

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)

THURSDAY, THE 30TH

JUSTICE HAINEY)

DAY OF JANUARY, 2020

BETWEEN:



LAW SOCIETY OF ONTARIO

Applicant

- and -

**DEREK SORRENTI and
SORRENTI LAW PROFESSIONAL CORPORATION**

Respondents

**APPLICATION UNDER SECTION 49.47 OF THE
LAW SOCIETY ACT, R.S.O. 1990, c. L.8 and SECTION 101 OF THE COURTS OF
JUSTICE ACT, R.S.O. 1990 c. C.43**

GOTHAM SETTLEMENT APPROVAL ORDER

THIS MOTION, made by FAAN Mortgage Administrators Inc. (“**FAAN Mortgage**”), in its capacity as Court-appointed trustee (in such capacity, the “**Trustee**”), of all of the assets, undertakings and properties of Derek Sorrenti or Sorrenti Law Professional Corporation (collectively, “**Sorrenti**”) relating to Sorrenti’s trusteeship and administration of syndicated mortgage loans in projects affiliated with Fortress Real Developments Inc. (“**FRDI**”) and all of

FRDI's direct or indirect affiliates, and any entity under common control with FRDI, pursuant to section 49.47 of the *Law Society Act*, R.S.O. 1990, c. L.8, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, for an Order, *inter alia*, (i) approving and ratifying the Settlement Agreement dated as of December 17, 2019 (the "**Gotham Settlement Agreement**") among Bel-Ottawa Inc. (the "**Borrower**"), the Trustee and Olympia Trust Company ("**OTC**"); (ii) ordering the Borrower to pay \$1,420,590 and, if applicable, the Late Payment Fee (as defined in the Gotham Settlement Agreement) to the Trustee pursuant to, and in accordance with, the Gotham Settlement Agreement; and (iii) ordering the Borrower, the Trustee and OTC to comply with the Gotham Settlement Agreement, was heard this day at 330 University Avenue, Toronto, Ontario;

ON READING the First Report of the Trustee dated January 22, 2020 (the "**First Report**"), and on hearing the submissions of counsel for the Trustee, Chaitons LLP, in its capacity as Representative Counsel, counsel to the Borrower and such other counsel as were present, no one appearing for any other person on the service list, as appears from the affidavit of service of Sean Stidwill sworn January 23, 2020, filed;

SERVICE AND INTERPRETATION

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the First Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that all capitalized terms used but not defined herein shall have the meanings given to them in the First Report and the Gotham Settlement Agreement, as applicable.

APPROVAL OF THE GOTHAM SETTLEMENT AGREEMENT

3. **THIS COURT ORDERS** that (i) the Gotham Settlement Agreement be and is hereby approved in its entirety, including without limitation the Late Payment Fee contemplated by Section 4 thereof, with such minor amendments as the Trustee and the other parties to the Gotham Settlement Agreement may agree upon to permit the completion of the transactions

contemplated thereby; (ii) the Borrower is hereby directed to pay \$1,420,590 forthwith to the Trustee in accordance with the terms of the Gotham Settlement Agreement (such funds, the **“Gotham Realized Property”**); and (iii) the execution of the Gotham Settlement Agreement by the Trustee and OTC is hereby ratified and approved, and the Trustee and OTC are hereby authorized and directed to comply with all of their obligations under the Gotham Settlement Agreement.

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Trustee’s certificate to the Borrower substantially in the form attached as Schedule “A” hereto (the **“Trustee’s Certificate”**) and the filing of a copy of the Trustee’s Certificate with the Court, all of the Borrower’s obligations to Derek Sorrenti, in trust (as bare trustee) (**“Sorrenti Lender”**), OTC, and the individual lenders (the **“Gotham Individual Lenders”**) under various loan agreements entered into with the Borrower that are administered by Sorrenti Lender and secured by the Charge (as defined in the Gotham Settlement Agreement) (collectively, as amended, supplemented or otherwise modified, the **“Loan Agreement”**), the Charge, and any agreements or instruments delivered pursuant thereto (the **“Loan Documents”**) (collectively, the **“Gotham Loan Obligations”**) and all security interests granted to Sorrenti Lender, OTC or the Gotham Individual Lenders in and to the assets of the Borrower to secure the Gotham Loan Obligations and related registrations on title, including the Charge, (the **“Loan Encumbrances”**) are hereby released, waived, extinguished, expunged, discharged and deleted and that none of the Trustee, Sorrenti Lender, OTC or any Gotham Individual Lender shall have any claim against the Borrower in respect of the Gotham Loan Obligations or the Loan Encumbrances; provided, however, that the Borrower shall not be released from any obligations under the Gotham Settlement Agreement. To facilitate the implementation and completion of the settlement transaction approved by this Order, the defined term “Loan Agreement” contained in the Gotham Settlement Agreement shall be deemed to be modified to the extent necessary to make it consistent with the term “Loan Agreement” as defined in this paragraph.

5. **THIS COURT ORDERS AND DIRECTS** the Trustee to file with the Court a copy of the Trustee’s Certificate as soon as practicable after delivery thereof to the Borrower.

6. **THIS COURT ORDERS AND DECLARES** that upon the delivery of the Trustee's Certificate to the Borrower and the filing of a copy of the Trustee's Certificate with the Court, the Gotham Realized Property is and shall be deemed to be "Realized Property" as defined in the Order of this Court dated September 30, 2019 (the "**Appointment Order**") and that all of the Gotham Individual Lenders' rights and claims under the Loan Agreement, the Charge and the Loan Documents shall attach to the Gotham Realized Property and shall have the same nature and priority as they had prior to the consummation of the Gotham Settlement Agreement, including pursuant to the Appointment Order.

7. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Registry Division of Peel (#4) of an Application to Register an Order in the form prescribed by the applicable Land Registry Office and attaching a copy of this Order and the executed Trustee's Certificate, the Land Registrar is hereby directed to delete and expunge from title to the real property identified in Schedule "B" hereto (the "**Real Property**") all of the Loan Encumbrances listed in Schedule "C" hereto.

8. **THIS COURT ORDERS** that upon the delivery of the Trustee's Certificate to the Borrower and the filing of a copy of the Trustee's Certificate with the Court, the release agreement in the form attached as Schedule "D" hereto ("**Release Agreement**") to be given to the Trustee, Sorrenti, OTC, and each Gotham Individual Lender who loaned funds to the Borrower pursuant to the Loan Agreement and all related Loan Documents, each of their respective officers, directors, agents, legal counsel, employees, and each of their respective successors and assigns (collectively, the "**Releasees**") by the Borrower on behalf of itself, its affiliates, and their respective shareholders, agents, directors, officers, employees, and each of their respective successors and assigns (collectively, the "**Releasers**") shall be binding and effective on the Releasers in favour of the Releasees.

AID AND RECOGNITION OF FOREIGN COURTS

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Trustee and its agents in carrying out the terms of this Order.


All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that the Trustee be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Trustee is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

JAN 30 2020

PER / PAR: C.D.

A handwritten signature in cursive script, reading "Hainey J.", written over a horizontal line.

Schedule “A” – Form of Trustee’s Certificate

Court File No.: CV-19-628258-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

LAW SOCIETY OF ONTARIO

Applicant

- and -

**DEREK SORRENTI and
SORRENTI LAW PROFESSIONAL CORPORATION**

Respondents

**APPLICATION UNDER SECTION 49.47 OF THE *LAW SOCIETY ACT*, R.S.O. 1990, c.
L.8, and SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990 c. C.43**

TRUSTEE’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice [Commercial List] (the “**Court**”) dated September 30, 2019, FAAN Mortgage Administrators Inc. was appointed as the trustee (the “**Trustee**”) of the assets, undertakings, and properties of Derek Sorrenti or Sorrenti Law Professional Corporation (collectively, “**Sorrenti**”) relating to Sorrenti’s trusteeship and administration of syndicated mortgage loans in projects affiliated with Fortress Real Developments Inc. (“**FRDI**”) and all of FRDI’s direct or indirect affiliates, and any entity under common control with FRDI.

B. Pursuant to an Order of the Court made on January 30, 2020 (the “**Gotham Settlement Approval Order**”), the Court approved and ratified the Settlement Agreement dated as of

December 17, 2019 (the “**Gotham Settlement Agreement**”) among Bel-Ottawa Inc. (the “**Borrower**”), the Trustee and Olympia Trust Company (“**OTC**”) and ordered that all of the Borrower’s obligations to Derek Sorrenti, in trust (as bare trustee) (“**Sorrenti Lender**”), OTC, and the individual lenders (“**Gotham Individual Lenders**”) under the Loan Agreement (as defined in the Gotham Settlement Approval Order), the Charge (as defined in the Gotham Settlement Agreement), and the Loan Documents (as defined in the Gotham Settlement Approval Order) (collectively, the “**Gotham Loan Obligations**”) and all security interests granted to Sorrenti Lender, OTC or the Gotham Individual Lenders in and to the assets of the Borrower to secure the Gotham Loan Obligations and related registrations on title, including the Charge, (the “**Loan Encumbrances**”) be released, waived, extinguished, expunged and discharged and that none of the Trustee, Sorrenti Lender, OTC or any Gotham Individual Lender shall have any claim against the Borrower in respect of the Gotham Loan Obligations or the Loan Encumbrances, provided, however, that the Borrower shall not be released from any obligations under the Gotham Settlement Agreement, and that the release of the Gotham Loan Obligations and the Loan Encumbrances is to be effective upon the delivery by the Trustee to the Borrower of a certificate confirming, among other things, (i) the payment of \$1,420,590 to the Trustee by the Borrower in accordance with the terms of the Gotham Settlement Agreement; (ii) that the conditions precedent to the Gotham Settlement Agreement, as set out in Section 11 of the Gotham Settlement Agreement, have been satisfied or waived by the Trustee; and (iii) the settlement has been completed in accordance with the Gotham Settlement Agreement.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Gotham Settlement Approval Order.

THE TRUSTEE CERTIFIES the following:

1. The Gotham Settlement Approval Order has been granted by the Court and no material objections (in the sole opinion of the Trustee) were raised by individual lenders or by any other part at the motion for approval of the Gotham Settlement Approval Order, or, if any material objection is raised, the appeal periods in respect of the Gotham Settlement Approval Order have expired with no appeal being filed or, if an appeal has been filed, any such appeal or motion for leave to appeal has been fully disposed of with no further right of appeal or leave to appeal;

2. The Borrower has paid, and the Trustee has received, \$1,420,590 pursuant to the Gotham Settlement Agreement;
3. If applicable, the Borrower has paid, and the Trustee has received, the Late Payment Fee pursuant to the Gotham Settlement Agreement;
4. The Borrower has provided the Release Agreement to the Releasees;
5. The Borrower has certified that all of the representations and warranties contained in the Gotham Settlement Agreement continue to be true as of the Closing Date;
6. The Borrower continues to be in compliance with all of the terms of the Gotham Settlement Agreement;
7. The other conditions set out in the Gotham Settlement Agreement have been satisfied or waived by the Trustee; and
8. The settlement has been completed in accordance with the Gotham Settlement Agreement.

This Certificate was delivered by the Trustee at _____ [TIME] on _____ [DATE].

**FAAN Mortgage Administrators Inc., solely
in its capacity as Court-appointed Trustee of
the assets, undertakings, and properties of
Derek Sorrenti or Sorrenti Law Professional
Corporation in respect of the Syndicated
Mortgage Loan Administration Business, and
in no other capacity**

Per: _____

Name:

Title:

Schedule "B" – Real Property

1. PIN 15987-0422 (LT)

Description: UNIT 2, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

2. PIN 15987-0424 (LT)

Description: UNIT 4, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

3. PIN 15987-0426 (LT)

Description: UNIT 6, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

4. PIN 15987-0430 (LT)

Description: UNIT 10, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

5. PIN 15987-0431 (LT)

Description: UNIT 11, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

6. PIN 15987-0432 (LT)

Description: UNIT 12, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

7. PIN 15987-0433 (LT)

Description: UNIT 13, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT

TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

8. PIN 15987-0436 (LT)

Description: UNIT 16, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

9. PIN 15987-0440 (LT)

Description: UNIT 20, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

10. PIN 15987-0442 (LT)

Description: UNIT 22, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

11. PIN 15987-0443 (LT)

Description: UNIT 23, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

12. PIN 15987-0446 (LT)

Description: UNIT 26, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

13. PIN 15987-0447 (LT)

Description: UNIT 27, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

14. PIN 15987-0448 (LT)

Description: UNIT 28, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

15. PIN 15987-0449 (LT)

Description: UNIT 29, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

16. PIN 15987-0450 (LT)

Description: UNIT 30, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

17. PIN 15987-0451 (LT)

Description: UNIT 31, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

18. PIN 15987-0452 (LT)

Description: UNIT 32, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

19. PIN 15987-0453 (LT)

Description: UNIT 33, LEVEL E, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

20. PIN 15987-0413 (LT)

Description: UNIT 32, LEVEL D, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

21. PIN 15987-0407 (LT)

Description: UNIT 26, LEVEL D, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

22. PIN 15987-0404 (LT)

Description: UNIT 23, LEVEL D, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

23. PIN 15987-0403 (LT)

Description: UNIT 22, LEVEL D, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

24. PIN 15987-0399 (LT)

Description: UNIT 18, LEVEL D, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

25. PIN 15987-0397 (LT)

Description: UNIT 16, LEVEL D, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

26. PIN 15987-0393 (LT)

Description: UNIT 12, LEVEL D, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

27. PIN 15987-0392 (LT)

Description: UNIT 11, LEVEL D, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT

TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

28. PIN 15987-0370 (LT)

Description: UNIT 31, LEVEL C, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

29. PIN 15987-0368 (LT)

Description: UNIT 29, LEVEL C, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

30. PIN 15987-0356 (LT)

Description: UNIT 17, LEVEL C, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

31. PIN 15987-0345 (LT)

Description: UNIT 6, LEVEL C, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

32. PIN 15987-0332 (LT)

Description: UNIT 29, LEVEL B, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

33. PIN 15987-0330 (LT)

Description: UNIT 27, LEVEL B, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

34. PIN 15987-0324 (LT)

Description: UNIT 21, LEVEL B, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

35. PIN 15987-0305 (LT)

Description: UNIT 2, LEVEL B, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

36. PIN 15987-0291 (LT)

Description: UNIT 29, LEVEL A, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

37. PIN 15987-0289 (LT)

Description: UNIT 27, LEVEL A, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

38. PIN 15987-0276 (LT)

Description: UNIT 14, LEVEL A, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

39. PIN 15987-0235 (LT)

Description: UNIT 7, LEVEL 15, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

40. PIN 15987-0173 (LT)

Description: UNIT 7, LEVEL 11, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

41. PIN 15987-0141 (LT)

Description: UNIT 7, LEVEL 9, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

42. PIN 15987-0125 (LT)

Description: UNIT 7, LEVEL 8, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

43. PIN 15987-0109 (LT)

Description: UNIT 7, LEVEL 7, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

44. PIN 15987-0082 (LT)

Description: UNIT 12, LEVEL 5, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

45. PIN 15987-0077 (LT)

Description: UNIT 7, LEVEL 5, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

46. PIN 15987-0070 (LT)

Description: UNIT 16, LEVEL 4, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

47. PIN 15987-0061 (LT)

Description: UNIT 7, LEVEL 4, OTTAWA-CARLETON STANDARD CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF OTTAWA

48. PIN 15987-0054 (LT)

Description: UNIT 16, LEVEL 3, OTTAWA-CARLETON STANDARD
CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT
TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF
OTTAWA

49. PIN 15987-0038 (LT)

Description: UNIT 8, LEVEL 2, OTTAWA-CARLETON STANDARD
CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT
TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF
OTTAWA

50. PIN 15987-0037 (LT)

Description: UNIT 7, LEVEL 2, OTTAWA-CARLETON STANDARD
CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT
TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF
OTTAWA

51. PIN 15987-0035 (LT)

Description: UNIT 5, LEVEL 2, OTTAWA-CARLETON STANDARD
CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT
TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF
OTTAWA

52. PIN 15987-0022 (LT)

Description: UNIT 22, LEVEL 1, OTTAWA-CARLETON STANDARD
CONDOMINIUM PLAN NO. 987 AND ITS APPURTENANT INTEREST; SUBJECT
TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN OC1758714; CITY OF
OTTAWA

Schedule "C" – Loan Encumbrances

1. Instrument No. OC1254115 registered July 5, 2011 being a Charge in favour of Derek Sorrenti to secure the original principal amount of \$3,400,000.00.
2. Instrument No. OC1255913 registered July 11, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti and Olympia Trust
3. Instrument No. OC1259514 registered July 19, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
4. Instrument No. OC1259519 registered July 19, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
5. Instrument No. OC1261962 registered July 25, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
6. Instrument No. OC1266610 registered August 4, 2011, being a Notice of Agreement Amending Charge registered as Instrument No. OC1254115
7. Instrument No. OC1268197 registered August 10, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
8. Instrument No. OC1271529 registered August 17, 2011 being a Postponement of the Charge registered as Instrument No. OC1254115 to a Notice of Agreement registered as Instrument No. OC1271527
9. Instrument No. OC1271532 registered August 17, 2011 being a Postponement of the Charge registered as Instrument No. OC1254115 to a Notice of Agreement registered as Instrument No. OC1271530
10. Instrument No. OC1274782 registered August 25, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
11. Instrument No. OC1278397 registered August 31, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
12. Instrument No. OC1282529 registered September 13, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust

13. Instrument No. OC1285889 registered September 21, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
14. Instrument No. OC1291633 registered October 6, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
15. Instrument No. OC1302652 registered November 4, 2011 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
16. Instrument No. OC1361683 registered May 15, 2012 being a Notice of Agreement Amending the Charge registered as Instrument No. OC1254115
17. Instrument No. OC1362055 registered May 15, 2012 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust and B2B Trust
18. Instrument No. OC1371084 registered June 8, 2012 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust Company and B2B Trust
19. Instrument No. OC1372953 registered June 14, 2012 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust Company and B2B Trust
20. Instrument No. OC1379969 registered June 29, 2012 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust Company and B2B Trust
21. Instrument No. OC1381919 registered July 6, 2012 being a Postponement of the Charge registered as Instrument No. OC1254115 to a Charge registered as Instrument No. OC1366141 in favour of Aviva Insurance Company of Canada
22. Instrument No. OC1394794 registered August 3, 2012 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust Company and B2B Trust
23. Instrument No. OC1436798 registered December 7, 2012 being a Postponement of the Charge registered as Instrument No. OC1254115 to a Notice of Agreement registered as Instrument No. OC1436797
24. Instrument No. OC1439946 registered December 18, 2012 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust Company and B2B Trust

25. Instrument No. OC1616836 registered September 4, 2014 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust Company and B2B Trust
26. Instrument No. OC1627881 registered October 14, 2014 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust Company and B2B Trust
27. Instrument No. OC1640815 registered November 27, 2014 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti, Olympia Trust Company and B2B Trust
28. Instrument No. OC1724159 registered September 23, 2015 being a Postponement of the Charge registered as Instrument No. OC1254115 to a Notice of Agreement registered as Instrument No. OC1724156
29. Instrument No. OC1764276 registered February 12, 2016 being a Transfer of Charge registered as Instrument No. OC1254115 to Derek Sorrenti and Olympia Trust Company

Schedule "D" – Release Agreement

[DATE]

TO: FAAN Mortgage Administrators Inc., as Court-appointed Trustee of Derek Sorrenti or Sorrenti Law Professional Corporation (collectively, "**Sorrenti**") (in such capacity, the "**Trustee**") relating to Sorrenti's trusteeship and administration of syndicated mortgage loans in projects affiliated with Fortress Real Developments Inc. ("**FRDI**") and all of FRDI's direct or indirect affiliates, and any entity under common control with FRDI

AND TO: Olympia Trust Company ("**OTC**")

Re: Release granted in connection with repayment and settlement of the Gotham Loan Obligations pursuant to Gotham Settlement Agreement

Dear Sirs/Mesdames

Reference is made to the Gotham Settlement Approval Order of the Ontario Superior Court of Justice (Commercial List) in Court File No. CV-19-628258-00CL (the "**Order**") and the Settlement Agreement dated as of December 17, 2019 among Bel-Ottawa Inc. (the "**Borrower**"), the Trustee and OTC (the "**Settlement Agreement**"). All capitalized terms used in this agreement (the "**Release Agreement**") shall, unless otherwise defined herein, have the same meanings given to them in the Order.

1. The Borrower hereby certifies that all of its representations and warranties contained in the Settlement Agreement are true and accurate in all material respects as of the date hereof and that it is in compliance with all covenants, terms and provisions of the Settlement Agreement.
2. The Borrower has paid the Trustee \$1,420,590 and, if applicable, the Late Payment Fee (as defined in the Settlement Agreement) pursuant to the Settlement Agreement and waives, and shall not assert, any right of set-off or any other defence to the payment of such amounts.
3. In consideration of the acceptance of \$1,420,590 and, if applicable, the Late Payment Fee in full and final satisfaction of the Gotham Loan Obligations payable to Sorrenti Lender and to OTC by the Borrower under the Loan Agreement, which are in excess of \$1,572,211, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrower (on behalf of itself, its affiliates, and their respective shareholders, agents, directors, officers, employees, and each of their respective successors and assigns) (collectively, the "**Releasors**") hereby releases, discharges and acquits the Trustee, Sorrenti, OTC, and each lender or investor who loaned funds to the Borrower pursuant to the Loan Agreement and all related Loan Documents, each of their respective officers, directors, agents, legal counsel, employees, and each of their respective successors and assigns (collectively, the "**Releasees**") from any and all claims, demands, rights, liabilities, and causes of action, whether in law or in

equity, whether known or unknown, that any Releasor, at any time had or has, or that they or their respective successors or assigns hereafter have or may have against the Releasees directly or indirectly arising out of or in any way related to the Loan Agreement, the Loan Documents, the proceedings initiated by the Order of the Ontario Superior Court of Justice (Commercial List) dated September 30, 2019, or any transactions hereunder or thereunder.

This Release Agreement shall be effective immediately upon the delivery of the Trustee's Certificate and may be relied upon by any of the Releasees, whether or not such Releasee is a party to this Release Agreement or the Settlement Agreement.

This Release Agreement may be executed in any number of counterparts and by the different parties hereto in separate counterparts, and may be executed and delivered by facsimile or .pdf file transmitted by email, and all such counterparts, .pdf files and facsimiles when so executed and delivered shall be deemed to be an original and all of which when taken together shall constitute but one and the same Release Agreement.

This Release Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario.

Yours truly,

BEL-OTTAWA INC.

By:

Name:

Title:

Accepted and agreed to by:

FAAN MORTGAGE

ADMINISTRATORS INC., solely in its capacity as Court-appointed Trustee of Derek Sorrenti or Sorrenti Law Professional Corporation in respect of the Syndicated Mortgage Loan Administration Business, and in no other capacity

By:

Name:

Title:

OLYMPIA TRUST COMPANY

By:

Name:

Title:

LAW SOCIETY OF ONTARIO

- and -

**DEREK SORRENTI and SORRENTI LAW
PROFESSIONAL CORPORATION**

Applicant

Respondents

Court File No. CV-19-628258-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

GOTHAM SETTLEMENT APPROVAL ORDER

OSLER, HOSKIN & HARCOURT LLP
P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Michael De Lellis (LSUC# 48038U)
Jeremy Dacks (LSUC# 41851R)

Tel: (416) 362-2111
Fax: (416) 862-6666

Lawyers for FAAN Mortgage Administrators Inc.,
in its capacity as Court-appointed Trustee of Derek
Sorrenti or Sorrenti Law Professional Corporation in
respect of the Syndicated Mortgage Loan
Administration Business