

COURT FILE NUMBER 1701-10806  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF ILAN HANDELSMAN  
DEFENDANTS



ALI GHANI, ABDUL GHANI,  
BROADMOOR COMMERCIAL PLAZA  
DEVELOPMENT CORP., HORIZON  
COMMERCIAL DEVELOPMENT CORP.,  
HERITAGE PLAZA DEVELOPMENTS  
INC., PRISM PLACE DEVELOPMENT  
LTD., PRISM REAL ESTATE  
INVESTMENT CORPORATION,  
SUMMERSIDE DEVELOPMENT TRUST,  
SUMMERSIDE COMMERCIAL TRUST,  
PRISM SUMMERSIDE LIMITED  
PARTNERSHIP, PRISM SUMMERSIDE  
DEVELOPMENT CORP., JANE DOE,  
JOHN DOE, and ABC CORP.

702676

DOCUMENT **ORDER re: LITIGATION FUNDING  
APPROVAL**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Matthew J. Epp / Robyn Gurofsky / Jack R. Maslen  
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File No. 444097-000001

DATE ON WHICH ORDER WAS PRONOUNCED: May 7, 2020

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Associate Chief  
Justice J.D. Rooke

LOCATION OF HEARING: Calgary, Alberta

UPON the application by the Plaintiff, Ilan Handelsman (“**Handelsman**”), re: Litigation Funding Approval submitted on February 28, 2020 and filed on April 21, 2020 (the “**Application**”); AND UPON reading the Affidavit for Litigation Funding Approval of Handelsman, sworn on February 27, 2020 and filed on April 21, 2020 (the “**Funding Affidavit**”), submitted in support of the Application; AND UPON reading such other materials and pleadings filed in this Action, including, *inter alia*, the Amended Statement of Claim filed on April 30, 2019 (the “**Statement of Claim**”), the Affidavit for Certification of Handelsman sworn on June 27, 2019 (the “**Certification Affidavit**”), and the Order of the Honourable Justice K.D. Nixon pronounced on October 2, 2017 and filed on October 6, 2017 (the “**Initial Approval Order**”); AND UPON noting that this Court certified this Action as a class proceeding pursuant to the *Class Proceedings Act*, SA 2003, c C-16.5 (the “**CPA**”) on March 9, 2020; AND UPON hearing from counsel to Handelsman;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**General**

1. All capitalized terms used herein, but not otherwise defined, shall have the meanings given to them in the Application.
2. Service of the Application, and any supporting materials, is hereby deemed good and sufficient and there is no other person with an interest in the subject matter of this Application to whom notice should have been given, provided that counsel to Handelsman shall post a copy of the Application on its website.
3. A summary of this Order shall be included in and a filed/certified copy attached to the notice of certification (the “**Notice of Certification**”) to be approved and appended to this Court’s Certification Order (the “**Certification Order**”). Service of this Order shall be effected by Counsel to Handelsman publishing same as provided in paragraph 2 and 3 hereof, and in the manner contemplated by the Certification Order.
4. This Order hereby replaces and supersedes the Initial Approval Order.

**Approval of 227**

5. The incorporation of 2052227 Alberta Ltd. (“**227**”) as a litigation funding vehicle for investors of any one or more of the Prism Entities, to pursue claims in respect of any Prism Investment, against any of the Defendants, together with the Support Letter (attached as Exhibit “B” to the Funding

Affidavit) and the Governance Charter (attached as Exhibit "D" to the Certification Affidavit), are hereby approved.

6. Without limiting the generality of paragraph 5, 227 is hereby authorized and approved to pay Handelsman's reasonable fees and expenses to pursue this class proceeding against the Defendants.

#### **Approval of Distribution Mechanism**

7. Any recoveries generated from or as a result of this class proceeding, shall be paid in the following order:
  - (a) First, payment of 227's outstanding liabilities, including legal fees, if any;
  - (b) Second, payment to the shareholders of 227 (the "**Shareholders**") of their of the principal investment(s) in 227;
  - (c) Third, payment to the Shareholders of a *per annum* return of ten percent (10%) on their principal investment(s) in 227;
  - (d) Fourth, payment of ten percent (10%) of remaining recoveries to Criterium as compensation for financial consulting services provided to 227 in connection with this action;
  - (e) Fifth, payment of remaining recoveries to each Shareholder in an amount determined by their contribution to 227, calculated as follows:
    - (i) For those Shareholders who contributed an amount equal to or greater than ten percent (10%) of their Prism Investment, the value of their recovery shall be the full amount of their Prism Investment; and,
    - (ii) For those Shareholders who contributed an amount equal to less than ten percent (10%) of their total Prism Investment, the value of their recovery shall be an amount determined by the ratio of their contribution to 227 to their original Prism Investment;
  - (f) Sixth, payment of any and all remaining recoveries to the class members as a whole, on a *pro rata* basis or such other basis as may be directed by this Honourable Court from time to time.

8. Any class member wishing to invest as a Shareholder in 227 shall do so by no later than November 30, 2020. For the avoidance of doubt, any class member who has invested in 227 prior to or on November 30, 2020 may continue to advance additional principal investments to 227 after November 30, 2020.
9. Any interested person may apply to this Court on 7 days' notice to vary or set aside any term(s) of this Order.



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A.C.J.C.Q.B.A.