Design Group Inc.
mdrudi@dakllp.com

Jeffrey Spiegelman, for Bank of Montreal
jspiegelman@ACLaw.ca;

Maya Poliak, for Silver Streams Homes
maya@chaitons.com

[1] This procedural order disposes of the following motions:

a. Motion served on 9 November 2015 by Mr. Klein on behalf of the "Klein Group of Lien Claimants", Pilbro III Inc., Medi Group Incorporated, Cardell Flooring

Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum Contractors Inc. for an Order Amending the Statements of Claim.

b. Motion served on 9 November 2015 by Mr. Klein on behalf of the Klein Group of Lien Claimants for:

   i. An Order requiring compliance with undertakings, refusals and questions taken under advisement by Defendant, Imran Jinnah (Silver Streams Homes), at his examination for discovery on 31 August 2015;

   ii. An Order requiring compliance with undertakings, refusals and questions taken under advisement by Defendant Jack Greenberg (Private Mortgagees) at his examinations for discovery on 4 September and 16 October 2015;

   iii. An Order requiring Imran Jinnah and Jack Greenberg to re-attend for further examination arising from their responses at their own expense; and,

   iv. Costs of this motion on a substantial indemnity basis.

   Imran Jinnah's Responses to the above motion record were served electronically on 19 November 2015. Jack Greenberg's Responses to the above motion were served electronically on 19 November 2015.

c. Motion Record served on 9 November 2015 by Mr. Drudi, on behalf of the Private Mortgagees, for:

   i. An Order requiring compliance with undertakings, refusals and questions taken under advisement by Nunzio Bitondo at his examination on behalf of Con-Drain Company (1983) Ltd. on 3 September 2015; I was advised on 20 November 2015 that Con-Drain Company (1983) Ltd. and the Private Mortgagees had reached a settlement on 19 November 2015. Counsel for Con-Drain therefore did not attend the motion. . Mr. Drudi filed written confirmation of the settlement at the commencement of the motion;

   ii. An Order requiring compliance with undertakings, refusals and questions taken under advisement at by Lou D'Ambrosio at his examination on behalf of Newmar Window Manufacturing Inc. on 2 September 2015; I was advised on 20 November 2015 that Newmar Window Manufacturing Inc. had reached a settlement of this motion with the Private Mortgagees on 19 November 2015 to provide answers by certain dates. Mr. Drudi filed written confirmation of the agreement at the commencement of the motion with an updated chart of answers.

iii. An Order requiring compliance with undertakings and questions taken under advisement by Carlos Da Rocha at this examination on behalf of King-Con Corporation on 24 September 2015; no response to this motion was filed; I was advised on 20 November 2015 that King-Con Corporation and the Private Mortgagees had reached a settlement that the outstanding undertakings be answered within two weeks and same to be Ordered by the Referee. Counsel for King-Con Corporation did not attend the motion. Mr. Drudi filed written confirmation of the settlement at the commencement of the motion;

iv. An Order requiring compliance with undertakings given by David Decker at his examination on behalf of Alma Mechanical on 2 September 2015; a response to this motion was filed on 4 November 2015;

v. An Order requiring compliance with undertakings and refusals given by Sam Di Bacco at his examination on behalf of E.D. Carpenters Limited on 1 September 2015; a response to this motion was filed on 19 November 2015;

vi. An Order requiring compliance with undertakings given by the Massimo Di Giovanni at his examination on behalf of the Labourers' International Union of North America, Local 183 on 3 September 2015; a response was filed on 13 November 2015;

vii. An Order requiring compliance with undertakings and refusals given by Pat Di Stefano at his examination on behalf of Pave Plumbing & Heating Inc. on 2 September 2015; a response was filed on 3 November 2015;

viii. An Order requiring compliance with undertakings and refusals given by John Giancola at his examination on behalf of Giancola Aluminum Contractors Inc. on 2 September 2015; a response was filed on 3 November 2015;

ix. An Order requiring compliance with undertakings given by John Giancola at his examination on behalf of GM Exteriors Inc. on 2 September 2015; a response was filed on 3 November 2015;

x. An Order requiring compliance with undertakings and questions taken under advisement by Andreas Havenga at his examination on behalf of Argo Lumber Inc. on 2 September; I was advised on 20 November that Argo Lumber Inc. reached a settlement with the Private Mortgagees on 19 November 22015 to provide answers by certain dates. Mr. Drudi filed written confirmation of the agreement at the commencement of the motion with an updated chart of answers;

xi. An Order requiring compliance with undertakings given by Carolyn Iyer at her examination on behalf of Sanderson Harold Company Ltd., also known as Paris Kitchens, on 2 September 2015; no response was filed;

xii. An Order requiring compliance with undertakings and refusals given by Pat Lamanna at his examination on behalf of Canadian Concrete Forming Limited on 24 September 2015; a Response was filed on 19 November 2015;

xiii. An Order requiring compliance with undertakings, refusals and questions taken under advisement given by Mary Montagner at her examination on behalf of Foremont Drywall Inc. on 24 September 2015; a response was filed on 5 November 2015;

xiv. An Order requiring compliance with undertakings, refusals and questions taken under advisement given by Dominic Montemurro at his examination on behalf of Medi Group Incorporated on 1 September 2015; a response filed electronically 3 November 2015;

xv. An Order requiring compliance with undertakings given by Ismail Parmaksizoglu at his examination on behalf of 1865721 Ontario Inc. on 24 September 2015; a response was filed on 2 November 2015;

xvi. An Order requiring compliance with undertakings and refusals given by Tony Pileggi at his examination on behalf of (Pilbro III Inc. on 3 September 2015; a response was filed on 3 November 2015;

xvii. An Order requiring compliance with undertakings, refusals and questions taken under advisement given by Sandy Ragno at his examination on behalf of Solo Electric Ltd. on 1 September 2015; a response was filed on 4 November 2015.

xviii. An Order that the Action of the lien claimant, Renova Recycling (2000) Inc., bearing Court File No. CV-14-117811 be dismissed;

xix. An Order that the claim for lien bearing Instrument No. YR2060384 registered by the lien claimant, Renova Recycling (2000) Inc., and the Certificate of Action registered as YR2095047 be discharged; and,

xx. The Costs of the motion herein on a substantial indemnity basis.

[2] A factum was served on behalf of the Klein Group of Lien Claimants on 18 November 2015.

[3] A Supplementary Motion Record and Book of Authorities were filed at the commencement of the motion by the Private Mortgagees with the consent of the parties attending.

[4] All substantive matters on the motions before me that proceeded on consent are disposed of on that basis in the operative part of this procedural order.

[5] In order to decide the balance of the issues, some context is necessary. It is necessary to review briefly the progress of this matter to date, the issues the parties have agreed are to be decided on this reference, and the basis upon which these examinations have been conducted.

I. Procedural context

[6] Scope of reference: My authority as referee derives exclusively from the Order of Justice Newbould dated 8 January 2015. I am assisted in carrying out this mandate by the provisions of Rule 55, and the procedural dictates of s. 67 of the *Construction Lien Act*.

[7] Books of evidence: In order to proceed efficiently in this reference, it was agreed that the lien claimants' evidence in chief would be introduced by affidavit containing *prima facie* proof of the timeliness, lienability and quantum of each lien claimant's claim. Books of Evidence were duly filed by the following parties:

a. Klein Group of Lien Claimants: Pilbro III Inc., Medi Group Incorporated, Cardell Flooring Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum;

b. Argo Lumber Inc.;

c. Con-Drain Company (1983) Limited;

d. Newmar Window Manufacturing Inc.;

e. Private Mortgagees: Puccini Mortgage Corp., Da Paul Management Limited, 388242 Ontario Limited, 53 Puccini Mortgage Corp., Nastell Investments Limited and Castle Lane Design Group Inc..

[8] Pleadings: Statements of Claim were subsequently received from the following parties, clarifying, among other things, their issues with the mortgagees:

a. Klein Group of Lien Claimants: Pilbro III Inc., Medi Group Incorporated, Cardell Flooring Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum;

b. Alma Mechanical;

c. Argo Lumber Inc.;

d. Con-Drain Company (1983) Limited;

e. King-Con Corporation;

f. Labourers' International Union of North America, Local 183;

g. Newmar Window Manufacturing Inc.;

h. Paris Kitchens, a division of Sanderson-Harold Company Limited.

[9] The Bank of Montreal defended these claims, as did the Private Mortgagees. In order to save expense, formal filing of these statements of defence in the court file was dispensed with, subject to further order.

[10] Examinations: In order to deal with pre-hearing examinations as efficiently as possible, our first procedural order in this matter dated 9 February 2015 gave the following directions, again with the consents of the parties:

a. Each deponent of each Affidavit used in a Book of Evidence may be cross-examined, once, according to a schedule later amended due to scheduling and other issues.

b. Any party wishing to cross-examine any deponent of an affidavit used in any Book of Evidence shall give notice in writing to all parties of their intention to cross-examine, identifying the witness to be cross-examined by name.

c. All cross-examinations to be conducted on agreed dates between the parties and the Referee, at Neesons & Associates, 141 Adelaide Street West, 11th Floor, Toronto, Ontario, with "real time" reporting each day. Counsel were to agree in advance as to the order and duration of such cross-examinations and any disputes as to allocation to be resolved in advance of the cross-examinations by summary written application to the Referee.

d. Any and all undertakings given by any witness during cross-examination to be complied with within 30 days from that witness' cross-examination.

e. I was available for summary, in-person rulings on refused questions, or questions "taken under advisement";

f. Counsel and representative of the owner would be required to attend for cross-examination bringing the owner's documentary file in this matter.

[11] I was contacted by Mr. Bisceglia in writing on 28 August 2015 who confirmed that examinations for discovery were scheduled for the week of 31 August 2015 as ordered in Procedural Order No. 3. Mr. Bisceglia advised that Messrs. Jinnah and Greenberg were examined in the context of a motion in the CCAA proceedings in June 2015 which resulted in a multitude of refusals. He provided me with copies of the transcripts along with charts of the refusals and questions taken under advisement. Mr. Bisceglia believed that all of refusals and questions taken under advisement would be in issue at the examinations scheduled for the week of 31 August 2015 and that the parties would be seeking my rulings at that time.

[12] Mr. Drudi replied by email that afternoon advising that the examination of Mr. Greenberg on a motion heard in May 2015 was unrelated to the Reference and as such, I was not to review or consider the attachments in dealing with the Redfern issues and that any refusal issues arising during Mr. Greenberg' examination the following week would be dealt with thereafter.

[13] Mr. Bisceglia replied by email later on the afternoon confirming that he and Mr. Drudi had spoken and that some of the prior refusals and under advisements could be resolved when and if the questions were posed during the examinations during the week of 31 August 2015. On that basis, Mr. Bisceglia withdrew his request for my attendance.

[14] Mr. Bisceglia wrote again on Sunday, 30 August 2015, requesting a short case conference on Monday, 31 August 2015 regarding the scheduling of Mr. Greenberg's examinations.

[15] I attended at the offices of Neesons on Monday, 31 August 2015 as requested and was advised that the parties had resolved their scheduling issue.

[16] <u>Settlements to date</u>: Claims by or against the following parties have been settled and or dismissed:

a. Home Trust Company (Procedural Order 29 June 2015, para. I [3]);

b. Trudel & Sons Roofing (Procedural Order 29 June 2015, para. IX);

c. Foremost Mortgage Holding Corporation (Procedural Order 9 September 2015, para III [5]).

[17] <u>List of issues remaining to be determined</u>: A list of issues remaining to be determined on this reference was circulated by Mr. Drudi on 30 June 2015, and updated on 29 July 2015. As confirmed by Procedural Order No. 3, this List of Issues updated on 29 July 2015 remains the list of issues to be determined on this reference. This list is as follows:

a. Whether the liens registered as general liens are valid, general liens or not?

b. Do the contracts of the Lien Claimants include a valid lot-by-lot paragraph or not?

c. Who are the builders/developers/owners that are liable to pay the provable liens and Statutory Holdback amounts?

d. What is the proven quantum of the lien claims and whether same need to be broken down based upon:

   i. the individual lots;

   ii. the separate owners/builders/developers; and

   iii. the separate contracts entered into by the Lien Claimants with the various owners/builders/developers of the various parcels of land?

e. The timeliness of the liens considering the various contracts, the various lots and/or portions of land upon which the liens are registered, subject to issues 1, 2, 3 and 4 above.

f. The quantum of the unsecured claims.

g. How much is due and owing by the mortgagors to the private mortgagees on the individual mortgages?

h. Of the proceeds and payments received by the private mortgagees, how were those funds applied to repay the various private mortgagees?

i. Are any of the mortgages building mortgages, and, if so, what priority do some or all the lien claimants or the unsecured lien claimants have as against one or all of the mortgagees?

j. If the liability of one or all of the mortgages is restricted to deficiency in the holdback, then what is or are the amounts of holdback in issue?

k. If one or more of the mortgagees failed to withhold portions of the mortgage advances to deal with their holdback exposure, what impact does such failure have on the priority issues involving subsequent mortgagees?

[18] Documentary disclosure: Redfern submissions were made on 17 August 2015 by the Klein Group of Lien Claimants, Newmar Window Manufacturing Inc., Argo Lumber Inc., and the Private Mortgagees. Rulings were made on 29 August 2015.

[19] Collateral proceedings: There is apparently an outstanding trust action in the Superior Court involving many of the same parties and precisely the same factual matrix. I have not been provided with the pleadings in this collateral proceeding but it is common ground that it exists.

[20] On 25 November 2015 I was advised by counsel for the Private Mortgagees that Renova Recycling had not been served with the motion to dismiss their lien claim and dismiss their lien action.

II. Legal principles

[21] One of the issues that came up repeatedly in argument of refusals and 'under advisements' during the Lien Claimant's and mortgagees' examinations was that of relevance and proportionality. The following legal principles apply to this issue:

a. A person examined for discovery must answer, to the best of his or her knowledge, information and belief, any proper question relevant to any matter in issue.[1] While the examinations that have been conducted are, technically, not examinations for discovery but cross-examinations on affidavits, the principle remains the same.

b. As a result of the 2010 amendment to the *Rules of Civil Procedure*, on a motion for answers to undertakings, the test of semblance of relevance has been replaced with a stricter test of relevance. The new test requires that a party establish that a

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1 *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, r. 31.06.

document and/or question **is** relevant, not that it **may** be relevant for some line of inquiry. The authorities are clear that the pleadings define what is relevant and, as such, if the proposed question is not supported by allegations in the pleadings and appears to be only a fishing expedition, the questions need not be answered. The proper question to ask, therefore, is whether the pleadings in the particular case define the issues in such a way that the particular question is relevant. In this case that would extend to include the agreed list of issues for determination.

c. Aside from the recent amendments, two more factors support a strict approach to the issue of relevance. *First*, this is a construction lien action. Discovery in a lien action is not as of right. While as-of-right discoveries are the norm in ordinary actions, they require leave in a construction lien action. The Act provides a procedural code for construction lien claims, intended to expedite the resolution of lien actions.[2] *Second*, on a reference such as this, I must devise and adopt the simplest, least expensive and most expeditious manner of conducting the reference, and I may, to that end, dispense with any procedure ordinarily taken that I consider to be unnecessary, or adopt a procedure different from that ordinarily taken.[3]

[22] Another issue that came up repeatedly in the examinations was the concept of solicitor/client privilege as between solicitor Greenburg and his client-investors, and as between solicitor Warner and his client-lien claimants in reviewing the escrow agreement that is in issue here.

[23] Privilege is essentially a claim that an exemption should be made to another basic rule of evidence, which dictates that all relevant evidence is admissible.[4] The concept of privileged communications between a solicitor and client has long been recognized as fundamental to the due administration of justice, however to establish solicitor-client privilege, the party claiming the privilege must establish that the communication sought to be excluded was:

i. between a lawyer and the client,

ii. for the purpose of seeking or obtaining legal advice, and

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2 *Construction Lien Act*, R.S.O. 1990, c. C.30, s. 67.

3 *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, r. 55.01(1).

4 *General Accident Assurance Co. v. Chrusz* (1999), 45 O.R. (3d) 321 (C.A.).

iii. was intended to be confidential.[5]

[24] The privilege does not extend to communications in which legal advice is neither sought nor offered, such as in cases in which the lawyer is not contacted in his or her professional capacity.[6]

[25] Nor does the privilege extend to facts which may be referred to in those communications if those facts are otherwise discoverable and relevant.[7]

[26] On these motions, the lien claimants argued to the effect that the private mortgagees are not what they appear to be on the face of the commercial record, and that they are really "owners" disentitled to the priority of legitimate mortgagees. To prove this assertion, the lien claimants are looking for circumstantial earmarks of these mortgages being other than in the ordinary course of business. It is necessary therefore to create a reasonable and efficient 'stopping rule' whereby each question answered or refused does not lead to a new line of inquiry.

[27] The private mortgagees argued that their mortgages are exactly what they appear to be, ordinary syndicated loans to a mortgagor in financial difficulty. The private mortgagees rely upon Mr. Greenberg's status as a solicitor to resist several lines of questioning on the basis that the answers are privileged as between Mr. Greenberg and his client-investors. It is necessary to balance genuine concerns over confidentiality with the need to devise a procedure that gets to the true merits of this case. It is my obligation to the court and to the parties to devise and adopt the simplest, least expensive and most expeditious manner of conducting the reference. In pursuit of that goal I may dispense with any procedure ordinarily taken should I consider it unnecessary, or adopt a procedure different from that ordinarily taken.

[28] As the parties will see in reviewing the disposition of the motions before me, I am of the view that the principles outlined above are best respected by imposing limits on the enquiries being made.

III. Disposition of motions heard 20 November 2015

[29] Having heard full submissions from all moving parties, and respondents where appropriate, and guided by the context of the matter and the legal principles set out

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5 *Solosky v. R.*, [1980] 1 S.C.R. 821.

6 *R. v. Campbell*, [1999] 1 S.C.R. 565.

7 *General Accident Assurance Co. v. Chrusz* (1999), 45 O.R. (3d) 321 (C.A.).

above, and the parties' consent where possible, the motions heard 20 November 2015 are disposed of as follows:

a. Mr. Klein for the Klein Group of Lien Claimants is to review the private mortgagee's answers to undertakings and advise Mr. Drudi by Friday 27 November 2015 whether or not the undertakings have been satisfied, in the view of the Klein Lien Claimants, and I so order and direct.

b. The motion with respect to Con-Drain's examination is resolved on consent on the following terms, all of which I hereby order and direct:

    i. Other than PC11, or as produced within 45 days from 20 November 2015, Con-Drain has no other evidence as to the first two items refused.

    ii. With respect to the third item refused, Con-Drain will produce any and all evidence that it has to support the allegation that the Private Mortgagees were statutory owners.

    iii. There will be no costs of the motion to enforce Con-Drain undertakings or to require that it answer refusals or 'under advisements'.

c. The motion with respect to Newmar Window Manufacturing Inc. is resolved on consent on the terms set out in Schedule 'A' hereto, all of which I hereby order and direct.

d. The motion with respect to Argo Lumber Inc. is resolved on consent on the terms set out in Schedule 'B' hereto, all of which I hereby order and direct.

e. The motion with respect to The King-Con Corporation is resolved on consent on the basis that all remaining undertakings are answered within two weeks of 20 November 2015, in which case there will be no costs of the motion to enforce undertakings, refusals or 'under advisements', all of which I hereby order and direct.

f. On the consent of the parties attending, all other undertakings of all parties are to be fully answered no later than Friday 11 December 2015.

g. On the consent of the parties attending, the Lien Claimants' motion to amend their Statements of Claim is allowed, and I order and direct as follows:

    i. All Statements of Claim are to be amended in accordance with drafts filed with motion, the operative portions of which are annexed as Schedule 'C' to this procedural order.

ii. No further documentary production or oral discovery to be required as a consequence of the amendments.

iii. Lien Claimants will not object to the added party raising any and all defences of the other Silver Stream defendants including statutory limitations defences.

iv. The Private Mortgagees shall have the right to demand further particularity, if necessary, of the pleadings against the added party.

h. The Lien Claimants' motion with respect to mortgagees' undertakings, refusals and questions under advisement is resolved on the basis of my rulings in the appropriate column of Schedule 'D' to this procedural order, and I so order and direct.

i. The Private mortgagees' motion with respect to Lien Claimants' undertakings, refusals and questions under advisement is resolved on the basis of my rulings in the appropriate column of Schedule 'E' to this procedural order, and I so order and direct.

j. No order with respect to Renova Recycling at this time.

[30] Except in cases where "no costs" has been ordered on consent, all issues of costs are reserved to the hearing.

[31] The parties are at liberty to apply for further directions as may be required from time to time. All appointments are to be arranged through Teresa De Sousa, Mediation and Arbitration Coordinator, (416) 368-8280 ext. 212, tds@glaholt.com.

[32] This order forms part of my procedure book in this reference, and is effective as of the date written below, without further formality.

Duncan W. Glaholt, Referee
20 November 2015

TAB 12

Court File No. 13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
In the matter of a reference under the *Construction Lien Act*, R.S.O. 1990, c. C.30 as amended
And in the matter of R. 54, Ontario Rules of Civil Procedure

SIXTH PROCEDURAL ORDER
13 January 2016

DUNCAN W. GLAHOLT, Referee

Date:	**13 January 2016**
File:	13-10362-00CL
Title:	**In the Matter of a Plan of Compromise or Arrangement of Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2147681 Ontario Inc. and 2147650 Ontario Inc.**

Counsel appearing:

James Klein, for Lien Claimants, Pilbro III Inc., Medi Group Incorporated, Cardell Flooring Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum
jklein@kalaw.ca

Marco Drudi, for Private Mortgagees, Puccini Mortgage Corp., Da Paul Management Limited, 388242 Ontario Limited, 53 Puccini Mortgage Corp., Nastell Investments Limited and Castle Lane Design Group Inc.
mdrudi@dakllp.com

Jeffrey Spiegelman and Lee Guarino, for Bank of Montreal
jspiegelman@ACLaw.ca; lee.guarino@aclaw.ca

Stephen Schwartz, for Silver Streams Homes
(stephen@chaitons.com)

Sonia Turajlich, for Argo Lumber Inc. and Newmar Window Manufacturing Inc.
sturajlich@lawtoronto.com;

Jeffrey Long for Con Drain, for Con-Drain Company (1983) Limited
jlong@kmlaw.ca

Amina Hanif, for Labourers Union of North America Local 183 Members' Benefit Trust Fund
ahanif@cavalluzzo.com

Lori Goldberg, Counsel for Paris Kitchens, a Division of Sanderson-Harold Company Limited
goldberg@gsnh.com

Monica Raeli, for Argyle Flooring
monica@rousseaumazzuca.com

[1] The purpose of this sixth pre-hearing meeting, by conference call, was to follow up with counsel on the directions given in the 20 November 2015 Fifth Procedural Order and to move this matter along expeditiously to hearing and Report.

[2] All counsel attending were canvassed on all issues.

[3] The amended issues list of circulated and updated on 29 July 2015 was once again confirmed by all counsel to contain the full list of issues to be determined on this reference.

[4] It was reported that with few exceptions, our Fifth Procedural Order dealing with refusals and undertakings had been complied with. On consent of all counsel:

a. Any and all outstanding issues with respect to compliance with our Fifth Procedural Order will be dealt with in writing.

b. Any party taking issue with any other party's compliance will brief their issue, and serve and file this brief with me electronically on or before **Friday, 22 January 2016**.

c. Responses, if any, will be due (or compliance will be made on a 'best efforts' basis voluntarily), on or before **Monday, 1 February 2016**.

d. Whatever rulings are required will follow as soon as possible thereafter.

[5] It was reported that further examinations of Mr. Greenberg and an examination of a Bank of Montreal representative are required. On consent of all counsel:

a. As the Bank of Montreal representative is unavailable in the first weeks of February, Mr. Spiegelman will propose to counsel a series of available dates in the weeks immediately following for this examination.

b. Mr. Greenberg will be made available to complete his examination on a date or dates to be arranged by counsel during the **week of 8 February 2016**.

[6] We must conclude this reference as soon as possible. Mr. Schwartz advised that an extension of the stay order to permit the completion of this reference should not present a problem. On consent of all counsel therefore:

a. The hearing of this matter is now scheduled to start and finish over ten consecutive days during the **weeks of 11 and 18 July 2016**.

b. Counsel should treat these two weeks as peremptory.

c. The procedural calendar between now and the hearing is to be agreed by counsel as far as possible before our next conference call attendance.

d. This procedural calendar should include provision for an exchange of expert(s) reports, if any, a provisional list of witnesses and the order in which they are expected to be called at the hearing (subject to amendment as preparation proceeds), and the filing of an agreed bundle of documents containing all documents expected to be referred to at the hearing.

[7] Our next procedural conference call will be held on **Wednesday, 17 February 2016 commencing at 8:30 a.m. Toronto time**, at which time counsel will report back on the various items comprehended by this order.

[8] All of which is ordered and directed this 13th day of January 2016.

Duncan W. Glaholt, Referee
13 January 2016

TAB 13

Court File No. 13-10362-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

In the matter of a reference under the *Construction Lien Act*, R.S.O. 1990, c. C.30 as amended
And in the matter of R. 54, Ontario Rules of Civil Procedure

SEVENTH PROCEDURAL ORDER
17 February 2016

DUNCAN W. GLAHOLT, Referee

Date: **17 February 2016**
File: 13-10362-00CL
Title: **In the Matter of a Plan of Compromise or Arrangement of Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2147681 Ontario Inc. and 2147650 Ontario Inc.**

Counsel appearing:

James Klein, for Lien Claimants, Pilbro III Inc., Medi Group Incorporated, Cardell Flooring Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum
jklein@kalaw.ca

Marco Drudi, for Private Mortgagees, Puccini Mortgage Corp., Da Paul Management Limited, 388242 Ontario Limited, 53 Puccini Mortgage Corp., Nastell Investments Limited and Castle Lane Design Group Inc.
mdrudi@dakllp.com

Sonia Turajlich, for Argo Lumber Inc. and Newmar Window Manufacturing Inc.
sturajlich@lawtoronto.com;

Jeffrey Long for Con Drain, for Con-Drain Company (1983) Limited
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Lori Goldberg, Counsel for Paris Kitchens, a Division of Sanderson-Harold Company Limited
goldberg@gsnh.com

Richard Mazar, for Alma Mechanical
rmazar@mazarlaw.com

Krish Chakraborty, for Argyle Flooring
krish@rousseaumazzuca.com

Jeffrey Spiegelman, for Bank of Montreal
jspiegelman@ACLaw.ca; lee.guarino@aclaw.ca

Stephen Schwartz, for Silver Streams Homes
(stephen@chaitons.com)

[1] This seventh pre-hearing meeting, conducted by conference call, was held to follow up on a number of outstanding matters.

[2] All counsel attending were canvassed on all issues.

[3] The amended issues list circulated and updated on 29 July 2015 was once again confirmed by all counsel in attendance to contain the full list of issues to be determined on this reference.

[4] It was reported that with few exceptions, our Fifth Procedural Order as to undertakings, refusals and 'under advisements' had been complied with, such that no further directions were required from me. Shortcomings in responses, if any, will be dealt with at the hearing.

[5] It was reported that Mr. Greenberg's examination and the examination of a Bank of Montreal representative had not occurred despite everyone's best efforts. On consent of all counsel in attendance therefore:

a. Mr. Bisceglia and Ms. Turajlich will circulate a list of all available dates during the **last two weeks of March and the first two weeks of April 2016** in either of their calendars to conduct and complete examinations of Mr. Greenberg and the Bank of Montreal. Mr. Bisceglia and Ms. Turajlich will make whatever reasonable accommodations they can to provide as many dates as possible.

b. Counsel will then fix the least inconvenient of these dates to accomplish these necessary examinations. If further direction is needed, please contact Ms. DeSousa for an appointment.

[6] Mr. Schwartz advised that an application for an extension of the stay order to permit the completion of this reference is being prepared.

[7] Our fixed hearing dates for the weeks of 11 and 18 July 2016 were confirmed. The provisions of the Sixth Procedural Order as to these hearing dates stand.

[8] As to item 6 (b) (i) of our agenda, exchange of **experts' reports**, the following schedule was agreed by all counsel in attendance:

a. First round experts' reports to be served and filed on or before **Friday 29 April 2016**.

b. Rebuttal experts' reports to be served and filed on or before **Friday 3 June 2016**.

[9] As to item 6 (b) (i) and (ii) of our agenda, exchange of **lists and order of witnesses**, the following schedule was agreed by all counsel in attendance:

a. All lists of witnesses to be served on or before **Friday 6 May 2016**.

b. Mr. Drudi and Mr. Klein to then consider the order of witnesses, and consult with all counsel to arrive at a final order of witnesses.

c. A final list of witnesses in order to be served on all counsel and filed with me on or before **Friday 13 May 2016**.

[10] As to item 6 (b) (iii) of our agenda, **hearing bundle(s)**, the following schedule was agreed by all counsel in attendance:

a. Contents of hearing bundle, or bundles, to be agreed among counsel.

b. Hearing bundles to be served and filed on or before **Friday 30 June 2016**.

[11] An interesting point arose during our conference call as to the nature and extent of evidence-in-chief on this reference.

[12] On one hand, the point of requiring the lien claimants to verify their claims by affidavit, as they did some considerable time ago, was to reduce as far as possible the need for evidence-in-chief; on the other hand, there may be issues beyond the value of an individual lien claim, or non-lien claim, that require additional testimony.

[13] As well, as far as possible counsel should be able to prepare competent cross-examinations in advance of the hearing. To do this they need to know in advance the substance of all expected testimony in-chief.

[14] In this case some lien claimants may not have to testify at all if there is agreement on the timeliness, lienability and quantum of their liens, or sufficient information in their affidavits and discoveries upon which to argue those issues.

[15] Counsel wished to have time to consider this issue carefully. We will reconvene by conference call at **8:30 a.m. Toronto time on Monday 7 March 2016** to resolve this issue. No written briefing is required.

[16] A final pre-hearing procedural conference call will be held commencing at **8:30 a.m. Toronto time on Wednesday, 15 June 2016**, at which time any last minute matters relating to our hearing (of which there should be very few) can be heard and disposed of.

All of which is ordered and directed this 17th day of February 2016.

Duncan W. Glaholt, Referee
17 February 2016

TAB 14

Court File No. 13-10362-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

In the matter of a reference under the *Construction Lien Act*, R.S.O. 1990, c. C.30 as amended
And in the matter of R. 54, Ontario Rules of Civil Procedure

EIGHTH PROCEDURAL ORDER
7 March 2016

DUNCAN W. GLAHOLT, Referee

Date:	**7 March 2016**
File:	13-10362-00CL
Title:	**In the Matter of a Plan of Compromise or Arrangement of Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2147681 Ontario Inc. and 2147650 Ontario Inc.**

Counsel appearing:

James Klein, for Lien Claimants, Pilbro III Inc., Medi Group Incorporated, Cardell Flooring Ltd., Foremont Drywall Inc., 1382479 Ontario Inc., 1382503 Ontario Inc., 2203579 Ontario Inc. cob Foremont Drywall Contracting, Canadian Concrete Forming Limited, Pave Plumbing & Heating Inc., E.D. Carpenters Ltd., Solo Electric Ltd., 1865721 Ontario Inc., GM Exterior Inc., Giancola Aluminum
jklein@kalaw.ca

Marco Drudi, for Private Mortgagees, Puccini Mortgage Corp., Da Paul Management Limited, 388242 Ontario Limited, 53 Puccini Mortgage Corp., Nastell Investments Limited and Castle Lane Design Group Inc.
mdrudi@dakllp.com

Sonia Turajlich, for Argo Lumber Inc. and Newmar Window Manufacturing Inc.
sturajlich@lawtoronto.com;

Jeffrey Long for Con Drain, for Con-Drain Company (1983) Limited
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Lori Goldberg, Counsel for Paris Kitchens, a Division of Sanderson-Harold Company Limited
goldberg@gsnh.com

Richard Mazar, for Alma Mechanical
rmazar@mazarlaw.com

Krish Chakraborty, for Argyle Flooring
krish@rousseaumazzuca.com

Jeffrey Spiegelman, for Bank of Montreal
jspiegelman@ACLaw.ca; lee.guarino@aclaw.ca

[1] This eighth pre-hearing meeting, conducted by conference call, was held to follow up on one matter arising from the seventh procedural order, namely the nature and extent of evidence-in-chief on this reference.

[2] Counsel had discussed this issue in the interim, and on 4 March 2016 Mr. Drudi proposed a structure for the presentation of evidence at the hearing which was agreed to by all counsel attending:

a. Parties will have their evidence-in-chief advanced as follows:

   i. They will rely on Affidavits already served;

   ii. In addition to their Affidavits, the trades will have the ability of advancing oral evidence restricted to 45 minutes or less and will provide a summary of the anticipated evidence;

   iii. In addition to his Affidavit, Greenberg will have the ability of advancing oral evidence restricted to 120 minutes or less and will provide a summary of the anticipated evidence;

   iv. The Bank of Montreal will have no restriction;

   v. If the Parties intend to call a witness, other than a party and/or Jinnah, they will provide a synopsis of anticipated evidence of the witness within 14 days from May, 13th, 2016, the date set out in paragraph 9 (c) of the Seventh Procedural Order.

b. Parties will exchange Authorities Briefs by June 17, 2016.

c. Sequence of witnesses to be agreed by counsel, or resolved at our final pre-hearing conference on Wednesday, 15 June 2016.

d. All parties will be permitted to make a brief Opening.

e. Closing by written submissions.

f. The hearing will be recorded and Neeson's will provide a Real-time Reporter and Transcripts.

[3] Although it was not discussed during our conference call, it is my understanding that the parties will make arrangements with Neesons for the hearing and any facilities required, including the real-time reporting and transcripts referred to at item [2] (f) above. As my office is in the building, I will not need a separate break-out room myself.

All of which is ordered and directed this 7th day of March 2016.

Duncan W. Glaholt, Referee
7 March 2016

TAB 15

Court File No.: CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE JUSTICE NEWBOULD	) MONDAY, THE 19TH
	)
	) DAY OF OCTOBER, 2015

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C.C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OF ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

ORDER

THIS MOTION, made by the moving parties, Argo Lumber Inc. and Newmar Window Manufacturing Inc., for an Order setting down the Construction Lien Claims was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record, and with all parties on the Service List having been properly served and no party opposing,

1. THIS COURT ORDERS that in order to avoid the adverse implications of a two year limitation period under the *Construction Lien Act*, R.S.O. 1990 c.C.30, the lien claims listed on Schedule "A" hereto (the "Construction Lien Claims") shall be deemed to have been set down for trial in accordance with s.37 of the *Construction Lien Act* and the requirement to have any party to the Construction Lien Claims deliver a Trial Record shall be left to the discretion and determination of the Referee, Duncan Glaholt, previously who was appointed by Order of this Court dated January 8, 2015.

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

OCT 2 - 2015

Newbould J.

SCHEDULE "A"

No.	Lien Claimant	Court File No.	Lien Amount ($)	Lien Registration No.
1.	Con-Drain Company (1983) Limited	CV-13-116355-00	$94,837.00	YR2016863
2.	Pilbro III Inc.	CV-13-116840-00	$554,354.00	YR2056986
3.	Medi Group Incorporated	CV-13-116838-00	$521,675.00	YR2057173
4.	Cardell Flooring Ltd.	CV-13-116835-00	$94,922.00	YR2057568
5.	Foremont Drywall Inc. 1382479 Ontario Inc. 1382503 Ontario Inc. 2203579 Ontario Inc. c/o Foremont Drywall Contracting	CV-13-116837-00	$434,578.00	YR2057675
6.	Canadian Concrete Forming Limited	CV-13-116834-00	$216,202.00	YR2057676
7.	Pave Plumbing & Heating Inc.	CV-13-116839-00	$227,303.00	YR2057677
8.	E.D. Carpenters Ltd.	CV-13-116836-00	$328,674.00	YR2058240
9.	Solo Electric Ltd.	CV-13-116841-00	$186,364.00	YR2058688
10.	1865721 Ontario Inc.	CV-13-116833-00	$91,519.00	YR2059379
11.	GM Exterior Inc.	CV-13-117058-00	$46,559.00	YR2062198
12.	Giancola Aluminum Contractors Inc.	CV-13-117059-00	$82,579.00	YR2062199
13.	L.I.U.N.A. Local 183 et al. (Massimo Digiovani as agent)	CV-13-117071-00	$22,568.00	YR2050961
14.	Argo Lumber Inc.	CV-13-116990-00	$135,060.00	YR2048904
15.	Newmar Window Manufacturing Inc.	CV-13-116991-00	$67,793.000	YR2050277
16.	The King-Con Corporation	CV-13-116857-00	$104,574.00	YR2049079

17.	The Sanderson-Harold Company Ltd. (Paris Kitchens)	Sheltering	$203,870.00	YR2058638
18.	669857 Ontario Inc. o/a Alma Mechanical	CV-13-117214-00	$108,287.00	YR2060246

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. and 2147650 ONTARIO INC.

Applicant

Court File No. 13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER

BISCEGLIA & ASSOCIATES
Professional Corporation
Barristers-at-law
7941 Jane Street, Suite 200
Concord, Ontario
L4K 4L6

Tel: (905) 695-5200
Fax: (905) 695-5201

Emilio Bisceglia
LSUC No. 34568Q
Lawyers for Argo Lumber Inc. and
Newmar Window Manufacturing

TAB 16

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

REPORT ON CASH FLOW STATEMENT
(Section 10(2)(b) of the *Companies' Creditors Arrangement Act* ("CCAA"))

Silver Stream Homes (Puccini) Inc. and the other Applicants listed above (collectively, "**Silver Streams**") have prepared the attached statement of projected cash flow of Silver Streams as of February 29, 2016 (the "**Cash Flow Statement**") consisting of a cash flow for the period from March 1, 2016 to November 30, 2016. Silver Streams developed the assumptions contained in the Notes to the Cash Flow Statement (the "**Notes**"). The purpose of the Cash Flow Statement is to determine the liquidity requirements for Silver Streams during the CCAA proceedings.

The hypothetical assumptions are reasonable and consistent with the purpose of the projections described herein, and the probable assumptions are suitably supported and consistent with the plans of Silver Streams and provide a reasonable basis for the projections. All such assumptions are disclosed in the Notes.

Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projections have been prepared solely for the purpose described herein, using the probable and hypothetical assumptions set out in the Notes. Consequently, readers are cautioned that the Cash Flow Statement may not be appropriate for other purposes.

Dated: March 9, 2016

SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Per: ______________________

Mr. Imran Jinnah
Title:
I have the authority to bind the corporations

Silver Streams Homes Inc. and Silver Streams Homes (Puccini) Inc.
Actual Results to February 29, 2016 and Projected Cash Flow to November 30, 2016
($CAD, Unaudited)

	Budgeted July7, 2015 - February 29, 2016	Actual July 7, 2015 - February 29, 2016	Notes	Actual December 18, 2013 - February 29, 2016	March 2016	April	May	June	July	August	September	October	November	Cumulative Total
Receipts														
Lot #22														
Closing proceeds, net of deposit collected	-			827,723										827,723
Less: Commission	-			-										-
Lot #25	-			-										-
Gross closing proceeds, net of deposit collected	-			801,705										801,705
Commission payable (3.5% of gross purchase price)	-			-										-
Lot #19 - Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			687,166										687,166
Less: Bonus Sales Team Rep	-			-										-
Lot #23 (PH2) Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			891,428										891,428
Less: Bonus Sales Team Rep	-			(34,637)										(34,637)
Lot #24 (PH2) Deposit	-			35,000										35,000
Closing proceeds, net of deposit collected	-			895,995										895,995
Less: Bonus Sales Team Rep	-			-										-
Lot 20 - Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			757,991										757,991
Less: Bonus Sales Team Rep	-			-										-
Lot #1 - Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			814,221										814,221
Less: Bonus Sales Team Rep	-			-										-
Lot #23 (PH3) Deposit	-			50,000										50,000
Closing proceeds, net of deposit collected	-			925,558										925,558
Less: Bonus Sales Team Rep	-			-										-
Lot 24 - Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			909,946										909,946
Less: Bonus Sales Team Rep	-			-										-
Empty Lot - Deposit	20,000			-					20,000					20,000
Closing proceeds, net of deposit collected	430,000			-						680,000				680,000
Less: Bonus Sales Team Rep	-			-										-
General	-			-										-
Interim financing facility (i.e. DIP loan)	-		1	425,000										425,000
Interest Income	10,000	808		14,843										14,843
HST collected (net of $24k from the HST rebate pr	-			713,623										713,623
Total receipts	460,000	808		8,915,562	-	-	-	-	20,000	680,000	-	-	-	9,615,562
Disbursements														
Lot #22														
Interior finishing cost	-			20,503										20,503
Exterior finishing cost	5,500		2	5,523										5,523
HST (13%)	715			3,383										3,383
Lot #25	-			-										-
Interior finishing cost	-			31,227										31,227
Exterior finishing cost	5,700		2	11,148										11,148
HST (13%)	741			5,509										5,509
Lot #23 Phase 2	-			-										-
Interior finishing cost	-			68,104										68,104
Exterior finishing cost	5,700		2	1,400										1,400
HST (13%)	741			9,036										9,036
Lot #23	-			-										-
Interior finishing cost	-			30,140										30,140
Exterior finishing cost	6,300		2	-										-
HST (13%)	819			3,518										3,518
Lot #24	-			-										-
Interior finishing cost	-			106,235										106,235

Silver Streams Homes Inc. and Silver Streams Homes (Puccini) Inc.
Actual Results to February 29, 2016 and Projected Cash Flow to November 30, 2016
($CAD, Unaudited)

	Budgeted July7, 2015 - February 29, 2016	Actual July 7, 2015 - February 29, 2016	Notes	Actual December 18, 2013 - February 29, 2016	March 2016	April	May	June	July	August	September	October	November	Cumulative Total
Exterior finishing cost	5,700		2	11,206										11,206
HST (13%)	741			15,267										15,267
Lot #20	-			-										-
Interior finishing cost	-			52,600										52,600
Exterior finishing cost	6,100		2	-				400						400
HST (13%)	793			6,838										6,838
Lot #19	-			-										-
Interior finishing cost	-			4,537										4,537
Exterior finishing cost	5,700		2	-										-
HST (13%)	741			590										590
Lot #1	-			-										-
Interior finishing cost	-			70,386										70,386
Exterior finishing cost	5,700		2	2,539										2,539
HST (13%)	741			9,480										9,480
General (projection is inclusive of HST)	-			-										-
HST Paid on general expenses	23,218	15,344		204,931										204,931
Management fees	5,380	1,170		311,477		400		400		400		400		313,077
Marketing salaries for sales office	-			17,975										17,975
Other marketing expenses	-			18,378										18,378
Property taxes	42	1,793		29,896		750		750		750		750		32,896
Insurance	2,500			58,084				1,000						59,084
Office expenses and banking/LC fees	18	67		62,959										62,959
Automotive expenses	-			59,384										59,384
Post-closing service costs re: Lot 17	-			7,500										7,500
Tarion warranty - service and materials for pre-CCA	-			128,218										128,218
Tarion warranty for Homes Sold under CCAA	-			4,000										4,000
Repayment of BMO Mortgage	-			1,110,181										1,110,181
Repayment of Home Trust Mortgage	-			1,340,636										1,340,636
Repayment to Foremost Financial	-			536,433										536,433
Estimated post-CCAA filing HST remittance/(refun	-			589,300										589,300
Source Deductions Per Court-Approved Settlement	-			86,000										86,000
Contingency (15% of construction costs)	851	753		19,065										19,065
Repayment of the interim financing facility	-			483,775										483,775
Commissions	-			92,562										92,562
Professional fees	175,000	116,877		993,925	25,000	15,000	15,000	15,000	15,000	15,000	15,000	25,000	25,000	1,158,925
Total disbursements	259,441	136,004		6,623,847	25,000	16,150	15,000	17,550	15,000	16,150	15,000	26,150	25,000	6,794,847
Net cash inflow/(outflow)	200,559	(135,196)		2,291,716	(25,000)	(16,150)	(15,000)	(17,550)	5,000	663,850	(15,000)	(26,150)	(25,000)	2,820,716
Bank account - opening balance	2,426,912	2,426,912			2,291,716	2,266,716	2,250,566	2,235,566	2,218,016	2,223,016	2,886,866	2,871,866	2,845,716	
Bank account - closing balance	2,627,471	2,291,716			2,266,716	2,250,566	2,235,566	2,218,016	2,223,016	2,886,866	2,871,866	2,845,716	2,820,716	

Term Deposit	2,255,885
Balance in bank	35,831
	2,291,716

Probable Assumptions:

a. The timing of the sale of the balance of the Applicants' remaining property (one empty lot) is uncertain, although it is anticipated that it will be sold before the end of the projection period.

Hypothetical Assumptions:

1 The interim financing facility has been repaid in full.

2 Represents the obligations to complete homes sold post CCAA.

TAB 17

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. c-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

AFFIDAVIT OF JONATHAN KRIEGER

I, **JONATHAN KRIEGER**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** as follows:

1. I am Senior Vice President of Grant Thornton Limited, ("**GTL**") which was appointed as the Monitor ("**Monitor**") without security, of all the assets, undertakings and properties of Silver Streams Homes Inc., Silver Streams Homes (Puccini) Inc., 2148993 Ontario Inc., 2148990 Ontario Inc., 2147681 Ontario Inc. and 2147650 Ontario Inc. (collectively the "**Company**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe such to be true.

2. Attached and marked as Exhibit "**A**" to this my affidavit is a true copy of the detailed billing setting out the fees and disbursements of GTL incurred in its role as Monitor of the Company from July 1, 2015 to January 31, 2016, in the total amount of $15,974.98, plus HST and such is summarized on Exhibit "**B**" to this my affidavit.

3. Given the complexity of this insolvency matter, I believe the hourly rates and the total amount of fees are reasonable and comparable for insolvency services of this nature rendered by other firms in the City of Toronto.

4. This affidavit is sworn in connection with the approval of the fees and disbursements of GTL and for no improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, this 19th day of February, 2016.

Commissioner for Taking Affidavits, etc.

Faddie-Ann Lakeram, a Commissioner, etc.,
Province of Ontario, for Grant Thornton Limited,
Trustee in Bankruptcy. Expires May 5, 2017.

JONATHAN KRIEGER

Exhibit "A" to the Affidavit of Jonathan Krieger, sworn before me this 19th day of February, 2016.

Commissioner for Taking Affidavits, etc.

Faddle-Ann Lakeram, a Commissioner, etc., Province of Ontario, for Grant Thornton Limited, Trustee in Bankruptcy. Expires May 5, 2017.

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. c-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

BILLING

BN 12738 4717 RT0001
Client #181330
Invoice#LSON-1576

To professional services rendered as Court Appointed CCAA Monitor for the period from July 1, 2015 to July 31, 2015.

Date	Description	Hours
July 2, 2015	**Jonathan Krieger**	
	• Review of correspondence from counsel re: matters related to lien claims; Correspondence with counsel thereto; Correspondence with J. Oros re: report.	1.10 hours
July 6, 2015	**Jonathan Krieger**	
	• Finalize Cash flow; Discussion with team and counsel re: considerations; Review of report; Comments to counsel; Call with Company counsel.	3.00 hours
July 7, 2015	**Jan Oros**	
	• Review emails from counsel, debtors counsel, arbitration counsel, review affidavits and order sought for next extension, review SRD and monitors report.	2.00 hours

July 7, 2015	**Jonathan Krieger**	
	• Discussion with team re: considerations re: costs in CF, clarification of vacant lot; comments on report; Review of affidavit; Review of draft report; Calls with J. Oros re: clarification of vacant lot; Correspondence with counsel.	2.00 hours
July 7, 2015	**Rosa Wilford**	
	• Preparation of disbursements, correspondence and general banking administration.	1.00 hours
July 8, 2015	**Jan Oros**	
	• Review comments on draft of court report, review emails from counsel regarding stay and arbitration process.	1.25 hours
July 8, 2015	**Jonathan Krieger**	
	• Review of A&B comments and amendments to report; Correspondence with A&B re: matters related to relief sought, Review of comments from lien claimant; Correspondence from Company.	2.30 hours
July 8, 2015	**Rosa Wilford**	
	• Reconcile June 2015 bank statement.	0.10 hours
July 8, 2015	**Valerie Naccarato**	
	• General banking administration.	0.10 hours
July 9, 2015	**Jan Oros**	
	• Review drafts of court report and provide comments, review emails from counsel regarding stay and arbitration process.	0.50 hours
July 10, 2015	**Jonathan Krieger**	
	• Correspondence re: relief requested by certain claimants; Correspondence with counsel; Review of documents re: same.	1.00 hours
July 13, 2015	**Jan Oros**	
	• Review emails from counsel and counsel for lien claimants who are requesting the company be petitioned into bankruptcy.	0.25 hours

July 13, 2015	**Jonathan Krieger**	
	• Call and correspondence with counsel re: position of lien claimants; Correspondence with Company counsel re: considerations with court motion; Correspondence with J. Oros re: court motion.	1.00 hours
July 14, 2015	**Jonathan Krieger**	
	• Correspondence re: matters related to lien claimants; Call with counsel re: Court motion, considerations thereto; Instructions re: web postings.	1.70 hours
July 15, 2015	**Jan Oros**	
	• Follow up with DIP lender on approval of invoices requested for payment by debtor.	0.10 hours
July 15, 2015	**Jonathan Krieger**	
	• Preparation for and attendance in Court re: Motion for extension.	1.50 hours
July 16, 2015	**Rosa Wilford**	
	• Review bank reconciliations for June 2015 and initial the Report for the Summary of Estate Balances.	0.10 hours
July 21, 2015	**Rosa Wilford**	
	• Follow instructions, review banking, preparation of cheques, correspondence and general banking administration.	0.80 hours
July 24, 2015	**Jan Oros**	
	• Review emails from counsel, follow up with dip lender.	0.10 hours
July 24, 2015	**Jonathan Krieger**	
	• Review of correspondence from counsel.	0.20 hours
July 28, 2015	**Jonathan Krieger**	
	• Correspondence from counsel re; administration; Correspondence with D. Sobel re: response to creditor queries.	0.30 hours
July 28, 2015	**Daniel Sobel**	
	• Emails with BMO, call with counsel to Home Trust, emails from Chaitons.	0.50 hours

July 29, 2015	**Jan Oros**		
	•	Follow up with DIP lender regarding payments requested to be issued by the debtor.	0.10 hours
July 30, 2015	**Jan Oros**		
	•	Review court application being filed by Argyle Flooring's counsel.	0.25 hours
July 31, 2015	**Jonathan Krieger**		
	•	Review of correspondence re: lien claimants action, considerations re: cash flow.	0.20 hours

Time Summary

J. Krieger, Sr. Vice President	14.30	hours @	$ 550.00	per hour	$	7,865.00
D. Sobel, Vice President	0.50	hours @	$ 390.00	per hour	$	195.00
J. Oros, Manager	4.55	hours @	$ 270.00	per hour	$	1,228.50
R. Wilford, Manager	2.00	hours @	$ 225.00	per hour	$	450.00
V. Naccarato, Analyst	0.10	hours @	$ 120.00	per hour	$	12.00
	21.45				$	9,750.50
5% Technology and Administration					$	487.53
					$	10,238.03
HST (13%)					$	1,330.94
Total Invoice Due					**$**	**11,568.97**

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. c-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

BILLING

BN 12738 4717 RT0001
Client #181330
Invoice#LSON-1672

To professional services rendered as Court Appointed CCAA Monitor for the period from August 1, 2015 to September 15, 2015.

Date	Description	Hours
August 10, 2015	**Jan Oros**	
	• Follow up with debtor and DIP lender on status of approval of payments to be issued.	0.20 hours
August 10, 2015	**Valerie Naccarato**	
	• General banking administration.	0.20 hours
August 11, 2015	**Jonathan Krieger**	
	• Review of correspondence re: lien claim matters.	0.50 hours
August 11, 2015	**Valerie Naccarato**	
	• Preparation of cheques and general banking administration as per instructions from J. Oros.	0.40 hours
August 18, 2015	**Rosa Wilford**	
	• Review and reconcile August 2015 bank statements.	0.20 hours

September 10, 2015 **Jan Oros**

- Review email received by J. Krieger from BMO and provide information so that response can be provided. 0.15 hours

September 11, 2015 **Jonathan Krieger**

- Correspondence with and discussion with BMO re: position, file administration. 0.50 hours

September 14, 2015 **Rosa Wilford**

- Review bank reconciliations for July 2015, GIC schedule and initial the Report for the Summary of Estate Balances. 0.20 hours

Time Summary

J. Krieger, Sr. Vice President	1.00	hours @	$ 550.00	per hour	$	550.00
J. Oros, Manager	0.35	hours @	$ 270.00	per hour	$	94.50
R. Wilford, Manager	0.40	hours @	$ 225.00	per hour	$	90.00
V. Naccarato, Analyst	0.60	hours @	$ 120.00	per hour	$	72.00
	2.35				$	806.50
5% Technology and Administration					$	40.33
					$	846.83
HST (13%)					$	110.09
Total Invoice Due					**$**	**956.92**

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. c-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

BILLING

BN 12738 4717 RT0001
Client #181330
Invoice#LSON-1755

To professional services rendered as Court Appointed CCAA Monitor for the period from September 16, 2015 to October 31, 2015.

Date	Description	Hours
September 16, 2015	Jan Oros	
	• Review emails from counsel; Follow up with debtor on payments to be issued and sale of empty building lot, review order being requested by one of the lien claimants.	0.25 hours
September 16, 2015	Rosa Wilford	
	• Review bank reconciliations for August 2015 and initial the Report for the Summary of Estate Balances.	0.10 hours
September 17, 2015	Rosa Wilford	
	• Review account, correspondence with Bank, change of address notification and general banking administration.	0.10 hours
October 2, 2015	Jan Oros	
	• Review court materials to be posted on website.	0.20 hours

October 13, 2015	**Jan Oros**	
	• Review email from counsel regarding requests from lien claimants.	0.15 hours
October 13, 2015	**Jonathan Krieger**	
	• Review of correspondence re: claims process; Correspondence from counsel.	0.40 hours
October 14, 2015	**Jan Oros**	
	• Review email from counsel regarding requests from lien claimants.	0.10 hours
October 15, 2015	**Jonathan Krieger**	
	• Review of documentation; Call with counsel re: communications.	0.50 hours
October 19, 2015	**Jan Oros**	
	• Review emails from counsel regarding various actions and motions and requests from lien claimants counsel.	0.10 hours
October 20, 2015	**Rosa Wilford**	
	• Review and approve September 2015 estate balances, and GIC term deposits.	0.20 hours
October 21, 2015	**Jan Oros**	
	• Review emails from counsel regarding various actions and motions and requests from lien claimants counsel.	0.10 hours
October 23, 2015	**Jan Oros**	
	• Review emails from counsel regarding various actions and motions and requests from lien claimants counsel.	0.10 hours
October 28, 2015	**Jan Oros**	
	• Review emails from counsel regarding information requests for payments issued to the respondent's counsel.	0.15 hours
October 29, 2015	**Jan Oros**	
	• Review and respond to counsel regarding inquiries on payments made to respondent's counsel..	0.15 hours

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. c-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

BILLING

BN 12738 4717 RT0001
Client #181330
Invoice#LSON-1919

To professional services rendered as Court Appointed CCAA Monitor for the period from November 1, 2015 to January 31, 2016.

Date	Description	Hours
November 2, 2015	Jonathan Krieger	
	• Review of correspondence re: matters related to claim process; Correspondence with counsel.	0.70 hours
November 4, 2015	Rosa Wilford	
	• Scan and save documents on server.	0.20 hours
November 5, 2015	Jan Oros	
	• Review emails from counsel received from lien claimants, review email received from debtor regarding payments to be issued.	0.25 hours
November 10, 2015	Jan Oros	
	• Review email from counsel from lien claimants, review disbursement request by company and forward to DIP lender for approval.	0.50 hours

November 11, 2015	**Rosa Wilford**		
	•	Review, approve October 2015 estate balances.	0.10 hours
November 13, 2015	**Jan Oros**		
	•	Review email from counsel regarding line claimants' relief sought.	0.10 hours
November 16, 2015	**Rosa Wilford**		
	•	Posting disbursements, correspondence with team and general banking administration.	1.00 hours
November 17, 2015	**Jan Oros**		
	•	Review emails from counsel.	0.10 hours
November 17, 2015	**Rosa Wilford**		
	•	Review and reconcile October 2015 term deposits.	0.25 hours
December 4, 2015	**Jonathan Krieger**		
	•	Call with J. Nemers re: matters related to web postings and inclusions required; Correspondence from Aird & Berlis thereto.	0.50 hours
December 14, 2015	**Jan Oros**		
	•	Review emails from counsel, send request to R. Wilford to process payments.	0.10 hours
December 14, 2015	**Jonathan Krieger**		
	•	Review of legal correspondence re: matters related to Leave to Appeal Motion; Correspondence with J. Oros and counsel re: protocol for costs.	1.00 hours
December 16, 2015	**Rosa Wilford**		
	•	Follow instructions from team; prepare disbursements, cheques and general banking administration.	1.50 hours
December 17, 2015	**Jonathan Krieger**		
	•	Review of correspondence and documents.	0.50 hours
December 24, 2015	**Rosa Wilford**		
	•	Review and reconcile November 2015 bank statements.	0.10 hours

October 30, 2015 **Jan Oros**

- Review and respond to counsel regarding inquiries on payments made to respondent's counsel. 0.15 hours

Time Summary

J. Krieger, Sr. Vice President	0.90	hours @	$ 550.00	per hour	$	495.00
J. Oros, Manager	1.45	hours @	$ 270.00	per hour	$	391.50
R. Wilford, Manager	0.40	hours @	$ 225.00	per hour	$	90.00
	2.75				$	976.50
5% Technology and Administration					$	48.83
					$	1,025.33
HST (13%)					$	133.29
Total Invoice Due					**$**	**1,158.62**

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

December 31, 2015	**<u>Jonathan Krieger</u>**	
	• Review of documentation related to court motion.	0.30 hours
January 4, 2016	**<u>Jan Oros</u>**	
	• Review information from counsel and send instructions to post to website.	0.15 hours
January 4, 2016	**<u>Jonathan Krieger</u>**	
	• Correspondence with counsel and review of documents thereto.	0.50 hours
January 5, 2016	**<u>Jan Oros</u>**	
	• Review information from counsel and send instructions to post to website.	0.10 hours
January 7, 2016	**<u>Jonathan Krieger</u>**	
	• Review of correspondence re: matters related to costs motion; Correspondence with team re: web postings; Review of correspondence re: matters related to protocol for expenses.	0.60 hours
January 11, 2016	**<u>Jan Oros</u>**	
	• Review information from counsel and send instructions to post to website.	0.10 hours
January 11, 2016	**<u>Jonathan Krieger</u>**	
	• Correspondence with Company counsel re: legal matters; Discussion with team thereto.	0.20 hours
January 12, 2016	**<u>Jonathan Krieger</u>**	
	• Correspondence with counsel and with team re: approvals.	0.20 hours
January 13, 2016	**<u>Jan Oros</u>**	
	• Review request from BMO and provide proof of insurance on vacant lot.	0.10 hours
January 15, 2016	**<u>Jan Oros</u>**	
	• Review emails from counsel, request posting of materials to website.	0.15 hours

January 22, 2016 **Rosa Wilford**

- Review and reconcile December 2015 bank statements. 0.20 hours

Time Summary

J. Krieger, Sr. Vice President	4.50	hours @	$ 550.00	per hour	$	2,475.00
J. Oros, Manager	0.45	hours @	$ 280.00	per hour	$	126.00
	1.20	hours @	$ 270.00	per hour	$	324.00
R. Wilford, Manager	0.20	hours @	$ 235.00	per hour	$	47.00
	3.15	hours @	$ 225.00	per hour	$	708.75
	9.50				$	3,680.75
5% Technology and Administration					$	184.04
					$	3,864.79
HST (13%)					$	502.42
Total Invoice Due					**$**	**4,367.21**

Exhibit "**B**" to the Affidavit of Jonathan Krieger,
sworn before me this 19th day of February, 2016.

Commissioner for Taking Affidavits, etc.

Faddie-Ann Lakeram, a Commissioner, etc.,
Province of Ontario, for Grant Thornton Limited,
Trustee in Bankruptcy. Expires May 5, 2017.

Exhibit "B"

Silver Streams Homes Inc. - CCAA
Summary of Fees of the Monitor
For the period from July 1, 2015 to January 31,2016

Period		Fees	Disbursements	Subtotal	HST		Total
July 1-31, 2015	$	10,238.03	-	10,238.03	1,330.94	$	11,568.97
August 1, 2015 to September 15, 2015	$	846.83	-	846.83	110.09	$	956.92
September 16, 2015 to October 31, 2015	$	1,025.33	-	1,025.33	133.29	$	1,158.62
November 1, 2015 to January 31, 2016	$	3,864.79	-	3,864.79	502.42	$	4,367.21
	$	**15,974.98**	**-**	**15,974.98**	**2,076.74**	**$**	**18,051.72**

SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

Court File No.: CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at **Toronto**

AFFIDAVIT OF JONATHAN KRIEGER

Aird & Berlis LLP
181 Bay St, Suite 1800
Brookfield Place, Box 754
Toronto, ON M5J 2T9

Steven Graff
Tel: (416) 865-7726
Fax: (416) 863-1515
Email. sgraff@airdberlis.com

Ian Aversa
Tel. (416) 865-3082
Fax: (416) 863-1515

Email. iaversa@airdberlis.com

Lawyers for the Court-appointed Monitor

TAB 18

Court File No. 13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Applicants

AFFIDAVIT OF STEVEN GRAFF
(sworn February 19, 2016)

I, **STEVEN GRAFF**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

1. I am a lawyer at Aird & Berlis LLP and, as such, I have knowledge of the matters to which I hereinafter depose. Aird & Berlis LLP is acting as counsel for Grant Thornton Limited ("**GTL**"), in its capacity as the Court-appointed Monitor of the Applicants.

2. Aird & Berlis LLP has prepared statements of account in connection with its mandate as counsel to GTL, detailing its services rendered and disbursements incurred, namely:

   (a) an account dated August 31, 2015 in the amount of $14,928.83 in respect of the period from July 1, 2015 to July 31, 2015;

   (b) an account dated October 13, 2015 in the amount of $4,311.46 in respect of the period from August 1, 2015 to September 28, 2015;

   (c) an account dated December 29, 2015 in the amount of $15,681.25 in respect of the period from September 29, 2015 to December 14, 2015; and

(d) an account dated January 29, 2016 in the amount of $7,271.38 in respect of the period from December 15, 2015 to January 31, 2016,

(collectively, the "**Statements of Account**").

Attached hereto and marked as **Exhibit "A"** to this Affidavit are copies of the Statements of Account. The average hourly rate of Aird & Berlis LLP is $373.41.

3. Attached hereto and marked as **Exhibit "B"** to this Affidavit is a chart detailing the lawyers, law clerks and articling students who have worked on this matter.

4. This Affidavit is made in support of a motion to, *inter alia,* approve the attached accounts of Aird & Berlis LLP and the fees and disbursements detailed therein, and for no improper purpose whatsoever.

SWORN before me at the City of Toronto, in the Province of Ontario this 19th day of February, 2016	))))))	
A commissioner, etc. IAN AVERSA		STEVEN L. GRAFF

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF STEVEN GRAFF

Sworn before me

this 19th day of February, 2016

IAN AVERSA

Commissioner for taking Affidavits, etc

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

Grant Thornton Limited
Royal Bank Plaza, South Tower
200 Bay Street, 19th Floor
Toronto, ON M5J 2P9

Attention: Mr. Jan Oros

Account No.: 515126

PLEASE WRITE ACCOUNT NUMBERS ON THE BACK OF ALL CHEQUES

File No.: 25227/118506

August 31, 2015

Re: Silver Streams Homes Inc.

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended July 31, 2015

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	02/07/15	$425.00	1.00	$425.00	Emails to and from company counsel, client, A. Slavens, S. Turajilch and J. Klein regarding correspondence from Justice Wilton-Siegel; Telephone call with J. Nemers regarding same; Instruct J. Nemers regarding response to Justice Wilton-Siegel
JTN	02/07/15	$285.00	0.30	$85.50	Receipt and review of emails from members of service list re question from Justice Wilton-Siegel; Telephone call with I. Aversa re same
IEA	03/07/15	$425.00	0.30	$127.50	Emails to and from counsel regarding response to Justice Wilton-Siegel and next steps regarding same
IEA	04/07/15	$425.00	0.20	$85.00	Emails to and from A. Slavens and client
IEA	06/07/15	$425.00	1.60	$680.00	Telephone call and emails to and from M. Poliak, client and J. Nemers regarding upcoming hearing, draft motion materials and next steps; Emails to and from counsel regarding correspondence from Justice Wilton-Siegel regarding Tarion dispute; Emails to and from client and M. Poliak regarding same; Emails to and from M. Poliak and client regarding the draft motion materials; Instruct J. Nemers regarding

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					same
JTN	06/07/15	$285.00	0.80	$228.00	Receipt and review of emails from working group re request from Justice Wilton-Siegel; Discussion with I. Aversa re same; Engaged with review of and revisions to draft affidavit to be sworn in support of stay extension request; Email same to I. Aversa for further review
IEA	07/07/15	$425.00	2.50	$1,062.50	Engaged with reviewing the draft affidavit and providing comments; Emails to and from company counsel, client and J. Nemers regarding same; Telephone call with A. Slavens regarding Tarion dispute; Engaged with reviewing and revising letter to Justice Wilton-Siegel and discussions with J. Nemers regarding same; Emails to and from client and M. Poliak regarding hearing date and the draft motion materials; Engaged with reviewing the draft order and providing comments; Emails to and from M. Poliak and clients regarding same; Telephone calls and emails to and from clients and J. Nemers regarding the draft motion materials and the draft report; Instruct J. Nemers regarding same
IEA	08/07/15	$425.00	4.50	$1,912.50	Engaged with reviewing and revising the draft report and emails to and from client and J. Nemers regarding same; Telephone call and discussions with J. Nemers regarding same; Telephone call with J. Krieger regarding same; Engaged with reviewing and revising the service list and preparing the report for service; Telephone call with M. Poliak regarding the hearing; Engaged with reviewing correspondence from E. Bisceglia and emails regarding same; Engaged with preparing the affidavit of fees; Emails regarding same; Emails to and from M. Poliak, several counsel and client regarding the hearing and the possibility of bankruptcy
JTN	08/07/15	$285.00	5.30	$1,510.50	Engaged with drafting and review of draft ninth report; Discussions with I. Aversa re same; Email same to I. Aversa for review; Emails with client re same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	09/07/15	$425.00	4.00	$1,700.00	Engaged with reviewing and revising draft Ninth Report; Several emails and discussions with client and J. Nemers re same; Engaged with compiling Ninth Report and serving same; Emails to and from M. Poliak re hearing
JTN	09/07/15	$285.00	1.80	$513.00	Engaged with further revisions to, and review of, report; Discussions with I. Aversa re same and Wednesday's hearing
IEA	10/07/15	$425.00	0.50	$212.50	Emails to and from M. Poliak re hearing and motion materials; Emails to and from J. Nemers re service and filing; Engaged with reviewing correspondence from counsel to Argyle Flooring and emails re same
IEA	13/07/15	$425.00	2.00	$850.00	Emails to and from client regarding correspondence from Argyle Flooring and the upcoming hearing; Emails to and from E. Bisciglia, M. Poliak, clients and counsel on the service list regarding possible bankruptcy; Telephone call with client and J. Nemers regarding update and next steps; Engaged with reviewing correspondence from D. Glaholt and emails to and from clients regarding same; Engaged with revising documents from H. Mandel and emails to and from clients regarding same
SLG	13/07/15	$725.00	0.20	$145.00	Review emails on status and lifting stay
JTN	13/07/15	$285.00	0.30	$85.50	Receipt and review of email chain from various service list members re Wednesday's hearing
PW	13/07/15	$160.00	0.60	$96.00	Filed Ninth Report for July 15 motion
IEA	14/07/15	$425.00	2.00	$850.00	Telephone call and emails to and from clients, M. Poliak and J. Nemers re the hearing and next steps; Engaged with reviewing draft order proposed by E. Bisceglia; Emails to and from H. Mandel and clients re the arbitration; Telephone call with client re hearing; Engaged with preparing for court

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	15/07/15	$425.00	2.10	$892.50	Attend court; Engaged with reviewing the order and endorsement; Emails to and from client re same
IEA	20/07/15	$425.00	0.20	$85.00	Emails to and from M. Poliak and client regarding Argyle
IEA	22/07/15	$425.00	0.10	$42.50	Emails re withdrawal of petition for receiving order
IEA	23/07/15	$425.00	0.50	$212.50	Engaged with reviewing correspondence from S. Turajlich; Emails to and from clients re same; Emails to and from M. Mazzuca and clients re hearing; Telephone call from M. Mazzuca; Emails to and from M. Mazzuca and clients
IEA	24/07/15	$425.00	0.20	$85.00	Emails to and from M. Mazzuca and M. Poliak regarding lifting the stay of proceedings
IEA	28/07/15	$425.00	0.20	$85.00	Engaged with reviewing correspondence from D. Glaholt and emails to and from client regarding the same
IEA	29/07/15	$425.00	0.20	$85.00	Emails to and from counsel and client regarding the arbitration
SLG	29/07/15	$725.00	0.20	$145.00	Review emails re court attendance and lien priorities
IEA	30/07/15	$425.00	0.60	$255.00	Engaged with reviewing draft order and correspondence from counsel to Argyle; Emails to and from M. Poliak, client and J. Nemers regarding same; Engaged with reviewing D. Glaholt's third procedural order and emails to and from clients and J. Nemers regarding same
JTN	30/07/15	$285.00	0.20	$57.00	Receipt and review of consent; Execute same and circulate to working group
IEA	31/07/15	$425.00	0.20	$85.00	Emails to and from counsel regarding draft order and consent
TOTAL:			32.60	$12,598.00	

Name	Hours	Rate	Value
Ian E. Aversa (IEA)	22.90	$425.00	$9,732.50
Jeremy T. Nemers (JTN)	8.70	$285.00	$2,479.50
Steven L. Graff (SLG)	0.40	$725.00	$290.00
Patrick Williams (PW)	0.60	$160.00	$96.00

OUR FEE	$12,598.00
HST at 13%	$1,637.74

DISBURSEMENTS

Subject to HST

Photocopies - Local	$232.25	
Taxi	$35.40	
Imaging/Scanning	$85.75	
Photocopies	$199.50	
Deliveries/Parss	$34.20	
Binding and Tabs	$26.25	
Total Disbursements		$613.35
HST at 13%		$79.74

AMOUNT NOW DUE	**$14,928.83**

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

23698699.1

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors
Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

Grant Thornton Limited
Royal Bank Plaza, South Tower
200 Bay Street, 19th Floor
Toronto, ON
Canada M5J 2P9

Attention: Mr. Jan Oros

Account No.: 518156

PLEASE WRITE ACCOUNT NUMBERS ON THE BACK OF ALL CHEQUES

File No.: 25227/118506

October 13, 2015

Re: Silver Streams Homes Inc.

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended September 28, 2015

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	04/08/15	$425.00	0.20	$85.00	Email from counsel to Argyle regarding claim and emails to and from clients regarding same
IEA	05/08/15	$425.00	0.50	$212.50	Emails to and from S. Turajlich, L. Valcourt and K. Chan regarding the procedural order and motion record; Emails to clients regarding same; Engaged with reviewing Argyle's statement of claim and motion record
IEA	07/08/15	$425.00	0.40	$170.00	Engaged with reviewing documents from Renova Recycling and emails to and from clients regarding same
IEA	09/08/15	$425.00	0.20	$85.00	Emails to and from M. Poliak and clients regarding the hearing
IEA	10/08/15	$425.00	0.20	$85.00	Engaged with reviewing email from Argyle's counsel and emails to clients regarding same
IEA	17/08/15	$425.00	0.60	$255.00	Engaged with reviewing emails and documents from S. Turajlich re the arbitration; Emails to and from clients re same; Emails to and from

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					M. Poliak re the hearing
IEA	18/08/15	$425.00	1.00	$425.00	Attend court; Emails to and from clients re the order and endorsement
IEA	19/08/15	$425.00	0.40	$170.00	Engaged with reviewing email from S. Turajlich re the arbitration; Emails to and from clients and J. Nemers re same; Emails to and from counsel re the same
IEA	20/08/15	$425.00	0.20	$85.00	Emails to and from D. Glaholt and client regarding the arbitration
IEA	28/08/15	$425.00	0.50	$212.50	Emails to and from counsel regarding the arbitration; Emails to and from clients regarding same; Engaged with reviewing documents from S. Turajlich and emails to and from clients regarding same
IEA	29/08/15	$425.00	0.30	$127.50	Emails to and from counsel regarding the arbitration proceedings
IEA	30/08/15	$425.00	0.30	$127.50	Emails to and from counsel regarding the arbitration proceedings
IEA	31/08/15	$425.00	0.20	$85.00	Emails to and from counsel regarding the arbitration proceedings
IEA	03/09/15	$425.00	0.20	$85.00	Emails to and from counsel regarding the arbitration proceedings
IEA	09/09/15	$425.00	0.20	$85.00	Engaged with reviewing correspondence from D. Glaholt and emails to and from clients regarding same
IEA	10/09/15	$425.00	0.50	$212.50	Telephone call and emails to and from client and J. Nemers regarding BMO
IEA	11/09/15	$425.00	0.40	$170.00	Engaged with reviewing the Fourth Procedural Order and emails to and from clients and J. Nemers regarding same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	16/09/15	$425.00	0.40	$170.00	Engaged with reviewing draft order; Emails to and from clients regarding same; Emails to and from counsel regarding same
IEA	17/09/15	$425.00	0.30	$127.50	Emails to and from counsel regarding the draft order; Emails to and from clients regarding same
IEA	22/09/15	$425.00	0.10	$42.50	Emails to and from counsel regarding the draft order
IEA	23/09/15	$425.00	0.70	$297.50	Emails to and from clients and J. Nemers regarding update and next steps; Engaged with reviewing the motion record from S. Turajlich and emails to and from clients and J. Nemers regarding same
IEA	25/09/15	$425.00	0.60	$255.00	Engaged with reviewing endorsement from Justice Wilton-Siegel regarding Tarion dispute; Emails to and from clients and J. Nemers regarding same
JTN	25/09/15	$285.00	0.40	$114.00	Receipt and review of decision of the Honourable Justice Wilton-Siegel re Tarion agreement; Discussion re same with I. Aversa
TOTAL:			8.80	$3,684.00	

Name	Hours	Rate	Value
Ian E. Aversa (IEA)	8.40	$425.00	$3,570.00
Jeremy T. Nemers (JTN)	0.40	$285.00	$114.00

OUR FEE	$3,684.00
HST at 13%	$478.92

DISBURSEMENTS

Subject to HST

Photocopies - Local	$102.25	
Photocopies	$1.00	
Binding and Tabs	$10.50	
Taxi	$17.70	
Total Disbursements		$131.45
HST at 13%		$17.09

AMOUNT NOW DUE **$4,311.46**

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

24029849.1

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

Grant Thornton Limited
Royal Bank Plaza, South Tower
200 Bay Street, 19th Floor
Toronto, ON M5J 2P9

Attention: Mr. Jan Oros

Account No.: 523202

PLEASE WRITE ACCOUNT NUMBERS ON THE BACK OF ALL CHEQUES

File No.: 25227/118506

December 29, 2015

Re: Silver Streams Homes Inc.

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended December 14, 2015

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	01/10/15	$425.00	0.20	$85.00	Emails to and from counsel and client regarding the order
IEA	02/10/15	$425.00	0.20	$85.00	Emails to and from counsel and client regarding order regarding CLA issues
IEA	13/10/15	$425.00	0.80	$340.00	Engaged with reviewing correspondence from E. Bisceglia; Emails to and from clients and J. Nemers regarding same; Engaged with reviewing correspondence re letters of credit
IEA	14/10/15	$425.00	1.10	$467.50	Engaged with preparing a letter to E. Bisceglia; Engaged with reviewing documents and correspondence regarding same; Emails to and from clients and J. Nemers regarding same; Instruct J. Nemers regarding same; Discussions with J. Nemers regarding same; Emails to and from clients and J. Nemers regarding same
JTN	14/10/15	$285.00	0.90	$256.50	Engaged with review of and revisions to draft letter to E. Bisceglia; Discussions with I. Aversa re same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	15/10/15	$425.00	0.60	$255.00	Telephone call with client regarding draft letter to E. Bisceglia; Engaged with reviewing and revising letter; Engaged with issuing letter; Discussions with J. Nemers regarding same; Emails to and from A. Lev-Farrell and J. Nemers regarding same
JTN	15/10/15	$285.00	0.20	$57.00	Email to D. Glaholt forwarding response to E. Bisceglia's letter; Email to A. Lev-Farrell forwarding E. Bisceglia's letter
IEA	16/10/15	$425.00	0.30	$127.50	Engaged with reviewing draft order and emails to and from M. Poliak, client and J. Nemers regarding same
JTN	16/10/15	$285.00	0.20	$57.00	Engaged with review of draft Order and discussion re same with I. Aversa
IEA	17/10/15	$425.00	0.40	$170.00	Emails to and from counsel, client and J. Nemers regarding the draft order
IEA	19/10/15	$425.00	1.00	$425.00	Emails to and from counsel and clients regarding motion re amending statement of claim; Engaged with reviewing the motion for leave to appeal and emails to and from clients and J. Nemers regarding same; Engaged with reviewing letter from E. Bisceglia and emails to and from counsel, client and J. Nemers regarding same
IEA	20/10/15	$425.00	0.50	$212.50	Emails to and from M. Poliak, E. Bisceglia, clients and J. Nemers regarding the appeal and other issues; Engaged with reviewing documents from client regarding same and emails to and from clients regarding same; Emails to and from counsel and clients regarding motion regarding undertakings and refusals
IEA	21/10/15	$425.00	0.50	$212.50	Emails to and from counsel and client regarding the arbitration and next steps regarding same; Discussions with J. Nemers regarding update and next steps
JTN	21/10/15	$285.00	0.10	$28.50	Discussion with I. Aversa re correspondence received from various parties over past two days
IEA	22/10/15	$425.00	0.40	$170.00	Emails to and from M. Poliak and clients regarding the appeal; Emails regarding the arbitration proceedings

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	23/10/15	$425.00	0.60	$255.00	Emails to and from counsel and clients regarding professional fees and the appeal; Telephone call with M. Poliak regarding same; Emails to and from clients and M. Poliak regarding same
IEA	26/10/15	$425.00	0.20	$85.00	Emails to and from counsel and client regarding arbitration proceedings
IEA	27/10/15	$425.00	0.30	$127.50	Engaged with reviewing the applicants' amended notice of motion; Emails to and from clients and J. Nemers regarding same
IEA	28/10/15	$425.00	0.50	$212.50	Emails to and from E. Bisceglia, M. Poliak and clients regarding professional fees and invoices of counsel to the applicants
IEA	29/10/15	$425.00	1.00	$425.00	Emails to and from E. Biscelgia, M. Poliak and client regarding the applicants' professional fees and invoices regarding same; Engaged with reviewing documents from client regarding same; Telephone call with client regarding same
IEA	30/10/15	$425.00	0.50	$212.50	Emails to and from M. Poliak and client regarding Applicants' professional fees; Discussions with client and J. Nemers regarding same; Instruct J. Nemers regarding same; Emails to and from E. Bisceglia, M. Poliak and clients regarding same; Telephone call with M. Poliak
JTN	30/10/15	$285.00	0.80	$228.00	Engaged with review of invoice summaries forwarded by M. Poliak; Email chain with M. Poliak and client re same; Prepare draft email to E. Bisceglia in consultation with I. Aversa re same
IEA	02/11/15	$425.00	0.50	$212.50	Emails to and from the arbitrator, counsel and client regarding update on the arbitration proceedings; Emails to and from counsel regarding undertakings and refusals and briefly reviewing charts regarding same
IEA	03/11/15	$425.00	1.00	$425.00	Emails to and from the arbitrator, counsel and client regarding undertakings and refusals and briefly reviewing chart regarding same; Engaged with reviewing draft letter from S. Turajlich; Emails to and from clients and counsel regarding same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	04/11/15	$425.00	1.20	$510.00	Engaged with briefly reviewing chart regarding undertakings and refusals and emails to and from counsel and clients regarding same; Telephone call with M. Poliak; Meeting and instruct J. Nemers regarding dispute regarding costs award and research regarding same; Emails to and from counsel regarding draft letter to Justice Wilton-Siegel; Emails to and from M. Poliak and client regarding professional fees of the applicants
JTN	04/11/15	$285.00	0.30	$85.50	Discussion with I. Aversa; Retrieve past research; Instruct A. Gebert re update of same
IEA	05/11/15	$425.00	0.30	$127.50	Engaged with reviewing undertakings and refusals and emails to and from counsel and client regarding same; Emails to and from counsel and clients regarding letter to Justice Wilton-Siegel
AG	05/11/15	$240.00	0.50	$120.00	Research case law re availability of costs award; Review legislation re Court discretion to award costs
IEA	09/11/15	$425.00	0.70	$297.50	Engaged with reviewing the motion records from Klein and Associates
AG	09/11/15	$240.00	0.80	$192.00	Research and review case law re availability of cost award; Meeting with J. Nemers to discuss case law research and findings
JTN	09/11/15	$285.00	0.30	$85.50	Meeting with A. Gebert to discuss case law findings
IEA	10/11/15	$425.00	0.60	$255.00	Engaged with reviewing motion materials regarding the arbitration proceedings; Instruct J. Nemers regarding same; Emails to and from client and J. Nemers regarding same
JTN	10/11/15	$285.00	0.30	$85.50	Receipt and review of various motion records served by J. Klein; Discussion with I. Aversa re same; Email chain with J. Oros re same
IEA	13/11/15	$425.00	0.60	$255.00	Emails to and from A. Slavens, E. Bisceglia and clients regarding correspondence to Justice Wilton-Siegel regarding costs;

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					Engaged with reviewing correspondence from E. Bisceglia regarding same; Engaged with briefly reviewing undertakings/refusals regarding Massimo Di Giovanni
IEA	16/11/15	$425.00	0.30	$127.50	Engaged with reviewing correspondence from the arbitrator; Emails to and from client and J. Nemers regarding same
IEA	17/11/15	$425.00	0.40	$170.00	Emails to and from client and J. Nemers regarding the arbitration proceedings; Engaged with reviewing correspondence from A. Slavens; Emails to and from clients regarding same; Engaged with reviewing correspondence from S. Turajlich and emails to and from client and J. Nemers regarding same
IEA	18/11/15	$425.00	0.20	$85.00	Emails to and from counsel regarding the draft order
IEA	19/11/15	$425.00	1.00	$425.00	Emails to and from counsel regarding the arbitration proceedings; Emails to and from counsel regarding letters to Justice Wilton-Siegel regarding costs re Tarion motion; Engaged with briefly reviewing I. Jinnah's answers to undertakings and emails to and from client and J. Nemers regarding same
IEA	24/11/15	$425.00	0.30	$127.50	Emails to and from counsel and clients regarding 9:30 hearing; Discussions with J. Nemers regarding same
IEA	25/11/15	$425.00	0.40	$170.00	Emails to and from counsel regarding the 9:30 hearing; Engaged with reviewing draft consent regarding appeal; Emails to and from client regarding same; Emails to and from M. Poliak regarding same
IEA	26/11/15	$425.00	0.20	$85.00	Emails to and from counsel regarding appeal
IEA	27/11/15	$425.00	0.20	$85.00	Emails to and from counsel regarding the arbitration proceedings; Emails to and from counsel regarding the appeal
IEA	28/11/15	$425.00	0.20	$85.00	Emails to and from counsel and J. Nemers regarding the appeal

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	30/11/15	$425.00	0.40	$170.00	Emails to and from counsel and clients regarding the appeal; Emails to and from counsel and clients regarding arbitration proceedings
IEA	01/12/15	$425.00	1.00	$425.00	Engaged with reviewing correspondence and draft bill of costs from Bisceglia and Klein; Emails to and from client and J. Nemers re same; Instruct J. Nemers re attendance at hearing; Discussion with J. Nemers re same
JTN	01/12/15	$285.00	0.30	$85.50	Prepare for Motion
IEA	02/12/15	$425.00	0.50	$212.50	Emails to and from counsel regarding the hearing; Discussions with J. Nemers regarding same; Instruct J. Nemers regarding same; Emails to and from client and J. Nemers regarding same
JTN	02/12/15	$285.00	1.40	$399.00	Attend chambers appointment; Email to client and discussion with I. Aversa re same and next steps
IEA	04/12/15	$425.00	1.00	$425.00	Engaged with reviewing the 5th Procedural Order; Emails to and from clients regarding same; Emails to and from clients and J. Nemers regarding the Monitor's website; Discussions with J. Nemers regarding same; Instruct J. Nemers regarding same; Engaged with reviewing order from Court of Appeal; Emails to and from clients and J. Nemers regarding same
JTN	04/12/15	$285.00	0.70	$199.50	Telephone call and email chain with J. Krieger; Email to M. Poliak re Order from this week's attendance; Instruct A. Gebert re website maintenance
IEA	07/12/15	$425.00	0.30	$127.50	Emails to and from M. Poliak and J. Nemers regarding the order; Discussions with J. Nemers regarding same;
AG	07/12/15	$240.00	2.20	$528.00	Review materials on Monitor's website; Prepare summary of outstanding materials; Meeting with J. Nemers re website materials
JTN	07/12/15	$285.00	0.30	$85.50	Follow-up email to M. Poliak re Order from last week's court attendance; Status update meeting with A. Gebert re website

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					materials
IEA	08/12/15	$425.00	0.40	$170.00	Emails to and from J. Nemers and client regarding the monitor's website; Instruct and discuss with J. Nemers regarding same
AG	08/12/15	$240.00	1.50	$360.00	Consider materials on Monitor website; Prepare summary of items to add, relocate, reproduce and descriptions to amend; Discussions with J. Nemers re the same
JTN	08/12/15	$285.00	0.50	$142.50	Receipt and review of proposed website adjustments from A. Gebert; Engaged with revisions to same; Email same to J. Krieger
JTN	09/12/15	$285.00	0.10	$28.50	Follow-up email to M. Poliak re Order from last week's court attendance
IEA	10/12/15	$425.00	0.50	$212.50	Emails to and from M. Poliak and J. Nemers regarding order; Emails to and from client and J. Nemers regarding monitor's website; Discussions with J. Nemers regarding update and next step
JTN	10/12/15	$285.00	0.20	$57.00	Receipt and review of issued and entered Order from last week's attendance; Email to client re same
IEA	11/12/15	$425.00	1.10	$467.50	Engaged with receiving the Applicants' motion record, factum and brief of authorities; Emails to and from J. Nemers and counsel regarding same
IEA	14/12/15	$425.00	1.00	$425.00	Emails to and from clients and J. Nemers re appeal materials; Engaged with reviewing cost submissions; Emails to and from clients and J. Nemers re same; Emails to and from clients and J. Nemers re payment of expenses
TOTAL:			35.00	$13,026.00	

Name	Hours	Rate	Value
Ian E. Aversa (IEA)	23.40	$425.00	$9,945.00
Jeremy T. Nemers (JTN)	6.60	$285.00	$1,881.00
Alyssa Gebert (AG)	5.00	$240.00	$1,200.00

OUR FEE	$13,026.00
HST at 13%	$1,693.38

DISBURSEMENTS

Subject to HST

Imaging/Scanning	$0.75	
Photocopies - Local	$769.00	
Photocopies	$4.75	
Binding and Tabs	$68.75	
Taxi	$7.96	
Total Disbursements		$851.21
HST at 13%		$110.66
AMOUNT NOW DUE		**$15,681.25**

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

24673953.1

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

Grant Thornton Limited
Royal Bank Plaza, South Tower
200 Bay Street, 19th Floor
Toronto, ON M5J 2P9

Attention: Mr. Jan Oros

Account No.: 525015

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 25227/118506

January 29, 2016

Re: Silver Streams Homes Inc.

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended January 15, 2016

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	15/12/15	$425.00	0.70	$297.50	Engaged with reviewing correspondence from A. Slavens regarding Tarion and L/C draw; Emails to and from counsel and client regarding the 7th procedural order and next steps regarding same; Telephone call with S. Schwartz regarding update and next steps
IEA	16/12/15	$425.00	0.40	$170.00	Emails to and from counsel and J. Nemers regarding the arbitration proceedings; Emails to and from client and J. Nemers regarding payment of expenses
IEA	17/12/15	$425.00	0.30	$127.50	Emails to and from counsel regarding the arbitration proceedings
IEA	18/12/15	$425.00	0.50	$212.50	Engaged with reviewing statement of claim and notice of change of lawyers; Emails to and from clients and J. Nemers regarding same; Engaged with reviewing and revising the service list; Emails to and from clients and J. Nemers regarding same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	21/12/15	$425.00	0.20	$85.00	Emails to and from counsel and clients regarding arbitration
IEA	23/12/15	$425.00	0.50	$212.50	Telephone call and emails to and from client and J. Nemers regarding cost submissions
AG	23/12/15	$240.00	0.20	$48.00	Receive instruction from J. Nemers re research assignment
JTN	23/12/15	$285.00	2.70	$769.50	Engaged with review of two sets of cost submissions by lien claimants re settlement agreement; Discussion with I. Aversa; Briefly review case law and instruct A. Gebert re same; Email to client re next steps; Draft responding cost submissions
IEA	24/12/15	$425.00	0.60	$255.00	Engaged with reviewing the cost submissions and providing comments; Instruct J. Nemers regarding same
AG	24/12/15	$240.00	0.90	$216.00	Research and review case law re availability of cost award against estate in CCAA proceedings; Discussion with J. Nemers re research findings
JTN	24/12/15	$285.00	2.80	$798.00	Engaged with completing draft written submissions re costs; Discussion with A. Gebert re case law research; Discussion with and email to I. Aversa re same
IEA	30/12/15	$425.00	0.30	$127.50	Emails and discussions with J. Nemers and client regarding costs submissions
JTN	30/12/15	$285.00	0.30	$85.50	Engaged with revisions to draft written submissions re costs; Email same to J. Oros for comment; Email exchange with J. Krieger re same
IEA	04/01/16	$450.00	0.80	$360.00	Engaged with reviewing draft letter to Justice Wilton-Siegel; Emails to and from J. Nemers regarding same; Instructions to J. Nemers regarding cost submissions; Engaged with reviewing the Applicants' cost submissions; Discussions and

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					instructions to J. Nemers regarding same; Emails to and from client and J. Nemers regarding same
AG	04/01/16	$245.00	1.30	$318.50	Receive instruction from J. Nemers; Prepare materials for costs submissions
JTN	04/01/16	$305.00	1.20	$366.00	Draft cover letter to His Honour re written cost submissions; Instruct A. Gebert re service and filing of same; Receipt and review of submissions from S. Schwartz; Consider same and discussion with I. Aversa re same; Emails with client re same; Attend to related matters
IEA	05/01/16	$450.00	0.70	$315.00	Instructions to J. Nemers regarding service of cost submissions; Emails to and from J. Nemers and A. Gebert regarding same; Engaged with reviewing the factum and brief of authorities from Tarion regarding appeal; Emails to and from J. Nemers and client regarding same; Instructions to J. Nemers regarding same; Engaged with reviewing Tarion's cost submissions; Emails to and from client and J. Nemers regarding same
AG	05/01/16	$245.00	0.80	$196.00	Prepare materials re cost submission for filing; Serve materials and prepare affidavit of service; Arrange for filing of materials
DM	05/01/16	$245.00	1.20	$294.00	Attend Judges' Administration at 361 University Avenue to deliver responding submissions on costs, and file same at the Commercial List
JTN	05/01/16	$305.00	0.50	$152.50	Receipt and review of Tarion's factum re leave to appeal; Email to client re same; Receipt and review of Tarion's written submissions re costs; Email to client re same
IEA	06/01/16	$450.00	0.20	$90.00	Emails to and from client and J. Nemers

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
IEA	07/01/16	$450.00	0.50	$225.00	Engaged with reviewing the Applicants' further amended notice of motion; Instructions to J. Nemers regarding same; Emails to and from clients regarding same; Engaged with reviewing the agenda regarding the 7th Pre-hearing Meeting; Instructions to J. Nemers regarding same; Emails to and from clients and J. Nemers regarding same
JTN	07/01/16	$305.00	0.30	$91.50	Receipt and review of Further Amended Notice of Motion from S. Schwartz and agenda from D. Glaholt; Emails to client re same
IEA	13/01/16	$450.00	0.20	$90.00	Emails to and from counsel, client and J. Nemers regarding motion to vary
IEA	14/01/16	$450.00	0.20	$90.00	Emails to and from counsel, client and J. Nemers regarding motion to vary
IEA	15/01/16	$450.00	0.80	$360.00	Engaged with reviewing the Sixth Procedural Order; Emails to and from clients and J. Nemers regarding same; Emails to and from client and E. Biscgelia regarding professional fees; Emails to and from client and J. Nemers regarding next steps regarding arbitration and CCAA proceedings
TOTAL:			19.10	$6,353.00	

Name	Hours	Rate
Ian E. Aversa (IEA)	6.90	$437.32
Alyssa Gebert (AG)	3.20	$243.28
Jeremy T. Nemers (JTN)	7.80	$290.13
Danielle Muise (DM)	1.20	$245.00

OUR FEE	$6,353.00
HST at 13%	$825.89

DISBURSEMENTS

Subject to HST

Photocopies - Local	$53.00	
Photocopies	$7.25	
Imaging/Scanning	$2.75	
Binding and Tabs	$18.85	
Total Disbursements		$81.85
HST at 13%		$10.64
AMOUNT NOW DUE		**$7,271.38**

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 0.8% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

24935986.1

Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF STEVEN GRAFF

Sworn before me

this 19th day of February, 2016

IAN AVERSA

Commissioner for taking Affidavits, etc

STATEMENT OF RESPONSIBLE INDIVIDUALS

Aird & Berlis LLP's professional fees herein are made with respect to the following individuals

Lawyer	Call to Bar	Hrly Rate	Total Time	Value
Steven L. Graff	1991	$725.00	0.40	$290.00
Ian Aversa	2008	$425.00 (2015) $450.00 (2016)	58.20 3.40	$24,735.00 $1,530.00
Jeremy Nemers	2014	$285.00 (2015) $305.00 (2016)	21.50 2.00	$6,127.50 $610.00
Clerk/Student	**Call to Bar**	**Hrly Rate**	**Total Time**	**Value**
Alyssa Gebert	N/A	$240.00 (2015) $245.00 (2016)	6.10 2.10	$1,464.00 $514.50
Danielle Muise	N/A	$245.00	1.2	$294.00
Patrick Williams	N/A	$160.00	0.6	$96.00

Standard hourly rates listed. However, in certain circumstances adjustments to the account were made.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Court File No. 13-10362-00CL

(Short title of proceeding)

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AFFIDAVIT OF STEVEN L. GRAFF

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Steven L. Graff (LSUC # 31871V)
Tel: 416.865.7726
Fax: 416.863.1515
Email: sgraff@airdberlis.com

Ian Aversa (LSUC # 55449N)
Tel: 416.865.3082
Fax: 416.863.1515
Email: iaversa@airdberlis.com

Lawyers for Grant Thornton Limited, in its capacity as the Monitor of the Applicants

TAB 19

Silver Streams Homes Inc. and Silver Streams Homes (Puccini) Inc.
Actual Results to February 29, 2016 and Projected Cash Flow to November 30, 2016
($CAD, Unaudited)

	Budgeted July7, 2015 - February 29, 2016	Actual July 7, 2015 - February 29, 2016	Notes	Actual December 18, 2013 - February 29, 2016	March 2016	April	May	June	July	August	September	October	November	Cumulative Total
Receipts														
Lot #22														
Closing proceeds, net of deposit collected	-			827,723										827,723
Less: Commission	-			-										-
Lot #25	-			-										-
Gross closing proceeds, net of deposit collected	-			801,705										801,705
Commission payable (3.5% of gross purchase price)	-			-										-
Lot #19 - Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			687,166										687,166
Less: Bonus Sales Team Rep	-			-										-
Lot #23 (PH2) Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			891,428										891,428
Less: Bonus Sales Team Rep	-			(34,637)										(34,637)
Lot #24 (PH2) Deposit	-			35,000										35,000
Closing proceeds, net of deposit collected	-			895,995										895,995
Less: Bonus Sales Team Rep	-			-										-
Lot 20 - Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			757,991										757,991
Less: Bonus Sales Team Rep	-			-										-
Lot #1 - Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			814,221										814,221
Less: Bonus Sales Team Rep	-			-										-
Lot #23 (PH3) Deposit	-			50,000										50,000
Closing proceeds, net of deposit collected	-			925,558										925,558
Less: Bonus Sales Team Rep	-			-										-
Lot 24 - Deposit	-			40,000										40,000
Closing proceeds, net of deposit collected	-			909,946										909,946
Less: Bonus Sales Team Rep	-			-										-
Empty Lot - Deposit	20,000			-					20,000					20,000
Closing proceeds, net of deposit collected	430,000			-						680,000				680,000
Less: Bonus Sales Team Rep	-			-										-
General	-			-										-
Interim financing facility (i.e. DIP loan)	-		1	425,000										425,000
Interest Income	10,000	808		14,843										14,843
HST collected (net of $24k from the HST rebate pr	-			713,623										713,623
Total receipts	460,000	808		8,915,562	-	-	-	-	20,000	680,000	-	-	-	9,615,562
Disbursements														
Lot #22														
Interior finishing cost	-			20,503										20,503
Exterior finishing cost	5,500		2	5,523										5,523
HST (13%)	715			3,383										3,383
Lot #25	-			-										-
Interior finishing cost	-			31,227										31,227
Exterior finishing cost	5,700		2	11,148										11,148
HST (13%)	741			5,509										5,509
Lot #23 Phase 2	-			-										-
Interior finishing cost	-			68,104										68,104
Exterior finishing cost	5,700		2	1,400										1,400
HST (13%)	741			9,036										9,036
Lot #23	-			-										-
Interior finishing cost	-			30,140										30,140
Exterior finishing cost	6,300		2	-										-
HST (13%)	819			3,518										3,518
Lot #24	-			-										-
Interior finishing cost	-			106,235										106,235

Silver Streams Homes Inc. and Silver Streams Homes (Puccini) Inc.
Actual Results to February 29, 2016 and Projected Cash Flow to November 30, 2016
($CAD, Unaudited)

	Budgeted July7, 2015 - February 29, 2016	Actual July 7, 2015 - February 29, 2016	Notes	Actual December 18, 2013 - February 29, 2016	March 2016	April	May	June	July	August	September	October	November	Cumulative Total
Exterior finishing cost	5,700		2	11,206										11,206
HST (13%)	741			15,267										15,267
Lot #20	-			-										-
Interior finishing cost	-			52,600										52,600
Exterior finishing cost	6,100		2	-				400						400
HST (13%)	793			6,838										6,838
Lot #19	-			-										-
Interior finishing cost	-			4,537										4,537
Exterior finishing cost	5,700		2	-										-
HST (13%)	741			590										590
Lot #1	-			-										-
Interior finishing cost	-			70,386										70,386
Exterior finishing cost	5,700		2	2,539										2,539
HST (13%)	741			9,480										9,480
General (projection is inclusive of HST)	-			-										-
HST Paid on general expenses	23,218	15,344		204,931										204,931
Management fees	5,380	1,170		311,477		400		400		400		400		313,077
Marketing salaries for sales office	-			17,975										17,975
Other marketing expenses	-			18,378										18,378
Property taxes	42	1,793		29,896		750		750		750		750		32,896
Insurance	2,500			58,084				1,000						59,084
Office expenses and banking/LC fees	18	67		62,959										62,959
Automotive expenses	-			59,384										59,384
Post-closing service costs re: Lot 17	-			7,500										7,500
Tarion warranty - service and materials for pre-CCA	-			128,218										128,218
Tarion warranty for Homes Sold under CCAA	-			4,000										4,000
Repayment of BMO Mortgage	-			1,110,181										1,110,181
Repayment of Home Trust Mortgage	-			1,340,636										1,340,636
Repayment to Foremost Financial	-			536,433										536,433
Estimated post-CCAA filing HST remittance/(refun	-			589,300										589,300
Source Deductions Per Court-Approved Settlement	-			86,000										86,000
Contingency (15% of construction costs)	851	753		19,065										19,065
Repayment of the interim financing facility	-			483,775										483,775
Commissions	-			92,562										92,562
Professional fees	175,000	116,877		993,925	25,000	15,000	15,000	15,000	15,000	15,000	15,000	25,000	25,000	1,158,925
Total disbursements	259,441	136,004		6,623,847	25,000	16,150	15,000	17,550	15,000	16,150	15,000	26,150	25,000	6,794,847
Net cash inflow/(outflow)	200,559	(135,196)		2,291,716	(25,000)	(16,150)	(15,000)	(17,550)	5,000	663,850	(15,000)	(26,150)	(25,000)	2,820,716
Bank account - opening balance	2,426,912	2,426,912			2,291,716	2,266,716	2,250,566	2,235,566	2,218,016	2,223,016	2,886,866	2,871,866	2,845,716	
Bank account - closing balance	2,627,471	2,291,716			2,266,716	2,250,566	2,235,566	2,218,016	2,223,016	2,886,866	2,871,866	2,845,716	2,820,716	

Term Deposit	2,255,885
Balance in bank	35,831
	2,291,716

Probable Assumptions:

a. The timing of the sale of the balance of the Applicants' remaining property (one empty lot) is uncertain, although it is anticipated that it will be sold before the end of the projection period.

Hypothetical Assumptions:

1 The interim financing facility has been repaid in full.

2 Represents the obligations to complete homes sold post CCAA.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC., 2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC. AND 2147650 ONTARIO INC.

Court File No. CV-13-10362-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceedings commenced at Toronto

TENTH REPORT TO THE COURT OF GRANT THORNTON LIMITED, MONITOR OF THE APPLICANT UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

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