

March-02-21 3:42 PM

Subject:

Re: Motion - Liquidation of Pace Securities Corp., Court File No. CV-20-00641059-00CL and Liquidation of First Hamilton Holdings, Court File No. CV-20-00641372-00CL

1. All parties have agreed to the relief sought in the attached forms of order.
2. One late breaking development is the agreement to have interests of 7903197 Canada Inc. in limited partnership units of Pace Capital Partners wrapped into the settlement process.
3. There are two other arm's-length investors with interests similar to that of 790 Co.
4. Pace does not agree to their automatic inclusion the settlement process because there is no evidentiary record to support it. If, however, those investors find themselves in fundamentally the same position as 790 Co., there would be no apparent reason to exclude them from the settlement process. Indeed, given

that the settlement process is proceeding with representative counsel, it would make sense to include them within the ambit of representative counsel's mandate.

5. To ensure that those investors are not prejudiced, I direct that the parties proceed as follows: the liquidator should advise the two investors that, if they wish to be included in the settlement process and have their interests represented by representative counsel, they should, within 30 days of the date of the order, provide information to the liquidator that explains their position and explains why they should be included in the settlement process. The information could be as formal as an affidavit or as informal as a letter in which the investors explain how they came to invest in the limited partnership units and what if any concerns they have about them. The investors should attach any relevant documents to the letter and indicate at the end of the letter that they affirm that the contents of the are true.
6. If the two additional investors want to be included but there is disagreement about that issue, I can resolve the issue on a further case conference.

Justice Markus Koehnen
Ontario Superior Court of Justice
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Toronto, Ont.
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