

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE	)	TUESDAY, THE 5 th
	)	
JUSTICE CONWAY	)	DAY OF DECEMBER, 2023

IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C.B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990 C. C.43, AS AMENDED

B E T W E E N:

ROMSPEN INVESTMENT CORPORATION

Applicant

-and-

TUNG KEE INVESTMENT CANADA LTD., and
TUNG KEE INVESTMENT LIMITED PARTNERSHIP

Respondents

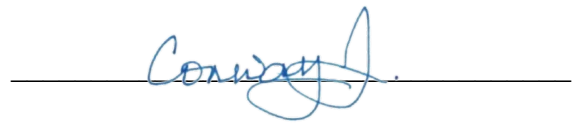
INTERIM DISTRIBUTION ORDER

THIS MOTION made by Ernst & Young Inc. in its capacity as receiver and manager of the Respondents (in such capacities, the “**Receiver**”), for a further interim distribution from the remaining proceeds of sale (the “**Sale Proceeds**”) of the property known municipally as 3143 19th Avenue, Markham, Ontario (the “**Real Property**”), was heard this day by judicial video conference.

ON BEING advised of the Consent of 2149602 Ontario Inc. (the third mortgagee), Frank Pa and Stephen Tung (the fourth mortgagee), Sow Capital Ontario Limited and Miltom Services Limited (collectively, the fifth mortgagee), DX Strategies Inc. (the lien claimant) and the Respondents, and on hearing the submissions of each of their counsel and counsel for the Receiver,

1. **THIS COURT ORDERS** that the time for service of the Receiver's Notice of Motion returnable December 5, 2023, and related motion material filed in support of that Notice of Motion (collectively, the "**Motion Record**"), be and is hereby abridged, that service of the Motion Record is hereby validated, and that further service thereof is hereby dispensed with.
2. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make an interim distribution from the Sale Proceeds in the sum of \$7,000,000 to 2149602 Ontario Inc. (the "**214 Interim Distribution**") in partial satisfaction in respect of its third mortgage over the Real Property, which shall be remitted by the Receiver to Fogler, Rubinoff LLP ("**Foglers**") in trust.
3. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make an interim distribution from the Sale Proceeds in the sum of \$757,846.02 to Miltom Services Limited ("**Miltom**") in full and final satisfaction of its interest in the fifth mortgage of Sow Capital Ontario Limited and Miltom over the Real Property, which shall be remitted by the Receiver to Miller Thomson LLP in trust.
4. **THIS COURT ORDERS** that subject to paragraph 4 of this Order, the Receiver is hereby authorized and directed to make an interim distribution from the Sale Proceeds in the sum of \$7,242,153.98 to Sow Capital Ontario Limited ("**Sow**") in partial satisfaction in respect of its fifth mortgage over the Real Property (the "**Sow Interim Distribution**"), which shall be remitted by the Receiver to Keyser Mason Ball LLP ("**KMB**") in trust.
5. **THIS COURT ORDERS** that from the amount of the Sow Interim Distribution, KMB and Sow are directed and shall cause forthwith the sum of \$3,242,153.98 to be "clawed-back" and placed into a joint trust GIC account at the Royal Bank of Canada in the names of Foglers and KMB (the "**Reserve**"). For greater certainty, Sow shall be entitled to retain at this time the balance of the Sow Interim Distribution in the amount of \$4,000,000.
6. **THIS COURT ORDERS** that if there are any outstanding provable claims against the Sale Proceeds that rank in priority to Sow and are not paid or settled from the Sale Proceeds (the "**Prior Ranking Claims**"), then the Reserve shall be used to pay or satisfy the Prior Ranking Claims (or partially pay or partially satisfy the Prior Ranking Claims if they are greater than the Reserve).

7. **THIS COURT ORDERS** that the 214 Interim Distribution and the Sow Interim Distribution shall be binding on 2149602 Ontario Inc. (the third mortgagee), Frank Pa and Stephen Tung (the fourth mortgagee), Sow and Milton (collectively, the fifth mortgagee), DX Strategies Inc. (the lien claimant) and the Respondents.

A handwritten signature in blue ink is written over a horizontal line. The signature appears to be "Conway J." with a stylized flourish at the end.

ROMSPEN INVESTMENT CORPORATION

-and-

TUNG KEE INVESTMENT CANADA LTD. et al.

Applicant

Respondents

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PROCEEDING COMMENCED AT
TORONTO

INTERIM DISTRIBUTION ORDER

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Ernst & Young Inc.