

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**THE HONOURABLE MR.                    )                    THURSDAY THE 26<sup>th</sup> DAY**  
  )                      
**JUSTICE CUMMING                    )                    OF MAY 2011**

**B E T W E E N:**

**ONTARIO SECURITIES COMMISSION**

**Applicant**

**- and -**

**1694479 ONTARIO INC. and 1694487 ONTARIO LIMITED**

**Respondents**

**ORDER**

**(Approval of Distribution and Claim and Distribution Officer's Discharge)**

**THIS MOTION** made by BDO Canada Limited, in its capacity as the Claims and Distribution Officer (the "CDO") in respect of the Funds (as defined herein) for the relief sought in its Notice of Motion herein dated May 20, 2011, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the First Report of the CDO dated April 13, 2011 and the Appendices thereto (the "First Report"), Supplemental Report to the First Report dated May 25, 2011 and the Appendices thereto (the "Supplemental Report"), the Affidavit of the CDO and its counsel as to fees (the "Fee Affidavits") and on hearing the submissions of counsel for the CDO, no one else appearing although served as evidenced by the Affidavits of Maria Magni sworn May 20, 2011, and May 25, 2011, filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein be and is hereby abridged such that this Motion is properly returnable today, that all parties entitled to notice of the Motion have been duly served with notice, that no other parties are affected by this Order, and that any requirement for service of the Notice of Motion and the Motion Record upon any party other than the parties served is unnecessary and is hereby dispensed with and that the service of the Notice of Motion and the Motion Record is hereby validated in all respects.
2. **THIS COURT ORDERS** that the conduct and activities of the CDO, as set out in the First Report and the Supplemental Report, be and they are hereby approved.
3. **THIS COURT ORDERS** that the CDO be and it is hereby authorized and directed to make a distribution (the "Distribution") of the funds held in two accounts at the Royal Bank of Canada in the names of the Respondents (the "Funds"), which Funds are subject to the Direction issued by the OSC on September 8, 2009 and which are in the CDO's control and possession, to those parties who have proven claims with the CDO in accordance with the First Report and the Supplemental Report.
4. **THIS COURT ORDERS** that the CDO's acceptance of the Late Claim and the Additional Late Claims, as defined in the First Report and the Supplemental Report, be and it is hereby approved.
5. **THIS COURT ORDERS** that upon completion of the Distribution and upon the CDO filing a certificate certifying that it has completed the other activities described in the First Report and the Supplemental Report, in the form attached hereto as Schedule "A", the CDO shall be discharged as CDO in respect of the Funds, provided, however, that notwithstanding its discharge herein (a) the CDO shall remain the CDO for the performance of such incidental duties as may be required to complete the administration of the CDO's mandate herein, and (b) the CDO shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of BDO Canada Limited in its capacity as the CDO.

6. **THIS COURT ORDERS** that the CDO's Statement of Receipts and Disbursements for the period of November 9, 2010 to April 13, 2011 be and is hereby approved.
7. **THIS COURT ORDERS** that the fees and disbursements of the CDO and its legal counsel, as set out in the First Report and the Fee Affidavits, be and they are hereby assessed and allowed as filed.
8. **THIS COURT ORDERS AND DECLARES** that BDO Canada Limited is hereby released and discharged from any and all liability that BDO Canada Limited now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of BDO Canada Limited while acting in its capacity as the CDO, save and except for liabilities arising from gross negligence or wilful misconduct. Without limiting the generality of the foregoing, BDO Canada Limited is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within proceedings, save and except for liabilities arising from gross negligence or wilful misconduct.

May 26, 2011 Peter A. Cumming J.

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

MAY 26 2011

PER/PAR:

NB

**SCHEDULE "A"**

Court File No.: 09-8354-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

**ONTARIO SECURITIES COMMISSION**

**Applicant**

**- and -**

**1694479 ONTARIO INC. and 1694487 ONTARIO LIMITED**

**Respondents**

**CLAIMS AND DISTRIBUTION OFFICER'S CERTIFICATE**

**WHEREAS PURSUANT** to the Order of the Ontario Superior Court of Justice (Commercial List) dated November 9, 2010, BDO Canada Limited was appointed as the claims and distribution officer in respect of certain funds held in two accounts at Royal Bank of Canada in the names of 1694479 Ontario Inc. and 1694487 Ontario Limited and subject to the Direction issued by the Ontario Securities Commission on September 8, 2009, as extended (the "CDO");

**AND WHEREAS** the CDO was authorized to complete certain actions, including distributions to those parties who had proven claims with the CDO, pursuant to the Order of this Honourable Court dated May 26, 2011;

**AND WHEREAS** pursuant to the Order of this Honourable Court dated May 26, 2011, the CDO shall be discharged upon the filing of a certificate certifying that it has completed the administration of its mandate as described in the CDO's First Report dated April 13, 2011 (the

“**First Report**”) and the Supplemental Report to the CDO’s First Report dated May 25, 2011 (the “**Supplemental Report**”);

**THE UNDERSIGNED HEREBY CERTIFIES** that the CDO has completed the administration of its mandate as described in the First Report and the Supplemental Report.

**MADE** at Toronto this \_\_\_\_\_ day of May, 2011.

**BDO CANADA LIMITED**, in its capacity as the claims and distribution officer in respect of certain funds on deposit with Royal Bank of Canada in the names of 1694479 Ontario Inc and 1694487 Ontario Limited, with no personal or corporate liability

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

Blair Davidson  
President

ONTARIO SECURITIES COMMISSION

and

Applicant

1694479 ONTARIO INC. and 1694487 ONTARIO  
LIMITED

Respondents  
Court File No. 09-8354-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER

(Approval of Distribution and Claim and Distribution  
Officer's Discharge)

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and Distribution Officer of 1694479 Ontario Inc. and  
1694487 Ontario Limited