



Court File No. CV-24-00713245-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE

)

MONDAY, THE 14<sup>TH</sup>

)

JUSTICE OSBORNE

)

DAY OF APRIL, 2025

**IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY  
GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE  
PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE  
MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS  
INC. AND JOINT CAPTAIN REAL ESTATE INC. (collectively the  
"Applicants", and each an "Applicant")**

**ORDER**

**(Approval of Stay Extension, Second DIP Allocation, Orderly Liquidation Mechanics &  
Monitor's Activities and Fees)**

**THIS MOTION**, made by KSV Restructuring Inc., in its capacity as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**") was heard this day by judicial videoconference via Zoom.

**ON READING** the Twelfth Report of the Monitor dated April 7, 2025 (the "**Twelfth Report**"), the fee affidavit of Noah Goldstein sworn April 7, 2025 and the exhibits thereto (the "**Goldstein Affidavit**"), the fee affidavit of Ryan Jacobs sworn April 7, 2025 and the exhibits thereto (the "**Jacobs Affidavit**"), and such other materials that were filed, and on hearing the

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submissions of counsel to the Monitor, the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel, counsel to the Lion's Share Representative, counsel to the Replacement DIP Lender, and such other counsel that were present, no else appearing although duly served as appears from the affidavits of service of Stephanie Savannah Fernandes, each dated April 8, 2025, and April 10, 2025, and the affidavit of service of Nathalie El-Zakhem dated April 8, 2025, filed;

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record 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 terms used but not defined in this Order shall have the meaning given to them in the Twelfth Report.
3. **THIS COURT ORDERS** that the Stay Period (as defined in the Second Amended and Restated Initial Order of this Court dated March 28, 2024 (as further amended from time to time, including by Order of this Court dated December 6, 2024, the “**SARIO**”) be and is hereby extended until and including August 31, 2025.

### **SECOND DIP ALLOCATION**

4. **THIS COURT ORDERS** that the Second DIP Allocation substantially in the form attached at Appendix “J” to the Twelfth Report be and is hereby approved.

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5. **THIS COURT ORDERS** that the Monitor is authorized and directed to hold or distribute the 125% of the Second DIP Allocation paid to the Monitor pursuant to Sale Agreements (as defined in the Second Omnibus Approval and Vesting Order of this Court dated April 14, 2025) as follows:

- (a) the Monitor shall distribute an amount equal to 100% of each such Second DIP Allocation paid to the Monitor to the Replacement DIP Lender as a permanent reduction of the obligations owing under the Viscount DIP Term Sheet; and
- (b) the Monitor shall hold the additional 25% of each such Second DIP Allocation paid to the Monitor in escrow pending further order of this Court or agreement among the Monitor, the Replacement DIP Lender and the applicable purchaser.

#### **ORDERLY LIQUIDATION MECHANICS FOR LIQUIDATION PORTFOLIO PROPERTIES**

6. **THIS COURT ORDERS** that the Monitor, on behalf of the Applicants in accordance with the Order (Expansion of Monitor's Powers) of this Court dated June 25, 2024, be and is hereby authorized, without further order of this Court, to accept and complete sales of any Liquidation Portfolio Property pursuant to the Orderly Liquidation Plan (as approved in the Order (Credit Bid/Liquidation Process, Stay Extension & Fee and Activities Approval) of this Court dated February 27, 2025) as follows:

- (a) subject to clause (d) of this paragraph, for a Liquidation Portfolio Property with any mortgages duly registered on title, with the consent of the Secured Lender Representative Counsel and the applicable first and second mortgagees on the

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Remaining Property if the net sale proceeds (after taxes and closing costs) from the sale of such Liquidation Portfolio Property are estimated by the Monitor to be less than the amount equal to 125% of the Second DIP Allocation attributable to such Liquidation Portfolio Property plus the mortgage debt on such Liquidation Portfolio Property;

- (b) subject to clause (d) of this paragraph, for a Liquidation Portfolio Property with any mortgages duly registered on title, with the consent of the Unsecured Lender Representative Counsel and the Lion's Share Representative if the net sale proceeds (after taxes and closing costs) from the sale of such Liquidation Portfolio Property are estimated by the Monitor to be greater than the amount equal to 125% of the Second DIP Allocation attributable to such Liquidation Portfolio Property plus the mortgage debt on such Liquidation Portfolio Property;
- (c) subject to clause (d) of this paragraph, for a Liquidation Portfolio Property without any mortgages duly registered on title, with the consent of the Secured Lender Representative counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative; or
- (d) with the consent of only the Replacement DIP Lender if the net sale proceeds (after taxes and closing costs) from a Liquidation Portfolio Property are estimated by the Monitor to be less than the amount equal to 125% of the Second DIP Allocation attributable to such Liquidation Portfolio Property.

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7. **THIS COURT ORDERS** that where any consents required under paragraph 6 of this Order are not provided, the Monitor shall be entitled to seek Court approval of the sale of such Liquidation Portfolio Property, and the costs of such Court approval shall be allocated to the proceeds of such Liquidation Portfolio Property.

8. **THIS COURT ORDERS** that where consent to the sale of a Liquidation Portfolio Property is required from the Unsecured Lender Representative Counsel and the Lion's Share Representative pursuant to paragraph 6 of this Order but is not provided, and the Monitor estimates that the costs of seeking Court approval of the sale of such Liquidation Portfolio Property would result in a deficiency to any mortgagee on the Liquidation Portfolio Property, the Monitor shall be entitled to accept and complete the sale without obtaining the consent of the Unsecured Lender Representative Counsel or the Lion's Share Representative, and shall instead obtain the consents required as set out in paragraph 6(a) of this Order.

9. **THIS COURT ORDERS** that, on closing of the sale of a Liquidation Portfolio Property in accordance with this Order: (a) until such time as all obligations under the Viscount DIP Term Sheet have been repaid in full, the Monitor shall distribute from the net proceeds of the sale 100% of the Second DIP Allocation attributable to such Liquidation Portfolio Property to the Replacement DIP Lender as a reduction of the principal obligations owing under the Viscount DIP Term Sheet; (b) the Monitor shall hold from the net proceeds of the sale an amount equal to 25% of the Second DIP Allocation attributable to such Liquidation Portfolio Property in trust pending further order of this Court or agreement of the Monitor, the applicable mortgagees on such Liquidation Portfolio Property, and the Replacement DIP Lender; and (c) the Monitor shall hold all additional net proceeds in trust pending further order of this Court.

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10. **THIS COURT ORDERS** that, provided that paragraphs 6 and 8 of this Order, as applicable, are complied with: (a) any person with a mortgage registered on title to the Liquidation Portfolio Property shall be required to discharge such mortgage on closing of the sale of such Liquidation Portfolio Property and (b) the DIP Lender's Charge (as defined in the SARIO) on such Liquidation Portfolio Property be and is hereby deemed to be discharged and released effective upon closing of the sale of such Liquidation Portfolio Property.

#### **APPROVAL OF THE MONITOR'S TWELFTH REPORT, ACTIVITIES AND FEES**

11. **THIS COURT ORDERS** that the Twelfth Report and the activities of the Monitor referred to therein be and are hereby approved; provided, however, that only the Monitor, 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.

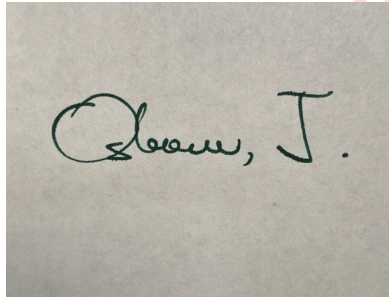
12. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel, Cassels Brock & Blackwell LLP, as set out in the Twelfth Report, the Goldstein Affidavit and the Jacobs Affidavit, be and are hereby approved.

#### **GENERAL**

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

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14. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.

A rectangular image showing a handwritten signature in dark ink on a light-colored, textured background. The signature appears to be "Osborne, J." written in a cursive, slightly slanted script.

Digitally

signed by  
Osborne J.

Date:

2025.04.14

10:49:22 -04'00'

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PROCEEDING COMMENCED AT  
TORONTO

**ORDER**  
(Approval of Stay Extension, Second DIP Allocation, Orderly  
Liquidation Mechanics & Monitor's Activities and Fees)

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