

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

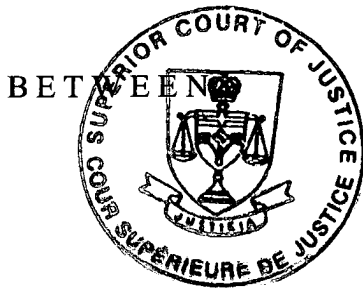
THE HONOURABLE  
MR. JUSTICE CAMPBELL

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)  
)

FRIDAY, THE 18<sup>TH</sup> DAY  
OF MAY, 2012

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243  
OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended,**

**AND IN THE MATTER OF SECTION 101 OF THE  
COURTS OF JUSTICE ACT, R.S.O. 1990, c.C.43, as amended**



BETWEEN

**CENTRAL 1 CREDIT UNION**

Applicant

and

**UM FINANCIAL INC. AND UM CAPITAL INC.**

Respondents

**ORDER**

**THIS MOTION** made by Grant Thornton Limited, in its capacity as court-appointed receiver (the “**Receiver**”) of the assets, undertakings and properties of UM Financial Inc. and UM Capital Inc. (collectively, the “**Debtors**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, and section 101 of the *Courts of Justice Act* (the “**Receiver**”) of all of the assets, undertakings and properties of UM Financial Inc. and UM Capital Inc. (collectively, the “**Debtors**”) pursuant to an order of the Honourable Mr. Justice Newbould made on October 7,

2011 (the "Receivership Order") for an Order: (i) abridging and validating the timing and method of service of this Notice of Motion and Motion Record so that this Motion is properly returnable; (ii) approving the ninth report to Court of the Receiver dated May 14, 2012 (the "Ninth Report"), and the activities of the Receiver as set out therein and (iii) approving the marketing process as described in the Ninth Report (the "Litigation Marketing Process") in respect of the causes of action set out in (a) Court File No. CV-11-429327 in the Ontario Superior Court of Justice commenced by UM Financial Inc. and UM Capital Inc. against Central 1 Credit Union and Credit Union Central of Ontario; and (b) Court File No. CV-09-384036 in the Ontario Superior Court of Justice commenced by UM Financial Inc. against Khan et al. was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Ninth Report, and on hearing the submissions of counsel for the Receiver, Central 1 Credit Union, Chehab and Khan, and no other party appearing although duly served as appears from the affidavit of service of Laura Bowles-Dove sworn May 15, 2012, filed:

*Mullan, Baks*

1. THIS COURT ORDERS that the timing and method of service of the Notice of Motion and Motion Record be and is hereby abridged and validated and this Motion is properly returnable today.

2. THIS COURT ORDERS that the Ninth Report and the activities of the Receiver as set out therein be and are hereby approved.

3. THIS COURT ORDERS that Litigation Marketing Process as described in the Ninth Report be and is hereby approved and that the information to be provided in the Data Room (as defined in the Ninth Report) will contain the information set out on Schedule "A" hereto.

*[Signature]*

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

*[Signature]* MAY 18 2012

*as to the deadline for offers being June 8, 2012 at 4:00pm Toronto time. [Signature]*

**Schedule "A"**

1. Court File No. CV-11-429327 in the Ontario Superior Court of Justice commenced by UM Financial Inc. and UM Capital Inc. against Central 1 Credit Union and Credit Union Central of Ontario

- (a) Statement of Claim;
- (b) Statement of Defence.

2. Court File No. CV-09-384036 in the Ontario Superior Court of Justice commenced by UM Financial Inc. against Khan et al.

- (a) Statement of Claim;
- (b) Statement of Defence of Talal Chehab and Kalim Khan;
- (c) Statement of Defence and Counterclaim of Rehan Saeed and AYA Financial;
- (d) Motion Record in respect of the Motion for Security for Costs;
- (e) Affidavit of Omar Kalair in response to Motion for Security for Costs;
- (f) Settlement Agreement entered into by counsel for all parties requiring UM Financial Inc. to post \$25,000.00 in security for costs, pay the sum of \$1,500.00 for costs of the Motion for security for costs;
- (g) Consent and draft Order to reflect the Settlement Agreement;
- (h) April 2, 2012 email from Susan M. Sack to Jane Dietrich confirming they take no position in relation to paragraph 8 of the Order of Justice Spence dated April 3, 2012 without prejudice to any delay arguments that they may seek to advance if Claim is pursued.

**CENTRAL 1 CREDIT UNION  
Applicant**

**V.**

**UM FINANCIAL INC. AND UM CAPITAL INC.  
Respondents**

**ONTARIO**

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

**PROCEEDING COMMENCED AT  
TORONTO**

**ORDER  
(May 18, 2012)**

**FRASER MILNER CASGRAIN LLP**

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Toronto, Ontario  
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Lawyers for Grant Thornton Limited, in its capacity as the Court-appointed Receiver of all of the assets, undertakings and properties of UM Financial Inc. and UM Capital Inc.