



SUPERIOR COURT OF JUSTICE  
**COUNSEL SLIP/ENDORSEMENT**

COURT FILE

NO.: CV-19-00628258-00CL

DATE: 12-APR-2022

TITLE OF PROCEEDING Law Society of Ontario V. Sorrenti et al  
BEFORE MADAM JUSTICE **KIMMEL**

**NAMES OF COUNSEL AND PARTY:**

APPLICANT(S) Jeremy Dacks; Michael De Lellis; Mary Paterson; Chloe Nanfara for FAAN Mortgage Administrators Inc., the Court Appointed Trustee of the respondents' assets etc. relating to syndicated mortgage loans in projects affiliated with Fortress Real Developments Inc. (the "Trustee")

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ENDORSEMENT OF JUSTICE KIMMEL:

[1] The Trustee seeks to amend the First Omnibus Order signed by Justice Hainey in this matter, to reduce the administrative holdback (from 50% to 35%) and thereby increase distributions to investors (from 50% to 65%). Representative counsel for the investors supports this amendment. This motion also seeks the court's approval of the activities of the Trustee and the fees of the Trustee and its counsel since the last omnibus approval order in this proceeding dated May 4, 2021, and a sealing order consistent with prior sealing orders made in this proceeding.

[2] The entire service list (comprised of approximately 75 counsel) was served with this motion on March 1, 2022. None have indicated any opposition to the motion and no one appeared at the hearing. The investors were also directly notified of this intended motion and invited to request further information about the hearing, including the zoom hearing link, and none of the investors asked to participate. The motion thus proceeded on the basis of no opposition, and was supported by the court appointed representative counsel.

[3] The relief requested is appropriate:

- a. The reduction in the administrative holdback increases the distributions to investors from past and ongoing realizations;
- b. The Trustee's activities have been thoroughly explained in the comprehensive update contained in the Trustee's Fifth Report dated March 31, 2022 and the Trustee's Fourth Report dated January 14, 2022;
- c. The fees of both the Trustee and its counsel are consistent with prior fee approvals (proportionate to the activities undertaken in the relevant period) and have been properly supported, including through both the fee affidavits and supporting exhibits; and
- d. The sealing of specific exhibits (where there is a risk to the recoveries for investors associated with their public disclosure) is justified under the *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC test, and consistent with prior orders made in this proceeding.

[4] Order to go in the form signed by me today, with immediate effect and without the necessity of formal entry.

A handwritten signature in black ink that reads "Kimmel J." with a stylized, cursive script.

KIMMEL J.