

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

THURSDAY, THE 28th

)

JUSTICE MEW

)

DAY OF AUGUST, 2025

IN THE MATTER OF 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

AND IN THE MATTER OF THE APPOINTMENT OF A RECEIVER
OVER THE PROPERTY, ASSETS AND UNDERTAKING OF 2067166
ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT HOMES – LA
PROMENADE INC., 2195186 ONTARIO INC., 1384274 ONTARIO INC. AND
1019883 ONTARIO INC.

**ANCILLARY RELIEF ORDER
(2195186 ONTARIO INC.)**

THIS MOTION made by KSV Restructuring Inc. (“**KSV**”) in its capacity as receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of the Respondent 2195186 Ontario Inc. (the “**Debtor**”), and all proceeds thereof, for an Order, *inter alia* (i) approving the activities described in the Receiver’s fourth report dated July 23, 2025 (the “**Fourth Report**”); (ii) following the completion of the sale transaction (the “**Transaction**”) of the real property (the “**Real Property**”) contemplated by an agreement of purchase and sale dated February 21, 2025, as amended (the “**Sale Agreement**”), between the Receiver and HS Canada 101 Champagne, L.P., by its general partner, HS Canada 101 Champagne GP Inc., as purchaser, as assigned to HS Canada 101 Champagne Property Inc. (collectively, the “**Purchaser**”), approved pursuant to an Approval and Vesting Order of the Court dated August 7,

2025 (the “**AVO**”), authorizing and directing the Receiver to make certain payments and distributions to the first mortgagee over the Real Property, Peoples Trust Company (“**Peoples**”), and to the second mortgagee over the Real Property, ACM Advisors Ltd (“**ACM**”); (iii) directing the Receiver to assign the Debtor, or to cause the Debtor to be assigned, into bankruptcy naming KSV, or another Licensed Insolvency Trustee, to administer the bankrupt estate; and (iv) amending the Receivership Order *nunc pro tunc* to correct a typographical error in the one reference to the Debtor in the first preamble of the Receivership Order from “2195132 Ontario Inc.” to “2195186 Ontario Inc.”, was heard this day by way of Zoom videoconference.

ON READING the Fourth Report and the appendices thereto, the First Supplement to the Fourth Report dated July 31, 2025 (the “**First Supplemental Report**”), and the Second Supplement to the Fourth Report dated August 27, 2025 (the “**Second Supplemental Report**”), and upon hearing submissions of counsel for (i) the Receiver; (ii) Peoples; (iii) ACM; (iv) the Debtor; (v) the Purchaser; and (vi) all other parties set out in the attendance sheet for this motion, and no one else appearing although duly served as set out in the affidavits of service of Chad Kopach sworn July 24, 2025, August 6, 2025, and August 27, 2025, and the affidavits of service of Eric Golden sworn July 29, 2025, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Second Supplemental Report be and is hereby abridged, that service of the Second Supplemental Report is hereby validated, and that further service thereof is hereby dispensed with.

REPORT APPROVAL

2. **THIS COURT ORDERS** that the Fourth Report, and the actions of the Receiver described therein, 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.

AMENDMENT TO RECEIVERSHIP ORDER

3. **THIS COURT ORDERS** that the Receivership Order be and is hereby amended, *nunc pro tunc*, to correct a typographical error in the one reference to the Debtor in the first preamble of the Receivership Order from “2195132 Ontario Inc.” to “2195186 Ontario Inc.”

ASSIGNMENT INTO BANKRUPTCY

4. **THIS COURT ORDERS** that the Receiver is directed to assign the Debtor, or to cause the Debtor to be assigned, into bankruptcy naming KSV, or another Licensed Insolvency Trustee, as the Debtor’s trustee in bankruptcy.

5. **THIS COURT ORDERS** that, notwithstanding any bankruptcy of the Debtor, the Receiver shall remain the receiver and manager of the Debtor’s Property (as defined in the Receivership Order) until its discharge pursuant to further Order of this Court. Without limiting the Receiver’s powers pursuant to the Receivership Order in any way, following any bankruptcy of the Debtor the Receiver shall remain authorized to deal with the Debtor’s Property (including the proceeds thereof) to the exclusion of all other persons (including the Trustee), including to perform its obligations under the Sale Agreement, complete the Transaction pursuant to the AVO (to the extent not already completed prior to the bankruptcy) and to effect the Distributions

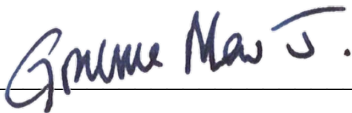
contemplated and authorized by the Distribution Order to be made by this Court. For greater certainty, any bankruptcy of the Debtor shall have no impact on the Transaction, the Receiver's obligations under the Sale Agreement or the relief granted pursuant to the AVO or this Order.

GENERAL

6. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

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.

8. **THIS COURT ORDERS** that this Order is effective from 12:01am (Ottawa time) on today's date and is enforceable without the need for entry and filing.



Mew J.

IN THE MATTER OF 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

AND IN THE MATTER OF THE APPOINTMENT OF A RECEIVER OVER THE PROPERTY, ASSETS AND UNDERTAKING OF 2067166 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT HOMES – LA PROMENADE INC., 2195186 ONTARIO INC., 1384274 ONTARIO INC. AND 1019883 ONTARIO INC.

Court File No. CV-24-00098058-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at OTTAWA

**ANCILLARY RELIEF ORDER
(2195186 ONTARIO INC.)**

BLANEY McMURTRY LLP
Barristers & Solicitors
2 Queen Street East, Suite 1500
Toronto, ON M5C 3G5

Eric Golden (LSO #38239M)
(416) 593-3927 (Tel)
egolden@blaney.com

Chad Kopach (LSO #48084G)
(416) 593-2985 (Tel)
ckopach@blaney.com

**NORTON ROSE FULBRIGHT
CANADA LLP**
222 Bay Street, Suite 3000
Toronto, ON M5K 1E7

Jennifer Stam (LSO #46735J)
(416) 202-6707 (Tel)
Jennifer.stam@nortonrosefulbright.com

Lauren Archibald (LSO #87151U)
(416) 278-3787 (Tel)
Lauren.archibald@nortonrosefulbright.com

Lawyers for KSV Restructuring Inc.,
in its capacity as Court-appointed Receiver