

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) **TUESDAY, THE 16TH DAY**
)
JUSTICE CAMPBELL) **OF MARCH, 2010**



ONTARIO SECURITIES COMMISSION

Applicant

- and -

**NEW LIFE CAPITAL CORP., NEW LIFE CAPITAL INVESTMENTS INC., NEW LIFE
CAPITAL ADVANTAGE INC., NEW LIFE CAPITAL STRATEGIES INC., 1660690
ONTARIO LTD., 2126375 ONTARIO INC., 2108375 ONTARIO INC., 2126533
ONTARIO INC., 2152042 ONTARIO INC., 2100228 ONTARIO INC. and 2173817
ONTARIO INC.**

Respondents

ORDER

THIS MOTION made by KPMG Inc. in its capacity as the receiver and manager (the **“Receiver”**), without security, of all of the property, assets and undertakings of New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 Ontario Ltd., 2126375 Ontario Inc., 2108375 Ontario Inc., 2126533 Ontario Inc., 2152042 Ontario Inc., 2100228 Ontario Inc. and 2173817 Ontario Inc. (collectively, **“New Life”** or the **“Companies”**) was heard this day at 330 University Avenue, Toronto, Ontario.

UPON READING the Affidavit of J. Bradley Butcher sworn March 15, 2010 and on hearing the submissions of counsel for the Receiver, counsel for the Ontario Securities Commission, no one else appearing although duly served:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and it is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that the Order of the Honourable Mr. Justice Campbell dated December 17, 2008 appointing KPMG Inc. as Receiver of all of the property, assets and undertakings of the Companies (the “**Appointment Order**”) be and it is hereby extended to include the following:
 - (a) two luxury watches identified as BNLT Y FLYING B N3 PAVE W/BRAC and CHRO EVOL RG LE PAVE MDP W/BRA (collectively, the “**Watches**”);
 - (b) a 2005 Ferrari 575 Superam F1 bearing vehicle identification number ZFFGT61A350143792 and a 2004 Ferrari Challenge bearing vehicle identification number ZFFDU57A540136570 (collectively, the “**Ferraris**”);
 - (c) the 6.625% Commonwealth of The Bahamas Notes Reg-S, due 15/05/2033, USP06518AC19 located in account 671320-1 in the name of Fallsview Inc. at EFG Bank & Trust (Bahamas) Ltd. and any and all interest or other proceeds thereof (collectively, the “**Bonds**”);
 - (d) one bespoke blue suit, one bespoke blue stripe suit, one bespoke brown suit, one gold scabal, one mohair jacket, one cashmere jacket, one vest and pant, six belts and five pairs of socks purchased from Stavros Master Tailor & Shirt Maker (“**Stavros**”) located at 93 Cumberland Street, Toronto, Ontario and listed on an invoice from Stavros dated November 1, 2008 (the “**Summer Wardrobe**”);
 - (e) Unit A1-4, Ocean Club Residences & Marina Phase I, Paradise Island, The Bahamas registered with the Investments Board on January 21, 2009 in the name of FHC International Inc. (the “**Ocean Club Residences Condo**”);
 - (f) a steel building purchased from Allied Steel Buildings Inc. pursuant to order number 139477 and delivered on November 23, 2009 to a customer located in Fort Erie, Ontario (the “**Steel Building**”); and

- (g) a medicine cabinet, a shoe cabinet, a dining table and a white closet with four sliding doors purchased from Dias Fine Woodworking Ltd., a custom-made furniture store located at 650 East Bay Street, Nassau Bahamas (collectively, the “**Furniture**”).

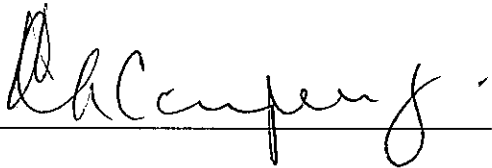
The Watches, the Ferraris, the Bonds, the Summer Wardrobe, the Ocean Drive Residences Condo, the Steel Building and the Furniture are collectively referred to herein as the “**Receivership Items**”.

3. **THIS COURT ORDERS** that all individuals, firms, corporations, governmental bodies or agencies or other entities having notice of this Order (collectively, “**Persons**”), including, where applicable, their respective directors and officers, employees, agents, assignees, advisors and tenants, in possession of the Receivership Items, shall grant immediate and continued access to the Receivership Items to the Receiver, and shall immediately surrender, relinquish, transfer, deliver, assign and/or convey the Receivership Items to the Receiver.
4. **THIS COURT ORDERS** that, notwithstanding the foregoing paragraph 3, the Receiver is authorized to take immediate possession and control of the Receivership Items using whatever legal means are available to the Receiver in its sole discretion.
5. **THIS COURT ORDERS** that all of the provisions of the Appointment Order, except for paragraph 3(l) of the Appointment Order, are incorporated herein and apply to the Receivership Items. For greater certainty, paragraph 3(k) of the Appointment Order is incorporated herein such that the Receiver is authorized to market any or all of the Receivership Items, including advertising and soliciting offers in respect of the Receivership Items or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
6. **THIS COURT ORDERS** that paragraph 3(l) of the Appointment Order does not apply to the Receivership Items and that the Receiver is authorized to sell, convey, transfer, lease or assign the Receivership Items or any part or parts thereof out of the ordinary course of business without the approval of this Honourable Court and in each such sale

transaction notice under subsection 63(4) of the Ontario *Personal Property Security Act*, R.S.O. 1990, c. P.10 shall not be required, and in each such sale transaction the Ontario *Bulk Sales Act*, R.S.O. 1990, c. B.14, shall not apply.

7. **THIS COURT ORDERS** that the Receiver is authorized to engage the services of a realtor for the purpose of selling the Ocean Club Residences Condo and to pay all necessary fees associated with the sale of the Ocean Club Residences Condo, including, without limitation, any applicable stamp duty.
8. **THIS COURT ORDERS** that all Persons shall immediately advise the Receiver of any information related to the Receivership Items including, without limitation, the whereabouts of the Receivership Items, and provide the Receiver with copies of all documentation relating thereto. For greater certainty, any Person that received any of the Receivership Items at any time and that subsequently remitted, transferred, assigned or in any way disposed of that Receivership Item shall disclose to the Receiver the identity of the recipient of that Receivership Item, whether or not New Life, Lexington Consulting Inc., Amarcord International Inc. or their principals, Jeffrey Pogachar and Paola Lombardi, or any one of them, shall have a direct or indirect interest in such recipient or no interest at all, and full particulars of the transaction relating to the disposal of that Receivership Item including, without limitation, all documentary and electronic evidence and information known to such Person.
9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere including, without limitation, the Commonwealth of The Bahamas to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
10. **THIS COURT ORDERS** that any other interested person may apply to this Court, within 10 days of the date of this Order, to vary or rescind this Order or seek other relief

on five days' written notice to the Receiver and to any other person likely to be affected by the Order sought, or on such other notice as this Court may order, provided that nothing in this paragraph shall act to extend any applicable appeal period.



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

MAR 16 2010

PER / PAR: TV

Applicant

Respondents

Court File No.: 08-CL-7832

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at **Toronto**

ORDER

Thornton GroutFinnigan LLP
Barristers and Solicitors
Suite 3200, P.O. Box 329
Canadian Pacific Tower
Toronto-Dominion Centre
Toronto, Ontario
M5K 1K7

James H. Grout (LSUC# 22741H 1B)

Tel: 416-304-0557

Seema Aggarwal (LSUC# 50674J)

Tel: 416-304-0603

Fax: 416-304-1313

Lawyers for the KPMG Inc., in its capacity as the Receiver
and Manager of New Life Capital Corp. et al.

Mar. 16/10

Court File No.: 08-CL-7832

Working under the motion record & lead
 from counsel for the Receiver & Manager
 I am advised that the tracing that has
 been undertaken by the Receiver has
 identified assets that make it appropriate
 to grant the order requested & as appears
 the relief in terms of the draft
 the order is good upon filing
 of the motion record.

Phelan

ONTARIO
 SUPERIOR COURT OF JUSTICE
 (COMMERCIAL LIST)
 Proceeding commenced in Toronto

MOTION RECORD
 (returnable March 16, 2010)

ThorntonGroutFinnigan LLP
 Suite 3200, P.O. Box 329
 Canadian Pacific Tower
 Toronto-Dominion Centre
 Toronto, Ontario
 M5K 1K7

James H. Grout (LSUC No. 22741H 1B)
 Seema Aggarwal (LSUC No. 50674J)

Tel: (416) 304-1616
 Fax: (416) 304-1313

Solicitors for KPMG Inc., in its capacity as the
 Receiver and Manager of New Life Capital
 Corp., et al