



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-25-00747532-00CL

DATE: October 10, 2025

NO. ON LIST: 6

TITLE OF PROCEEDING: LAURENTIAN BANK OF CANADA v. 9089802 CANADA
CORP. et al

BEFORE JUSTICE: CAVANAGH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Danish Afroz	Counsel for the Applicant	dafroz@chaitons.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
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For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
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ENDORSEMENT:

1. On August 28, 2025, upon an application by Laurentian Bank of Canada ("LBC"), this Court granted an Order appointing KSV Restructuring Inc. as the receiver and manager (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of 9089802 Canada Corp. acquired for, or used in relation to a business carried on by the Debtor (including the Real Property (as defined below), the "Property").
2. The Receiver now brings this motion seeking a sale process approval order (the "Sale Process Approval Order"), among other things:
 - a. approving a sale process for the Property, including the real property municipally known as 40A, 40B and 60 Harris Ave, Richmond Hill and further described in Schedule "A" to the proposed Sale Process Approval Order (the "Real Property");
 - b. approving the listing agreement (the "Listing Agreement") with Jones Lang Lasalle Real Estate Services, Inc. ("JLL") as the broker in the Sale Process, substantially in the form attached as Appendix "C" to the First Report, and the retention of JLL by the Receiver under the terms thereof; and
 - c. authorizing the Receiver and JLL to implement the sale process as described in the First Report and authorizing and directing the Receiver and JLL to do all things reasonably necessary or desirable to give full effect to the sale process and to perform their respective obligations thereunder.
3. The respondents oppose this motion and request an adjournment. The respondents filed an affidavit in support of this request. After hearing submissions from counsel, it became apparent that the ground for opposition to the motion is that under the listing agreement, the listing broker proposes to charge a fee in the amount of \$100,000 plus applicable should any of specified events occur during the listing period or holdover period as described in the listing agreement. This fee would apply if the mortgage held by LBC is redeemed. I declined the request for an adjournment, but heard submissions from counsel for the respondents in opposition to the motion.
4. The Receiver, in paragraph 4.1 of the First Report of the Receiver dated October 1, 2025, reports on the process leading to the selection of JLL to act as the realtor for the sale of the Property. The Receiver solicited proposals from three realtors to act as the listing agent subject to court approval. The Receiver selected JLL and in doing so considered JLL's experience selling similar properties in the area and its commission rate.
5. The respondents submit that I should not accept the Receiver's recommendation that the proposed listing agreement, including the \$100,000 fee, should be approved. They submit that the proposed fee is unreasonable. I do not accept this submission.
6. The Receiver is able to assess the reasonableness of the commission structure under the proposed listing agreement, including the "Work, or Credit Bid Fee" in the amount of \$100,000. I am satisfied based on the Receiver's report that the rate structure, including the added fee, is commercially reasonable. I accept the Receiver's recommendation that JLL should be approved as the listing agent and that the Receiver should be authorized to enter into the listing agreement.
7. The proposed sale process is set out in the Receiver's report.

8. Although the decision to approve a sale process is distinct from the approval of a proposed sale transaction, Courts have held that the reasonableness and adequacy of any sale process proposed by a Court-appointed receiver are to be assessed in light of the factors that a Court will take into account when considering the approval of a proposed sale. The Ontario Court of Appeal summarized those factors in *Soundair* as follows:
 - a. whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
 - b. whether the interests of all parties have been considered;
 - c. the efficacy and integrity of the process by which offers are to be obtained; and
 - d. whether there has been unfairness in the working out of the process.
9. In addition to the *Soundair* factors, the Court must also assess: (a) the fairness, transparency and integrity of the proposed process; (b) the commercial efficacy of the proposed process in light of the specific circumstances facing the receiver; and (c) whether the sale process will optimize the chances, in the particular circumstances, of securing the best possible price for the assets up for sale.
10. In considering sale process matters, Courts have held that substantial deference should be given to the business judgement and recommendations of a receiver as an officer of the Court with significant expertise in insolvency proceedings.
11. I am satisfied that when the relevant factors are considered, the proposed sale process should be approved.
12. Order to issue in form of Order signed by me today.

Justice Cavanagh

Date: October 10, 2025