

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

THE HONOURABLE ) TUESDAY, THE 19TH  
JUSTICE KIMMEL ) DAY OF MARCH, 2024



IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, R.S.C. 1985, C. B-3 AS AMENDED

AND IN THE MATTER OF THE NOTICES OF INTENTION  
TO MAKE A PROPOSAL OF YG LIMITED PARTNERSHIP  
AND YSL RESIDENCES INC. OF THE CITY OF TORONTO,  
IN THE PROVINCE OF ONTARIO

**ORDER**

**THIS MOTION**, made by the Moving Party, Maria Athanasoulis, for an Order allowing an appeal of the Notice of Disallowance issued by the Responding Party, KSV Restructuring Inc. (the "**Proposal Trustee**"), on August 10, 2023 was heard on December 18 and 22, 2023 at the court house, 330 University Avenue, Toronto, Ontario, M5G 1R7.

**ON READING** the motion record dated September 8, 2023, supplementary motion record dated October 31, 2023, factum of the Moving Party dated October 27, 2023, reply factum of the Moving Party dated December 13, 2023, oral argument compendium of the Moving Party dated December 18, 2023, supplementary oral argument compendium of the Moving Party dated December 22, 2023, joint factum of the Class A Limited Partners ("**Class A LPs**") dated November 22, 2023, oral argument compendium of the Class A LPs dated December 15, 2023, costs outline of the Moving Party dated December 28, 2023, the two costs outlines of the Class A LPs dated December 18, 2023, responding record of the Proposal Trustee dated October 16, 2023, supplemental responding record

of the Proposal Trustee dated November 10, 2023, second supplemental responding record of the Proposal Trustee dated December 14, 2023, factum of the Proposal Trustee dated November 10, 2023, oral argument compendium of the Proposal Trustee dated December 15, 2023, and costs outline of the Proposal Trustee dated December 18, 2023.

**ON HEARING** the submissions of counsel for the Moving Party, counsel for the Proposal Trustee, and counsel for both groups of Class A LPs.

1. **THIS COURT ORDERS** that the Notice of Disallowance of the “**Profit Share Claim**” (as defined in paragraph 3(b) of the reasons for decision reported at *YG Limited Partnership and YSL Residences Inc. (Re)*, 2024 ONSC 1617 (the “**Reasons**”)) dated August 10, 2023 is set aside.

2. **THIS COURT DECLARES** that the Profit Share Claim is not an equity claim, and is a provable claim within the meaning of s. 121(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

3. **THIS COURT ORDERS** that the Profit Share Claim is entitled to priority over the claims asserted by the Class A LPs.

4. **THIS COURT DECLARES** that the Profit Share Claim against “**YSL**” (as defined in paragraph 1 of the Reasons) is a valid claim and ought to be allowed in an amount to be determined by further order of this court or by such other process as the court may direct.

5. **THIS COURT ORDERS** that the Moving Party shall be paid forthwith costs of this motion in the amount of \$169,715.93 plus applicable taxes and total disbursements of \$6,812.08 (inclusive of HST) by the Proposal Trustee, subject to further directions from

the court to be provided at a case conference, if requested, regarding by whom, in what proportions and from what source these costs are to be paid.

6. **THIS COURT DIRECTS** that the parties shall arrange a case conference before Justice Kimmel for the purpose of making submissions and receiving directions regarding the process for determination of the amount (valuation) of the Profit Share Claim. Concord Properties Development Corp. (or its counsel) shall also attend this case conference.

7. **THIS COURT DECLARES** that the ongoing civil proceedings among and between the Moving Party and the Class A LPs and members of the “**Cresford Group**” (as defined in paragraph 1 of the Reasons) may continue, subject only to the determinations in the Reasons regarding the validity, provability and priority of the Profit Share Claim.



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by Jessica Kimmel  
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IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF YG LIMITED PARTNERSHIP AND YSL RESIDENCES INC. OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Court File No. BK-21-02734090-0031

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

PROCEEDING COMMENCED AT  
TORONTO

**ORDER**

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Capacity as Proposal Trustee