



Court File No. CV-12-9930-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE Ms.

) WEDNESDAY, THE 10<sup>TH</sup>

JUSTICE HAINEY

)  
) DAY OF JULY, 2019

**IN THE MATTER OF THE RECEIVERSHIP OF First Leaside Wealth Management Inc.  
and the Applicants Listed on Schedule "A" (collectively, "First Leaside")**

**ORDER**

**(Settlement Approval)**

**THIS MOTION**, made by Grant Thornton Limited ("GTL") in its capacity as the Court-appointed receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties of First Leaside, for an order, among other things, approving a settlement with First Leaside principals and related parties was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Fifth Report of the Receiver dated February 15, 2018 (the "**Fifth Report**") and the Sixth Report of the Receiver dated June 28, 2019 (the "**Sixth Report**"); and on hearing the submissions of counsel for the Receiver, Representative Counsel and the other parties

on the sign-in sheet, attached, no one else appearing although served as evidenced by the Affidavit of Caitlin McIntyre sworn July 5, 2019, filed:

## **SERVICE**

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

## **SETTLEMENT APPROVAL**

2. **THIS COURT ORDERS** that the settlement agreement dated May 15, 2019 among David Phillips, Margaret Davis, 970877 Ontario Inc., 2346162 Ontario Ltd., John Wilson, Lesley Walker-Wilson, 1495083 Ontario Limited, FL Research Management Inc., the Receiver and A. Farber & Partners Inc., in its capacity as trustee in bankruptcy of Mr. Phillips and Mr. Wilson, (the "**Settlement Agreement**") is hereby approved, including the full and final release attached as Schedule "E" thereto, and the Receiver is hereby authorized and directed to enter into the Settlement Agreement.
3. **THIS COURT ORDERS** that the Receiver is hereby authorized to take such additional steps and execute such additional documents as may be necessary or desirable for the implementation of the Settlement Agreement.
4. **THIS COURT ORDERS** that the Receiver is hereby authorized to serve and file a certificate substantially in the form of Schedule B hereof.

## APPROVAL OF ACTIVITIES

5. **THIS COURT ORDERS** that the activities and conduct of the Receiver occurring prior to the date hereof in relation to First Leaside and these proceedings, as are further particularized in the Fifth Report and the Sixth Report, are hereby ratified and approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

## GENERAL

6. **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, or in any other foreign jurisdiction, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order.



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

## **Schedule A – List of Additional Receivership Applicants**

First Leaside Finance Inc.  
First Leaside Securities Inc.  
F.L. Securities Inc.  
Mill Street Limited Partnership  
Harmony Townhomes Limited Partnership  
First Leaside Management Inc.  
Development Notes Limited Partnership  
Special Notes Limited Partnership  
First Leaside Accounting and Tax Services Inc.  
First Leaside Realty Inc.  
First Leaside Realty Limited Partnership  
First Leaside Realty II Inc.  
First Leaside Investors Limited Partnership  
First Leaside Premier Limited Partnership  
First Leaside Progressive Limited Partnership  
First Leaside Realty II Limited Partnership  
First Leaside Ultimate Limited Partnership  
First Leaside Universal Limited Partnership  
Uxbridge Development Limited Partnership  
First Leaside Retirement Residences Limited Partnership  
First Leaside Venture Limited Partnership  
965010 Ontario Inc.  
Wimberly Apartments Limited Partnership  
1045517 Ontario Inc.  
The Shores Limited Partnership  
1024919 Ontario Inc.  
Old Mill Pond Apartments Limited Partnership  
1031628 Ontario Inc.  
1056971 Ontario Inc.  
The Bluffs of Lakewood Limited Partnership  
1376095 Ontario Inc.  
F.L. Spring Valley Limited Partnership  
1437290 Ontario Ltd.  
First Leaside Partners Limited Partnership  
First Leaside Opportunities Limited Partnership  
1244428 Ontario Ltd.  
Preston Racquet Club Real Estate Limited Partnership Series 910PA  
Preston Racquet Club Real Estate Limited Partnership Series 910PB  
Preston Racquet Club Real Estate Limited Partnership Series 910PC  
Preston Racquet Club Real Estate Limited Partnership Series 910PD  
PrestonOne Development (Canada) Inc.  
PrestonTwo Development (Canada) Inc.  
PrestonThree Development (Canada) Inc.  
PrestonFour Development (Canada) Inc.

1331607 Ontario Inc.  
First Leaside Acquisitions Limited Partnership  
Queenston Manor General Partner Inc.  
Queenston Manor Limited Partnership  
2107738 Ontario Inc.  
First Leaside Advantage Limited Partnership  
2128054 Ontario Inc.  
First Leaside Elite Limited Partnership  
1132413 Ontario Inc.  
First Leaside Entities Limited Partnership  
2067171 Ontario Inc.  
First Leaside Expansion Limited Partnership  
2085306 Ontario Inc.  
First Leaside Growth Limited Partnership  
2086218 Ontario Inc.  
First Leaside Unity Limited Partnership  
First Leaside Visions Management Inc.  
2007804 Ontario Inc.  
First Leaside Wealth Management Limited Partnership  
First Leaside Fund Management Inc.  
F.L. Beverages Group Limited Partnership  
First Leaside Global Limited Partnership  
Special U.S. Notes Limited Partnership  
FLWM Holdings Limited Partnership  
First Leaside Select Limited Partnership  
Cherry Park Retirement Residences Limited Partnership  
First Leaside Retirement Residences (Okanagan) Limited Partnership  
Orchard Valley Retirement Residences Limited Partnership  
The Shores Retirement Residences Limited Partnership  
F.L. PrimeTime Living Limited Partnership  
2004516 Ontario Inc.

Schedule B – Form of Certificate

Court File No. CV-12-9930-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

**IN THE MATTER OF THE RECEIVERSHIP OF First Leaside Wealth Management Inc.  
and the Applicants Listed on Schedule “A” (collectively, “First Leaside”)**

**RECEIVER’S CERTIFICATE**

**RECITALS:**

- A. Pursuant to an Order of Mr. Justice Wilton-Siegel dated December 7, 2012, Grant Thornton Limited was appointed as the receiver, without security, of all of the assets, undertakings and properties of First Leaside (in such capacity, the “**Receiver**”).
- B. On May 15, 2019, David Phillips, Margaret Davis, 970877 Ontario Inc., 2346162 Ontario Ltd., John Wilson, Lesley Walker-Wilson, 1495083 Ontario Limited, FL Research Management Inc., the Receiver and A. Farber & Partners Inc., in its capacity as trustee in bankruptcy of Mr. Phillips and Mr. Wilson, entered into a settlement agreement (the “**Settlement Agreement**”).
- C. The Settlement Agreement was approved by order of \_\_\_\_\_ on July 10, 2019.
- D. Pursuant to the Settlement Agreement, the Receiver is required to file a certificate, evidencing that the terms of the Settlement Agreement have been satisfied.

- E. Unless otherwise indicated, capitalized terms herein shall have the meanings ascribed to them in the Settlement Agreement.

**THE RECEIVER CERTIFIES** the following:

1. Settlement Approval has been granted by the Court, and each of the other terms of the Settlement Agreement have been satisfied.
2. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**GRANT THORNTON LIMITED, SOLELY IN  
ITS CAPACITY AS THE COURT-APPOINTED  
RECEIVER AND MANAGER OF FIRST  
LEASIDE, WITH NO PERSONAL OR  
CORPORATE LIABILITY**

Per: \_\_\_\_\_  
Name:  
Title:

IN THE MATTER OF THE RECEIVERSHIP OF FIRST  
LEASIDE WEALTH MANAGEMENT INC. AND THE  
APPLICANTS LISTED ON SCHEDULE "A".

Court File No: CV-12-9930-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(Commercial List)**

Proceeding commenced at Toronto

**ORDER  
(Settlement Approval)**

**BLAKE, CASSELS & GRAYDON LLP**  
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