



Court File No.: CV-24-00715321-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE

)

FRIDAY, THE 15<sup>th</sup> DAY

JUSTICE W.D. BLACK

)

OF AUGUST, 2025

)

**CONSTANTINE ENTERPRISES INC.**

Applicant

**- AND -**

**MIZRAHI (128 HAZELTON) INC. AND  
MIZRAHI 128 HAZELTON RETAIL INC.**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE  
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND  
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED**

**ORDER  
(Ancillary Matters)**

**THIS MOTION**, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver and manager (in such capacity, the **"Receiver"**) of (a) a certain condominium units located at 126 Hazelton Avenue, Toronto, Ontario and 128 Hazelton Avenue, Toronto, Ontario (as legally described in the Receivership Order of the Honourable Justice Cavanagh dated June 4, 2024); and (b) all of the assets, undertakings and properties of Mizrahi (128 Hazelton) Inc. (**"Hazelton"**) and Mizrahi 128 Hazelton Retail Inc. (**"Retail"**, together with Hazelton, the **"Debtors"**), or either of them, acquired for, or used in relation to a business carried on by the Debtors, or either of them, including all proceeds thereof, for an Order:

- (a) authorizing the Receiver to distribute the net proceeds from the sale of the assets (the **"Transaction"**) contemplated by the 801 APS (as defined in the sixth report of the Receiver dated August 11, 2025, the **"Sixth Report"**) to Constantine

Enterprises Inc. (the “CEI”) on account of the CEI Priority Debt (as defined in the Sixth Report); and

- (b) approving the Sixth Report and the activities of the Receiver as set out therein.

was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

**ON READING** the Sixth Report, and on hearing the submissions of counsel for the Receiver, no one else appearing although served as evidenced by Certificate of Service of Lauren Archibald dated August 12, 2025, filed;

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the Sixth 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 terms not otherwise defined herein shall have the meaning ascribed to them in the Sixth Report.

### **DISTRIBUTION**

3. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to distribute the net proceeds of sale from the Transaction to CEI on account of the CEI Priority Debt (the “**Distribution**”), provided that the Receiver shall withhold \$173,456.42 from the net proceeds of sale from the Transaction (the “**Penegal Fund**”), and the Penegal Fund shall not be distributed pending a further Order of the Court directing the distribution of either all, or a portion, of the Penegal Fund.

4. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to take all reasonably necessary steps and actions to effect the Distribution in accordance with the provisions of this Order and shall not incur any liability as a result of making the Distribution.

5. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any application for a bankruptcy or receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada), S.C. 1985 c. B-3, as amended (the "**BIA**") or other applicable legislation in respect of the Debtors and any bankruptcy or receivership order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Debtors; and
- (d) any provisions of any federal or provincial legislation,

any Distribution made pursuant to this Order shall be final and irreversible and made free and clear of all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise including, without limiting the generality of the foregoing, all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act or any other personal property registry system or real property registry system (including the Receiver's Charge and the Receiver's Borrowing Charge, as both terms are defined in the Receivership Order) and shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of the Debtors and shall not be void or voidable nor shall it constitute nor be deemed to be a preference, assignment, fraudulent

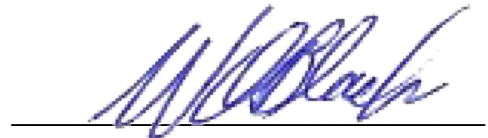
conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

#### **APPROVAL OF RECEIVER'S ACTIVITIES**

6. **THIS COURT ORDERS** that the Sixth Report and the activities of the Receiver referred in the Sixth Report, be and are hereby approved; provided, however, that only the Receiver in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

#### **GENERAL**

7. **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 Receiver 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 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.



CONSTANTINE ENTERPRISES INC. -and-  
Applicant

MIZRAHI (128 HAZELTON INC.) AND  
MIZRAHI 128 HAZELTON RETAIL INC.

Respondents

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

Proceeding commenced at Toronto

**ORDER  
(Ancillary Matters)**

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