

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

THE HONOURABLE MADAM) THURSDAY, THE 15th DAY
JUSTICE CONWAY) OF AUGUST, 2024

B E T W E E N:

FOREMOST MORTGAGE HOLDING CORPORATION

Applicant

- and -

2521311 ONTARIO INC. O.A. TOWNS OF THORNBURY

Respondent

ANCILLARY RELIEF ORDER

THIS MOTION, made by KSV Restructuring Inc. its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertaking, property and assets of 2521311 Ontario Inc. o.a. Towns of Thornbury (the “**Debtor**”), was heard this day via video conference at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated August 8, 2024 (the “**First Report**”) and the appendices thereto and on hearing the submissions of counsel for the Receiver, the Applicant and such other counsel listed on the counsel slip, no one else appearing for any other person on the service list although properly served as appears from the affidavits of Danny Nunes sworn August 9 and 14, 2024, filed:

SERVICE

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.

ESTABLISHMENT OF HOLDBACK FUND

2. **THIS COURT ORDERS** that the Receiver shall hold separately the amount of \$66,713.24 (the “**Lien Holdback Amount**”) from the proceeds of the transaction contemplated by the agreement of purchase and sale dated August 8, 2024 between the Receiver and Louisa Street GP Inc., on behalf of Louisa Street Limited Partnership, as assignee from Foremost Mortgage Holding Corporation (“**Foremost**”), pending the resolution or determination of the *Construction Act* lien claims registered on title to the property municipally known as Lot 10 Louisa Street, Thornbury, ON (the “**Real Property**”) filed by: (i) Cooper Equipment Rentals Limited, bearing instrument no. GY251628; (ii) Weatherall Enterprises Ltd., bearing instrument no. GY252134; and (iii) KFA Architects & Planners Inc., bearing instrument no. GY255908 (the “**Registered Lien Claims**”), or further Court Order.

3. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of the Registered Lien Claims vis a vis the registered mortgage security in favour of Foremost (the “**Foremost Charge**”), the Lien Holdback Amount shall stand in the place and stead of the Real Property, and that from and after the delivery of the Receiver's Certificate, the registered Lien Claims and Foremost Charge shall attach to the Lien Holdback Amount with the same priority as they had with respect to the Real Property immediately prior to the sale and subject to the priority provisions of the Order of the Honourable Justice Cavanagh dated February 5, 2024 and any priority charges granted thereunder, as if the Real Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

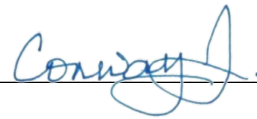
APPROVAL OF ACTIVITIES AND FEES

4. **THIS COURT ORDERS** that the First Report and the activities of the Receiver set out therein are hereby approved provided, however, that only the Receiver, in its personal capacity

and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the First Report, are hereby approved.

6. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.

A handwritten signature in blue ink, appearing to read "Conway J.", is written over a horizontal line.

FOREMOST MORTGAGE HOLDING CORPORATION
Applicant

and

2521311 ONTARIO INC. O.A. TOWNS OF THORNBURY
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
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PROCEEDINGS COMMENCED AT TORONTO

ANCILLARY RELIEF ORDER

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