



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

THE HONOURABLE *MR* ) TUESDAY, THE 16<sup>th</sup> DAY  
JUSTICE *T McGEWON* ) OF NOVEMBER, 2017

BETWEEN:

**CENTURION MORTGAGE CAPITAL CORPORATION**

Applicant

and

**TERRASAN 327 ROYAL YORK RD. LIMITED**

Respondent

**DEPOSIT CLAIMS PROCEDURE ORDER**

**THIS MOTION**, made by BDO Canada Limited, in its capacity as Court appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Terrasan 327 Royal York Rd. Limited (“**Terrasan**”) for an order approving a deposit claims procedure order, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Receiver dated November 13, 2017 and the Sixth Report of the Receiver dated November 13, 2017 (the “**Sixth Report**”), and on hearing the submissions of counsel for the Receiver, and any such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Vanja Ginic sworn November 13, 2017 filed:

## SERVICE

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

## INTERPRETATION

2. **THIS COURT ORDERS** that for the purposes of this Deposit Claims Procedure Order, and the schedules appended herein, the following terms shall have the following meanings:

- (a) **“Purchase Agreement”** means an agreement of purchase and sale between Terrasan and a Purchaser for the sale and purchase of a residential condominium unit at the development located at 327 Royal York Rd., Toronto Ontario and known as *“On the Go Mimico”*;
- (b) **“Business Day”** means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (c) **“Calendar Day”** means a day, including Saturday, Sunday or any statutory holiday;
- (d) **“Certificate”** means the purchaser certificate of identity attached as Schedule “H” herein;
- (e) **“Claims Bar Date”** means 5:00 p.m. (Toronto time) on January 24, 2018, or such later date as may be ordered by the Court;
- (f) **“Claims Package”** means the document package to be sent by the Receiver to all Purchasers which shall include a copy of this Deposit Claims Procedure Order, a Deposit Claim Form, and such other materials and notices as the Receiver may consider necessary or appropriate;
- (g) **“Condominium Act”** means the *Condominium Act* (Ontario), R.S.O. 1998, c. 19, as amended;

- (h) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (i) “**Deposit**” means any monies including, without limitation, deposit monies and monies on account of extras and upgrades paid by a Purchaser pursuant to a Purchase Agreement for a Unit at the Project;
- (j) “**Deposit Claim**” means a claim by a Purchaser in respect of a Deposit, and any other amounts claimed by a Purchaser including claims pursuant to the ONHWPA, the Condominium Act and the MECDIP;
- (k) “**Deposit Claim Form**” means the claim form attached as Schedule “D” herein;
- (l) “**Deposit Claim Payment**” means a payment to a Purchaser in respect of a Proven Deposit Claim;
- (m) “**Deposit Claims Procedure**” means the deposit claims procedure attached as Schedule “B” herein;
- (n) “**Deposit Claims Procedure Order**” means this Deposit Claims Procedure Order;
- (o) “**Deposit Trustee**” means SRLaw, in its capacity as Deposit Trustee;
- (p) “**Guarantee**” means The Guarantee Company of North America;
- (q) “**MECDIP**” means the Master Excess Condominium Deposit Insurance Policy issued by the Guarantee;
- (r) “**Newspaper Notice**” means the newspaper notice to Purchasers, in the form substantially attached as Schedule “C” herein;
- (s) “**Notice of Revision or Disallowance**” means the notice of revision or disallowance, in the form substantially attached as Schedule “E” herein;
- (t) “**Notice of Dispute**” means the notice of dispute, in the form substantially attached as Schedule “F” herein;

- (u) “**ONHWPA**” means the *Ontario New Home Warranties Plan Act* (Ontario), R.S.O. 1990, c. O.31, as amended, and the regulations promulgated thereunder;
- (v) “**Project**” means the residential condominium development located at 327 Royal York Rd., Toronto, Ontario known as “*On the Go Mimico*”;
- (w) “**Proven Deposit Claim**” means the amount and/or validity of a Deposit Claim as finally determined by the Receiver, in consultation with the Guarantee, in accordance with this Deposit Claims Procedure Order, and for greater certainty, a Proven Deposit Claim will be “finally determined” for the purposes of this definition if:
  - (i) a Deposit Claim has been accepted by the Receiver, in consultation with the Guarantee;
  - (ii) the applicable time period for filing a Notice of Dispute has expired; and
  - (iii) the Court has made a determination with respect to the amount and/or validity of a Deposit Claim, and no appeal or application for leave to appeal therefrom has been taken or served, or where such appeal or application for leave to appeal has been dismissed, determined or withdrawn;
- (x) “**Purchaser**” means any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust (including a real estate investment trust), unincorporated organization, joint venture, government or any agency or instrumentality thereof or any other entity, who and/or that entered into a Purchase Agreement;
- (y) “**Receipt**” means the acknowledgment of receipt of funds attached as **Schedule “G”** herein;
- (z) “**Receivership Order**” means the receivership order granted on February 24, 2017 by the Court in these proceedings;

- (aa) “**SRLaw**” means Schneider Ruggiero LLP;
- (bb) “**Tarion**” means the Tarion Warranty Corporation;
- (cc) “**Unit**” means a residential condominium unit at the Project;
- (dd) “**Website**” means <http://www.extranets.bdo.ca/terrasan/>

### **TERMINATION OF PURCHASE AGREEMENT**

3. **THIS COURT ORDERS** that Terrasan has fundamentally breached each and every Purchase Agreement and that each and every Purchase Agreement be and is hereby terminated, to the extent such Purchase Agreement has not otherwise been terminated prior to the date of this Deposit Claims Procedure Order.

### **DEPOSIT FUNDS HELD IN TRUST**

4. **THIS COURT ORDERS** the Deposit Trustee to deliver:
- (a) all remaining funds held in trust by SRLaw in respect of all Deposits received by SRLaw, including all earned interest, to the Receiver (the “**Remaining Deposit Funds**”). The Remaining Deposit Funds shall be deposited into separate bank account held by the Receiver; and
  - (b) all books and records pertaining to the Deposits including, without limitation, the original MECDIP and all applicable endorsements (the “**Trust Records**”);

Upon delivery of the Remaining Deposit Funds and the Trust Records, the Deposit Trustee shall be released and forever discharged for any claims arising in respect of the Remaining Deposit Funds, other than in respect of any claims arising from gross negligence or wilful misconduct.

5. **THIS COURT ORDERS** that within 10 Business Days of the issuance of this Deposit Claims Procedure Order, the Receiver shall deliver correspondence, substantially in the form attached as **Schedule “A”** herein, to each Purchaser that the Receiver has identified, upon review of the Deposit Trustee records, to have a specific claim to deposit funds that form part of the Remaining Deposit Funds (a “**Deposit Trust Claim**”) from the Remaining Deposit Funds.

6. **THIS COURT ORDERS** that upon the Receiver receiving: (i) a properly completed Certificate, and (ii) an executed Receipt, the Receiver shall pay the Deposit Trust Claim to the Purchaser (a “**Deposit Trust Payment**”).

7. **THIS COURT ORDERS** that the Receiver and the Guarantee shall have no liability to any person for a payment made to a Purchaser pursuant to a Deposit Trust Claim: (i) where the identification provided to the Receiver was bogus, forged, tampered with, altered, falsified or counterfeit, and (ii) where the signature applied to a Certificate and / or Receipt was forged or falsified.

8. **THIS COURT ORDERS** that: (i) if a Purchaser does not present two pieces of original current (and not expired) Canadian or provincial government issued identification to the Receiver in accordance with this Deposit Claims Procedure Order, (ii) the Purchaser does not execute a Certificate or Receipt, or (iii) for any reason, the Receiver is not satisfied with the identification of a Purchaser, the Receiver is entitled to refuse to pay a Deposit Trust Claim to the Purchaser which shall be addressed pursuant to a further Order of this Court.

9. **THIS COURT ORDERS** that, in each case where the Receiver makes a payment in relation to a Deposit Trust Claim, the Purchaser (including its heirs, executors and assigns) shall be:

- (a) deemed to absolutely and unconditionally remise, release, acquit and forever discharge Terrasan, Tarion and the Guarantee for any claims for return of a Deposit Trust Claim, including interest thereon, other than in respect of any claims arising from gross negligence or wilful misconduct; and
- (b) forever barred, estopped and enjoined from making, asserting or enforcing any such claim for a Deposit Trust Claim, including interest thereon, against Terrasan, Tarion or the Guarantee and all such claims shall be forever extinguished as against all such parties, other than in respect of any claims arising from gross negligence or wilful misconduct.

10. **THIS COURT ORDERS** that any Purchaser that has a Deposit Trust Claim and a Deposit Claim is subject to paragraphs 5 to 9 of this Deposit Claims Procedure Order in respect

of a Deposit Trust Claim, and paragraphs 11 to 28 of this Deposit Claims Procedure Order in respect of a Deposit Claim.

**DEPOSIT CLAIMS PROCEDURE**

11. **THIS COURT ORDERS** that the Deposit Claims Procedure, attached as **Schedule “B”** herein, is hereby approved and the Receiver is hereby authorized and directed to implement the Deposit Claims Procedure, in conjunction with the Guarantee.

12. **THIS COURT ORDERS** that any Purchaser who fails to deliver a Deposit Claim Form in respect of a Deposit Claim in accordance with this Deposit Claims Procedure Order, on or before the Claims Bar Date shall:

- (a) be forever barred, estopped and enjoined from asserting or enforcing any claim in respect of a Deposit Claim as against Terrasan, Tarion, the Guarantee or the Deposit Trustee, and such Deposit Claim shall be forever extinguished, other than in respect of any claims arising from gross negligence or wilful misconduct; and
- (b) not be entitled to any further notice in respect of the Deposit Claims Procedure or in these proceedings.

13. **THIS COURT ORDERS** that the publication of the Newspaper Notice, the posting of the Claims Package and this Deposit Claims Procedure Order on the Website, and the mailing to the Purchasers of the Claims Package in accordance with the Deposit Claims Procedure and this Deposit Claims Procedure Order, shall constitute good and sufficient service and delivery of: (i) notice of this Deposit Claims Procedure Order, (ii) the Deposit Claims Procedure, and (iii) the Claims Bar Date, on all Purchasers.

14. **THIS COURT ORDERS** that a Deposit Claim Form shall be deemed timely filed only if delivered by registered mail, personal delivery, courier, e-mail (in PDF format) or facsimile transmission so as to actually be received by the Receiver on or before the Claims Bar Date.

15. **THIS COURT ORDERS** except as otherwise provided herein, the Receiver may deliver any notice or other communication to be given under this Deposit Claims Procedure Order to Purchasers by forwarding true copies thereof by ordinary mail, courier, personal delivery,

facsimile or e-mail (in PDF format) to such Purchaser at the address last shown on the books and records of Terrasan, and that any such service or notice by courier, personal delivery, facsimile or e-mail (in PDF format) 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 fifth Business Day after mailing.

16. **THIS COURT ORDERS** that where a Purchaser is represented by counsel, the Receiver may serve or deliver any notice of communication on such counsel in any manner permitted by this Deposit Claims Procedure Order, and service of a notice of communication on counsel shall constitute service on the Purchaser.

17. **THIS COURT ORDERS** that any notice or other communication to be given under this Deposit Claims Procedure Order by a Purchaser to the Receiver shall be in writing in substantially the form (if any) provided for in this Deposit Claims Procedure Order and will be sufficiently given only if delivered by registered mail, courier, personal delivery, facsimile or e-mail (in PDF format) addressed to:

BDO Canada Limited, Court appointed receiver of Terrasan  
123 Front Street West, Suite 1100  
Toronto, ON M5J 2M2  
Fax No.: 416-865-0904  
Email: [onthegomimico@bdo.ca](mailto:onthegomimico@bdo.ca)

18. **THIS COURT ORDERS** that the Receiver is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which Deposit Claim Forms are completed and executed and may, if it is satisfied that a Deposit Claim has been adequately proven, waive strict compliance with the requirements of this Deposit Claims Procedure and this Deposit Claims Procedure Order.

19. **THIS COURT ORDERS** that the Receiver, in addition to its prescribed powers and duties under the Receivership Order, and under any statute, is authorized and directed to take such other actions and fulfill such other roles as are contemplated by the Deposit Claims Procedure and this Deposit Claims Procedure Order.

20. **THIS COURT ORDERS** that the Receiver and the Guarantee shall be entitled to assume and rely upon, without independent investigation, confirmation or verification, the



accuracy, truth, veracity, authenticity, validity and genuineness of: (i) the identification or any other information provided by a Purchaser to the Receiver or the Guarantee pursuant to this Order, and (ii) the signatures applied to a Certificate and / or Receipt by a Purchaser.

21. **THIS COURT ORDERS** that: (i) the Receiver, Tarion and the Guarantee shall have no liability to any person for a payment made to a Purchaser pursuant to a Proven Deposit Claim where the identification provided to the Receiver was bogus, forged, tampered with, altered, falsified or counterfeit, and (ii) the Receiver, Tarion and the Guarantee shall have no liability to any person for a payment made to a Purchaser pursuant to a Proven Deposit Claim where the signature applied to a Certificate and / or Receipt was forged or falsified.

22. **THIS COURT ORDERS** that: (i) if a Purchaser does not present two pieces of original current (and not expired) Canadian or provincial government issued identification to the Receiver and / or the Guarantee (as applicable) in accordance with this Claims Procedure Order, (ii) the Purchaser does not execute a Certificate or Receipt, or (iii) for any reason, the Receiver or the Guarantee is not satisfied with the identification of a Purchaser, the Receiver is entitled to refuse to pay a Deposit Claim to the Purchaser which shall be addressed pursuant to a further Order of this Court.

23. **THIS COURT ORDERS** that, in each case where the Receiver makes a payment in relation to a Proven Deposit Claim in accordance with the Deposit Claims Procedure, the Purchaser (including its heirs, executors and assigns) shall be:

- (a) deemed to absolutely and unconditionally remise, release, acquit and forever discharge Terrasan, Tarion, the Guarantee and the Deposit Trustee for any Deposit Claims or other claims or funds paid on account of the purchase of a Unit in the Project, including interest thereon, other than in respect of any claims arising from gross negligence or wilful misconduct; and
- (b) forever barred, estopped and enjoined from making, asserting or enforcing any such claim for a Deposit Claim or other funds paid to the Deposit Trustee on account of the purchase of a Unit in the Project including interest thereon against Terrasan, Tarion, the Guarantee or the Deposit Trustee and all such claims shall

be forever extinguished as against all such parties, other than in respect of any claims arising from gross negligence or wilful misconduct.

24. **THIS COURT ORDERS** that neither the Receiver, Terrasan, Tarion nor the Guarantee shall incur any liability or obligation as a result of the carrying out of the provisions of this Order, including, without limitation, in respect of Deposit Trust Payments or the refusal to deliver Deposit Trust Payments, the return of Deposits, or refusal to return Deposits pursuant to a Deposit Claim, other than in respect of any gross negligence or wilful misconduct on its part, and that no proceeding shall be commenced or continued against the Receiver, Terrasan, Tarion or the Guarantee in connection with the carrying out of the provisions of this Deposit Claims Procedure Order except with the written consent of the Receiver, Terrasan, Tarion or the Guarantee, as applicable, or with leave of this Court on seven (7) days' notice to the Receiver, Terrasan, Tarion or the Guarantee, as applicable.

25. **THIS COURT ORDERS** that nothing in this Order shall in any way: (a) affect, or derogate from the rights and obligations of the parties to the Tarion Warranty Corporation Bond, being bond number TM5120055 dated July 18, 2013 issued by the Guarantee in favour of Tarion, or (b) detract from or in any way alter the limitation of Tarion's liability contained in the ONHWPA.

26. **THIS COURT ORDERS** that all payments made in relation to a Proven Deposit Claim in accordance with the Claims Deposit Procedure shall be deemed to be in full and final satisfaction of any Deposit Claim the Purchaser may have in respect of the return of a Deposit Claim, and that: (i) Tarion shall have no further liability or obligation in respect of such claim pursuant to the ONHWPA; and (ii) the Guarantee, shall have no further liability or obligation in respect of such claim pursuant to the MECDIP.

27. **THIS COURT ORDERS** that upon the Receiver having concluded the Deposit Claims Procedure and all Proven Deposit Claims having been paid by the Receiver, the Receiver shall deliver up the MECDIP to the Guarantee for cancellation and any liability of the Guarantee thereunder shall be released.

28. **THIS COURT ORDERS** that the Receiver, Terrasan, Tarion and the Guarantee are hereby authorized and directed to cooperate and share information with each respective party, including information with respect to Purchasers, Deposit Claims and Deposit Trust Claims, to assist in the administration and processing of Deposit Claims, Deposit Trust Claims and any other claims asserted pursuant to the Deposit Claims Procedure.

29. **THIS COURT ORDERS** that once the Receiver, in conjunction with the Guarantee, has determined a Proven Deposit Claim pursuant to this Deposit Claims Procedure Order, the Guarantee shall provide the Receiver with a consent, substantially in the form attached as **Schedule "I"** herein, wherein it shall provide its consent to the Receiver to pay out such Proven Deposit Claim on behalf of the Guarantee from the receivership estate to the applicable Purchaser. The Receiver shall obtain a further Order of this Court authorizing and directing the Receiver to complete Deposit Claim Payments to Purchasers.

30. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in respect of the terms of this Order and in carrying out the terms of this Order.

31. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver, Terrasan, the Guarantee and Tarion, 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 Receiver, Terrasan, the Guarantee and Tarion, and their respective agents, as may be necessary or desirable to give effect to this Order or to assist the Receiver, Terrasan, the Guarantee and Tarion, and their respective agents, in carrying out the terms of this Order

A handwritten signature in black ink, appearing to be 'M. G.', written over a horizontal line.

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

NOV 16 2017

Handwritten initials 'MB' in black ink.

PER / PAR:

**SCHEDULE "A"**  
**Deposit Trust Claim Correspondence**

**TO:** (Insert Purchaser Contact Information)

**RE: Notice to Purchaser of Condominium Unit at *On The Go Mimico* re: Deposit Funds Held in Trust**

On February 24, 2017, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") appointed BDO Canada Limited as receiver and manager (the "**Receiver**") of all the assets, undertakings and properties of Terrasan 327 Royal York Rd. Limited ("**Terrasan**"), including the lands municipally known as 327 Royal York Road, Toronto, Ontario (the "**Lands**"), whereupon Terrasan was to develop the condominium project known as "*On The Go Mimico*" (the "**Project**").

On November 16, 2017, the Court granted a further order, prescribing the process by which the identity and status of all deposit claims of purchasers, with a valid and enforceable agreement of purchase and sale for the purchase of a condominium unit from Terrasan, is established for the purposes of the receivership proceedings (the "**Deposit Claims Procedure Order**"). A copy of the Deposit Claims Procedure Order may be accessed online at <http://www.extranets.bdo.ca/terrasan/courtdocs.cfm>

Capitalized terms not defined herein have the meaning given to those terms in the Deposit Claims Procedure Order.

Pursuant to paragraph 5 of the Deposit Claims Procedure Order, the Receiver has identified you, upon review of the Deposit Trustee records, to have a specific claim to deposit funds forming part of the Remaining Deposit Funds. According to the Deposit Trustee records, the Receiver is notifying you that the amount of \$ \_\_\_\_\_ is currently forming part of the Remaining Deposit Funds to your credit and that you are entitled to the return of those funds pursuant to your Deposit Trust Claim.

You are requested to contact the Receiver as soon as possible. The Receiver's contact information is below:

BDO Canada Limited, Court appointed receiver of Terrasan  
123 Front Street West, Suite 1100  
Toronto, ON M5J 2M2  
Fax No.: 416-865-0904  
Email: [onthegomimico@bdo.ca](mailto:onthegomimico@bdo.ca)

Please review the provisions of the Deposit Claims Procedure Order relating to payments made in respect of a Deposit Trust Claim. Note that the Receiver will require the delivery of an

executed Certificate and Receipt prior to the release of funds on account of a Deposit Trust Claim.

If you have any questions or concerns, please do not hesitate to contact the Receiver attention: Katarina Masciantonio at (416) 369-6129.

**SCHEDULE "B"**  
**Deposit Claims Procedure**

**Notice of Deposit Claims Procedure**

1. The Receiver shall cause a Claims Package to be sent to each known Purchaser, to the last known address or contact information contained in the Terrasan records, by regular mail, fax, courier or email (in PDF format) on or before November 24, 2017;
2. The Receiver shall cause the Newspaper Notice to be published in the Globe and Mail and Toronto Star on or before November 24, 2017;
3. The Receiver shall post the Claims Package on the Website on or before November 24, 2017;
4. The Receiver shall send a Claims Package to any person requesting such material as soon as reasonably practicable on receipt of a written request for a Claims Package from such person;

**Filing of Deposit Claim Form and Determination**

5. Every Purchaser asserting a Deposit Claim pursuant to this Deposit Claims Procedure shall set out its aggregate Deposit Claim in a written Deposit Claim Form, and shall deliver that Deposit Claim Form so that it is received by the Receiver no later than the Claims Bar Date, failing which such Purchaser shall stand forever barred, estopped, and enjoined from asserting or enforcing any Deposit Claim against Terrasan, Tarion and the Guarantee, and such claim shall be forever extinguished, subject to the terms of the Deposit Claims Procedure Order.
6. The Receiver shall send a copy of each and every completed Deposit Claim Form to the Guarantee for the review and evaluation of the Deposit Claim asserted by the Purchaser pursuant to this Deposit Claims Procedure. The Receiver, in consultation with the Guarantee, shall accept, revise or disallow the claim set out in such Deposit Claim Form. As part of the Receiver's evaluation of a Deposit Claim Form, the Receiver may consider, without limitation, the following materials:
  - (a) the agreement of purchase and sale entered into between Terrasan and the Purchaser;
  - (b) the proof of deposit payment(s) provided by the Purchaser;
  - (c) the records of the Deposit Trustee;

- (d) the identification provided by the Purchaser; and
  - (e) all documentation attached to the Deposit Claim Form in support of the amounts claimed by the Purchaser.
7. The Receiver shall provide notification to the Guarantee of the Receiver's determination of a Deposit Claim, as soon as reasonably practical.
  8. The Receiver, in consultation with the Guarantee, may attempt to resolve the amount of a Deposit Claim submitted pursuant to this Deposit Claims Procedure through negotiations with the Purchaser in respect of such claim, either before or after accepting, revising or disallowing such Deposit Claim.
  9. If the Receiver accepts a Deposit Claim as set forth in a Deposit Claim Form submitted to the Receiver in accordance with this Deposit Claims Procedure, that Deposit Claim shall be a Proven Deposit Claim.
  10. If the Receiver, in consultation with the Guarantee, chooses to revise or disallow a Deposit Claim as set forth in a Deposit Claim Form, the Receiver shall advise the Purchaser asserting such Deposit Claim of the determination by sending a Notice of Revision or Disallowance to such Purchaser.
  11. Any Purchaser who disputes the amount of its Deposit Claim as set forth in a Notice of Revision or Disallowance, shall deliver a Notice of Dispute to the Receiver by 5:00 p.m. (Toronto time) on the day that is fifteen (15) Calendar Days after the date of the Notice of Revision or Disallowance.
  12. Any Purchaser who fails to deliver a Notice of Dispute by the deadline set forth in paragraph 11 shall be deemed to accept the amount of its Deposit Claim as set out in the Notice of Revision or Disallowance and such Deposit Claim as set out in the Notice of Revision or Disallowance shall constitute a Proven Deposit Claim.
  13. Upon receipt of a Notice of Dispute, the Receiver shall send a copy to the Guarantee, as soon as reasonably practicable, and the Receiver, in consultation with the Guarantee, may attempt to resolve the amount of the disputed Deposit Claim with the Purchaser on a consensual basis.
  14. If a Deposit Claim is resolved by consent between the Receiver, the Guarantee and the Purchaser, the Receiver may accept a revised Deposit Claim Form setting forth the agreed amount of the Deposit Claim, and such settled Deposit Claim shall be a Proven Deposit Claim.

15. In the event the Receiver, the Guarantee and the Purchaser are not able to resolve the Deposit Claim amount and matters arising pursuant to the Notice of Dispute, the Purchaser shall schedule a motion before the Court, supported by an Affidavit setting out the basis for the Purchaser's Deposit Claim and dispute, to be heard not later than 30 Calendar Days following the delivery of the Notice of Dispute by the Purchaser to the Receiver. The Purchaser must serve the motion materials upon the Receiver and the Guarantee. In the event the Purchaser fails to schedule the motion by the aforementioned deadline, the Purchaser shall be deemed to accept the amount of the Deposit Claim as set out in the Notice of Revision and Disallowance.

**Return of Deposit Monies / Claim**

16. Upon a Deposit Claim Form being determined a Proven Deposit Claim, the Guarantee shall execute a consent, substantially in the form attached as **Schedule "I"**, consenting to the Receiver paying out such Proven Deposit Claim on behalf of the Guarantee to the applicable Purchaser (subject to further Order of the Court), upon receipt of the following:
  - (a) proof of the Purchaser's identity by providing a fully and properly completed Certificate; and
  - (b) an executed Receipt.



**SCHEDULE "C"**  
**Newspaper Notice**

**NOTICE OF DEPOSIT CLAIMS PROCEDURE IN THE RECEIVERSHIP  
OF TERRASAN 327 ROYAL YORK RD. LIMITED ("TERRASAN")**

On February 24, 2017, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") appointed BDO Canada Limited as receiver and manager (the "**Receiver**") of all the assets, undertakings and properties of Terrasan, including the lands municipally known as 327 Royal York Road, Toronto, Ontario, whereupon Terrasan was to develop the condominium project known as "*On The Go Mimico*".

On November 16, 2017, the Court granted a further Order, prescribing the process by which the identity and status of all deposit claims of purchasers, with a valid and enforceable agreement of purchase and sale for the purchase of a condominium unit from Terrasan. A copy of the Deposit Claims Procedure Order may be accessed online at <http://www.extranets.bdo.ca/terrasan/courtdocs.cfm>

Pursuant to the Deposit Claims Procedure Order, the Receiver is required, by November 24 2017, to send a Claims Package to each known Purchaser, with instructions regarding a deposit claims procedure whereby a Purchaser can submit and prove a Deposit Claim Form. In addition, the Deposit Claims Procedure Order requires the Receiver to publish this notice, in order to give notice of this proceeding to all Purchasers.

If you wish to assert a Deposit Claim, you may request a Claims Package by submitting a request in writing to the Receiver at the following address:

BDO Canada Limited, Court appointed receiver of Terrasan  
123 Front Street West, Suite 1100  
Toronto, ON M5J 2M2  
Fax No.: 416-865-0904  
Email: [onthegomimico@bdo.ca](mailto:onthegomimico@bdo.ca)

All Purchasers who wish to assert a Deposit Claim must submit a completed Deposit Claim Form to the Receiver at the above address on or before 5:00 PM (Toronto Time) on January 24, 2018 (the "**Claims Bar Date**"), in accordance with the Deposit Claims Procedure Order.

**If you are a Purchaser, and you do not submit a Deposit Claim Form to the Receiver on or before the Claims Bar Date, your Deposit Claim will be forever barred and extinguished.**

**SCHEDULE "D"**  
**Deposit Claim Form**

**IN THE MATTER OF THE RECEIVERSHIP OF TERRASAN 327 ROYAL YORK RD.  
LIMITED ("Terrasan")**

Regarding the claim of \_\_\_\_\_ (the "**Purchaser**")

All notices or correspondence regarding this claim are to be forwarded to the Purchaser at the following address:

\_\_\_\_\_  
\_\_\_\_\_

Telephone Number: (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Email address: \_\_\_\_\_

Attention (Contact Person): \_\_\_\_\_

(All future correspondence will be delivered to the designated email address unless the Purchaser specifically requests hard copies)

Please provide hard copies of correspondence to the address above.

I, \_\_\_\_\_ (name of Purchaser), of \_\_\_\_\_  
(City, Province or State), do hereby certify that:

1. The Purchaser has received a Claims Package from the Receiver, and wishes to assert a Deposit Claim.
2. I am the Purchaser.

**OR**

I am \_\_\_\_\_ (position/title) of the Purchaser:

3. I have knowledge of all the circumstances connected with the Deposit Claim referred to in this Deposit Claim Form.
4. A copy of the agreement of purchase and sale, including all amendments, exhibits, addendums or modifications, entered into between the Purchaser and Terrasan is attached as **Schedule "A"** herein (the "**Purchase Agreement**").

5. The Purchaser states that it has delivered a Deposit Claim to Terrasan in the total sum of \$\_\_\_\_\_ (CDN) as evidenced by the proof of the deposit amount(s) paid attached as **Schedule "B"** herein (by way of a cancelled cheque, or other form of proof from a financial institution to confirm that a deposit was paid by the Purchaser named on the Purchase Agreement) and the other proof attached hereto.
6. The Purchaser acknowledges and agrees that in each case where the Receiver makes a payment in relation to a Proven Deposit Claim in accordance with the Deposit Claims Procedure, the Purchaser (including its heirs, executors and assigns) shall be: (a) deemed to absolutely and unconditionally remise, release, acquit and forever discharge Terrasan, Tarion and the Guarantee for any Deposit Claims, claims for return of Deposit or other claims or funds paid on account of the purchase of a Unit in the Project, including interest thereon; and (b) forever barred, estopped and enjoined from making, asserting or enforcing any such claim for a Deposit Claim or other funds paid to SRLaw on account of the purchase of a Unit in the Project including interest thereon against Terrasan, Tarion or the Guarantee and all such claims shall be forever extinguished as against all such parties.
7. All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.
8. This Deposit Claim Form must be received by the Receiver by no later than 5:00 p.m. (Toronto Time) on January 24, 2018 by either registered mail, personal delivery, courier, email (in PDF format) or facsimile transmission at the following address:

The Receiver:

BDO Canada Limited, Court appointed receiver of Terrasan  
123 Front Street West, Suite 1100  
Toronto, ON M5J 2M2  
Fax No.: 416-865-0904  
Email: [onthegomimico@bdo.ca](mailto:onthegomimico@bdo.ca)

**Failure to file your Deposit Claim Form and required documentation as directed above will result in your Deposit Claim being forever barred and you will be prohibited from making or enforcing a Deposit Claim against Terrasan, Tarion and the Guarantee and shall not be entitled to further notice or distribution, if any, and shall not be entitled to participate in these proceedings.**

Name of Purchaser:

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Witness Signature

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Per:

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Name:

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Title:

(Please Print)

**SCHEDULE "E"**  
**Notice of Revision or Disallowance**

**TO:** \_\_\_\_\_ (the "**Purchaser**")

**DATE:**

**DEPOSIT CLAIM NO.**

**IN THE MATTER OF THE RECEIVERSHIP OF TERRASAN 327 ROYAL YORK RD.  
LIMITED ("TERRASAN")**

Take notice that BDO Canada Limited, in its capacity as court-appointed receiver of Terrasan (the "**Receiver**") and the Guarantee have reviewed the Deposit Claim in respect of the above-named Purchaser, and has assessed the Deposit Claim Form in accordance with the order of the Superior Court of Ontario (Commercial List) issued on November 16, 2017 (the "**Deposit Claims Procedure Order**").

All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.

The Receiver and the Guarantee have reviewed your Deposit Claim Form in accordance with the Deposit Claims Procedure Order, and the Receiver has revised or disallowed your Deposit Claim, for the following reason(s):

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Subject to further dispute by you in accordance with the Deposit Claims Procedure Order, your Deposit Claim will be allowed as follows:

Name of Purchaser	Claim Amount per Deposit Claim Form	Amount of Deposit Claim revised / disallowed
	\$	\$

**IF YOU WISH TO DISPUTE THE REVISION OR DISALLOWANCE OF YOUR DEPOSIT CLAIM AS SET FORTH HEREIN YOU MUST TAKE THE STEPS OUTLINED BELOW**

The Deposit Claims Procedure Order provides that if you disagree with the revision or disallowance of your claim as set forth herein, you must:

1. before 5:00 P.M. on the fifteenth (15th) Calendar Day after your receipt of this Notice of Revision or Disallowance, whichever is earlier, deliver to the Receiver a completed Notice of Dispute; and
2. file an application with the Court, with copies to be sent to the Receiver immediately after filing, with such application to be:
  - i. supported by an affidavit setting out the basis for disputing this Notice of Revision or Disallowance; and
  - ii. returnable within thirty (30) Calendar Days of the date on which the Receiver receives your completed Notice of Dispute.

If you do not dispute the revision or disallowance of your Deposit Claim in accordance with the above instructions and the Deposit Claims Procedure Order, the amount of your Deposit Claim will deemed to be accepted, and the Deposit Claim shall be a Proven Deposit Claim in the amount set forth herein.

If you have any questions or concerns regarding the Deposit Claims Procedure, please contact the Receiver directly.

**DATED** the \_\_\_\_ day of \_\_\_\_\_, 2017

**BDO CANADA LIMITED**, in its capacity as  
Receiver of Terrasan 327 Royal York Rd. Limited.

Per: \_\_\_\_\_

**SCHEDULE "F"**  
**Notice of Dispute**

**TO:** BDO Canada Limited., in its capacity as Court-Appointed Receiver of Terrasan 327 Royal York Rd. Limited (the "**Receiver**")

**DATE:**

**PROOF OF CLAIM NO.:**

**CLAIMANT:** \_\_\_\_\_ (the "**Purchaser**")

**IN THE MATTER OF THE RECEIVERSHIP OF TERRASAN 327 ROYAL YORK RD. LIMITED ("Terrasan")**

Pursuant to the Deposit Claims Procedure Order dated November 16, 2017, the Purchaser hereby gives notice that it disputes the Notice of Revision or Disallowance dated \_\_\_\_\_, 2017, issued by the Receiver.

The Purchaser disputes the Deposit Claim as revised or disallowed in the said Notice of Revision or Disallowance as follows:

Amount of Revised Deposit Claim accepted by Receiver	Amount of Revised Deposit Claim as disputed
\$	\$

Reason for the dispute (*attach copies of any supporting documentation*)

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Address for service of Notice of Dispute of Revision or Disallowance:

BDO Canada Limited, Court appointed receiver of Terrasan  
123 Front Street West, Suite 1100  
Toronto, ON M5J 2M2  
Fax No.: 416-865-0904  
Email: [onthegomimico@bdo.ca](mailto:onthegomimico@bdo.ca)

Pursuant to the Deposit Claims Procedure:

1. the Purchaser has commenced an application with the Court to resolve the dispute over its Deposit Claim as set forth herein, and will serve the Receiver with application materials under separate cover; and
2. The return date for the Purchaser's application is \_\_\_\_\_, 2018.

All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.

**THIS FORM AND ANY REQUIRED SUPPORTING DOCUMENTATION MUST BE RETURNED TO THE RECEIVER BY REGISTERED MAIL, PERSONAL SERVICE, EMAIL (IN PDF FORMAT), FACSIMILE OR COURIER TO THE ABOVE-NOTED ADDRESS, AND MUST BE RECEIVED BY THE RECEIVER BEFORE 5:00 PM ON THE THIRTIETH (30) CALENDAR DAY AFTER THE DATE OF THE NOTICE OF REVISION OR DISALLOWANCE.**

DATED this \_\_\_\_ day of \_\_\_\_\_, 2017

\_\_\_\_\_  
Witness

Per: \_\_\_\_\_  
(Name of Purchaser )

\_\_\_\_\_  
(if Purchaser is not an individual print name and titled of authorized signatory)

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**SCHEDULE "G"**  
**Acknowledgement of Receipt of Funds**

**TO: BDO CANADA LIMITED, in its capacity as Court appointed receiver and manager of Terrasan 327 Royal York Rd. Limited ("Terrasan")**

**AND TO: THE GUARANTEE COMPANY OF NORTH AMERICA**

**AND TO: TARION WARRANTY CORPORATION**

**RE: Purchaser: [INSERT NAME OF PURCHASER(S)]**

**Project: *On the Go Mimico***

**Property: Unit [INSERT UNIT #], Level [INSERT LEVEL #] being Residential Dwelling Suite [INSERT SUITE #]**

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**THE UNDERSIGNED HEREBY ACKNOWLEDGES RECEIPT** of the Deposit Monies in the total amount of \$ [INSERT AMOUNT OF CHEQUE] by way of cheque from BDO Canada Limited, in its capacity as Court appointed receiver manager of Terrasan, dated \_\_\_\_\_, 2018.

All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.

The undersigned acknowledges and agrees that where the Receiver makes a payment in relation to a Proven Deposit Claim in accordance with the Deposit Claims Procedure, the undersigned (including its heirs, executors and assigns) shall be: (a) deemed to absolutely and unconditionally remise, release, acquit and forever discharge Terrasan, Tarion and the Guarantee for any Deposit Claims, claims for return of a Deposit or other claims or funds paid on account of the purchase of a Unit in the Project, including interest thereon; and (b) forever barred, estopped and enjoined from making, asserting or enforcing any such claim for a Deposit Claim or other funds paid to SRLaw on account of the purchase of a Unit in the Project including interest thereon against Terrasan, Tarion or the Guarantee and all such claims shall be forever extinguished as against all such parties.

This Receipt may be signed and transmitted by facsimile transmission, similar system reproducing the original, or electronic mail, provided that all such documents have been properly executed by the appropriate parties. The party transmitting any such document(s) shall also provide the original executed version(s) of same to the recipient within 2 Business Days upon the recipient's request.

DATED \_\_\_\_\_, 2017.

**SIGNED, SEALED AND DELIVERED**

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Signature

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Name (Please Print)

**SCHEDULE "H"**  
**Purchaser Certificate of Identity**

**TO:** BDO CANADA LIMITED, in its capacity as Court appointed receiver and manager of Terrasan 327 Royal York Rd. Limited

**AND TO:** THE GUARANTEE COMPANY OF NORTH AMERICA (the "Guarantee")

**AND TO:** TARION WARRANTY CORPORATION ("Tarion")

**RE:** Return of Deposit Monies in the amount of \$ [INSERT DEPOSIT AMOUNT] (the "Deposit Monies"). Execution of the Acknowledgement of Receipt of Funds (the "Receipt")

**Purchaser:** [INSERT NAME OF PURCHASER(S)] (the "Purchaser")

**Project:** *On the Go Mimico*

**Property:** Unit [INSERT UNIT #], Level [INSERT LEVEL #] being Residential Dwelling Suite [INSERT SUITE #]

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I \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_, 2017 did appear at the offices of the Receiver and provide the following documentation to prove identity:

- 1) Insert the information for one piece of Canadian government issued photo identification (that is valid, current and not-expired) that has the first name and surname that matches the first name and surname of the Purchaser as contained in the Purchase Agreement:

ID Type: \_\_\_\_\_ ID No. \_\_\_\_\_

**AND**

- 2) One piece of Canadian government issued identification (that is valid, current and not-expired) that:
  - a. has the first name and surname that matches the first name and surname of the Purchaser as contained in the Purchase Agreement; and
  - b. that matches the Purchaser's address contained in the Purchase Agreement.

ID Type: \_\_\_\_\_ ID No. \_\_\_\_\_

Copies of the above noted pieces of identification are attached hereto.

I warrant and represent that the above noted pieces of identification are not bogus, forged, tampered with, altered, falsified or counterfeit and confirm that I am one and the same person that has executed the Receipt.

This Certificate is delivered pursuant to the Deposit Claims Procedure set out in the Order of the Ontario Superior Court of Justice dated November 16, 2017 in Court File No. CV-17-11679-00CL.

I understand that, upon receipt of the payment from the Receiver pursuant to the Proven Deposit Claim, the Purchaser (including its heirs, executors and assigns) shall be:

1. deemed to absolutely and unconditionally remise, release, acquit and forever discharge Terrasan, Tarion and the Guarantee in respect of a Deposit Claim; and
2. be forever barred, estoppel and enjoined from making, asserting or enforcing any such Deposit Claim against Terrasan, Tarion or the Guarantee and all such claims shall be forever extinguished as against all such parties.

All capitalized terms not defined herein have the meaning given to such terms in the Deposit Claims Procedure Order.

**SIGNED, SEALED AND DELIVERED**

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Purchaser's Signature

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Purchaser's Name (Please Print)

**SCHEDULE "I"**

**Consent**

**TO:** BDO CANADA LIMITED, in its capacity as Court appointed receiver and manager of Terrasan 327 Royal York Rd. Limited (the "Receiver")

**RE:** Consent and authorization of the undersigned regarding payment by the Receiver to [INSERT NAME OF PURCHASER(S)] (the "Purchaser") in the amount of \$ [INSERT PROVEN DEPOSIT CLAIM AMOUNT] (the "Proven Deposit Claim")

**Project:** *On the Go Mimico*

**Property:** Unit [INSERT UNIT #], Level [INSERT LEVEL #] being Residential Dwelling Suite [INSERT SUITE #]

The undersigned hereby consents to the Receiver to pay the amount of the Proven Deposit Claim to the Purchaser.

DATED the \_\_\_\_ day of \_\_\_\_\_, 2018

**THE GUARANTEE COMPANY  
OF NORTH AMERICA**

Per: \_\_\_\_\_  
"I have authority to bind the Company"

”

**CENTURION MORTGAGE CAPITAL CORPORATION**

- and -

**TERRASAN 327 ROYAL YORK RD. LIMITED**

Applicant

Respondent

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

PROCEEDING COMMENCED AT TORONTO

**DEPOSIT CLAIMS PROCEDURE ORDER**

**DENTONS CANADA LLP**  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, ON M5K 0A1

**Robert J. Kennedy** (LSUC #474070)  
Tel: (416) 367-6756  
Fax: (416) 863-4592  
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**Vanja Ginic** (LSUC #69981W)  
Tel: (416) 367-4673  
[vanja.ginic@dentons.com](mailto:vanja.ginic@dentons.com)

*Lawyers for the Receiver*