



Court File No. CV-23-00711609-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

TUESDAY, THE 7TH

JUSTICE CONWAY

)

DAY OF JANUARY, 2025

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

and

TORONTO ARTSCAPE INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C.43

ANCILLARY ORDER

THIS MOTION, made by msi Spergel inc. in its capacity as the Court-Appointed Receiver (in such capacity, the "**Receiver**") of certain properties of Toronto Artscape Inc. (the "**Debtor**") for, among other things, an order approving the Second Report of the Receiver dated December 20, 2024 and other relief was heard by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion herein, the First Report of the Receiver dated April 22, 2024 and the Appendices and Confidential Appendices thereto (the "**First**

Report") and the Second Report of the Receiver dated December 20, 2024 and the Appendices and Confidential Appendices thereto (the "**Second Report**") and on hearing the submissions of the lawyers for the Receiver and other interested parties,

1. **THIS COURT ORDERS** that the Second Report and the activities of the Receiver as set out in the Second Report are hereby approved, provided 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 the approval of the Receiver's actions and activities.
2. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements as at December 3, 2024, is hereby approved.
3. **THIS COURT ORDERS** that the Receiver's Borrowing Charge (as defined in the Receivership Order dated January 11, 2024) is hereby increased from \$600,000 to \$670,000 *nunc pro tunc*.
4. **THIS COURT ORDERS** that the repayment of amounts borrowed by the Receiver under the Receiver's Certificates provided for in the Receivership Order is hereby authorized.
5. **THIS COURT ORDERS** that the Confidential Appendices attached to the First Report, which were sealed pursuant to paragraph 5 of the Order of Justice Steele dated April 25, 2024 (attached as Appendix 3 to the Second Report) shall remain sealed pending the completion of the sale of all properties listed in paragraph 4 of the Second Report or further order of the court.

6. **THIS COURT ORDERS** that the Confidential Appendices attached to the Second Report are hereby sealed pending the closing of the transactions described in the Second Report or further order of the court.

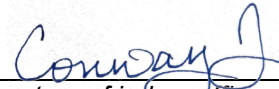
7. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make a distribution to First Ontario Credit Union Limited ("**FOCU**"), or such other party, as directed by FOCU, upon the closing of the transactions contemplated by the Agreements of Purchase and Sale attached as Appendices 7 – 17 to the Second Report, to repay the First Mortgage held by FOCU over these properties.

8. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make a distribution to Community Forward Fund ("**CFF**"), or such other party, as directed by CFF upon the closing of the sale transactions contemplated by the Agreements of Purchase and Sale attached as Appendices 7 and 8 to the Second Report to repay the Second Mortgage held by CFF over these properties.

9. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make a distribution to the City of Toronto in the amount of \$63,890, plus any other amounts accrued at the closing of the transactions contemplated by the Agreements of Purchase and Sale attached as Appendices 7 to 17 to the Second Report for outstanding realty taxes.

10. **THIS COURT ORDERS** that the fees and disbursements of the Receiver in the amount of \$355,164.43, inclusive of HST as set out in the Fee Affidavit of Trevor Pringle attached as Appendix 20 to the Second Report are hereby approved.

11. **THIS COURT ORDERS** that that the fees and disbursements of Minden Gross LLP and Fogler, Rubinoff LLP, as legal counsel to the Receiver in the amounts of \$6,870.40 and \$305,769.90 respectively, inclusive of HST, as set out in the Fee Affidavit of Rachel Moses attached as Appendix 21 to the Second Report are hereby approved.



(Signature of judge, officer or registrar)

THE TORONTO-DOMINION BANK
Applicant

-and- TORONTO ARTSCAPE INC.
Respondent

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PROCEEDING COMMENCED AT TORONTO

ANCILLARY ORDER

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