Court File No. CV-23-00703161-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 23rd
	)	
JUSTICE KIMMEL	)	DAY OF MAY, 2024

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

DISTRIBUTION ORDER

THIS MOTION made by 2149602 Ontario Inc., Frank Pa and Stephen Tung for a further distributions 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 (the remaining fifth mortgagee), and the Respondents, and that DX Strategies Inc. ("**DX**", the lien claimant) is not opposing, and on hearing the submissions of each of their counsel and counsel for the Receiver,

1. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make a full and final distribution from the Sale Proceeds in the sum of $3,917,837.29 to 2149602 Ontario

Inc. ("**214**") in full and final satisfaction of all of the amounts owing under its third mortgage over the Real Property, which shall be remitted by the Receiver to Fogler, Rubinoff LLP ("**Foglers**") in trust.

2. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make a full and final distribution from the Sale Proceeds in the sum of $150,000.00 to Frank Pa ("**Pa**") and Stephen Tung ("**Tung**") in full and final satisfaction of all of the amounts owing under their fourth mortgage over the Real Property, which shall be remitted by the Receiver to Foglers in trust.

3. **THIS COURT ORDERS** that the sum of $3,242,153.98 from the Sale Proceeds that was placed into a joint trust GIC account at the Royal Bank of Canada in the names of Foglers and KMB (the "**Reserve**") pursuant to the Interim Distribution Order of Justice Conway made December 5, 2023, plus any accrued interest thereon, shall be immediately released to Sow Capital Ontario Limited ("**Sow**"), and the Reserve shall be thereby extinguished.

4. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to make a full and final distribution from the Sale Proceeds in the sum of $1,344,190.33 to Sow in full and final satisfaction of all of the amounts owing under its fifth mortgage over the Real Property, which shall be remitted by the Receiver to WeirFoulds LLP in trust.

5. **THIS COURT ORDERS** that following receipt of distributions set out in paragraphs 1 through 4 of this Order, 214, Pa, Tung and Sow shall have no further claims to the Sale Proceeds and all of their claims against the Sale Proceeds shall be forever released and discharged.

6. **THIS COURT ORDERS** that the distributions set out above shall be binding on DX and that any claim of DX is hereby extinguished in respect of any and all mortgages over the Real Property (including those mortgages which have already been paid out in the Receivership herein), and in respect of any priority claims by DX in respect of those mortgages, including any priority claim DX made or could have made under s. 78 of the *Construction Act*. R.S.O. 1990, c. C.30

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by Jessica Kimmel
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ROMSPEN INVESTMENT CORPORATION
Applicant

-and-

TUNG KEE INVESTMENT CANADA LTD. et al.
Respondents

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PROCEEDING COMMENCED AT
TORONTO

DISTRIBUTION ORDER

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