

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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")**

**MOTION RECORD
(MOTION RETURNABLE JULY 28, 2025)**

July 21, 2025

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TO: THE SERVICE LIST

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TAB 1

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**NOTICE OF MOTION
(Returnable July 28, 2025)**

KSV Restructuring Inc., in its capacity as court-appointed monitor (in such capacity, the "**Monitor**") of the Applicants, pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 23, 2024, as subsequently amended and restated by Orders dated February 15, 2024 and March 28, 2024 (as further amended from time to time, including by Order dated December 6, 2024, the "**SARIO**") and pursuant to the Order (Expansion of Monitor's Powers) of the Court dated June 25, 2024 (the "**Expanded Powers Order**"), will make a motion before the Honourable Mr. Justice Osborne of the Court on July 28, 2025, at 11:00 a.m., or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard

[] In writing under subrule 37.12.1(1) because it is
[insert on consent, unopposed or made without notice];

- ☐ In writing as an opposed motion under subrule 37.12.1(4);
- ☐ In person;
- ☐ By telephone conference;
- ☒ By video conference.

at the following: Video conference link to be provided by Court office.

THE MOTION IS FOR:

1. an order, substantially in the form attached at Tab 3 of the Motion Record (the “**Assignment of Claims Order**”), among other things:
 - (a) abridging the manner and time for, and validating service of, this Notice of Motion and supporting materials such that the motion is properly returnable on July 28, 2025 and dispensing with further service thereof;
 - (b) approving the assignment agreement (the “**Core Claim Assignment Agreement**”) between the Applicants and Viscount Capital Inc. (“**Viscount**” or the “**Assignee**”) dated as of May 31, 2025 substantially in the form attached at Appendix “D” to the Thirteenth Report of the Monitor dated July 21, 2025 (the “**Thirteenth Report**”) and authorizing and directing the Monitor, *nunc pro tunc*, on behalf of the Applicants in accordance with the Expanded Powers Order, to execute the Assignment Agreement and to give full effect to the terms of the Core Claim Assignment Agreement in accordance with this Order; and

- (c) subject to the terms and provisions of the Core Claim Assignment Agreement and the Assignment of Claims Order, authorizing the Assignee to continue proceedings, including the action bearing Court File No. CV-25-00742331-0000, in its own name and at its own expense and risk regarding the Applicants' claims as against Core Acquisition Co. Inc. ("**Core**") as a defendant for, *inter alia*, damages arising from breach of contract and/or unjust enrichment relating to unpaid portions of the purchase price required to be paid under the agreement of purchase and sale dated February 24, 2022 (the "**Core Claim**").
2. an order, substantially in the form attached at Tab 4 of the Motion Record (the "**Ancillary Matters Order**"), among other things:
- (a) abridging the manner and time for, and validating service of, this Notice of Motion and supporting materials such that the motion is properly returnable on July 28, 2025 and dispensing with further service thereof;
 - (b) extending the Stay Period (as defined in the SARIO) to and including January 31, 2026;
 - (c) amending the SARIO to replace Goldman Sloan Nash & Haber LLP ("**GSNH**") with Reconstruct LLP ("**Recon**") as Unsecured Lender Representative Counsel; and
 - (d) approving (i) the Thirteenth Report and the activities of the Monitor referred to therein, and (ii) the fees and disbursements of the Monitor and its counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), from April 1, 2025 to and including June 30,

2025, as set out in the Thirteenth Report, the Affidavit of David Sieradzki sworn July 21, 2025 (the “**Sieradzki Affidavit**”), and the Affidavit of Ryan Jacobs sworn July 21, 2025 (the “**Jacobs Affidavit**”); and

3. Such further and other Relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

Background¹

4. On January 23, 2024, the Applicants obtained an initial order (the “**Initial Order**”) under the CCAA, which among other things, appointed KSV Restructuring Inc. as the Monitor in these CCAA proceedings. The Initial Order was subsequently amended and restated and further amended from time to time, ultimately resulting in the SARIO.

5. On June 25, 2024, the Court granted the Expanded Powers Order, which, among other things:

- (a) authorized and empowered the Monitor to exercise any powers which may be properly exercised by a board of directors or any officers of the Applicants to cause the Applicants to take various actions or steps as set out in paragraph 3 of the Expanded Powers Order;

¹ Terms used but not defined in this Notice of Motion shall have the meaning given to them in the Thirteenth Report.

- (b) provided for a process for the Monitor to transition the Applicants' property and other management service providers from the SID Companies (as defined in the Expanded Powers Order) as determined necessary by the Monitor; and
 - (c) granted various additional and ancillary relief to facilitate the foregoing.
6. On April 15, 2025, this Court granted an order, which, among other things:
- (a) extended the Stay Period to August 31, 2025;
 - (b) approved the Second Omnibus Credit Bid Vesting Order, including assigning tenant leases for the properties subject to the Second Omnibus Credit Bid Vesting Order to the respective purchasers;
 - (c) approved the Orderly Liquidation Mechanics; and
 - (d) approved the Second DIP Allocation; and
 - (e) approved the fees and disbursements of the Monitor and its counsel through to March 31, 2025.

Proposed Assignment of Claims Order

7. The Monitor seeks approval of the Core Claim Assignment Agreement.
8. In May 2025, Viscount approached the Monitor to express an interest in acquiring the Applicants' potential claim against Core relating to unpaid portions of the purchase price to be paid under the Core Claim.

9. In order to preserve the Core Claim, on behalf of the Applicants, the Monitor took steps to file a Notice of Action in May 2025 and subsequently took steps to file a Statement of Claim against Core. Notwithstanding the preliminary steps taken by the Monitor to preserve the Core Claim, the Monitor does not have the resources or stakeholder support to pursue it.

10. Following extensive discussions and negotiations with Viscount (in consultation with Secured Lender Representative Counsel and Unsecured Lender Representative Counsel), in accordance with the Monitor's authority under the Expanded Powers Order, the Monitor, on behalf of the Applicants, entered into the Core Claim Assignment Agreement with Viscount, pursuant to which Viscount would, subject to certain conditions (including Court approval), acquire all of the Applicants' right, title and interest in the Core Claim.

11. One of the key conditions negotiated in the Core Claim Assignment Agreement was that the acquisition of the Core Claim by Viscount would be subject to any other creditors and/or interested parties making a better offer to acquire the Core Claim. In this regard, as contemplated by the Core Claim Assignment Agreement, on June 10, 2025, the Monitor provided notice (the "**Notice**") by email to all known lenders and to the Service List soliciting any offers to take an assignment of the Core Claim by July 7, 2025. A copy of the Notice was also posted on the Case Website.

12. The Monitor did not receive any other expression of interest in the Core Claim nor were any other offers submitted by the July 7th deadline.

Administrative Change to Unsecured Lender Representative Counsel

13. From the commencement of these proceedings, GSNH has acted as Unsecured Lender Representative Counsel. From the outset, Mario Forte has been the lawyer with principal carriage acting in the role of Unsecured Lender Representative Counsel in these proceedings. In March 2025, Mr. Forte switched firms from GSNH to Recon. Since that time, and as more particularly described in the Thirteenth Report, the Monitor has continued to deal with Mr. Forte on various matters given his familiarity and knowledge of the issues and his constituency.

14. At this time, the Monitor is proposing that Recon replace GSNH in the role of Unsecured Lender Representative Counsel given, among other things, Mr. Forte's familiarity with these proceedings, the role that Unsecured Lender Representative Counsel will continue to have as the Monitor continues to implement the Orderly Liquidation Plan, the matters to be addressed in due course concerning future distributions in these proceedings, and the continuation of the previously-agreed monthly fee cap of \$10,000/month.

Extension of the Stay of Proceedings

15. For the reasons set out in the Thirteenth Report, the Monitor is of the view that the Stay Period should be extended to January 31, 2026 to continue advancing the Court-approved Orderly Liquidation Plan, particularly listing for sale, and realizing on, the Remaining Liquidation Properties. In the Monitor's view, the progress made to-date in carrying out the Orderly Liquidation Plan justifies extending these proceedings to complete the sale of the 54 Remaining Liquidation Properties.

16. The Monitor is of the view that it is discharging its duties and obligations under the CCAA, the Expanded Powers Order and other orders made in these CCAA proceedings in good faith and with due diligence.

17. Based on the Cash Flow Forecast provided in the Thirteenth Report, there is projected to be funding available to fund operations and the costs of these proceedings during the extension period, and no creditor will be prejudiced if the extension is granted.

Approval of the Monitor's Reports, Activities and Fees

18. The Monitor seeks approval of the Thirteenth Report and the activities of the Monitor described therein, as well as approval of the fees and disbursements of the Monitor and Cassels referred to in the Thirteenth Report, the Sieradzki Affidavit and the Jacobs Affidavit.

Other

19. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court.

20. Rules 1.04, 1.05, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.

21. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

- (a) the Thirteenth Report;

- (b) the Sieradzki Affidavit and the exhibits thereto;
- (c) the Jacobs Affidavit and the exhibits thereto; and
- (d) such further and other material as counsel may advise and this Honourable Court may permit.
- (e) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

July 21, 2025

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TO: **THE SERVICE LIST**

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.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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TAB 2



**Thirteenth Report of
KSV Restructuring Inc.
as CCAA Monitor 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.**

July 21, 2025

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COURT FILE NO.: CV-24-00713245-00CL

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

**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.**

**THIRTEENTH REPORT OF KSV RESTRUCTURING INC. AS
MONITOR**

JULY 21, 2025

1. Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on January 23, 2024 (the "Initial Order"), each 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") were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), and KSV Restructuring Inc. ("KSV") was appointed monitor of the Applicants (in such capacity, the "Monitor").
2. The Initial Order has been amended and amended and restated from time to time as described further below (as amended and amended and restated, the "SARIO").

1.1 Purposes of this Report

1. The purposes of this thirteenth report (the "Report") are to:
 - a) provide an update on the status of these CCAA proceedings, particularly as it relates to the Monitor's progress in carrying out the disposition process for the Liquidation Portfolio Properties (as defined below) in accordance with the Court-approved Orderly Liquidation Plan (as defined below);
 - b) provide an update on the realization steps undertaken by the Monitor with the assistance of CBRE and five listing agents in their respective markets, being Valery Realty Inc., John E. Smith Realty, Royal LePAGE Best Choice Realty Ltd., Ziemiński Real Estate Brokerage and Royal LePage (collectively, the "Listing Agents");

- c) provide the Monitor's reasons for recommending that the Court approve a proposed assignment to Viscount Capital Inc. ("Viscount") of the Applicants' interest in a claim/action against Core Acquisition Co Inc. ("Core") pursuant to an assignment agreement dated as of May 31, 2025 (the "Core Claim Assignment Agreement");
- d) summarize the Applicants' cash flow forecast (the "Cash Flow Forecast") for the period July 28, 2025 to January 31, 2026 (the "Forecast Period");
- e) advise the Court of the administrative need to amend the SARIO to replace Goldman Sloan Nash & Haber LLP ("GSNH") with Reconstruct LLP ("Recon") as the Unsecured Lender Representative Counsel (as defined below); and
- f) recommend that the Court grant the following relief:
 - approving the Core Claim Assignment Agreement and assigning the Core Claim (as defined below) to Viscount in accordance with the terms of the Core Claim Assignment Agreement;
 - extending the Stay Period to January 31, 2026;
 - amending the SARIO to replace GSNH with Recon as Unsecured Lender Representative Counsel;
 - approving the fees and disbursements of the Monitor and its counsel, Cassels Brock & Blackwell LLP ("Cassels"), from April 1, 2025 to and including June 30, 2025; and
 - approving this Report and the Monitor's activities summarized herein.

1.2 Summary of the Proceedings to Date

1. The Applicants together with certain non-Applicant related entities, including SIDRWC Inc. o/a SID Developments ("SID Developments"), SID Management Inc. ("SID Management") and 2707793 Ontario Inc. o/a SID Renos ("SID Renos" and together with SID Developments and SID Management, the "SID Companies"), were part of a group of companies (collectively, the "Company") involved in the acquisition, renovation and leasing of distressed residential real estate in undervalued markets throughout Ontario (the "Business").
2. In the Applicants' materials filed in support of the Initial Order, they provided that the principal purpose for commencing these CCAA proceedings was to create a stabilized environment to enable the Applicants to preserve and maximize value for their stakeholders and provide the stability and liquidity necessary to complete value accretive renovations to their portfolio of residential homes (the "Portfolio"), including by securing debtor-in-possession ("DIP") financing, in order to pursue a comprehensive refinancing or restructuring transaction and/or implement a consensual plan of compromise or arrangement while continuing operations in the ordinary course of business.

3. Pursuant to the Initial Order, the Court, among other things:
 - a) granted a stay of proceedings until February 2, 2024 (the “Stay Period”) in respect of the Applicants, the Monitor, the Business and the Applicants’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “Applicants’ Property”) and three of the Applicants’ directors and officers, being Aruba Butt, Dylan Suitor and Ryan Molony (the “Additional Stay Parties”);
 - b) appointed Chaitons LLP (“Chaitons”) as representative counsel (the “Secured Lender Representative Counsel”) to all of the Applicants’ secured creditors (the “Secured Lenders”) and unsecured promissory noteholders (the “Unsecured Lenders”) and approved a mechanism by which a committee of up to six parties would be formed to instruct Secured Lender Representative Counsel (the “Secured Lender Representatives”); and
 - c) granted a charge (the “Administration Charge”) in the amount of \$750,000 on the Applicants’ Property to secure the fees and disbursements of the Monitor and its legal counsel, the Applicants’ legal counsel, Bennett Jones LLP (“Bennett Jones”), and Secured Lender Representative Counsel.
4. On January 31, 2024, the Court granted an amended Initial Order which, among other things:
 - a) extended the Stay Period to February 16, 2024;
 - b) approved the Applicants’ ability to borrow under a DIP credit facility (the “Harbour DIP Facility”) pursuant to a DIP Agreement dated January 26, 2024 (the “Harbour DIP Agreement”) between the Applicants and Harbour Mortgage Corp. (“Harbour”) and granted a charge in favour of Harbour in the maximum amount of \$4 million (plus interest, fees and expenses) to secure the Applicants’ obligations under the Harbour DIP Agreement and Harbour DIP Facility (the “DIP Lender’s Charge”);
 - c) increased the maximum amount of the Administration Charge from \$750,000 to \$1 million; and
 - d) authorized the Applicants to pay certain amounts owing to suppliers for goods and services supplied to the Applicants prior to the date of the Initial Order, subject to the consent of the Monitor.
5. Pursuant to an Amended and Restated Initial Order granted on February 15, 2024 (the “ARIO”), the Court, among other things:
 - a) extended the Stay Period to March 28, 2024;
 - b) increased the maximum amount of the Administration Charge to \$1.5 million;
 - c) increased the maximum amount of the Harbour DIP Facility and the DIP Lender’s Charge to \$12 million (plus interest, fees and costs);

- d) amended the scope of Secured Lender Representative Counsel's mandate by removing the Unsecured Lenders such that the group of creditors represented by Secured Lender Representative Counsel includes only the Secured Lenders; and
 - e) directed and empowered the Monitor to (i) conduct an investigation into the use of funds borrowed by the Applicants, pre-filing transactions conducted by the Applicants and/or their principals (the "Principals") and affiliates, and such other matters as may be requested by the Secured Lender Representatives and agreed by the Monitor, in each case, to the extent such investigation relates to the Applicants' Property, the Business or such other matters as may be relevant to the proceedings herein as determined by the Monitor (the "Investigation"), and (ii) report to the Secured Lender Representatives and the Court on the findings of such Investigation as the Monitor deems necessary and appropriate.
6. Pursuant to a Second Amended and Restated Initial Order granted on March 28, 2024 (the "Second ARIO"), a copy of which is attached as Appendix "A", the Court, among other things:
- a) extended the Stay Period to April 30, 2024; and
 - b) appointed GSNH as representative counsel (the "Unsecured Lender Representative Counsel") to the Applicants' Unsecured Lenders other than (i) The Lion's Share Group Inc.¹ ("Lion's Share") and (ii) any other unsecured lenders directly or indirectly controlled by, or under common control or otherwise affiliated with, Lion's Share or its principal, Claire Drage.
7. On April 12, 2024, the Court granted an order (the "SISP Approval Order"), which, among other things:
- a) extended the Stay Period to June 24, 2024;
 - b) approved a sale and investment solicitation process ("SISP"); and
 - c) approved the Applicants' engagement of Howards Capital Corp. ("HCC") and CBRE Limited ("CBRE" and jointly with HCC, the "SISP Advisors").
8. On June 25, 2024, the Court granted two orders (the "Expanded Powers Order" and the "Ancillary Order"), which, among other things:
- a) expanded the Monitor's powers over the Applicants, including removing the Principals' decision-making authority over the Applicants, as more fully discussed in Section 1.3 below;
 - b) provided a process for the Monitor to transition the Applicants' property and other management service providers from the SID Companies as determined necessary by the Monitor;

¹ On March 16, 2024, Lion's Share filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*. The Fuller Landau Group Inc. ("Fuller Landau") was appointed as proposal trustee. On April 3, 2024, Lion's Share was placed into receivership and bankruptcy proceedings. Fuller Landau is the receiver and licensed insolvency trustee administering Lion's Share's receivership and bankruptcy proceedings (in such capacities, the "Lion's Share Representative").

- c) extended the Stay Period to July 31, 2024;
- d) extended the stay of proceedings in respect of the Additional Stay Parties pursuant to paragraph 14 of the Second ARIO during the Transition Period (as defined in the Expanded Powers Order) to be automatically terminated upon the issuance of the Monitor's Transition Period Termination Certificate (as defined in the Expanded Powers Order);
- e) provided that, until the issuance of the Monitor's Transition Period Termination Certificate, no proceeding shall be commenced against or in respect of any of the SID Companies, or their respective employees, advisors or representatives, or affecting their respective business or property, except with the prior written consent of the Monitor and the SID Companies, or with leave of this Court;
- f) provided that none of the Applicants, the SID Companies and/or their respective principals and affiliates shall be required to take any further steps in connection with, or respond to any requests made pursuant to, paragraph 41(k) of the ARIO, but without derogating from any other obligations under the Second ARIO; and
- g) provided that, during the Transition Period, each of the Additional Stay Parties shall provide the Monitor with notice of the earlier of (i) seven (7) business days prior to any closing date and (ii) the listing date, for the sale of any real property owned, directly or indirectly, by the applicable Additional Stay Party, subject to certain express exceptions. (No such notice was provided to the Monitor over the course of the Transition Period).

Copies of the Expanded Powers Order and the Ancillary Order are attached as Appendix "B".

9. On July 31, 2024, the Court granted an order, which, among other things:
 - a) extended the Stay Period to August 31, 2024; and
 - b) approved a form of Property Management Agreement (the "PMA") with Richmond Advisory Services Inc. ("Richmond"), pursuant to which the property management services for the Portfolio would be transitioned from the SID Companies to Richmond. The PMA was finalized on August 8, 2024.
10. On August 30, 2024, the Court granted an order, which, among other things:
 - a) extended the Stay Period to October 31, 2024;
 - b) approved a form of restructuring term sheet (the "Restructuring Term Sheet") and authorized the Monitor to carry out its obligations under the Restructuring Term Sheet, including, without limitation, facilitating the negotiation and settlement of the transactions contemplated therein and finalizing all documentation reasonably necessary to carry out such transactions, provided that nothing in such order approved any specific transaction or agreement contemplated by the Restructuring Term Sheet, all of which remained subject to further approval by the Court;

- c) increased the maximum amount of the Harbour DIP Facility and the DIP Lender's Charge to \$15 million (plus interest, fees and costs); and
 - d) approved the fees and disbursements of the Monitor and its counsel through to July 31, 2024.
- 11. Pursuant to an order dated October 7, 2024 (the "Suitor Interim Receivership Order"), TDB Restructuring Limited was appointed as interim receiver over Mr. Suitor's property, assets and undertaking. The Suitor Interim Receivership Order was sought by the Lion's Share Representative in a separate proceeding in connection with its bankruptcy application against Mr. Suitor, which was heard on February 25, 2025. On March 26, 2025, Justice Steele granted the bankruptcy application against Mr. Suitor, which decision Mr. Suitor is in the process of appealing.
- 12. On October 30, 2024, this Court granted an order which extended the Stay Period to November 30, 2024.
- 13. On November 26, 2024, this Court granted an order which extended the Stay Period to December 31, 2024.
- 14. On December 6, 2024, this Court granted an order, which, among other things:
 - a) extended the Stay Period to February 28, 2025;
 - b) approved the Credit Bid APAs, as defined in the Monitor's Tenth Report to Court (the "Tenth Report"), and authorized the Monitor to execute each of the Credit Bid APAs on behalf of each applicable Applicant in its capacity as "super" monitor of the Applicants pursuant to the Expanded Powers Order;
 - c) approved credit bid transactions (the "Omnibus Credit Bid Vesting Order") in respect of 323 of the Applicants' properties, including assigning tenant leases for the properties subject to the Omnibus Credit Bid Vesting Order to the respective purchasers, and separate from the Omnibus Credit Bid Vesting Order, assigned all tenant leases applicable to the Remaining Portfolio (as defined below) from the SID Companies to the applicable Applicant;
 - d) approved the Monitor's methodology to allocate the \$15 million drawn on the Harbour DIP Facility (plus interest, fees and costs payable thereunder) across the Portfolio (the "First DIP Allocation");
 - e) approved a replacement DIP Term Sheet (the "Viscount DIP Term Sheet") with Viscount and authorized the Monitor to execute the Viscount DIP Term Sheet on behalf of the Applicants in its capacity as "super" monitor of the Applicants pursuant to the Expanded Powers Order;
 - f) authorized the Monitor, on behalf of the Applicants in its capacity as "super" monitor of the Applicants pursuant to the Expanded Powers Order, to repay the Harbour DIP Facility from: (i) cash on hand in the Applicants' bank accounts and/or the Monitor's trust account in respect of the Applicants; (ii) the DIP Allocations paid on closing of each Credit Bid APA, as held by the Monitor; and (iii) the proceeds advanced under the Viscount DIP Term Sheet;

- g) approved the amendments to the Court-ordered charges in these proceedings, being a decrease to the Administration Charge from \$1.5 million to \$500,000, and a decrease to the DIP Lender's Charge from \$15 million (plus interest and costs) to \$4.85 million (plus interest, fees and costs); and
 - h) approved the fees and disbursements of the Monitor and its counsel through to October 31, 2024.
- 15. On December 20, 2024, the Monitor filed and served the Monitor's Transition Period Termination Certificate. Accordingly, effective December 20, 2024, the Additional Stay Parties and the SID Companies no longer have the benefit of the stay of proceedings granted in this proceeding.
- 16. On February 27, 2025, this Court granted an order, which, among other things:
 - a) extended the Stay Period to May 31, 2025;
 - b) approved five credit bid transactions that were already subject to the Omnibus Credit Bid Vesting Order but were not completed for the reasons described in the Monitor's Eleventh Report to Court dated February 20, 2025 (the "Eleventh Report");
 - c) approved the amended Credit Bid APAs, as defined in the Monitor's Eleventh Report;
 - d) approved a Secondary Credit Bid Process and an Orderly Liquidation Plan (each as defined in the Eleventh Report), including the broker agreements with five listing agents, and authorized the Monitor to carry out those processes on the basis detailed in the Eleventh Report; and
 - e) approved the fees and disbursements of the Monitor and its counsel through to January 31, 2025.
- 17. On April 15, 2025, this Court granted an order, which, among other things:
 - a) extended the Stay Period to August 31, 2025;
 - b) approved an additional twelve credit bid transactions (the "Second Omnibus Credit Bid Vesting Order"), including assigning tenant leases for the properties subject to the Second Omnibus Credit Bid Vesting Order to the respective purchasers;
 - c) approved the Monitor's proposed mechanics to sell the Liquidation Portfolio Properties², without the need for further Court approval, subject to certain terms, including the consents and conditions as described in the Monitor's Twelfth Report to Court dated April 7, 2025 (the "Twelfth Report") (the "Orderly Liquidation Mechanics");

² Includes the properties that were not subject to credit bids (neither the initial credit bids nor the second credit bids) and therefore remained in the pool of properties to be liquidated.

- d) approved the Monitor's methodology to allocate certain accrued liabilities and obligations owing under the Viscount DIP Term Sheet across the Remaining Portfolio (the "Second DIP Allocation"); and
- e) approved the fees and disbursements of the Monitor and its counsel through to March 31, 2025.

A copy of the Twelfth Report (without appendices) is attached as Appendix "C".

1.3 Investigation

1. On June 11, 2024, the Monitor served on the Service List a redacted version of its Fourth Report to Court (the "Fourth Report"), which summarized the results of the Investigation.
2. The Investigation identified, among other things:
 - a) questionable transfers from the Applicants to the Principals, affiliated entities and third parties without any apparent benefit to the Business;
 - b) questionable dividend payments or repayment of amounts identified as shareholder loans;
 - c) a pervasive lack of proper record keeping, particularly for a business with assets and liabilities with a book value in the hundreds of millions of dollars; and
 - d) a myriad of other deficient business practices.
3. On June 14, 2024, the Secured Lender Representative Counsel brought a motion, supported by the Monitor, the Unsecured Lender Representative Counsel and the Lion's Share Representative, seeking the Expanded Powers Order in order to expand the Monitor's powers in respect of the Applicants and removing the Principals' decision-making authority. The Applicants initially objected to the motion, but subsequently consented to the Expanded Powers Order and the Ancillary Order.

1.4 Restrictions

1. In preparing this Report, the Monitor has relied upon the unaudited financial information of the Applicants, the Applicants' books and records and discussions with representatives of the Applicants.
2. KSV has not audited, or otherwise attempted to verify, the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, KSV expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. KSV expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.5 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2. Background

1. The Applicants are Canadian privately-held corporations that are the principal owners of the Company's rental units and the residential properties on which they are situated.
2. At the commencement of these proceedings, the Applicants had disclosed ownership in 407 residential properties (collectively, the "Properties") comprising 631 rental units. The Properties were located in tertiary markets in Ontario, including Timmins, Sault Ste. Marie, Sudbury, Kirkland Lake, Capreol, Temiskaming Shores and Val Caron. Since the issuance of the Omnibus Credit Bid Vesting Order, the Credit Bid Vesting Order dated February 27, 2025, and the Second Omnibus Credit Bid Vesting Order dated April 14, 2025, 333 credit bid transactions have been completed (the "Closed Credit Bid Properties"). Further, following the issuance of the Orderly Liquidation Process Order dated February 27, 2025, and the Orderly Liquidation Mechanics Order dated April 14, 2025 ("Orderly Liquidation Mechanics Order"), 20 Liquidation Portfolio Properties have been sold as discussed further below.
3. The Applicants' principal stakeholders are (i) first and second mortgagees (being the Secured Lenders), which at the commencement of these proceedings were owed approximately \$81.5 million and \$8.6 million, respectively, plus interest and costs which continue to accrue³ and (ii) unsecured promissory note holders (being the Unsecured Lenders). After the commencement of these proceedings, the Applicants advised the Monitor that they believe the amount owing to the Unsecured Lenders is significantly less than the amount initially provided by Ms. Drage, being approximately \$54.2 million. The Applicants' creditor listings reflect obligations owing to Lion's Share totalling approximately \$39.2 million. As there have not been any funds available for distribution to Unsecured Lenders to-date, a reconciliation of the total amount of the claims of Unsecured Lenders has not been completed by the Monitor.
4. Court materials filed in these proceedings, including the Monitor's reports, set out detailed information with respect to the Applicants' Business, property and creditor composition. All Court materials are available on the Monitor's website at the following link: <https://www.ksvadvisory.com/experience/case/sid> (the "Case Website").

³ These amounts are based on Applicants' Books and Records, prior to the closing of the 333 Closed Credit Bid Properties.

3. SISP and Restructuring Term Sheet

1. The SISP was approved pursuant to the SISP Approval Order. With the assistance of the SISP Advisors, the Monitor carried out the SISP in accordance with the SISP Approval Order.
2. As set out in the Monitor's previous reports to Court, other than credit bids for individual properties, the SISP generated 12 letters of intent ("LOIs") that contemplated third-party sales or refinancing transactions. In accordance with the SISP, copies of the LOIs were provided to the applicable "Reviewing Parties" under the SISP. After extensive consultation with the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative and its counsel, the Monitor determined not to pursue any of the LOIs submitted in the SISP.
3. Throughout the SISP, the Principals conveyed to stakeholders an estimated Portfolio value of approximately \$140 million. This estimated value was based on a Comparative Market Analysis (the "CMA") obtained by the Applicants in May 2024 from a representative of Keller Williams Edge Realty, with whom Mr. Sutor is affiliated. Upon review of the CMA, the Monitor identified significant overstatements and errors in the CMA's underlying assumptions and comparable properties used for this analysis. Both SISP Advisors did not find the CMA credible and refused to include the CMA in their data rooms. Accordingly, the Monitor deemed the CMA unreliable. In the Monitor's view, the Principals' continuous references to the CMA contributed to an expectation gap and misperceptions among stakeholders about anticipated recoveries in these proceedings.
4. A summary of the offers received under the SISP was filed with the Court as a confidential appendix to the Monitor's Fifth Report to Court dated June 17, 2024 and sealed, until further order of the Court, pursuant to an order of the Court granted on June 24, 2024. Although the offer summary remains sealed, the Monitor notes that no offer provided sufficient proceeds to repay the Harbour DIP Facility and first mortgagees in full.
5. Following the conclusion of the SISP, the Monitor worked with the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel, the Lion's Share Representative and its counsel to negotiate the Restructuring Term Sheet. The principal purposes of the Restructuring Term Sheet were to: (a) provide for a process for mortgagees to submit credit bids; and (b) for properties not subject to credit bids, outline a framework for (i) a process to complete the sale and/or liquidation of the Portfolio; and (ii) a distribution mechanism for Secured and Unsecured Lenders in accordance with their respective priorities and entitlements.
6. As noted above, the Restructuring Term Sheet was approved by the Court on August 30, 2024, provided that such Order did not constitute approval of any specific transaction or agreement contemplated by the Restructuring Term Sheet, all of which remained subject to further order of the Court.

3.1 Closed Credit Bid Transactions

1. The Restructuring Term Sheet established deadlines of September 20, 2024 for first mortgagees and September 30, 2024 for second mortgagees to submit credit bids for their respective Properties. In total, the Monitor received 323 credit bids representing approximately 79% of the then portfolio of Properties. Each credit bid was accompanied by the required deposit. All but two of the credit bids were submitted by first mortgagees and the remaining two were submitted by second mortgagees on the applicable Properties.
2. In the Tenth Report, the Monitor proposed the Omnibus Credit Bid Vesting Order as an omnibus order that covers all Credit Bid APAs given the impracticality of having 323 individual vesting orders for each Credit Bid APA. The Omnibus Credit Bid Vesting Order was granted on December 6, 2024.
3. 316 credit bid transactions closed on or around December 17, 2024, representing approximately 78% of the then portfolio of Properties. On that date, the amount owing to Harbour (approximately \$15 million), then secured by the DIP Lender's Charge, was repaid in full from the cash consideration of the credit bids and the replacement DIP funding advanced by Viscount (the "Replacement DIP Lender") under the Viscount DIP Term Sheet.
4. Two of the credit bid transactions did not close as the mortgagees failed to pay their respective DIP Allocation. In accordance with the Credit Bid APA, the deposits paid by those two credit bidders were not refunded.
5. The Credit Bid Vesting Order granted on February 27, 2025 approved certain required amendments to allow an additional five of the original Credit Bid APAs to be completed. One of those transactions closed on or around March 4, 2025 and the remaining four transactions closed on or around April 1, 2025.
6. Also on February 27, 2025, the Court granted an order ("Secondary Credit Bid Approval Order") which, among other things, approved the Secondary Credit Bid Process (discussed in the Twelfth Report attached at Appendix "C"). In total, the Monitor received 12 credit bids, which all closed on or prior to May 9, 2025.
7. Accordingly, as of the date of this Report, 333 credit bid transactions have been completed, representing approximately 82% of the portfolio of Properties at the commencement of these proceedings.

4. The Core Claim

1. In May 2025, Viscount approached the Monitor to express an interest in acquiring the Applicants' potential claim against Core relating to unpaid portions of the purchase price to be paid under an agreement of purchase and sale dated February 24, 2022, as amended, between certain of the Applicants and Core (the "Core Claim").
2. Thereafter, the Monitor consulted with Secured Lender Representative Counsel and Unsecured Lender Representative Counsel to discuss the basis on which the Monitor would be prepared to assign the Core Claim to Viscount.

3. In order to preserve the Core Claim, on behalf of the Applicants, the Monitor took steps to file a Notice of Action in May 2025 and subsequently took steps to file a Statement of Claim against Core. Notwithstanding the preliminary steps taken by the Monitor to preserve the Core Claim, the Monitor does not have the resources or stakeholder support to pursue it.
4. Following extensive discussions and negotiations with Viscount (in consultation with Secured Lender Representative Counsel and Unsecured Lender Representative Counsel), in accordance with the Monitor's authority under the Expanded Powers Order, the Monitor, on behalf of the Applicants, entered into the Core Claim Assignment Agreement with Viscount, pursuant to which Viscount would, subject to certain conditions (including Court approval), acquire all of the Applicants' right, title and interest in the Core Claim. A copy of the Core Claim Assignment Agreement is attached as Appendix "D".
5. One of the key conditions negotiated in the Core Claim Assignment Agreement was that the acquisition of the Core Claim by Viscount would be subject to any other creditors and/or interested parties making a better offer to acquire the Core Claim. In this regard, as contemplated by the Core Claim Assignment Agreement, on June 10, 2025, the Monitor provided notice (the "Notice") by email to all known lenders and to the Service List soliciting any offers to take an assignment of the Core Claim by July 7, 2025. A copy of the Notice was also posted on the Case Website. A copy of the Notice is attached as Appendix "E"; and
6. The Monitor did not receive any other expression of interest in the Core Claim nor were any other offers submitted by the July 7th deadline.
7. A summary of the key terms of the Core Claim Assignment Agreement is as follows:
 - a) Subject to the conditions therein (including Court approval), the Applicants assign to Viscount as "Assignee" (for itself and for the benefit of the unsecured creditors of the Applicants), all of the Applicants' right, title and interest in the Core Claim without recourse to, among others, the Applicants or the Monitor and on an "as is, where is" basis without any representations or warranties except as expressly set out in the Core Claim Assignment Agreement.
 - b) Following the assignment, neither the Applicants nor the Monitor shall be required in any way to participate in the proceedings relating to the Core Claim in any manner whatsoever, including production and discovery, but, for greater certainty, this exclusion shall not apply to the principals of the Applicants, including, *inter alia*, Robert Clark and Aruba Butt, provided that neither the Applicants nor the Monitor shall be required to, or required to take steps to, compel such participation of the principals of the Applicants.
 - c) The Assignee agrees that all proceeds generated from any recovery under a successful order or judgment under the Core Claim or any settlement of the Core Claim (the "Recovered Amounts") shall be paid as follows:
 - (A) Firstly, to Viscount on account of (collectively, the "Viscount Priority Payment"):
 - i. all out-of-pocket expenses and costs associated with this assignment, and its litigation efforts;

- ii. the Funding Requirements (as defined below); and
 - iii. an amount of up to \$1 million to be applied to repay the outstanding unsecured indebtedness owing by Lion's Share to Viscount under certain promissory notes advanced by Viscount to Lion's Share.
 - (B) Secondly, any Recovered Amounts in excess of the Viscount Priority Payment, to the general unsecured creditors of the Applicants in these proceedings on a *pro rata* basis in accordance with a further order of the Court.
 - d) The Assignee agreed that it shall be responsible for the Out-of-Pocket Costs (as defined in the Core Claim Assignment Agreement) of: (i) the Monitor and its legal counsel for preparing, negotiating and settling the Core Claim Assignment Agreement and preparing and bringing the motion for the Assignment Order up to \$25,000; and (ii) Adair Goldblatt Bieber LLP for the preparation and filing of the Statement of Claim (the "Funding Requirements"). The Assignee delivered to the Monitor the amount of \$35,000 to cover the Funding Requirements. The Assignee's obligation to pay the Funding Requirements is unconditional and non-refundable (including if Court approval is not granted), other than solely to the extent of a refund received pursuant to any other party's accepted and approved offer to take an assignment of the Core Claim, if any.
 - e) The Assignee fully releases and indemnifies the Monitor and KSV and their current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives.
8. The Monitor recommends the Court approve the Core Claim Assignment Agreement for the following reasons:
- a) the Monitor consulted with the Court-appointed representative counsel in these proceedings to discuss every step taken in connection with the proposed assignment of the Core Claim. Both Secured and Unsecured Lender Representative Counsel support the Monitor's course of action;
 - b) the Monitor believes that by way of the Notice process described above, the market of potentially interested parties was broadly canvassed to solicit if any party was interested in submitting a proposal to acquire the Core Claim on terms more favourable than those contemplated under the Core Claim Assignment Agreement. The Monitor received no interest from any party over the course of the process, including no interest from the secured and unsecured lender representatives;
 - c) given the nature of the Core Claim and the circumstances of the Applicants, the Monitor does not believe that a more formal "sale process" for the Core Claim would generate any additional interest in acquiring the Core Claim and, as such, the time and expense of a further sale process is not warranted in the circumstances;

- d) the Monitor does not have the stakeholder support nor the funding to adequately pursue the Core Claim directly on behalf of the Applicants' estate. Accordingly, absent an assignment pursuant to the Core Claim Assignment Agreement, the Monitor does not believe that there is any reasonable and viable way for the Core Claim to be advanced for the benefit of the Applicants' estate beyond the preliminary steps taken to-date by the Monitor to preserve the claim;
- e) the Monitor discussed with Viscount, the Secured Lender Representative Counsel and the Unsecured Lender Representative Counsel the possibility of the Core Claim being assigned and pursued in accordance with a process similar to Section 38 of the *Bankruptcy and Insolvency Act*, but Viscount advised that it was not interested in doing so in the circumstances and neither the Secured Lender Representative Counsel nor the Unsecured Lender Representative Counsel expressed an interest in leading such a Section 38 process;
- f) in the Monitor's opinion, the terms of the Core Claim Assignment Agreement, including the basis on which the Applicants' general unsecured creditors would participate in the Recovered Amounts (if any), is fair and reasonable consideration for the assignment of the Core Claim as it provides the possibility of some recovery for the unsecured creditors; and
- g) to the Monitor's knowledge, Viscount is not a "related person" for the purposes of Section 36(5) of the CCAA.

5. Liquidation Portfolio

1. The Liquidation Portfolio Properties initially consisted of 86 properties. Over the last few months, 12 secondary credit bids and 20 third party sales (the "Sold Properties") have been completed in accordance with the Orderly Liquidation Mechanics Order. Accordingly, as at the date of this Report, 54 properties remain in the Liquidation Portfolio (the "Remaining Liquidation Properties"). A summary of the 54 Properties (comprising 80 rental units) is provided below.

Location	Number of Properties	Number of Occupied Units	Number of Unoccupied Units	Total
Timmins	21	18	20	38
Sault Ste. Marie	26	13	14	27
Sudbury	4	4	1	5
Other	3	6	4	10
Total	54	41	39	80

2. A listing setting out the status of each of the Liquidation Portfolio Properties is provided in Appendix "F".
3. As at the date of this Report, the Monitor has taken the following steps in accordance with the Orderly Liquidation Plan:
 - a) entered into listing agreements with the Listing Agents;
 - b) worked with CBRE and the Listing Agents to determine the sequencing of listing the Liquidation Portfolio Properties, which considers, among other things, the applicable local market, occupancy status and condition of the properties;

- c) listed a sub-set of the Liquidation Portfolio Properties (using MLS and other traditional marketing channels for residential real estate) to identify potential purchasers for each property. As at the date of this Report, a total of 29 properties are listed for sale. Listings commenced on or around April 1, 2025 and new properties continue to be listed as properties sell;
 - d) sought consents from the relevant stakeholders prior to accepting offers in accordance with the Orderly Liquidation Mechanics Order; and
 - e) completed 20 transactions for the Sold Properties. The net sale proceeds generated from the Sold Properties total approximately \$3.3 million. These sale proceeds are net of real estate commissions, property tax arrears and other closing costs.
4. Given the progress achieved to-date in carrying out the Orderly Liquidation Plan, the Monitor intends to work with the Listing Agents to continue the disposition process in accordance with the Orderly Liquidation Mechanics Order.

5.1 DIP Repayments from Liquidation Property Sales

- 1. On April 14, 2025, the Second DIP Allocation was approved by the Court. Pursuant to Paragraph 5(a) of the Orderly Liquidation Mechanics Order, the Monitor has distributed the applicable Second DIP Allocation to Viscount shortly following closing each Liquidation Portfolio Property sale.
- 2. As of the date of this Report, the principal owing to Viscount under the Viscount DIP Term Sheet has been reduced from \$4.4 million to approximately \$2.7 million as a result of the application of the applicable Second DIP Allocation underlying the 12 Secondary Credit Bids and 20 Liquidation Properties that have closed since the granting of the Orderly Liquidation Mechanics Order. A summary of the DIP repayments is attached as Appendix "G".
- 3. Pursuant to Viscount DIP Term Sheet, the Secondary Credit Bid Process and the Orderly Liquidation Plan, the Monitor is required to hold an additional 25% of the Second DIP Allocation in escrow until the amounts owing under the Viscount DIP Term Sheet are repaid in full or otherwise agreed among the applicable parties. The Monitor is presently discussing with the Replacement DIP Lender the basis on which these escrow amounts can be released, particularly the additional amounts paid to complete the Secondary Credit Bids.

5.2 Distribution of Proceeds

- 1. At this time, the Monitor is not seeking any relief in connection with distribution of the net liquidation proceeds. The Monitor intends to continue repaying the DIP as funds become available from the sale of Liquidation Portfolio Properties.
- 2. As discussed in the Twelfth Report, the Monitor intends to continue holding the net proceeds of sale of any Liquidation Portfolio Properties (i.e. over and above the applicable Second DIP Allocation) to fund operational and other costs of these proceedings.
- 3. Once the Viscount DIP Facility is repaid in full and the Monitor has a better sense of the total funds available for distribution, the Monitor will bring a distribution motion to recommend the basis on which any remaining proceeds should be distributed.

6. Cash Flow Forecast

- The following table provides a summary of the uses of the DIP funding (both from Harbour and Viscount) from the commencement of these proceedings in January 2024 through July 17, 2025.

(unaudited; C\$000s)	
Receipts	
DIP funding	19,400
Credit Bid DIP Allocation Payments	13,102
Other receipts	5,883
	<u>38,385</u>
Disbursements	
DIP facility repayments	(16,611)
Professional fees	(9,431)
Other	(3,933)
Property taxes	(3,484)
DIP Facility costs and interest	(1,854)
Advances to Applicants' bank accounts	(1,415)
Insurance	(427)
Total Disbursements	<u>(37,155)</u>
Balance in Monitor's Trust Account	<u>1,230</u>

- Explanations of certain line items in the table above are as follows:
 - the purpose of the table is to reflect the Applicants' uses of DIP funding over the course of these proceedings. As all DIP funding has been advanced to the Monitor's trust account, activity in the Applicants' bank accounts is not reflected in the table above; however, the Monitor took control over the Applicants' bank accounts in accordance with the Expanded Powers Order. As at the date of this Report, there is a negligible balance in the Applicants' bank accounts and approximately \$1.23 million in the Monitor's trust account;
 - amounts reflected as other receipts include, among other things, rent collections and net sale proceeds from the Sold Properties;
 - professional fees include the fees of the Applicants' counsel, the Monitor and its counsel, the Replacement DIP Lender's counsel (and in respect of Harbour, the previous DIP Lender), the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the SISP Advisors. The SISP Advisors' fees ceased being paid shortly following the offer deadline under the SISP (June 2024);
 - amounts reflected as advances to the Applicants' bank accounts were largely used to fund renovations, utilities, repairs and maintenance and other operating expenses incurred over the course of these proceedings; and
 - amounts reflected as other include, among other things, property management fees, transfers of amounts held in escrow, utilities, HST, bank charges and other sundry expenses.
- The Monitor has prepared the Cash Flow Forecast for the period July 28, 2025 through to the proposed stay extension date of January 31, 2026. The Cash Flow Forecast is attached as Appendix "H".

4. Subject to the underlying assumptions provided in the notes to the Cash Flow Forecast, the Cash Flow Forecast reflects that there is projected to be sufficient funding available to the Applicants to continue to operate in these proceedings through to the proposed stay extension date of January 31, 2026. The Cash Flow Forecast reflects that property sale proceeds of the Liquidation Portfolio Properties are required to fund a portion of the outstanding and ongoing costs of these proceedings. These assumptions, particularly as they relate to future sales under the Orderly Liquidation Plan, will be refined over time.
5. The Monitor's statutory report on the Cash Flow Forecast is attached as Appendix "I". The Monitor has not sought the statutory report on the Cash Flow Forecast to be executed by the Applicants given the Expanded Powers Order.

7. Stay Extension

1. The Stay Period currently expires on August 31, 2025. The Monitor, on behalf of the Applicants, is seeking an extension of the Stay Period until January 31, 2026.
2. The Monitor recommends the extension for the following reasons:
 - a) the Honourable Justice Steele's endorsement issued in these proceedings dated July 31, 2024 stated that *"In the context of a "super-Monitor" in CCAA proceedings, the monitor is held to the good faith standard."* As "super" Monitor in these CCAA proceedings, the Monitor believes it is discharging its duties and obligations under the CCAA, the Expanded Powers Order and other orders made in these CCAA proceedings in good faith and with due diligence;
 - b) an extension of the Stay Period will provide the time necessary for the Monitor to continue advancing the Court-approved Orderly Liquidation Plan, particularly listing for sale and realizing on, the Remaining Liquidation Properties. In the Monitor's view, the progress made to-date in carrying out the Orderly Liquidation Plan justifies extending these proceedings to provide the time necessary to complete the sale of the 54 Remaining Liquidation Properties;
 - c) no creditor will be prejudiced if the extension is granted; and
 - d) based on the Cash Flow Forecast, there is projected to be funding available to fund operations and the costs of these proceedings during the extension period.

8. Unsecured Lender Representative Counsel

1. From the commencement of these proceedings, GSNH has acted as Unsecured Lender Representative Counsel. Since late February, 2025, the Unsecured Lender Representative Counsel agreed to be subject to a reasonable monthly fee cap of \$10,000/month.

2. From the outset, Mario Forte has been the lawyer with principal carriage acting in the role of Unsecured Lender Representative Counsel in these proceedings. In March 2025, Mr. Forte switched firms from GSNH to Recon. Since that time, the Monitor has continued to deal with Mr. Forte on various matters given his familiarity and knowledge of the issues and his constituency. Over the last few months, those issues included dealing with the appropriate process to assign the Core Claim and in obtaining consents on Liquidation Property Sales in accordance with the Orderly Liquidation Mechanics Order (to the extent required for certain properties). The Monitor had advised Mr. Forte that it would seek an order replacing GSNH with Recon at the next motion in these proceedings.
3. At this time, the Monitor is proposing that Recon replace GSNH in the role of Unsecured Lender Representative Counsel given, among other things, Mr. Forte's familiarity with these proceedings, the role that Unsecured Lender Representative Counsel will continue to have as the Monitor continues to implement the Orderly Liquidation Plan, the matters to be addressed in due course concerning future distributions in these proceedings and the continuation of the previously-agreed monthly fee cap.

9. Professional Fees

1. The fees of the Monitor and Cassels from the commencement of these proceedings through March 31, 2025 have been approved pursuant to Court orders issued over the course of these proceedings.
2. The fees (excluding disbursements and HST) of the Monitor and Cassels from April 1, 2025 to June 30, 2025 total \$178,474 and \$93,103, respectively.
3. The average hourly rates for KSV and Cassels for the referenced billing periods were \$502.04 and \$824.65, respectively.
4. Invoices in respect of the fees and disbursements of the Monitor and Cassels, redacted for privilege or confidential information, are provided in appendices to the affidavits (together, the "Fee Affidavits") of KSV and Cassels, which Fee Affidavits are attached as Appendices "J" and "K", respectively.
5. As set out in the invoices attached to the Fee Affidavits, the fees of the Monitor and Cassels for the referenced billing periods include those incurred to carry out the Monitor's obligations in these proceedings, largely related to the Orderly Liquidation Plan.

6. The Monitor is of the view that the hourly rates charged by Cassels are consistent with the rates charged by large corporate law firms practicing in the area of corporate insolvency and restructuring in the Toronto market, that Cassels' billings reflect work performed consistent with the Monitor's instructions and that the overall fees charged by Cassels and the Monitor are reasonable and appropriate in the circumstances.

10. Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Court grant the relief set out in Section 1.1(1)(f) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR
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. AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 28 TH
)	
JUSTICE KIMMEL	)	DAY OF MARCH, 2024

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")

SECOND AMENDED AND RESTATED INITIAL ORDER
(Amending Initial Order Dated January 23, 2024, as Amended and Restated on February
15, 2024)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for a Second Amended and Restated Initial Order was heard this day by judicial videoconference via Zoom.

ON READING the affidavits of Robert Clark sworn January 23, 2024 and the Exhibits thereto, January 28, 2024 and the Exhibits thereto (the "**First Clark Affidavit**"), March 24, 2024 and the Exhibits thereto, and March 27, 2024 and the Exhibits thereto, the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**") as the proposed monitor dated January 23, 2024, the First Report of KSV as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**") dated January 29, 2024, the Supplement to the First Report of the Monitor dated February 13, 2024, the Second Report of the Monitor dated March 26, 2024, the Amended Initial Order of this Court dated January 31, 2024, and the Amended and Restated Initial Order of this Court dated February 15, 2024, and on being advised that the secured creditors who are likely to

be affected by the charges created herein were given notice, and on hearing the submissions of counsel to the Applicants, counsel to the Monitor, the Secured Lender Representative Counsel (as defined below), the Unsecured Lender Representative Counsel (as defined below), counsel to the DIP Lender (as defined below), and such other counsel that were present, no else appearing although duly served as appears from the affidavits of service of Joshua Foster, filed, and on reading the consent of KSV to act as the Monitor,

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 Application is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined shall have the meaning ascribed to them in the First Clark Affidavit.

3. **THIS COURT ORDERS** that, with the exception of paragraphs 30-38, references in this Order to the "date of this Order", the "date hereof" or similar phrases refer to the date the Initial Order of this Court was granted in these proceedings, being January 23, 2024 (the "**Initial Order**").

APPLICATION

4. **THIS COURT ORDERS AND DECLARES** that each of the Applicants is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

5. **THIS COURT ORDERS** that each of the Applicants shall have the authority to file and may, subject to further Order of this Court, file with the Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

6. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their respective current and future assets, licences, undertakings and properties of every nature

and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and the Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, contractors, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

7. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement and the Definitive Documents (each as defined below), the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order with the prior written consent of the Monitor, in consultation with the Secured Lender Representatives (as defined below):

- (a) all outstanding and future wages, salaries, commissions, employee and pension benefits (including, without limitation, employee medical, dental, vision, insurance and similar benefit plans or arrangements), vacation pay and employee expenses payable prior to, on, or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing and servicing expenses;
- (b) amounts owing for goods and services actually supplied to the Applicants prior to the date of this Order, with the Monitor considering, among other factors, whether (i) the supplier or service provider is essential to the Business and ongoing operations of the Applicants and the payment is required to ensure ongoing supply, (ii) making such payment will preserve, protect or enhance the value of the Property or the Business, (iii) making such payment is required to address environmental or regulatory concerns, and (iv) the supplier or service provider is required to continue to provide goods or services to the Applicants after the date of this Order, including pursuant to the terms of this Order; and

- (c) the fees and disbursements of any Assistants retained or employed by any of the Applicants in respect of these proceedings, at their standard rates and charges.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the DIP Agreement and the Definitive Documents, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, in each case, with the prior written consent of the Monitor, in consultation with the Secured Lender Representatives, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied or to be supplied to any of the Applicants on or following the date of this Order.

9. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services taxes, harmonized sales taxes or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by any of the Applicants in connection with the sale of goods and services by any of the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by any of the Applicants.

10. **THIS COURT ORDERS** that, except as specifically permitted herein and in the DIP Agreement and the Definitive Documents, the Applicants are hereby directed, until further Order of this Court: (i) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (ii) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (iii) to not grant credit or incur liabilities except in the ordinary course of the Business.

11. **THIS COURT ORDERS** that notwithstanding any other provision of this Order and for greater certainty, the Applicants shall not make any payments or incur any liabilities, including without limitation drawing on the credit facility provided under the DIP Agreement, without the prior written consent of the Monitor.

RESTRUCTURING

12. **THIS COURT ORDERS** that each of the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Agreement and the Definitive Documents, have the right to:

- (a) dispose of redundant or non-material assets not exceeding \$500,000 in any one transaction or \$1,500,000 in the aggregate, in each case, with the prior written consent of the Monitor; and
- (b) pursue all avenues of refinancing, restructuring, selling or reorganizing its Business or Property, in whole or part, with the oversight and involvement of the Monitor and subject to prior approval of this Court being obtained before any material refinancing, restructuring, sale or reorganization,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "**Restructuring**").

NO PROCEEDINGS AGAINST THE APPLICANTS, THE BUSINESS OR THE PROPERTY

13. **THIS COURT ORDERS** that until and including April 30, 2024, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**", and collectively, "**Proceedings**") shall be commenced or continued against or in respect of any of the Applicants or the Monitor, or their respective employees, advisors, counsel and other representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Applicants, or their respective employees, advisors, counsel and other representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended pending further Order of this Court or the prior written consent of the Applicants and the Monitor.

14. **THIS COURT ORDERS** that during the Stay Period, no Proceeding shall be commenced or continued against or in respect of Aruba Butt, Dylan Sutor and/or Ryan Molony (collectively, the "**Additional Stay Parties**"), or against or in respect of any of the Additional Stay Parties' current or future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, and including all proceeds thereof (collectively, the "**Additional Stay Parties' Property**") with respect to any guarantee, contribution or indemnity obligation, liability or claim in respect of or that relates to any agreement involving any of the Applicants or the obligations, liabilities and claims of and against any of the Applicants (collectively, the "**Related Claims**"), except with the prior written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Additional Stay Parties or the Additional Stay Parties' Property in respect of the Related Claims are hereby stayed and suspended pending further Order of this Court or the prior written consent of the Applicants and the Monitor.

15. **THIS COURT ORDERS** that, to the extent any prescription, time or limitation period relating to any Proceeding against or in respect of the Additional Stay Parties or the Additional

Stay Parties' Property in respect of the Related Claims that is stayed pursuant to this Order may expire, the term of such prescription, time or limitation period shall hereby be deemed to be extended by a period equal to the Stay Period.

NO EXERCISE OF RIGHTS OR REMEDIES

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, organization, governmental unit, body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of any of the Applicants or the Monitor, or their respective employees, advisors and other representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the prior written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower any Applicant to carry on any business which such Applicant is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence, authorization or permit in favour of or held by any of the Applicants, except with the prior written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements or arrangements with any of the Applicants or statutory or regulatory mandates for the supply or license of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, cash management services, payroll and benefit services, accounting services, temporary labour and staffing services, warehouse and logistics services, security services, insurance, transportation services, maintenance services, construction services, utility or other services to the Business or

any of the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply or license of such goods or services as may be required by any of the Applicants or exercising any other remedy provided under the agreements or arrangements, and that each of the Applicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the applicable Applicant in accordance with the normal payment practices of the applicable Applicant or such other practices as may be agreed upon by the supplier or service provider and the applicable Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to any of the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

NO PRE-FILING VERSUS POST-FILING SET-OFF

20. **THIS COURT ORDERS** that no Person shall be entitled to set off any amounts that (i) are or may become due to any of the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due from any of the Applicants in respect of obligations arising on or after the date of this Order, or (ii) are or may become due from any of the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due to any of the Applicants in respect of obligations arising on or after the date of this Order, in each case without the prior written consent of the applicable Applicant and the Monitor or further Order of this Court.

APPOINTMENT OF SECURED LENDER REPRESENTATIVE COUNSEL

21. **THIS COURT ORDERS** that Chaitons LLP (the "**Secured Lender Representative Counsel**") is hereby appointed as representative counsel for all of the secured lenders of the

Applicants (collectively, the "**Secured Lenders**"), including, without limitation, all of the Secured Lenders that have RRSPs or other registered accounts administered by Olympia Trust Company, in these proceedings, any proceeding under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") or in any other proceeding respecting the insolvency of the Applicants that may be brought before this Court (collectively, the "**Insolvency Proceedings**"), for any issues affecting the Secured Lenders in the Insolvency Proceedings, including, without limitation, with respect to the settlement or compromise of any rights, entitlements or claims of the Secured Lenders.

22. **THIS COURT ORDERS** that the Secured Lender Representative Counsel shall be entitled but not required to commence the process of identifying no more than six (6) Secured Lenders to be nominated as Court-appointed representatives (collectively, the "**Secured Lender Representatives**") as soon as practicable following the date hereof. The Secured Lender Representatives, if and once appointed, shall represent the Secured Lenders other than any Secured Opt-Out Lender (as defined below), if any, in the Insolvency Proceedings and advise, and where appropriate instruct, the Secured Lender Representative Counsel, including, without limitation, for the purpose of settling or compromising claims of the Secured Lenders in the Insolvency Proceedings. The Secured Lender Representative Counsel may rely upon the advice, information and instructions received from the Secured Lender Representatives, if any, in carrying out its mandate without further communications or instructions from the Secured Lenders, except as may be recommended by the Secured Lender Representative Counsel or ordered by this Court.

23. **THIS COURT ORDERS** that, with the exception of any Secured Opt-Out Lender, (i) the Secured Lender Representative Counsel and the Secured Lender Representatives, if any, shall represent all of the Secured Lenders in the Insolvency Proceedings, and (ii) the Secured Lenders shall be bound by the actions of the Secured Lender Representative Counsel and the Secured Lender Representatives, if any, in the Insolvency Proceedings.

24. **THIS COURT ORDERS** that, subject to confidentiality arrangements acceptable to the Applicants and the Monitor, the Applicants, The Windrose Group Inc. and Lift Capital Incorporated shall provide the following information to the Secured Lender Representative Counsel (collectively, the "**Secured Lender Information**"), in each case, without charge: (i) the

names, last known address, last known email addresses (if any) and entitlements of all of the Secured Lenders (excluding any Secured Opt-Out Lender that has delivered a Secured Opt-Out Notice (as defined below) prior to the delivery of the Secured Lender Information), in each case, to the extent in the possession or control of the Applicants, The Windrose Group Inc. and/or Lift Capital Incorporated, to be used solely for the purposes of the Insolvency Proceedings; and (ii) upon request of the Secured Lender Representative Counsel, such documents and data as may be reasonably relevant to the issues affecting the Secured Lenders in the Insolvency Proceedings, to the extent in the possession or control of the Applicants, The Windrose Group Inc. and/or Lift Capital Incorporated. In providing the Secured Lender Information, these parties are not required to obtain the express consent of any Secured Lender authorizing the disclosure of the Secured Lender Information to the Secured Lender Representative Counsel for the purposes of the Insolvency Proceedings, and further, in accordance with clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended (the "**PIPEDA**") each of these parties is authorized and permitted to disclose the Secured Lender Information to the Secured Lender Representative Counsel for the purposes of the Insolvency Proceedings, without the knowledge or consent of the Secured Lenders.

25. **THIS COURT ORDERS** that notice of the appointment of Secured Lender Representative Counsel shall be provided by: (i) the Secured Lender Representative Counsel sending a letter to the Secured Lenders at the addresses provided pursuant to paragraph 24 of this Order, advising of such appointment as soon as practicable following the date hereof; (ii) the inclusion of the details of such appointment in the CCAA Notice (as defined below); and (iii) the posting of notice of such appointment on the Monitor's Website (as defined below).

26. **THIS COURT ORDERS** that any Secured Lender who does not wish to be represented by the Secured Lender Representative Counsel and the Secured Lender Representatives, if any, in the Insolvency Proceedings shall, within thirty (30) days of the date hereof, notify the Monitor and the Secured Lender Representative Counsel in writing that such Secured Lender is opting out of representation by the Secured Lender Representative Counsel and the Secured Lender Representatives, if any, by delivering to the Monitor and the Secured Lender Representative Counsel an opt-out notice in the form attached as Schedule "A" hereto (each, a "**Secured Opt-Out Notice**"), and shall thereafter not be bound by the actions of the Secured Lender Representative Counsel or the Secured Lender Representatives, if any, and shall represent itself

or themselves, as the case may be, or be represented by any counsel that such Secured Lender may retain at its or their, as the case may be, sole expense (each such Secured Lender that delivers a Secured Opt-Out Notice in compliance with the terms of this paragraph, a "**Secured Opt-Out Lender**"). The Monitor shall deliver copies of all Secured Opt-Out Notices received to the Applicants as soon as reasonably practicable.

27. **THIS COURT ORDERS** that all reasonable and documented fees and disbursements as may have been incurred by the Secured Lender Representative Counsel prior to the date of this Order or which shall be incurred by the Secured Lender Representative Counsel shall be paid by the Applicants on a bi-weekly basis, forthwith upon the rendering of accounts to the Applicants. Any disagreement regarding such fees and disbursements may be remitted to this Court for determination.

28. **THIS COURT ORDERS** that no action or Proceeding may be commenced against the Secured Lender Representative Counsel or the Secured Lender Representatives, if any, in such capacities and/or in respect of the performance of their duties under this Order, without leave of this Court on seven (7) days' notice to the Secured Lender Representative Counsel or the Secured Lender Representatives, as applicable, the Applicants and the Monitor.

29. **THIS COURT ORDERS** that the Secured Lender Representative Counsel is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body or government ministry, department or agency, and to take all such steps as are necessary or incidental thereto. The Secured Lender Representative Counsel and the Secured Lender Representatives, if any, shall have no liability as a result of their appointment or the fulfillment of their duties in carrying out the provisions of this Order save and except for any gross negligence or wilful misconduct on their part.

APPOINTMENT OF UNSECURED LENDER REPRESENTATIVE COUNSEL

30. **THIS COURT ORDERS** that Goldman Sloan Nash & Harber LLP (the "**Unsecured Lender Representative Counsel**") is hereby appointed as representative counsel for all of the unsecured lenders of the Applicants other than (i) The Lion's Share Group Inc. and (ii) any other unsecured lenders directly or indirectly controlled by, or under common control or otherwise affiliated with, The Lion's Share Group Inc. or its principal, Claire Drage (collectively, the

"Unsecured Lenders"), including, without limitation, all of the Unsecured Lenders that have RRSPs or other registered accounts administered by Olympia Trust Company, in the Insolvency Proceedings, for any issues affecting the Unsecured Lenders in the Insolvency Proceedings, including, without limitation, with respect to the settlement or compromise of any rights, entitlements or claims of the Unsecured Lenders.

31. **THIS COURT ORDERS** that the Unsecured Lender Representative Counsel shall be entitled but not required to commence the process of identifying no more than six (6) Unsecured Lenders to be nominated as Court-appointed representatives (collectively, the "**Unsecured Lender Representatives**") as soon as practicable following the date hereof. The Unsecured Lender Representatives, if and once appointed, shall represent the Unsecured Lenders other than any Unsecured Opt-Out Lender (as defined below), if any, in the Insolvency Proceedings and advise, and where appropriate instruct, the Unsecured Lender Representative Counsel, including, without limitation, for the purpose of settling or compromising claims of the Unsecured Lenders in the Insolvency Proceedings. The Unsecured Lender Representative Counsel may rely upon the advice, information and instructions received from the Unsecured Lender Representatives, if any, in carrying out its mandate without further communications or instructions from the Unsecured Lenders, except as may be recommended by the Unsecured Lender Representative Counsel or ordered by this Court.

32. **THIS COURT ORDERS** that, with the exception of any Unsecured Opt-Out Lender, (i) the Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, shall represent all of the Unsecured Lenders in the Insolvency Proceedings, and (ii) the Unsecured Lenders shall be bound by the actions of the Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, in the Insolvency Proceedings.

33. **THIS COURT ORDERS** that, subject to confidentiality arrangements acceptable to the Applicants and the Monitor, the Applicants, The Windrose Group Inc. and The Lion's Share Group Inc. shall provide the following information to the Unsecured Lender Representative Counsel (collectively, the "**Unsecured Lender Information**"), in each case, without charge: (i) the names, last known address, last known email addresses (if any) and entitlements of all of the Unsecured Lenders (excluding any Unsecured Opt-Out Lender that has delivered an Unsecured Opt-Out Notice (as defined below) prior to the delivery of the Unsecured Lender Information), in

each case, to the extent in the possession or control of the Applicants, The Windrose Group Inc. and/or The Lion's Share Group Inc., to be used solely for the purposes of the Insolvency Proceedings; and (ii) upon request of the Unsecured Lender Representative Counsel, such documents and data as may be reasonably relevant to the issues affecting the Unsecured Lenders in the Insolvency Proceedings, to the extent in the possession or control of the Applicants, The Windrose Group Inc. and/or The Lion's Share Group Inc. In providing the Unsecured Lender Information, these parties are not required to obtain the express consent of any Unsecured Lender authorizing the disclosure of the Unsecured Lender Information to the Unsecured Lender Representative Counsel for the purposes of the Insolvency Proceedings, and further, in accordance with clause 7(3)(c) of the PIPEDA, each of these parties is authorized and permitted to disclose the Unsecured Lender Information to the Unsecured Lender Representative Counsel for the purposes of the Insolvency Proceedings, without the knowledge or consent of the Unsecured Lenders.

34. **THIS COURT ORDERS** that notice of the appointment of Unsecured Lender Representative Counsel shall be provided by: (i) the Unsecured Lender Representative Counsel sending a letter to the Unsecured Lenders at the addresses provided pursuant to paragraph 33 of this Order, advising of such appointment as soon as practicable following the date hereof; and (ii) the posting of notice of such appointment on the Monitor's Website.

35. **THIS COURT ORDERS** that any Unsecured Lender who does not wish to be represented by the Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, in the Insolvency Proceedings shall, within thirty (30) days of the date hereof, notify the Monitor and the Unsecured Lender Representative Counsel in writing that such Unsecured Lender is opting out of representation by the Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, by delivering to the Monitor and the Unsecured Lender Representative Counsel an opt-out notice in the form attached as Schedule "B" hereto (each, an "**Unsecured Opt-Out Notice**"), and shall thereafter not be bound by the actions of the Unsecured Lender Representative Counsel or the Unsecured Lender Representatives, if any, and shall represent itself or themselves, as the case may be, or be represented by any counsel that such Unsecured Lender may retain at its or their, as the case may be, sole expense (each such Unsecured Lender that delivers an Unsecured Opt-Out Notice in compliance with the terms of this paragraph, an "**Unsecured Opt-Out Lender**"). The Monitor

shall deliver copies of all Unsecured Opt-Out Notices received to the Applicants as soon as reasonably practicable.

36. **THIS COURT ORDERS** that all reasonable and documented fees and disbursements as may have been incurred by the Unsecured Lender Representative Counsel prior to the date of this Order or which shall be incurred by the Unsecured Lender Representative Counsel shall be paid by the Applicants on a bi-weekly basis, forthwith upon the rendering of accounts to the Applicants. Any disagreement regarding such fees and disbursements may be remitted to this Court for determination.

37. **THIS COURT ORDERS** that no action or Proceeding may be commenced against the Unsecured Lender Representative Counsel or the Unsecured Lender Representatives, if any, in such capacities and/or in respect of the performance of their duties under this Order, without leave of this Court on seven (7) days' notice to the Unsecured Lender Representative Counsel or the Unsecured Lender Representatives, as applicable, the Applicants and the Monitor.

38. **THIS COURT ORDERS** that the Unsecured Lender Representative Counsel is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body or government ministry, department or agency, and to take all such steps as are necessary or incidental thereto. The Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, shall have no liability as a result of their appointment or the fulfillment of their duties in carrying out the provisions of this Order save and except for any gross negligence or wilful misconduct on their part.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

39. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of any of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of any of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a Plan in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

APPOINTMENT OF MONITOR

40. **THIS COURT ORDERS** that KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by any of the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

41. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements;
- (b) report to this Court, the Secured Lender Representatives and/or the Unsecured Lender Representatives at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) liaise and consult with the Applicants, the Secured Lender Representatives and/or the Unsecured Lender Representatives, to the extent required, with respect to all matters relating to the Property, the Business, the Restructuring, and such other matters as may be relevant to these proceedings;
- (d) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lender and its counsel of financial and other information as agreed to between the Applicants and the DIP Lender, which may be used in these proceedings including reporting on a basis as agreed with the DIP Lender;
- (e) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed

with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis as agreed with the DIP Lender;

- (f) monitor all payments, obligations and transfers as between the Applicants and parties related thereto;
- (g) advise the Applicants in their development of the Plan (if any) and any amendments to the Plan;
- (h) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' meetings for voting on the Plan;
- (i) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Business and financial affairs or to perform its duties arising under this Order;
- (j) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (k) (i) conduct an investigation into the use of funds borrowed by the Applicants, pre-filing transactions conducted by the Applicants and/or their principals and affiliates, and such other matters as may be requested by the Secured Lender Representatives and agreed by the Monitor, in each case, to the extent such investigation relates to the Property, the Business or such other matters as may be relevant to the proceedings herein as determined by the Monitor, and (ii) report to the Secured Lender Representatives, the Unsecured Lender Representatives and the Court on the findings of such investigation as the Monitor deems necessary and appropriate; and
- (l) perform such other duties as are required by this Order or by this Court from time to time.

42. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or the Property, or any part thereof.

43. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act* or the *Ontario Occupational Health and Safety Act*, and regulations thereunder (collectively, "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

44. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants, including, without limitation, the DIP Lender, with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

45. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its employees, advisors and other representatives acting in such capacities shall incur any liability or obligation

as a result of the Monitor's appointment or the carrying out by it of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded to the Monitor by the CCAA or any applicable legislation.

46. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants in these proceedings shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Applicants in these proceedings on a bi-weekly basis or pursuant to such other arrangements agreed to between the Applicants and such parties and, in addition, the Monitor, and counsel to the Applicants are hereby authorized to maintain their respective retainers, if any, provided by the Applicants prior to the commencement of these proceedings, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

47. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

48. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the Applicants' counsel, the Secured Lender Representative Counsel and the Unsecured Lender Representative Counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1,500,000, unless permitted by further Order of this Court, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order. The Administration Charge shall have the priority set out in paragraphs 55 and 57 hereof.

DIP FINANCING

49. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from Harbour Mortgage Corp. or its permitted assignee (the "**DIP Lender**") in order to finance the Applicants' working capital requirements and other

general corporate purposes and capital expenditures, provided that the borrowings under such credit facility shall not exceed \$12,000,000, plus interest, fees and expenses, unless permitted by further Order of this Court.

50. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP agreement between the Applicants and the DIP Lender dated as of January 26, 2024 and attached to the First Clark Affidavit as Exhibit "F" (as may be amended and/or assigned from time to time, the "**DIP Agreement**").

51. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

52. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not exceed the amount of \$12,000,000, plus interest, fees and expenses, unless permitted by further Order of this Court, or secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 55 and 57 hereof.

53. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the DIP Agreement, the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon seven (7) days' notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the DIP Agreement,

Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

54. **THIS COURT ORDERS AND DECLARES** that, unless agreed to by the DIP Lender, the DIP Lender shall be treated as unaffected in any Plan filed by any of the Applicants under the CCAA, or any proposal filed by any of the Applicants under the BIA, with respect to any advances made under the DIP Agreement and the Definitive Documents.

VALIDITY AND PRIORITY OF THE CHARGES CREATED BY THIS ORDER

55. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge (together, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$1,500,000); and

Second – DIP Lender's Charge (to the maximum amount of \$12,000,000, plus interest, fees and expenses).

56. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

57. **THIS COURT ORDERS** that each of the Charges (as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other

security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person notwithstanding the order of perfection or attachment.

58. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any of the Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor, the DIP Lender and the beneficiaries of the Charges, or further Order of this Court.

59. **THIS COURT ORDERS** that the Charges and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (iv) the provisions of any federal or provincial statutes; or (v) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds any of the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by any of the Applicants of any Agreement to which any Applicant is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

- (c) the payments made by the Applicants pursuant to this Order, the DIP Agreement or the Definitive Documents, and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

60. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a charge in the applicable Applicant's interest in such real property lease.

SERVICE AND NOTICE

61. **THIS COURT ORDERS** that the Monitor shall: (i) without delay, publish in the *Globe and Mail (National Edition)*, a notice containing the information prescribed under the CCAA (the "**CCAA Notice**"); and (ii) within ten (10) days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against any of the Applicants of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with subsection 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of the individuals who are creditors publicly available.

62. **THIS COURT ORDERS** that The Guide Concerning Commercial List E-Service (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at: <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended (the "**Rules of Civil Procedure**"). Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: <https://www.ksvadvisory.com/experience/case/sid> (the "**Monitor's Website**").

63. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide or the CCAA and the regulations thereunder is not practicable, the Applicants, the Monitor, and their respective counsel and agents are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile or other electronic transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown in the books and records of the Applicants and that any such service, distribution or notice shall be deemed to be received: (i) if sent by courier, on the next business day following the date of forwarding thereof; (ii) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered; and (iii) if sent by ordinary mail, on the third business day after mailing.

64. **THIS COURT ORDERS** that the Applicants, the Monitor and each of their respective counsel and agents are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message (including by e-mail) to the Applicants' creditors or other interested parties and their advisors, as applicable. For greater certainty, any such service or distribution shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of subsection 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

65. **THIS COURT ORDERS** that any interested party wishing to object to the relief sought in a motion brought by the Applicants or the Monitor in these proceedings shall, subject to further order of this Court, provide the service list in these proceedings (the "**Service List**") with responding motion materials or a written notice (including by e-mail) stating its objection to the motion and the grounds for such objection by no later than 5:00 p.m. (Eastern Time) on the date that is two (2) days prior to the date such motion is returnable (the "**Objection Deadline**"). The Monitor shall have the ability to extend the Objection Deadline after consulting with the Applicants.

GENERAL

66. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court on not less than seven (7)

business days' notice to the Service List and any other party or parties likely to be affected by the Order sought; provided, however, that the Chargees shall be entitled to rely on this Order as granted and on the Charges and priorities set forth in paragraphs 55 and 57 hereof with respect to any fees, expenses and disbursements incurred, as applicable, until the date this Order may be amended, varied or stayed.

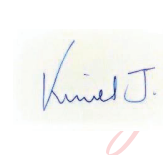
67. **THIS COURT ORDERS** that, notwithstanding paragraph 66 of this Order, each of the Applicants, the Monitor, the Secured Lender Representative Counsel or the Unsecured Lender Representative Counsel may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties hereunder or in the interpretation of this Order.

68. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of any of the Applicants, the Business or the Property.

69. **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 Applicants, the Monitor and their respective 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

70. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

71. **THIS COURT ORDERS** that the Initial Order, as amended and restated on February 15, 2024, is hereby amended and restated pursuant to this Order, and 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.



Digitally signed
by Jessica
Kimmel
Date: 2024.03.28
15:13:50 -04'00'

SCHEDULE "A"
FORM OF SECURED LENDER OPT-OUT NOTICE

To: Chaitons LLP, in its capacity as
Court-appointed Lender
Representative Counsel
5000 Yonge Street, 10th Floor
North York, ON M2N 7E9
Attention: George Benchetrit
Email: george@chaitons.com

with a copy to:

Bennett Jones LLP
Applicants' Counsel
3400 One First Canadian Place
Toronto, ON M5X 1A4
Attention: Joshua Foster
Email: fosterj@bennettjones.com

KSV Restructuring Inc., in its capacity as
Court-appointed Monitor
220 Bay Street, 13th Floor
Toronto, ON M5J 2W4
Attention: Christian Vit
Email: cvit@ksvadvisory.com

with a copy to:

Cassels Brock & Blackwell LLP
Monitor's Counsel
Suite 3200, Bay Adelaide Centre – North
Tower
40 Temperance Street
Toronto, ON M5H 0B4
Attention: Ryan Jacobs and Joseph Bellissimo
Email:
rjacobs@cassels.com/jbellissimo@cassels.com

I, in my individual capacity or in my capacity as an authorized representative of the undersigned, as applicable (in either capacity, the "**Opt-Out Lender**"), hereby provide written notice that the Opt-Out Lender does not wish to be represented by Chaitons LLP, representative counsel (the "**Lender Representative Counsel**") for all of the secured lenders 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**") in any proceeding respecting the insolvency of the Applicants (the "**Insolvency Proceedings**"). By opting out of this representation, the Opt-Out Lender hereby acknowledges and understands that if it wishes to take part in the Insolvency Proceedings, then it must do so as an independent party. Further, the Opt-Out Lender hereby acknowledges and understands that it is responsible for its own legal representation or for retaining its own legal counsel should it choose to do so, and that it would be personally liable for the costs of its own legal representation.

The Opt-Out Lender hereby acknowledges and understands that a copy of this Opt-Out Notice will be provided to the Applicants.

Witness

Signature of Opt-Out Lender or its
authorized representative

Name of individual or authorized
representative of the Opt-Out Lender:

Name of Opt-Out Lender
(if not a natural person):

Address:

Telephone:

**TO OPT OUT, THIS FORM MUST BE COMPLETED AND RECEIVED AT THE
ABOVE ADDRESS ON OR BEFORE FEBRUARY 22, 2024.**

SCHEDULE "B"
FORM OF UNSECURED LENDER OPT-OUT NOTICE

To: Goldman Sloan Nash & Harber LLP,
in its capacity as Court-appointed
Lender Representative Counsel
480 University Ave, Suite 1600
Toronto, ON M5G 1V6
Attention: Mario Forte
Email: forte@gsnh.com

KSV Restructuring Inc., in its capacity as
Court-appointed Monitor
220 Bay Street, 13th Floor
Toronto, ON M5J 2W4
Attention: Christian Vit
Email: cvit@ksvadvisory.com

with a copy to:

with a copy to:

Bennett Jones LLP
Applicants' Counsel
3400 One First Canadian Place
Toronto, ON M5X 1A4
Attention: Joshua Foster
Email: fosterj@bennettjones.com

Cassels Brock & Blackwell LLP
Monitor's Counsel
Suite 3200, Bay Adelaide Centre – North
Tower
40 Temperance Street
Toronto, ON M5H 0B4
Attention: Ryan Jacobs and Joseph Bellissimo
Email:
rjacobs@cassels.com/jbellissimo@cassels.com

I, in my individual capacity or in my capacity as an authorized representative of the undersigned, as applicable (in either capacity, the "**Opt-Out Lender**"), hereby provide written notice that the Opt-Out Lender does not wish to be represented by Goldman Sloan Nash & Harber LLP, representative counsel (the "**Lender Representative Counsel**") for certain of the unsecured lenders 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**") in any proceeding respecting the insolvency of the Applicants (the "**Insolvency Proceedings**"). By opting out of this representation, the Opt-Out Lender hereby acknowledges and understands that if it wishes to take part in the Insolvency Proceedings, then it must do so as an independent party. Further, the Opt-Out Lender hereby acknowledges and understands that it is responsible for its own legal representation or for retaining its own legal counsel should it choose to do so, and that it would be personally liable for the costs of its own legal representation.

The Opt-Out Lender hereby acknowledges and understands that a copy of this Opt-Out Notice will be provided to the Applicants.

Witness

Signature of Opt-Out Lender or its
authorized representative

Name of individual or authorized
representative of the Opt-Out Lender:

Name of Opt-Out Lender
(if not a natural person):

Address:

Telephone:

**TO OPT OUT, THIS FORM MUST BE COMPLETED AND RECEIVED AT THE
ABOVE ADDRESS ON OR BEFORE APRIL 27, 2024.**

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.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

SECOND AMENDED AND RESTATED
INITIAL ORDER

BENNETT JONES LLP

3400 One First Canadian Place

P.O. Box 130

Toronto, Ontario M5X 1A4

Sean Zweig (LSO# 57307I)

Tel: (416) 777-6254

Email: zweigs@bennettjones.com

Joshua Foster (LSO# 79447K)

Tel: (416) 777-7906

Email: fosterj@bennettjones.com

Thomas Gray (LSO# 82473H)

Tel: (416) 777-7924

Email: grayt@bennettjones.com

Lawyers for the Applicants

Appendix “B”

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

THE HONOURABLE

)

TUESDAY, THE 25TH

)

JUSTICE OSBORNE

)

DAY OF JUNE, 2024

**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
(Expansion of Monitor’s Powers)**

THIS MOTION, made by the secured lenders of the Applicants, by their representative counsel, Chaitons LLP (“**Secured Lender Representative Counsel**”), appointed pursuant to the Initial Order of this Court dated January 23, 2024, as subsequently amended and restated by Orders dated February 15, 2024 and March 28, 2024 (as amended and restated, the “**SARIO**”), for an order expanding the powers of KSV Restructuring Inc., in its capacity as the Court-appointed monitor of the Applicants (in such capacity, the “**Monitor**”) and related relief, was heard this day by judicial videoconference via Zoom.

ON READING the Fourth Report of the Monitor dated June 11, 2024, the Fifth Report of the Monitor dated June 17, 2024, the Supplement to the Fifth Report of the Monitor dated June 23, 2024, the Affidavit of Robert Clark sworn June 20, 2024, the Affidavit of Sofia Pino sworn June 14, 2024, the Affidavit of Paul Searle sworn June 14, 2024, the Affidavit of Andrew Adams sworn June 14, 2024, the Ancillary Order of this Court dated June 25, 2024, and such other materials that

were filed, and on being advised that each of the affected parties consents to the granting of this Order, and on hearing the submissions of Secured Lender Representative Counsel, counsel to the Applicants, Unsecured Lender Representative Counsel, counsel to the Monitor, counsel to The Fuller Landau Group Inc. in its capacity as court-appointed receiver and trustee in bankruptcy of The Lion's Share Group Inc., counsel to the DIP Lender, and such other counsel that were present, no one else appearing although duly served as appears from the affidavits of service, 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 capitalized terms used in this Order and not defined herein shall have the meanings ascribed to them in the SARIO.

EXPANSION OF MONITOR'S POWERS

3. THIS COURT ORDERS that in addition to the powers and duties of the Monitor set out in the SARIO, any other Order of this Court granted in this CCAA Proceeding, the CCAA and applicable law, and without altering in any way the obligations of the Applicants in this CCAA Proceeding, the Monitor is hereby empowered and authorized, but not required, to exercise any powers which may be properly exercised by a board of directors or any officers of the Applicants to cause the Applicants, to, including without limitation:

- (a) exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories, and the placement of such insurance coverage as may be necessary or desirable;

- (c) manage, operate, and carry on the business of the Applicants, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Applicants, including, subject to paragraph 5 hereof, terminating any and all agreements between the Applicants and any of the SID Companies (as defined below) on twenty-one (21) days' written notice by the Monitor to the applicable SID Companies;
- (d) instruct consultants, appraisers, agents, experts, auditors, accountants, managers, property managers, counsel and any other advisors currently engaged or retained by the Applicants;
- (e) engage any other consultants, appraisers, agents, experts, auditors, accountants, managers, property managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Monitor's powers and duties, including without limitation those conferred by this Order;
- (f) receive and collect all monies and accounts now owed or hereafter owing to the Applicants and to exercise all remedies of the Applicants in collecting such monies;
- (g) settle, extend or compromise any indebtedness owing to the Applicants, including determining whether a court-ordered claims process is required;
- (h) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, in the name and on behalf of the Applicants;
- (i) initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Applicants and/or the Property, and to settle or compromise any such proceedings;
- (j) market any or all of the Property or pursue other alternative transactions in respect of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof, negotiating such terms and conditions of sale or other

transactions as the Monitor in its discretion may deem appropriate, including, but not limited to transactions in connection with the Sale and Investment Solicitation Process approved pursuant to the SISP Approval Order issued in this proceeding on April 12, 2024, as deemed appropriate by the Monitor;

- (k) report to, meet with and discuss with such affected Persons as the Monitor deems appropriate on all matters relating to the Property and this proceeding, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;
- (l) apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof;
- (m) exercise any shareholder, partnership, joint venture or other rights which the Applicants may have; and
- (n) take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Monitor takes any such actions or steps, it shall be exclusively authorized and empowered to do so on behalf of the Applicants, to the exclusion of all other Persons, including the Applicants' directors, officers, employees and/or other representatives (including but not limited to Aruba Butt, Ryan Molony, Robert Clark and Dylan Suitor), and without interference from any other Person.

4. THIS COURT ORDERS that notwithstanding the SARIO, Bennett Jones LLP ("**Bennett Jones**") shall not be entitled to payment of any legal fees by the Applicants in connection with any services provided to, or for the benefit of, the Applicants or the principals of the Applicants (including any Additional Stay Parties) following the date of this Order, nor shall such fees be subject to the Administration Charge.

5. THIS COURT ORDERS that, without limiting the foregoing or the SARIO, each of SIDRWC Inc. o/a SID Developments, SID Management Inc. and 2707793 Ontario Inc. o/a SID Renos (collectively, the "**SID Companies**") shall, for a minimum period to be agreed upon

between the Monitor and the SID Companies, each acting reasonably, until the effective date of the termination by the Monitor of the applicable agreements between the Applicants and the SID Companies, or until further Order of this Court (the earlier of such periods being hereinafter the **“Transition Period”**):

- (a) continue to perform the services provided by them to the Applicants notwithstanding the transition of such services, in whole or in part to one or more alternative service providers, and continue to be remunerated, in accordance with their existing contracts, agreements and/or arrangements described in paragraphs 46-49 of the Affidavit of Robert Clark sworn January 23, 2024, with the Applicants, as may be required by the Monitor and in doing so shall exclusively report to and take direction from the Monitor on behalf of the Applicants, provided that the SID Companies shall not be required to pay for any costs or expenses whatsoever on the Applicants’ behalf without reimbursement;
- (b) forthwith remit any monies collected by them on behalf of the Applicants to the Monitor, including without limitation all rent collected on behalf of the Applicants, provided that the SID Companies shall not be required to pay for any costs or expenses whatsoever on the Applicants’ behalf without reimbursement;
- (c) subject to paragraph 7, as may be requested by the Monitor, cooperate with the Monitor in the provision of the transition services set out in Schedule “A” hereto and any other transition services as may be agreed to in writing by the Monitor and the SID Companies (collectively, the **“Transition Services”**) provided by the SID Companies to alternative service providers determined by the Monitor; and
- (d) refrain from incurring any obligations, or making any commitments, on behalf of any of the Applicants, including with respect to any ongoing or future renovations of the Applicants’ Property, without the prior written consent of the Monitor.

6. THIS COURT ORDERS that the Monitor shall serve on the Service List and the SID Companies, and post on the Monitor’s Website a certificate confirming the end of the Transition Period (the **“Monitor’s Transition Period Termination Certificate”**).

7. THIS COURT ORDERS that, during the Transition Period, the SID Companies shall be paid their reasonable fees and disbursements, in each case, at rates to be agreed to in writing by the Monitor and the SID Companies, each acting reasonably, in connection with the provision of the Transition Services. The Applicants are hereby authorized and directed to pay the accounts of the SID Companies in connection with the Transition Services on a monthly basis or pursuant to such other arrangements agreed to between the Monitor and the SID Companies.

8. THIS COURT ORDERS that the SID Companies, the Monitor and their respective Assistants, affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing the Transition Services requested by the Monitor, except to the extent of such losses, claims, damages or liabilities arising or resulting from the gross negligence or wilful misconduct of the SID Companies or the Monitor, as applicable, as determined by this Court in a final order that is not subject to appeal or review.

9. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and any similar legislation in any other applicable jurisdictions, the SID Companies and each of their respective Assistants, affiliates, partners, directors, employees, advisors, agents and controlling persons are hereby authorized and permitted to disclose and transfer personal information of identifiable individuals to the Monitor but only to the extent desirable or required to negotiate or attempt to complete the Transition Services.

10. THIS COURT ORDERS that the banks and/or financial institutions which maintain each of the Applicants' bank accounts are directed to recognize and permit the Monitor and its representatives to complete any and all transactions on behalf of the Applicants and for such purpose, the Monitor and its representatives are empowered and shall be permitted to execute documents for, or on behalf of and in the name of the Applicants, and shall be empowered and permitted to add and remove persons having signing authority with respect to the accounts of the Applicants. The financial institutions maintaining such accounts shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken in accordance with the instructions of the Monitor for and on behalf of the

Applicants, and/or as to the use or application of funds transferred, paid, collected or otherwise dealt with in accordance with such instructions and such financial institutions shall be authorized to act in accordance with and in reliance upon such instructions without any liability in respect thereof to any person.

11. THIS COURT ORDERS that, notwithstanding anything contained in this Order, the Monitor is not, and shall not be or be deemed to be, a director, officer or employee of any of the Applicants.

12. THIS COURT ORDERS that, without limiting the provisions of the SARIO, the Applicants shall remain in possession and control of their respective Property and the Monitor shall not take, or be deemed to have taken, possession or control of such Property, or any part thereof.

13. THIS COURT ORDERS that the Monitor shall not be liable for any employee-related liabilities of the Applicants, if any, other than amounts the Monitor may specifically agree in writing to pay. Nothing in this Order shall, in and of itself, cause the Monitor to be liable for any employee-related liabilities of the Applicants, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts.

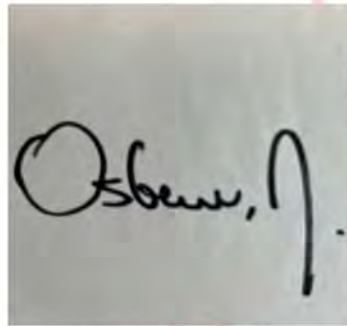
14. THIS COURT ORDERS that: (i) in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, the Monitor and its legal counsel shall continue to have the benefit of all of the indemnities, charges, protections and priorities as set out in the SARIO and any other Order of this Court, and all such indemnities, charges, protections and priorities shall apply and extend to the Monitor in carrying out of the provisions of this Order and exercising any powers granted to it hereunder; and (ii) the Monitor shall incur no liability or obligation as a result of exercising any powers granted to it hereunder, save and except for any gross negligence or wilful misconduct on its part.

15. THIS COURT ORDERS that nothing in this Order shall constitute or be deemed to constitute the Monitor as receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors or legal representative of the Applicants within the meaning of any relevant

legislation and that any distributions to creditors of the Applicants by the Monitor will be deemed to have been made by the Applicants.

16. THIS COURT ORDERS that the powers and authority granted to the Monitor by virtue of this Order shall, if exercised in any case, be paramount to the power and authority of the Applicants with respect to such matters and, in the event of a conflict between the terms of this Order and those of the SARIO or any other Order of this Court, the provisions of this Order shall govern.

17. THIS COURT ORDERS that nothing contained in this Order or in the Ancillary Order shall affect the claims for costs against any Person in respect of this Order and the Ancillary Order, including, without limitation the claims against the Principals described in the Factum of the Secured Lenders. Any such claims shall be determined via a schedule to be fixed at a case conference to be convened as soon as reasonably practicable among any such Persons and their respective counsel.

A rectangular stamp containing a handwritten signature in black ink. The signature appears to be "Osborne, J." with a stylized flourish at the end.

2024.06.

27

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SCHEDULE "A"

TRANSITION SERVICES

- (a) The keys to each of the units, labelled by unit, shall be provided to the Monitor.
- (b) Copies of all available existing lease agreements shall be provided to the Monitor.
- (c) The Applicants' tenants' names, email addresses, phone numbers, and identification, to the extent available, shall be provided to the Monitor.
- (d) A list of all of the Applicants' tenants' methods of payment, including all pre-authorized payment methods, shall be provided to the Monitor.
- (e) Information concerning and the details of all government assistance programs directly deposited on behalf of the Applicants' tenants shall be provided to the Monitor, which shall include, to the extent available, the name of each tenant, the name of each case worker, the name of the applicable assistance program, and the amount of monthly program assistance.
- (f) All current ledgers shall be provided to the Monitor, including 12-month historical tenant ledgers and tenant outstanding balances for both the Applicants' former and current tenants.
- (g) A list of all issued N1s and N2s, if applicable, shall be provided to the Monitor.
- (h) All current LTB Filling Numbers (tenant and landlord) shall be provided to the Monitor, including the contact information for each issuing law firm or paralegal, a list of all N4s and the applicable maturity dates, copies of all LTB notices of hearings and copies of all LTB judgements (including, eviction orders, payment plans, and section 78 orders).
- (i) The account numbers and bills per property owned by the Applicants for all utility providers shall be provided to the Monitor.
- (j) A list of all rented equipment per property owned by the Applicants shall be provided to the Monitor, including the unit address, item, term and applicable service provider.
- (k) All tax roll information per property owned by the Applicants shall be provided to the Monitor.
- (l) All outstanding minimum (or property) standards orders issued by local municipalities in respect of the Applicants' properties shall be provided to the Monitor.
- (m) Copies of all open contracts or work orders with vendors in respect of the Applicants' properties shall be provided to the Monitor.

- (n) Access to any key lockboxes on unit premises owned by the Applicants shall be provided to the Monitor.
- (o) All unit inspection reports in respect of the Applicants' properties shall be provided to the Monitor, including fire safety inspections, where applicable, for all units.
- (p) Copies of all active service agreements in respect of the Applicants' properties shall be provided to the Monitor.
- (q) All information pertaining to the Applicants' properties contained on property management software utilized by SID Management or SID Renos will be transferred to the Monitor.
- (r) All tenant application information in respect of the Applicants' properties shall be provided to the Monitor.
- (s) All former lease agreements for any of the Applicants' tenants in unresolved LTB hearings shall be provided to the Monitor, including all such former tenant names, email addresses, phone numbers, and copies of identification.
- (t) All of the Applicants' corporate and mailing addresses shall be changed to an address designated by the Monitor, including in respect of insurance and property taxes.
- (u) All of the Applicants' tenants that have been sent to collections (current and former) and the applicable collection agency shall be identified for the Monitor.
- (v) All marketing material for the Applicants' existing units shall be provided to the Monitor.
- (w) All existing outstanding workorders from the Applicants' tenants shall be provided to the Monitor.
- (x) Copies of all building permits and residential permits in respect of the Applicants and/or their properties shall be provided to the Monitor.
- (y) A list of all trades that performed work in the last year that remain under warranty shall be provided to the Monitor, including the name of the applicable vendors, the work performed, and a copy of the applicable warranties.
- (z) Any surveys in respect of the Applicants' properties shall be provided to the Monitor.
- (aa) All insurance certificates in respect of the Applicants' properties and an insurance loss run shall be provided to the Monitor.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	TUESDAY, THE 25 TH
)	
JUSTICE OSBORNE	)	DAY OF JUNE, 2024

**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")**

ANCILLARY ORDER

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 Fourth Report of the Monitor dated June 11, 2024 (the "**Fourth Report**"), the Fifth Report of the Monitor dated June 17, 2024 (the "**Fifth Report**"), the Supplement to the Fifth Report of the Monitor dated June 23, 2024, the Affidavit of Robert Clark sworn June 20, 2024, the Expansion of Monitor's Powers Order of this Court dated June 25, 2024 (the "**Expansion of Powers Order**"), and such other materials that were filed, and on being advised that each of the affected parties consents to the granting of this Order, and on hearing the submissions of counsel to the Applicants, counsel to the Monitor, the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel, counsel to the Lion's Share Representative, counsel to the DIP Lender, and such other counsel that were present, no one else appearing although duly served as appears from the affidavits of service, 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 Fifth Report, the ARIO (as defined below) or the Expansion of Powers Order, as applicable.

STAY OF PROCEEDINGS

3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until and including July 31, 2024.
4. **THIS COURT ORDERS** that the stay of proceedings in respect of the Additional Stay Parties pursuant to paragraph 14 of the Second Amended and Restated Initial Order dated March 28, 2024 (the “ARIO”) be and is hereby extended during the Transition Period and shall be automatically terminated upon the issuance of the Monitor’s Transition Period Termination Certificate.
5. **THIS COURT ORDERS** that until the issuance of the Monitor’s Transition Period Termination Certificate, no Proceeding shall be commenced against or in respect of any of the SID Companies, or their respective employees, advisors or representatives, or affecting their respective business or property, except with the prior written consent of the Monitor and the SID Companies, or with leave of this Court.

INVESTIGATION

6. **THIS COURT ORDERS** that none of the Applicants, the SID Companies and/or their respective principals and affiliates shall be required to take any further steps in connection with, or respond to any requests made pursuant to, paragraph 41(k) of the ARIO. Other than with respect to paragraph 41(k), nothing in this paragraph 6 shall derogate from the obligations of any Person under the ARIO.

7. **THIS COURT ORDERS** that, during the Transition Period, each of the Additional Stay Parties shall provide the Monitor with notice of the earlier of (i) seven (7) business days' prior to any closing date and (ii) the listing date, for the sale of any real property owned, directly or indirectly, by the applicable Additional Stay Party, provided that nothing in this paragraph 7 shall apply to such listings or sales previously identified for the Monitor and set out in the letter dated June 19, 2024 attached to the Affidavit of Robert Clark sworn June 20, 2024 as Exhibit "T".

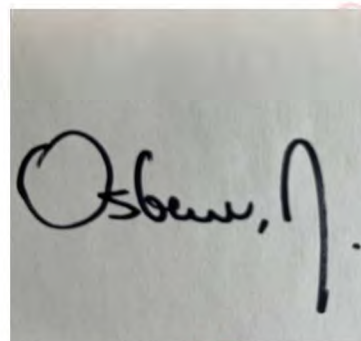
APPROVAL OF MONITOR'S FIFTH REPORT AND ACTIVITIES

8. **THIS COURT ORDERS** that the Fifth 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.

GENERAL

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

10. **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 handwritten signature in black ink, appearing to read "Osburn, J.", is written over a light gray rectangular background.

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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.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

ANCILLARY ORDER

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Lawyers for the Monitor

Appendix “C”



**Twelfth Report of
KSV Restructuring Inc.
as CCAA Monitor 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.**

April 7, 2025

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COURT FILE NO.: CV-24-00713245-00CL

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

**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.**

**TWELFTH REPORT OF KSV RESTRUCTURING INC. AS
MONITOR**

APRIL 7, 2025

1. Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on January 23, 2024 (the "Initial Order"), each 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") were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), and KSV Restructuring Inc. was appointed monitor of the Applicants (in such capacity, the "Monitor").
2. The Applicants together with certain non-Applciant related entities, including SIDRWC Inc. o/a SID Developments ("SID Developments"), SID Management Inc. ("SID Management") and 2707793 Ontario Inc. o/a SID Renos ("SID Renos" and together with SID Developments and SID Management, the "SID Companies"), are part of a group of companies (collectively, the "Company") involved in the acquisition, renovation and leasing of distressed residential real estate in undervalued markets throughout Ontario (the "Business").
3. In the Applicants' materials filed in support of the Initial Order, they provided that the principal purpose for commencing these CCAA proceedings was to create a stabilized environment to enable the Applicants to preserve and maximize value for their stakeholders and provide the stability and liquidity necessary to complete value accretive renovations to their portfolio of residential homes (the "Portfolio"), including by securing debtor-in-possession ("DIP") financing, in order to pursue a comprehensive refinancing or restructuring transaction and/or implement a consensual plan of compromise or arrangement while continuing operations in the ordinary course of business.

4. Pursuant to the Initial Order, the Court, among other things:
 - a) granted a stay of proceedings until February 2, 2024 (the “Stay Period”) in respect of the Applicants, the Monitor, the Business and the Applicants’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “Applicants’ Property”) and three of the Applicants’ directors and officers, being Aruba Butt, Dylan Suitor and Ryan Molony (the “Additional Stay Parties”);
 - b) appointed Chaitons LLP (“Chaitons”) as representative counsel (the “Secured Lender Representative Counsel”) to all of the Applicants’ secured creditors (the “Secured Lenders”) and unsecured promissory noteholders (the “Unsecured Lenders”) and approved a mechanism by which a committee of up to six parties would be formed to instruct Secured Lender Representative Counsel (the “Secured Lender Representatives”); and
 - c) granted a charge (the “Administration Charge”) in the amount of \$750,000 on the Applicants’ Property to secure the fees and disbursements of the Monitor and its legal counsel, Cassels Brock & Blackwell LLP (“Cassels”), the Applicants’ legal counsel, Bennett Jones LLP (“Bennett Jones”), and Secured Lender Representative Counsel.
5. On January 31, 2024, the Court granted an amended Initial Order which, among other things:
 - a) extended the Stay Period to February 16, 2024;
 - b) approved the Applicants’ ability to borrow under a DIP credit facility (the “Harbour DIP Facility”) pursuant to a DIP Agreement dated January 26, 2024 (the “Harbour DIP Agreement”) between the Applicants and Harbour Mortgage Corp. (“Harbour”) and granted a charge in favour of Harbour in the maximum amount of \$4 million (plus interest, fees and expenses) to secure the Applicants’ obligations under the Harbour DIP Agreement and Harbour DIP Facility (the “DIP Lender’s Charge”);
 - c) increased the maximum amount of the Administration Charge from \$750,000 to \$1 million; and
 - d) authorized the Applicants to pay certain amounts owing to suppliers for goods and services supplied to the Applicants prior to the date of the Initial Order, subject to the consent of the Monitor.
6. Pursuant to an Amended and Restated Initial Order granted on February 15, 2024 (the “ARIO”), the Court, among other things:
 - a) extended the Stay Period to March 28, 2024;
 - b) increased the maximum amount of the Administration Charge to \$1.5 million;
 - c) increased the maximum amount of the Harbour DIP Facility and the DIP Lender’s Charge to \$12 million (plus interest, fees and costs);

- d) amended the scope of Secured Lender Representative Counsel's mandate by removing the Unsecured Lenders such that the group of creditors represented by Secured Lender Representative Counsel includes only the Secured Lenders; and
 - e) directed and empowered the Monitor to (i) conduct an investigation into the use of funds borrowed by the Applicants, prefiling transactions conducted by the Applicants and/or their principals (the "Principals") and affiliates, and such other matters as may be requested by the Secured Lender Representatives and agreed by the Monitor, in each case, to the extent such investigation relates to the Applicants' Property, the Business or such other matters as may be relevant to the proceedings herein as determined by the Monitor (the "Investigation"), and (ii) report to the Secured Lender Representatives and the Court on the findings of such Investigation as the Monitor deems necessary and appropriate.
7. Pursuant to a Second Amended and Restated Initial Order granted on March 28, 2024 (the "Second ARIO"), a copy of which is attached as Appendix "A", the Court, among other things:
- a) extended the Stay Period to April 30, 2024; and
 - b) appointed Goldman Sloan Nash & Haber LLP ("GSNH") as representative counsel (the "Unsecured Lender Representative Counsel") to the Applicants' Unsecured Lenders other than (i) The Lion's Share Group Inc.¹ ("Lion's Share") and (ii) any other unsecured lenders directly or indirectly controlled by, or under common control or otherwise affiliated with, Lion's Share or its principal, Claire Drage.
8. On April 12, 2024, the Court granted an order (the "SISP Approval Order"), which, among other things:
- a) extended the Stay Period to June 24, 2024;
 - b) approved a sale and investment solicitation process ("SISP"); and
 - c) approved the Applicants' engagement of Howards Capital Corp. ("HCC") and CBRE Limited ("CBRE" and jointly with HCC, the "SISP Advisors").
9. On June 25, 2024, the Court granted two orders (the "Expanded Powers Order" and the "Ancillary Order"), which, among other things:
- a) expanded the Monitor's powers over the Applicants, including removing the Principals' decision-making authority over the Applicants, as more fully discussed in Section 1.1 below;

¹ On March 16, 2024, Lion's Share filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*. The Fuller Landau Group Inc. ("Fuller Landau") was appointed as proposal trustee. On April 3, 2024, Lion's Share was placed into receivership and bankruptcy proceedings. Fuller Landau is the receiver and licensed insolvency trustee administering Lion's Share's receivership and bankruptcy proceedings (in such capacities, the "Lion's Share Representative").

- b) provided a process for the Monitor to transition the Applicants' property and other management service providers from the SID Companies as determined necessary by the Monitor;
- c) extended the Stay Period to July 31, 2024;
- d) extended the stay of proceedings in respect of the Additional Stay Parties pursuant to paragraph 14 of the Second ARIO during the Transition Period (as defined in the Expanded Powers Order) to be automatically terminated upon the issuance of the Monitor's Transition Period Termination Certificate (as defined in the Expanded Powers Order);
- e) provided that, until the issuance of the Monitor's Transition Period Termination Certificate, no proceeding shall be commenced against or in respect of any of the SID Companies, or their respective employees, advisors or representatives, or affecting their respective business or property, except with the prior written consent of the Monitor and the SID Companies, or with leave of this Court;
- f) provided that none of the Applicants, the SID Companies and/or their respective principals and affiliates shall be required to take any further steps in connection with, or respond to any requests made pursuant to, paragraph 41(k) of the ARIO, but without derogating from any other obligations of any Person under the Second ARIO; and
- g) provided that, during the Transition Period, each of the Additional Stay Parties shall provide the Monitor with notice of the earlier of (i) seven (7) business days prior to any closing date and (ii) the listing date, for the sale of any real property owned, directly or indirectly, by the applicable Additional Stay Party, subject to certain express exceptions. (No such notice was provided to the Monitor over the course of the Transition Period).

Copies of the Expanded Powers Order and the Ancillary Order are attached as Appendix "B".

10. On July 31, 2024, the Court granted an order, which, among other things:

- a) extended the Stay Period to August 31, 2024; and
- b) approved a form of Property Management Agreement (the "PMA") with Richmond Advisory Services Inc. ("Richmond"), pursuant to which the property management services for the Portfolio would be transitioned from the SID Companies to Richmond. The PMA was finalized on August 8, 2024.

11. On August 30, 2024, the Court granted an order, which, among other things:

- a) extended the Stay Period to October 31, 2024;

- b) approved a form of restructuring term sheet (the “Restructuring Term Sheet”) and authorized the Monitor to carry out its obligations under the Restructuring Term Sheet, including, without limitation, facilitating the negotiation and settlement of the transactions contemplated therein and finalizing all documentation reasonably necessary to carry out such transactions, provided that nothing in such order approved any specific transaction or agreement contemplated by the Restructuring Term Sheet, all of which remained subject to further approval by the Court;
 - c) increased the maximum amount of the Harbour DIP Facility and the DIP Lender’s Charge to \$15 million (plus interest, fees and costs); and
 - d) approved the fees and disbursements of the Monitor and its counsel through to July 31, 2024.
- 12. Pursuant to an order dated October 7, 2024 (the “Suitor Interim Receivership Order”), TDB Restructuring Limited was appointed as interim receiver over Mr. Sutor’s property, assets and undertaking. The Sutor Interim Receivership Order was sought by the Lion’s Share Representative in a separate proceeding in connection with its bankruptcy application against Mr. Sutor, which was heard on February 25, 2025. On March 26, 2025, Justice Steele granted the bankruptcy application against Mr. Sutor, which decision Mr. Sutor is in the process of appealing.
- 13. On October 30, 2024, this Court granted an order which extended the Stay Period to November 30, 2024.
- 14. On November 26, 2024, this Court granted an order which extended the Stay Period to December 31, 2024.
- 15. On December 6, 2024, this Court granted an order, which, among other things:
 - a) extended the Stay Period to February 28, 2025;
 - b) approved the Credit Bid APAs, as defined in the Monitor’s Tenth Report to Court (the “Tenth Report”) and authorized the Monitor to execute each of the Credit Bid APAs on behalf of each applicable Applicant in its capacity as “super” monitor of the Applicants pursuant to the Expanded Powers Order;
 - c) approved credit bid transactions (the “Omnibus Credit Bid Vesting Order”) in respect of 323 of the Applicants’ properties, including assigning tenant leases for the properties subject to the Omnibus Credit Bid Vesting Order to the respective purchasers, and separate from the Omnibus Credit Bid Vesting Order, assigned all tenant leases applicable to the Remaining Portfolio (as defined below) from the SID Companies to the applicable Applicant;
 - d) approved the Monitor’s methodology to allocate the \$15 million drawn on the Harbour DIP Facility (plus interest, fees and costs payable thereunder) across the Portfolio (the “First DIP Allocation”);

- e) approved a replacement DIP Term Sheet (the “Viscount DIP Term Sheet”) entered into with Viscount Capital Inc. (“Viscount”) and authorized the Monitor to execute the Viscount DIP Term Sheet on behalf of the Applicants in its capacity as “super” monitor of the Applicants pursuant to the Expanded Powers Order;
 - f) authorized the Monitor, on behalf of the Applicants in its capacity as “super” monitor of the Applicants pursuant to the Expanded Powers Order, to repay the Harbour DIP Facility from: (i) cash on hand in the Applicants’ bank accounts and/or the Monitor’s trust account in respect of the Applicants; (ii) the DIP Allocations paid on closing of each Credit Bid APA, as held by the Monitor; and (iii) the proceeds advanced under the Viscount DIP Term Sheet;
 - g) approved the amendments to the Court-ordered charges in these proceedings, being a decrease to the Administration Charge from \$1.5 million to \$500,000, and a decrease to the DIP Lender’s Charge from \$15 million (plus interest and costs) to \$4.85 million (plus interest, fees and costs); and
 - h) approved the fees and disbursements of the Monitor and its counsel through to October 31, 2024.
16. On December 20, 2024, the Monitor filed and served the Monitor’s Transition Period Termination Certificate. Accordingly, effective December 20, 2024, the Additional Stay Parties and the SID Companies no longer have the benefit of the stay of proceedings granted in this proceeding.
17. On February 27, 2025, this Court granted an order, which, among other things:
- a) extended the Stay Period to May 31, 2025;
 - b) approved five credit bid transactions that were already subject to the Omnibus Credit Bid Vesting Order but were not completed for the reasons described in the Eleventh Report;
 - c) approved the amended Credit Bid APAs, as defined in the Monitor’s Eleventh Report to Court dated February 20, 2025 (the “Eleventh Report”), and authorized the Monitor to execute each of the Credit Bid APAs on behalf of each applicable Applicant;
 - d) approved a Secondary Credit Bid Process and a Orderly Liquidation Plan (each as defined in the Eleventh Report), including the broker agreements with five listing agents, and authorized the Monitor to carry out those processes on the basis detailed in the Eleventh Report; and
 - e) approved the fees and disbursements of the Monitor and its counsel through to January 31, 2025.

A copy of the Eleventh Report (without appendices) is attached as Appendix “C”.

1.1 Investigation

1. On June 11, 2024, the Monitor served on the Service List a redacted version of its Fourth Report to Court (the “Fourth Report”), which summarized the results of the Investigation.
2. The Investigation identified, among other things:
 - a) questionable transfers from the Applicants to the Principals, affiliated entities and third parties without any apparent benefit to the Business;
 - b) questionable dividend payments or repayment of amounts identified as shareholder loans;
 - c) a pervasive lack of proper record keeping, particularly for a business with assets and liabilities with a book value in the hundreds of millions of dollars; and
 - d) a myriad of other deficient business practices.
3. On June 14, 2024, the Secured Lender Representative Counsel brought a motion, supported by the Monitor, the Unsecured Lender Representative Counsel and the Lion’s Share Representative, seeking the Expanded Powers Order in order to expand the Monitor’s powers in respect of the Applicants and removing the Principals’ decision-making authority. The Applicants initially objected to the motion, but subsequently consented to the Expanded Powers Order and the Ancillary Order.

1.2 Purposes of this Report

1. The purposes of this twelfth report (“Report”) are to:
 - a) provide an update on the status of these CCAA proceedings, particularly as it relates to the 12 credit bids submitted by mortgagees under the Secondary Credit Bid Process;
 - b) set out the reasons the Monitor believes the proposed vesting order (the “Second Omnibus Credit Bid Vesting Order”) is reasonable and appropriate in the circumstances, including the proposed assignment of tenant leases for the properties subject to the Second Omnibus Credit Bid Vesting Order to the respective purchasers of those properties;
 - c) summarize the flow of funds that will result from the closing of the 12 credit bid transactions, including the Monitor’s methodology to allocate value for certain accrued liabilities and the obligations owing under the Viscount DIP Term Sheet (plus interest, fees and costs payable thereunder) across the Remaining Portfolio² (the “Second DIP Allocation”);

² The Remaining Portfolio includes the 86 properties currently owned by the Applicants (including the 12 credit bid properties).

- d) summarize the Applicants' cash flow forecast (the "Cash Flow Forecast") for the period April 7, 2025 to August 31, 2025 (the "Forecast Period");
- e) provide an update on the Orderly Liquidation Process for the 74 properties that will remain in the Portfolio (the "Liquidation Portfolio Properties")³, which is being undertaken with the assistance of CBRE and five listing agents in their respective markets, being Valery Realty Inc., John E. Smith Realty, Royal LePAGE Best Choice Realty Ltd., Zieminski Real Estate Brokerage and Royal LePage (collectively, the "Listing Agents") as previously approved by the Court;
- f) set out the Monitor's proposed mechanics to sell the Liquidation Portfolio properties without the need for further Court approval, subject to certain terms, including the consents and conditions as described below (the "Orderly Liquidation Mechanics"); and
- g) recommend that the Court grant the following relief:
 - granting the Second Omnibus Credit Bid Vesting Order;
 - approving the Second DIP Allocation;
 - approving the proposed Orderly Liquidation Mechanics;
 - approving this Report and the Monitor's activities summarized herein;
 - approving the fees and disbursements of the Monitor and Cassels from February 1, 2025 to and including March 31, 2025; and
 - extending the Stay Period to August 31, 2025.

1.3 Restrictions

1. In preparing this Report, the Monitor has relied upon the unaudited financial information of the Applicants, the Applicants' books and records and discussions with representatives of the Applicants.
2. KSV has not audited, or otherwise attempted to verify, the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, KSV expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

³ If any of the 12 credit bid Properties are not approved by the Court or do not close, such Properties will be added into the group of remaining Liquidation Portfolio Properties.

3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. KSV expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.4 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2. Background

1. The Applicants are Canadian privately-held corporations that are the principal owners of the Company's rental units and the residential properties on which they are situated.
2. At the commencement of these proceedings, the Applicants had disclosed ownership in 407 residential properties (collectively, the "Properties") comprising 631 rental units. The Properties were located in tertiary markets in Ontario, including Timmins, Sault Ste. Marie, Sudbury, Kirkland Lake, Capreol, Temiskaming Shores and Val Caron. Since the issuance of the Omnibus Credit Bid Vesting Order and the Credit Bid Vesting Order dated February 27, 2025, 321 credit bid transactions have been completed (the "Closed Credit Bid Properties"), and 86 Properties remain subject to these proceedings. A summary of the 86 Properties comprising 126 rental units is provided below⁴.

Location	Number of Occupied Units	Number of Unoccupied Units	Total
Timmins	27	27	54
Sault Ste. Marie	17	18	35
Sudbury	14	3	17
Other	8	12	20
Total	66	60	126

3. The Applicants' principal stakeholders are (i) first and second mortgagees (being the Secured Lenders), which at the commencement of these proceedings were owed approximately \$81.5 million and \$8.6 million, respectively, plus interest and costs which continue to accrue⁵ and (ii) unsecured promissory note holders (being the Unsecured Lenders). After the commencement of these proceedings, the Applicants advised the Monitor that they believe the amount owing to the Unsecured Lenders is significantly less than the amount initially provided by Ms. Drage, being approximately \$54.2 million. The Applicants' creditor listings reflect obligations owing to Lion's Share totalling approximately \$39.2 million. As there have not been any funds available for distribution to Unsecured Lenders to date, a reconciliation of the total amount of the claims of Unsecured Lenders has not been completed by the Monitor to date.

⁴ These figures were provided by Richmond, based on the information and tenant responses available to date.

⁵ These amounts are based on Applicants' Books and Records, prior to the closing of the 321 Closed Credit Bid Properties.

4. Court materials filed in these proceedings, including the Monitor's reports, set out detailed information with respect to the Applicants' Business, property and creditor composition. All Court materials are available on the Monitor's website at the following link: <https://www.ksvadvisory.com/experience/case/sid> (the "Case Website").

3. SISP and Restructuring Term Sheet

1. The SISP was approved pursuant to the SISP Approval Order. With the assistance of the SISP Advisors, the Monitor carried out the SISP in accordance with the SISP Approval Order.
2. As set out in the Monitor's previous reports to Court, other than credit bids for individual properties, the SISP generated 12 letters of intent ("LOIs") that contemplated third-party sales or refinancing transactions. In accordance with the SISP, copies of the LOIs were provided to the applicable "Reviewing Parties" under the SISP. After extensive consultation with the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative and its counsel, the Monitor determined not to pursue any of the LOIs submitted in the SISP.
3. Throughout the SISP, the Principals conveyed to stakeholders an estimated Portfolio value of approximately \$140 million. This estimated value was based on a Comparative Market Analysis (the "CMA") obtained by the Applicants in May 2024 from a representative of Keller Williams Edge Realty, with whom Mr. Suitor is affiliated. Upon review of the CMA, the Monitor identified significant overstatements and errors in the CMA's underlying assumptions and comparable properties used for this analysis. Both SISP Advisors did not find the CMA credible and refused to include the CMA in their data rooms. Accordingly, the Monitor deemed the CMA unreliable. In the Monitor's view, the Principals' continuous references to the CMA contributed to an expectation gap and misperceptions among stakeholders about anticipated recoveries in these proceedings.
4. A summary of the offers received under the SISP was filed with the Court as a confidential appendix to the Monitor's Fifth Report to Court dated June 17, 2024 and sealed, until further order of the Court, pursuant to an order of the Court granted on June 24, 2024. Although the offer summary remains sealed, the Monitor notes that no offer provided sufficient proceeds to repay the Harbour DIP Facility and first mortgagees in full.
5. Following the conclusion of the SISP, the Monitor worked with the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel, the Lion's Share Representative and its counsel to negotiate the Restructuring Term Sheet. The principal purposes of the Restructuring Term Sheet were to: (a) provide for a process for mortgagees to submit credit bids; and (b) for properties not subject to credit bids, outline a framework for (i) a process to complete the sale and/or liquidation of the Portfolio; and (ii) a distribution mechanism for Secured and Unsecured Lenders in accordance with their respective priorities and entitlements.
6. As noted above, the Restructuring Term Sheet was approved by the Court on August 30, 2024, provided that such Order did not constitute approval of any specific transaction or agreement contemplated by the Restructuring Term Sheet, all of which remained subject to further order of the Court.

7. A copy of the Restructuring Term Sheet is attached as Appendix “D” and the terms and conditions of the Restructuring Term Sheet were detailed in the Seventh Report.

3.1 Closed Credit Bid Transactions

1. The Restructuring Term Sheet established deadlines of September 20, 2024 for first mortgagees, and September 30, 2024 for second mortgagees, to submit credit bids for their respective Properties. In total, the Monitor received 323 credit bids representing approximately 79% of the then portfolio of Properties. Each credit bid was accompanied by the required deposit. All but two of the credit bids were submitted by first mortgagees and the remaining two were submitted by the second mortgagees on the applicable Properties.
2. In the Tenth Report, the Monitor proposed the Omnibus Credit Bid Vesting Order as an omnibus order that covers all Credit Bid APAs given the impracticality of having 323 individual vesting orders for each Credit Bid APA. The Omnibus Credit Bid Vesting Order was granted on December 6, 2024.
3. 316 credit bid transactions closed on or around December 17, 2024. On that date, the amount owing to Harbour (approximately \$15 million), then secured by the DIP Lender’s Charge, was repaid in full from the cash consideration of the credit bids and the replacement DIP funding advanced by Viscount (the “Replacement DIP Lender”) under the Viscount DIP Term Sheet.
4. Two of the credit bid transactions did not close as the mortgagees failed to pay their respective DIP Allocation. In accordance with the Credit Bid APA, the deposits paid by those two credit bidders were not refunded.
5. The Credit Bid Vesting Order granted on February 27, 2025 approved certain required amendments to allow an additional five of the original Credit Bid APAs to be completed. One of those transactions closed on or around March 4, 2025 and the remaining four transactions closed on or around April 1, 2025. Accordingly, as of the date of this Report, 321 credit bid transactions have been completed.
6. A listing of the Closed Properties that were subject to credit bids is attached as Appendix “E”.

4. Secondary Credit Bid Process

1. On February 27, 2025, the Court granted an order (“Secondary Credit Bid Approval Order”) which, among other things, approved the Secondary Credit Bid Process (discussed in detail in the Eleventh Report attached at Appendix “C”).
2. This section of the Report summarizes the Monitor’s Secondary Credit Bid Process by which first and second mortgagees of the Remaining Properties had a further and final opportunity to submit credit bids to acquire their applicable mortgaged property on the terms and conditions described below (the “Secondary Credit Bid Option”).
3. The Secondary Credit Bid Approval Order established deadlines of March 14, 2025 for first mortgagees and March 21, 2025 for second mortgagees to submit credit bids for their respective Properties. In total, the Monitor received 12 credit bids representing approximately 14% of the Remaining Properties. Each credit bid was accompanied by the required deposit (which funds are being held in the Monitor’s trust account). All of the credit bids were made by first mortgagees.

4. A listing of the 12 Properties that were subject to secondary credit bids is attached as Appendix “F”. As discussed below, based on the proposed Second DIP Allocation (if approved by the Court), the aggregate DIP to be repaid, should these transactions be completed, totals approximately \$733,000.

4.1 Secondary Credit Bid APAs

1. The initial form of purchase agreement documenting the credit bid transactions (the “Credit Bid APA”) was developed by the Secured Lender Representative Counsel, in consultation with the Monitor and its counsel. The form of agreement included select fields for mortgagees to fill in, including property details and mortgage indebtedness amount which was to form part of the purchase price. No other changes were permitted.
2. The Secondary Credit Bid mechanics were substantially the same as those used in the first credit bid process set out in the Restructuring Term Sheet and approved by this Court on August 30, 2024, subject to one substantive change (as discussed in section 4.1.3 below). In this regard, other than that change, the forms of the purchase agreements documenting the credit bid transactions (the “Secondary Credit Bid APAs”) were substantially the same as the forms of Credit Bid APAs approved by this Court under the Omnibus Credit Bid Vesting Order. The form of Secondary Credit Bid APAs are attached at Appendix “G”, which were approved in the Second Credit Bid Approval Order.
3. The following is a summary description of the form of Secondary Credit Bid APA only. Reference should be made directly to the Secondary Credit Bid APA and the Secondary Credit Bid Vesting Order for all terms and conditions. The key terms and conditions of the Secondary Credit Bid APA are as follows:
 - **Vendor:** The applicable Applicant, to be executed by the Monitor in its capacity as “super” monitor in these proceedings pursuant to the Enhanced Powers Order, subject to Court approval.
 - **Purchasers:** The respective mortgagees (or their assignees) of the 12 Properties.
 - **Purchased Assets:** The Real Property, being the real property legally described in Schedule “A” to the Secondary Credit Bid APAs
 - **Purchase Price:** The Purchase Price is equal to (a) the Mortgage Indebtedness Amount, which is an amount between (i) the Purchaser’s first-ranking mortgage principal amount, and (ii) the full amount owed, inclusive of accrued interest, fees and costs, plus (b) the Priority Payables.
 - **Priority Payables:** Includes all amounts owing (including all amounts accrued but not yet payable) by the Vendor as of the Closing Date which rank in priority to the Mortgage Indebtedness Amount, including but not limited to the amounts secured by, or to be secured by, the Administration Charge and the DIP Lender’s Charge, as may be allocated by the Monitor to the Real Property. The Monitor’s DIP Allocation is summarized below in Section 5 of this Report.

- **Additional Priority Payables Payment:** Purchasers must also provide for payment on closing of an amount equal to 125% of the DIP Allocation attributable to such Remaining Property, 25% of which will be held by the Monitor in escrow pending further order of the Court or agreement among the Monitor, the Replacement DIP Lender and the applicable purchaser. This is the only substantive change from the prior form of Credit Bid APA.
- **Deposit:** The Secondary Credit Bid APA required a Deposit of \$10,000 per property. All credit bids submitted were accompanied by the required Deposit.
- **Balance due on Closing:** The balance of the Purchase Price shall be payable in cash on the Closing Date.
- **Purchase Price Adjustments:** The Secondary Credit Bid APAs provide that there will be no adjustments to the Purchase Price at Closing, including in respect of any deposits, rental arrears under the Leases, unpaid property taxes and/or utilities that may be outstanding on the Closing Date.
- **Leases:** Subject to Court approval, the Secondary Credit Bid APAs provide that the tenant leases in respect of the Real Property are to be assumed by the Purchaser on closing. Further discussion with respect to the assignment and assumption of the Leases is provided below in Section 4.2 of this Report.
- **Permitted Encumbrances and Claims to be Expunged:** There is a schedule to the Secondary Credit Bid Vesting Order which sets out the permitted encumbrances and claims to be expunged, which has been approved by counsel for each Purchaser in respect of its corresponding Real Property. To the extent any claims are to be expunged, the Monitor's counsel is arranging for each such claimant to be served with notice of this motion on the basis proposed below in Section 4.4 of this Report.
- **Taxes:** The Purchaser is liable for and shall pay all applicable land transfer tax, GST/HST and other similar taxes, duties or fees in respect of the registration of the transfer of the Real Property, and other like charges properly payable upon and in connection with the sale, assignment and transfer of the Real Property from the Vendor to the Purchaser. To the extent any GST/HST is determined to be payable on the purchase of the Real Property or any part thereof by a Governmental Authority, such GST/HST shall be the exclusive liability of the Purchaser.
- **Representations and Warranties:** Consistent with the standard terms of an insolvency transaction, i.e. on an "*as is, where is*" and "*without recourse*" basis, with limited representations and warranties.
- **Closing Date:** Means the date that is the later of: (i) the first Business Day following the date that is ten (10) days following the date on which the Secondary Credit Bid Vesting Order is issued by the Court; and (ii) the first Business Day following the date on which any appeals or motions to set aside or vary the Secondary Credit Bid Vesting Order have been finally determined; or, if the Parties agree, such other date as agreed in writing by the Parties.
- **Material Conditions:** The only remaining substantive condition is Court approval.

4. Since the deadlines for submitting credit bids, the Monitor has communicated with mortgagees who submitted credit bids to seek clarification or supporting documentation on their submission, including in respect of their Mortgage Indebtedness Amount, before accepting the Secondary Credit Bid APAs. The Monitor also cross-referenced the name of the mortgagee and amount listed on the Secondary Credit Bid APA to the registered mortgagee of the applicable Property and ensured that such mortgagee and mortgage were registered on the applicable Property. Given the funding constraints, consistent with the approval in the first credit bid process, the Monitor did not obtain an independent legal opinion on the validity of the 12 mortgages subject to the Secondary Credit Bid APAs. As at the date of this Report, the Secondary Credit Bid APAs submitted are in the form required and are acceptable to the Monitor.
5. Consistent with the first credit bid process, to help manage and reduce costs, the Monitor retained a law firm specializing in residential real estate transactions, Kormans LLP ("Kormans"), for the purpose of closing credit bid transactions and any transactions resulting from the Orderly Liquidation Process. Kormans agreed to close each transaction at a rate estimated to be \$1,750 per transaction, including disbursements. Kormans is familiar with these proceedings and issues as it was retained to facilitate the closing of the real estate transactions for the 321 closed credit bid transactions.

4.2 Assignment and Assumption of Leases

1. The Secondary Credit Bid APAs require that each Purchaser assume any tenant leases on closing. Based on the information available to the Monitor from the Applicants' records, of the 12 properties subject to the Secondary Credit Bid Vesting Order, seven properties have tenants (the "Leases").
2. The forms of Leases do not contain any restraint on the right of the landlord to assign the Lease. However, the Monitor believes it is important to provide both purchasers and tenants with certainty as to the state of the Leases, but that it will be impractical to obtain executed consents or acknowledgments from several tenants under the Leases and that doing so will create a risk to completing the simultaneous closing of all credit bid transactions on an expedited timeframe as contemplated by the Secondary Credit Bid APAs.
3. The Monitor believes it is appropriate, and in the best interests of the affected tenants, for the Leases to be assigned to the applicable Purchaser, and the Monitor is not aware of any reason why the applicable Purchasers would not be able to satisfy their obligations under the Leases once assigned and assumed. Given the nature of the Leases, the Monitor is also not aware of any potential monetary obligations in favour of the tenants that would be outstanding.
4. The Monitor believes that the proposed assignment of the Leases is warranted under and satisfies Section 11.3(3) of the CCAA. This is consistent with the Omnibus Credit Bid Vesting Order and the Credit Bid Vesting Order granted by the Court in connection with the first credit bid process for the reasons set out in the Court's Endorsement.

4.3 Proposed Form of Secondary Credit Bid Vesting Order

1. Rather than having 12 individual vesting orders for each Secondary Credit Bid APA, the Secured Lender Representative Counsel, in consultation with the Monitor and its counsel, developed the proposed Second Omnibus Credit Bid Vesting Order as an order that covers all Secondary Credit Bid APAs. This is consistent with the Omnibus Credit Bid Vesting Order and the Credit Bid Vesting Order previously approved by this court.
2. The draft form of Second Omnibus Credit Bid Vesting Order includes the revisions provided by the Land Registry Services Branch incorporated into the Omnibus Credit Bid Vesting Order previously granted by the Court.

4.4 Service of the Second Omnibus Credit Bid Vesting Order Motion

1. Given the several Secured Lenders and Lease counterparties that are likely to be affected by the Second Omnibus Credit Bid Vesting Order being sought, the Monitor is intending to effect service of this motion as follows (in addition to service on the Service List, including the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative and its counsel):
 - a) the Monitor will serve its Motion Record on each secured creditor or other party whose interest in the Properties is proposed to be discharged by the Second Omnibus Credit Bid Vesting Order, which the Monitor intends to deliver by email and, where email address is not available, by courier to any known address of such lender; and
 - b) the Monitor will post on the Case Website and send a short-form notice substantially in the form attached as Appendix "H" (the "Tenant Notice") to each known tenant under a Lease proposed to be assigned pursuant to the Second Omnibus Credit Bid Vesting Order advising of the proposed assignment and directing the tenant to the Case Website to review a copy of the Motion Record, which the Monitor intends to deliver by email and, where email address is not available, by courier.
2. The Monitor believes that service in the manner outlined above is reasonable, appropriate and practical in the circumstances.

4.5 Equity Properties

1. The Restructuring Term Sheet included the concept of requiring mortgagees to pay an amount for certain Properties identified by the Monitor that potentially have value in excess of the mortgage debt. This was only applicable to the extent a mortgagee exercised its credit bid option on such properties.

2. The Monitor's methodology for identifying the equity properties is to use the best available estimate of current property value, less accumulated debt⁶, similar to the methodology discussed and approved in the Tenth Report. The analysis completed for the initial credit bid process, as described in the Tenth Report, used the Applicants' acquisition cost plus renovation costs incurred by the Applicants to estimate the current property value of over 400 properties. For the Remaining Properties, the Monitor used the suggested list prices provided by the Listing Agents (as set out in the Revised Remaining Portfolio Analysis (defined below) attached as Appendix "I"). Accordingly, the updated methodology is as follows:
 - Suggested list price provided by the Listing Agents;
 - Less: principal mortgage debt;
 - Less: interest at 10% for 18 months on the first mortgage;
 - Less: interest at 14% for 18 months on the second mortgage (if any);
 - Less: Second DIP Allocation.
3. Based on the above methodology, any property with an imputed equity amount (the "Equity Amount") is to be an "Equity Property" for the purposes of the Secondary Credit Bid Option. The Monitor's Revised Remaining Portfolio Analysis⁷, attached as Appendix "I", shows a total of 12 Equity Properties, of which nine are unencumbered (the "Unencumbered Properties"), and accordingly, cannot be subject to credit bids.
4. While the previous methodology to determine Equity Properties described in the Tenth Report included some degree of subjectivity, the Monitor notes the following regarding its proposed methodology for the Equity Properties:
 - a) the suggested list price as a measure of current value is more credible as they were provided by the Listing Agents after being granted access to the properties for inspection and other assessment purposes;
 - b) unlike the methodology previously used which included the costs of renovations in the determination of market value, there is no reliance on the Applicants' books and records in the proposed methodology. The Monitor's concerns with the Applicants' books and records were set out in the Fourth Report (as summarized in Section 1.1 of this Report); and
 - c) interest assumptions in the total mortgage debt figures are conservative given that most mortgagees have not been paid interest for over 18 months.
5. None of the 12 properties subject to Secondary Credit Bid APAs are Equity Properties. Accordingly, all Equity Properties will be listed and sold as part of the Orderly Liquidation Process.

⁶ The accumulated debt in this calculation is made up of the (a) principal mortgage debt, (b) interest at 10% for 18 months on the first mortgage, (c) interest at 14% for 18 months on the second mortgage (if any), and (d) DIP Allocation.

⁷ The Revised Remaining Portfolio Analysis remains consistent with the "Remaining Portfolio Analysis" provided in the Eleventh Report, with only one change being to reflect the updated DIP Allocation discussed in Section 5.

4.6 Recommendation re Second Omnibus Credit Bid Vesting Order

1. The Monitor recommends the Court approve the Secondary Credit Bid APAs and issue the proposed Second Omnibus Credit Bid Vesting Order for the following reasons:
 - a) the SISP was developed by the Monitor in consultation with the Applicants, the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative, each of whom supported or did not oppose its approval by the Court;
 - b) the rights of the Secured Lenders to credit bid were specifically preserved under the SISP, and 452⁸ Secured Lenders submitted credit bid LOIs in the SISP;
 - c) all of the acquisition or refinancing LOIs submitted under the SISP for all or a portion of the Portfolio would have resulted in a substantial shortfall to the Applicants' first ranking Secured Lenders, and each of Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative agreed that the Monitor should not pursue any such offers;
 - d) the Monitor carried out the Secondary Credit Bid Process in accordance with the Secondary Credit Bid Approval Order;
 - e) the right to credit bid pursuant to the Secondary Credit Bid Process was afforded to all Secured Lenders and was exercised by Secured Lenders on 12 (or approximately 14%) of the Remaining Properties;
 - f) the Secondary Credit Bid APAs require the Purchasers to pay the Priority Payables ranking senior to their mortgages;
 - g) the Secured Lenders have not been paid interest on their mortgage debt for 18 months (or longer) and have incurred further costs and taken steps (including funding their Deposits) to prepare to complete the transactions contemplated by the Secondary Credit Bid APAs, presumably including securing the necessary funds to pay the Priority Payables and the Additional Priority Payables Payment in connection with their transactions, should the Court approve them. Accordingly, any further delay would materially prejudice the Secured Lenders who elected to submit a Secondary Credit Bid APA in accordance with the Court-approved Secondary Credit Bid Process;
 - h) the second mortgagees on the applicable 12 credit bid Properties also had the right to submit credit bids to top the applicable first mortgagee's credit bid pursuant to the Secondary Credit Bid Process, and their decision not to do so suggests, in part, that the second mortgagees did not believe there was value in the Properties beyond the debt owing to the first mortgagee plus the DIP Allocation for each such Property;

⁸ This number (452) exceeds the number of properties (407) in the Portfolio as it includes duplicative credit bid election forms submitted by multiple mortgagees on the same properties given the existing first and second mortgages on a number of properties. The credit bid form used for SISP purposes was not in the form of a binding agreement nor did it require any deposit be funded at that time. The Credit Bid APAs submitted in accordance with the Restructuring Term Sheet superseded the initial credit bid LOIs submitted under the SISP.

- i) based on the foregoing, the Monitor believes that: (i) the consideration to be received under the Secondary Credit Bid APAs is fair and reasonable in the circumstances; and (ii) the proposed sales are more beneficial to creditors than a sale or disposition under a bankruptcy; and
 - j) the Monitor is not aware of any of the credit bid Purchasers being “related” to the Applicants.
- 2. In developing its recommendation, the Monitor also considered that the cost of these proceedings has been significant since they were commenced in January 2024. A Court-approved SISF and comprehensive Investigation have been carried out and the Monitor does not believe there are any other viable alternatives for the Monitor to pursue in the circumstances. The relief requested will allow: (a) the Secured Lenders who elected to exercise their Court-sanctioned credit bid right to acquire their Properties; and (b) for the remaining Liquidation Portfolio Properties to be liquidated, in accordance with the Orderly Liquidation Plan previously approved by the Court and, if approved by the Court on this motion, the proposed Orderly Liquidation Mechanics, as discussed further in Section 6 of this Report.

5. Second DIP Allocation

- 1. Earlier in these proceedings, the Monitor sought and obtained approval of the DIP Allocation in order for the proceeds of the initial 321 credit bid transactions to be used to repay the Harbour DIP Facility. The same methodology was used for the purposes of the amount owing under the Viscount DIP Term Sheet, which the Monitor proposes be allocated on the following basis:
 - a) property specific costs, such as renovations and property taxes, to the applicable Property; and
 - b) general costs, such as professional fees associated with these CCAA proceedings, over the Portfolio in proportion to the acquisition cost of each Property.
- 2. On or around February 28, 2025, the Monitor sent an updated version of the DIP Allocation to all Secured Lenders. Since that date, the Monitor has received several requests for invoices and other supporting documentation. The Monitor has responded to each such request.
- 3. A copy of the proposed Second DIP Allocation, which totals \$5 million, is attached as Appendix “J”.
- 4. The Monitor recommends the Court approve the Second DIP Allocation for the following reasons:
 - a) in the Monitor’s view, the proposed allocation methodology follows a customary and equitable manner in which DIP funding is typically allocated in similar circumstances by allocating general costs across all properties and property specific costs to the applicable property;
 - b) using acquisition cost as the basis to allocate general costs across the entire Portfolio is reasonable in the circumstances and, in the Monitor’s view, is more appropriate than allocating those costs based on mortgage debt as the Applicants did not incur or repay mortgage debt in any systematic manner;

- c) the Second DIP Allocation methodology is consistent with the DIP Allocation methodology approved by this Court on December 6, 2024 and applied to the first credit bid transactions;
 - d) the Second DIP Allocation was communicated to stakeholders in February 2025, allowing mortgagees sufficient time to review their allocations before the secondary credit bid submission deadlines of March 14 and 21, 2025 for first and second mortgagees, respectively.
- 5. Based on the foregoing, the Monitor considers the proposed Second DIP Allocation fair and reasonable in the circumstances.
- 6. Subject to Court approval of the Second DIP Allocation and the Second Omnibus Credit Bid Vesting Order, the Monitor expects the total Second DIP Allocation from the proceeds from the 12 credit bid transactions to be approximately \$733,000 (excluding the additional 25% escrow funds).
- 7. The Monitor proposes to distribute such funds to the Replacement DIP Lender to reduce the principal outstanding under the Viscount DIP Term Sheet to approximately \$3.7 million, which will also reduce the monthly interest payments payable under the Viscount DIP Term Sheet.
- 8. In connection with the additional 25% of the Second DIP Allocation that will need to be funded as part of the Secondary Credit Bid transactions, the Viscount DIP Term Sheet requires that the Monitor hold those funds in escrow until the amounts owing under the Viscount DIP Term Sheet are repaid in full. Accordingly, the Monitor is proposing to hold those funds until further order of the Court or agreement among the Monitor, the Replacement DIP Lender and the applicable purchaser. To the extent possible without prejudicing the Replacement DIP Lender, the Monitor will consider, on an ongoing basis, the possibility of fully or partially reimbursing these escrow amounts to purchasers before all Liquidation Portfolio Properties are sold.

6. Liquidation Portfolio

- 1. Subject to Court approval and completion of the 12 secondary credit bid transactions, the Liquidation Portfolio Properties will consist of 74 properties.
- 2. Following the credit bid deadlines established under the Court-approved Secondary Credit Bid Process, the Monitor commenced its implementation of the Orderly Liquidation Plan previously approved by the Court.
- 3. The Monitor has taken the following steps in accordance with the Orderly Liquidation Plan:
 - a) entered into listing agreements with the Listing Agents;
 - b) worked with CBRE and the Listing Agents, and consulted with the Replacement DIP Lender, to determine the sequencing of listing the Liquidation Portfolio, which considers, among other things, the markets, cash flow being generated by each property (if any) and their condition (i.e. many of the 74 remaining Properties are in a state of disrepair and/or boarded up). In this regard, the Sault Ste. Marie Listing Agent has proposed listing two to four properties per week, ensuring the listings differ in area, condition and/or price range;

- c) listed a sub-set of the Liquidation Portfolio Properties (using MLS and other traditional marketing channels for residential real estate) to identify potential purchasers for each property. As at the date of this Report, a total of 26 properties are listed (listings commenced on or around April 1, 2025). The properties that have been listed for sale are set out in Appendix “K”; and
 - d) as discussed in the Eleventh Report, and approved by this Court on February 27, 2025, the Liquidation Portfolio Properties were and will initially be listed for sale at the suggested list prices provided by the Listing Agents as set out in the Revised Remaining Portfolio Analysis (Appendix “I”), provided that the Monitor shall be entitled, on behalf of the applicable Applicant in accordance with the Expanded Powers Order, from time to time as it considers necessary or appropriate, to increase or reduce the list price for any property and/or to accept an offer to purchase any property at a price greater or less than the applicable list price for such property, provided that, unless the Monitor obtains the prior consent of the Replacement DIP Lender, the Monitor shall not accept an offer that would result in net proceeds (after deduction of reasonable sale commissions and property specific legal costs) that would be less than 125% of the DIP Allocation in respect of such property, which is a condition of property sales set out in Section 11(a) of the Viscount DIP Term Sheet (a copy of which is attached at Appendix “L” to this Report). As the listing process has only recently commenced, there have been no changes to the list prices at this time.
4. As at the date of this Report, there have been four offers received by the Listing Agents on Liquidation Portfolio Properties. As at the date of this Report, there have not been any offers accepted by the Monitor. However, the Monitor anticipates being in a position to sell certain of the Liquidation Portfolio Properties in the near term. Accordingly, the Monitor worked with stakeholders and/or their counsel to develop a streamlined process to accept and close offers for the Liquidation Portfolio Properties in an effort to avoid the costs of ongoing and recurring Court appearances to sell each property. That process, being the proposed Orderly Liquidation Mechanics, is described below.

6.1 Orderly Liquidation Mechanics

1. The Monitor proposes the following guidelines to permit the Monitor to accept and complete sales of Liquidation Portfolio Properties without the need for further approval of the Court:
 - a) if the net sale proceeds after taxes and closing costs (the “Net Sale Proceeds”) are estimated to be less than 125% of the DIP Second Allocation plus the total mortgage debts on the applicable Property (the “Mortgage Debts”), the Monitor shall be entitled to accept and complete the sale with the consent of the Secured Lender Representative Counsel and the applicable first and second mortgagees (the “Applicable Secured Mortgagees”);
 - b) if the Net Sale Proceeds are estimated to be greater than 125% of the DIP Allocation plus the Mortgage Debts, the Monitor shall be entitled to accept and complete the sale with the consent of Unsecured Lender Representative Counsel and the Lion’s Share Representative;

- c) if the Net Sale Proceeds are estimated to be less than 125% of the DIP Allocation, consent of only the Replacement DIP Lender shall be required; and
 - d) if the property is one of nine Unencumbered Properties, the Monitor shall be entitled to accept and complete a sale with the consent of the Replacement DIP Lender, the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative.
- 2. If these proposed consents are not provided, the Monitor shall seek Court approval of the sale, and the costs of such motion shall be allocated to the proceeds of the applicable Property. However, if the consent of Unsecured Lender Representative Counsel and the Lion's Share Representative is required but not provided, and the expected costs of seeking Court approval would result in a deficiency to any Applicable Secured Mortgagee, the Monitor shall be entitled to accept and complete the sale without the consent of the Unsecured Lender Representative Counsel and the Lion's Share Representative, and the Monitor shall instead obtain the consent(s) required under section 6.1.1(a) above (namely, the consent of only the Applicable Secured Mortgagees).
- 3. As noted above, the Monitor further proposes that on the closing of each sale, until such time as the amount owing under the Viscount DIP Term Sheet has been repaid in full, the Monitor shall pay from the Net Sale Proceeds 100% of the Second DIP Allocation to the Replacement DIP Lender to reduce the principal obligations owing thereunder and shall hold an amount equal to the additional 25% of the Second DIP Allocation pending further order of the Court or agreement of the Monitor, the Applicable Secured Mortgagees and Viscount. Any and all Net Sale Proceeds beyond such amounts will be held by the Monitor pending further order of the Court to address distribution.
- 4. The Monitor proposes that provided all of the above is complied with, Viscount and the Applicable Secured Mortgagees shall be required to discharge their mortgages on a sale property, and the DIP Lender's Charge on the property shall be deemed to be discharged on closing.
- 5. The Monitor recommends the Court approve the Orderly Liquidation Mechanics for the following reasons:
 - a) in the Monitor's view, it would be impractical and inefficient to seek Court approval prior to completing sale transactions for individual or a subset of properties comprising the Liquidation Portfolio Properties;
 - b) the Liquidation Mechanics require consents from the economic stakeholders in the various scenarios having regard to the sale price, Mortgage Debt and the Second DIP Allocation for each Property;
 - c) counsel to the Replacement DIP Lender and Secured Lender Representative Counsel were consulted in the development of the proposed Orderly Liquidation Mechanics;

- d) the rationale for the Orderly Liquidation Mechanics is to minimize the cost of selling the Liquidation Portfolio Properties, which is in the best interest of all stakeholders; and
- e) the Liquidation Mechanics provide that Court approval is required in the event that any of the applicable economic stakeholders do not consent to the proposed sale.

6.2 Distribution of Proceeds

1. At this time, the Monitor is not seeking any relief in connection with distribution of proceeds other than to repay a portion (approximately \$733,000) of the amount outstanding under the Viscount DIP Term Sheet from the Second DIP Allocation to be collected on closing of the 12 secondary credit bid transactions.
2. As noted above, the Monitor intends to hold the net proceeds of sale of any Liquidation Portfolio Properties to fund any costs of these proceedings or operations in excess of funding through the Viscount DIP Term Sheet.
3. In due course, the Monitor will bring a distribution motion to recommend the basis on which any remaining proceeds should be distributed.

7. Unsecured Lender Committee

1. On March 4, 2025, the Monitor was provided with a copy of a letter addressed to the Honourable Mr. Justice Osborne from the Unsecured Lender Committee. The letter was dated February 24, 2025, being three days prior to the most recent Court attendance in these proceedings but was not sent to the Monitor.
2. Upon receipt of the letter, the Monitor confirmed that Unsecured Lender Representative Counsel was not aware of the letter.
3. The Monitor does not agree with the contents of the letter, a copy of which the Monitor can provide to this Court should it wish to review it. However, shortly following receiving it, the Monitor arranged for a meeting among representatives of the Monitor, its legal counsel, the Unsecured Lender Committee and Unsecured Lender Representative Counsel. That meeting took place on March 14, 2025.
4. At the meeting on March 14, 2025, the Monitor, among other things, provided its views on the letter, including confirming that every major milestone and transaction completed over the course of these proceedings has been disclosed to and approved by the Court on notice to all stakeholders, including the Unsecured Lenders. The Monitor also advised that it would be open to meeting periodically with the Unsecured Lender Committee, particularly to provide updates on the status of the Orderly Liquidation Process. The Monitor believes that would be helpful and appropriate as the Unsecured Lenders may have an interest in the outcome of the Orderly Liquidation Process, particularly as it relates to the nine unencumbered properties that are, or will be, listed for sale as part of that process.

8. Cash Flow Forecast

- As at the date of this Report, \$4.4 million has been drawn on the Viscount DIP Term Sheet (largely to repay the Harbour DIP Facility in December 2024). The following table provides a summary of the uses of the DIP funding from the commencement of these proceedings in January 2024 through April 6, 2025.

(unaudited; C\$000s)	
Receipts	
DIP funding	19,400
Credit Bid DIP Allocation Payments	12,354
Other receipts	2,045
	<u>34,040</u>
Disbursements	
Repayment of Harbour DIP Facility	(15,056)
Professional fees	(8,608)
Property taxes	(3,484)
Other	(2,966)
DIP Facility costs and interest	(1,719)
Advances to Applicants' bank accounts	(1,414)
Insurance	(426)
Total Disbursements	<u>(33,673)</u>
Balance in Monitor's Trust Account	<u>367</u>

- Explanations of certain line items in the table above are as follows:
 - the purpose of the table is to reflect the Applicants' uses of DIP funding over the course of these proceedings. As all DIP funding has been advanced to the Monitor's trust account, activity in the Applicants' bank accounts is not reflected in the table above; however, the Monitor took control over the Applicants' bank accounts in accordance with the Expanded Powers Order. As at the date of this Report, there is a negligible balance in the Applicants' bank accounts and approximately \$367,000 of available funds in the Monitor's trust account;
 - professional fees include the fees of the Applicants' counsel, the Monitor and its counsel, the Replacement DIP Lender's counsel (and in respect of Harbour, the previous DIP Lender), the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the SISP Advisors. The SISP Advisors' fees ceased being paid shortly following the offer deadline under the SISP (June, 2024);
 - amounts reflected as advances to the Applicants' bank accounts were largely used to fund renovations, utilities, repairs and maintenance and other operating expenses incurred over the course of these proceedings; and
 - amounts reflected as Other include, among other things, bank charges, utilities, property management fees, HST, and other sundry expenses.
- The Monitor has prepared the Cash Flow Forecast for the period April 7, 2025 to August 31, 2025. The Cash Flow Forecast is attached as Appendix "M".

4. Subject to the underlying assumptions provided in the notes to the Cash Flow Forecast, the Cash Flow Forecast reflects that there is projected to be sufficient funding available to the Applicants to continue to operate in these proceedings through to the proposed stay extension date of August 31, 2025. The Cash Flow Forecast reflects that property sale proceeds of the Liquidation Portfolio Properties are required to fund a portion of the outstanding and ongoing costs of these proceedings. These assumptions, particularly as they relate to future sales under the Orderly Liquidation Plan, will be refined over time.
5. The Monitor's statutory report on the Cash Flow Forecast is attached as Appendix "N". The Monitor has not sought the statutory report on the Cash Flow Forecast to be executed by the Applicants given the Expanded Powers Order.

9. Stay Extension

1. The Stay Period currently expires on May 31, 2025. The Monitor, on behalf of the Applicants, is seeking an extension of the Stay Period until August 31, 2025.
2. The Monitor recommends the extension for the following reasons:
 - a) the Honourable Justice Steele's endorsement issued in these proceedings dated July 31, 2024 stated that *"In the context of a "super-Monitor" in CCAA proceedings, the monitor is held to the good faith standard."* As "super" Monitor in these CCAA proceedings, the Monitor believes it is discharging its duties and obligations under the CCAA, the Expanded Powers Order and other orders made in these CCAA proceedings in good faith and with due diligence;
 - b) no creditor will be prejudiced if the extension is granted;
 - c) based on the Cash Flow Forecast and the assumptions noted above, there is projected to be funding available to fund operations and the costs of these proceedings during the extension period; and
 - d) an extension of the Stay Period will provide the time necessary for the Monitor to (i) close the Secondary Credit Bid transactions; and (ii) advancing the Court-approved Orderly Liquidation Plan, particularly listing for sale, and realizing on, the Liquidation Portfolio Properties.

10. Professional Fees

1. The fees of the Monitor and Cassels from the commencement of these proceedings through January 31, 2025 have been approved pursuant to Court Orders issued over the course of these proceedings.
2. The fees (excluding disbursements and HST) of the Monitor and Cassels from February 1, 2025 to March 31, 2025 total \$133,039 and \$106,056, respectively.
3. The average hourly rates for KSV and Cassels for the referenced billing periods were \$518.06 and \$947.87, respectively.

4. Invoices in respect of the fees and disbursements of the Monitor and Cassels, redacted for privilege or confidential information, are provided in appendices to the affidavits (together, the "Fee Affidavits") filed by KSV and Cassels, which Fee Affidavits are attached as Appendices "O" and "P", respectively.
5. As set out in the invoices attached to the Fee Affidavits, the fees of the Monitor and Cassels for the referenced billing periods include those incurred to perform the aforementioned activities.
6. The Monitor is of the view that the hourly rates charged by Cassels are consistent with the rates charged by large corporate law firms practicing in the area of corporate insolvency and restructuring in the Toronto market, that Cassels' billings reflect work performed consistent with the Monitor's instructions and that the overall fees charged by Cassels and the Monitor are reasonable and appropriate in the circumstances.

11. Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Court grant the relief set out in Section 1.2(1)(g) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

KSV RESTRUCTURING INC.

IN ITS CAPACITY AS MONITOR

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. AND NOT IN ITS PERSONAL CAPACITY

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.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

TWELFTH REPORT OF THE MONITOR

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Lawyers for the Monitor, KSV Restructuring Inc.

Appendix “D”

Assignment Agreement re CORE Claim

This ASSIGNMENT dated as of the 31st day of May, 2025 (the “**Assignment Agreement**”)

BETWEEN:

**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**” or the “**Assignor**”)

-and-

VISCOUNT CAPITAL INC.,
for the benefit of itself and the unsecured creditors of the Applicants
(the “**Assignee**”)

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted on January 23, 2024 (as amended and amended and restated from time to time, the “**Initial Order**”), the Applicants were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”, and the proceedings resulting thereby, the “**Balboa Proceeding**”), and KSV Restructuring Inc. (“**KSV**”) was appointed by the Court as CCAA monitor of the Applicants (in such capacity, the “**Monitor**”);

AND WHEREAS on June 25, 2024, the Court granted an order (the “**EMP Order**”) which, *inter alia*, empowered and authorized the Monitor to exercise any powers which may be properly exercised by a board of directors or any officers of the Applicants;

AND WHEREAS on May 2, 2025, under the authority of the Monitor pursuant to the EMP Order, certain of the Applicants issued a Notice of Action (the “**Notice of Action**”) naming Core Acquisition Co. Inc. as a defendant for, *inter alia*, damages arising from breach of contract and/or unjust enrichment relating to unpaid portions of the purchase price required to be paid under the agreement of purchase and sale dated February 24, 2022, as amended (the “**Claim**”);

AND WHEREAS, subject to the terms and conditions set out in this Assignment Agreement, the Monitor intends to make a motion to the Court for an Order (the “**Assignment**”

Order") substantially in the form attached at Schedule "A" hereto with such modifications acceptable to the Assignee and the Monitor (each acting reasonably), among other things, assigning the Claim to the Assignee and authorizing the Assignee to continue the proceedings commenced in the Notice of Action that are held by the Applicants, all on the terms set out in this Assignment Agreement;

AND WHEREAS the Assignment Order (if granted) will assign all of the Applicants' right, title and interest, if any, in the subject matter of the Claim to the Assignee, on an *as is, where is* basis and free and clear of all claims, for the benefit of itself and the unsecured creditors of the Applicants on the terms set out in this Assignment Agreement;

AND WHEREAS it is a condition of the Assignor and the Monitor agreeing to assign the Claim to the Assignee that (i) the Assignee cover the out-of-pocket costs and expenses related to negotiating this assignment and pursuing the Claim (the "**Out-of-Pocket Costs**"), and the Assignee has agreed to cover the Out-of-Pocket Costs; and (ii) no other person has provided a written offer to the Monitor by 5:00 p.m. (EST) July 7, 2025 offering to take an assignment of the Claim on terms that are, in the opinion of the Monitor, better than the terms of this Assignment Agreement, which, for greater certainty, must provide for a reimbursement of the Funding Requirements (as defined below) actually funded by the Assignee (together, the "**Assignment Conditions**");

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Assignor hereby agrees with the Assignee as follows:

1. Subject to the Assignment Conditions and the granting of the Assignment Order, the Assignor hereby assigns absolutely to the Assignee, for itself and for the benefit of the unsecured creditors of the Applicants, all of the estate, right, title, interest, claim and demand, if any, whatsoever both at law and in equity, including any document in support thereof and any and all rights, claims, demands and causes of action that the Assignor has in the Claim but without recourse of any kind whatsoever to the Assignor, the Monitor or KSV (or the Monitor's and KSV's current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives).

2. The Assignee acknowledges and agrees that the Assignee is accepting the Claim and any related documentation on an “*as is, where is*” basis, without any representations or warranties of any kind, save and except in respect of the express representation and warranty made pursuant to Section 8 herein, and without recourse against the Assignor or the Monitor and KSV (or the Monitor’s and KSV’s current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives) in any respect.

3. Following the assignment, neither the Assignors nor the Monitor shall be required in any way to participate in the Claim (or any proceedings relating to the Claim) in any manner whatsoever, including production and discovery. For greater certainty, this exclusion shall not apply to the principals of the Applicants, including, *inter alia*, Robert Clark and Aruba Butt, provided that neither the Assignors nor the Monitor shall be required to, or required to take steps to, compel such participation of the principals of the Applicants.

4. The Assignee agrees that all proceeds or monies generated or received from any recovery under a successful order or judgment under the Claim or any settlement of the Claim (the “**Recovered Amounts**”) shall be paid as follows:

(a) Firstly, to the Assignee on account of (collectively, the “**Viscount Priority Payment**”):

- (i) all out-of-pocket expenses and costs associated with this assignment, and its litigation efforts;
- (ii) the Funding Requirements (as defined below); and
- (iii) an amount of up to CDN\$1,000,000, to be applied to repay the outstanding unsecured indebtedness owing by The Lion’s Share Group Inc (“**LSGI**”) to the Assignee under certain promissory notes advanced by the Assignee to LSGI.

(b) Secondly, any Recovered Amounts in excess of the Viscount Priority Payment, to the general unsecured creditors of the Applicants in the Balboa Proceeding on a *pro rata* basis in accordance with an order of the Court.

5. The Monitor shall, on behalf of the Applicants in accordance with the EMP Order, instruct Adair Goldblatt Bieber LLP (“**AGB**”) to prepare and file a Statement of Claim (the “**Statement of Claim**”) with respect to the Claim and the Notice of Action.

6. The Assignee agrees that it shall be responsible for the Out-of-Pocket Costs of: (i) the Monitor and its legal counsel for preparing, negotiating and settling this Assignment Agreement and preparing and bringing the motion for the Assignment Order up to \$25,000; and (ii) AGP for the preparation and filing of the Statement of Claim (the “**Funding Requirements**”). The Assignee shall wire the Monitor, in accordance with the wire instructions provided by the Monitor, the amount of \$35,000 to cover the Funding Requirements, which includes an initial amount to cover the Out-of-Pocket Costs of AGP to prepare and file the Statement of Claim. The Assignee’s obligation to pay the Funding Requirements shall be unconditional and non-refundable (including if the Assignment Order is not granted), other than solely to the extent of a refund received pursuant to any other party’s accepted and approved offer to take an assignment of the Claim, if any, as contemplated by the Assignment Conditions.

7. Following the issuance of the Assignment Order, the Assignee will continue the engagement of AGB and shall pay all professional fees and costs in furtherance of advancing the Claim.

8. The Monitor represents and warrants to the Assignee that it has not previously pledged, assigned or encumbered the Claim, other than in respect of the Charges set out in the Initial Order.

9. Subject to Section 8 hereof, none of the Assignor, the Monitor or KSV (or the Monitor’s and KSV’s current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives) make any representation or warranty of any kind whatsoever with respect to the Claim, the Notice of Action or the Statement of Claim, including, for greater certainty, no representation or warranty with respect to the validity, enforceability, existence, adequacy, sufficiency, collectability, value or any other matter whatsoever with respect to the Claim, the Notice of Action or the Statement of Claim.

10. The Assignee hereby: (i) unconditionally and irrevocably fully releases and discharges, and holds harmless, the Monitor and KSV and their current and former directors and officers, partners,

employees, agents, advisors, legal counsel and representatives (the “**Released Parties**”) from any claim or cause of action which the Assignee may now or hereafter have against any of the Release Parties by reason of any matter or thing arising out of, or resulting from the Claim, the Notice of Action or the Statement of Claim, including any claim for negligence as against any of the Released Parties, and (ii) agrees that the Assignee will not make or take any claim with respect to any matter released and discharged in this Section 10 which may result in any claim against the Released Parties for contribution or indemnity or other relief.

11. The Assignee hereby agrees to indemnify and save harmless the Monitor and KSV and their current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives (collectively, the “**Indemnitees**”) (i) from and against all claims, relief or causes of action asserted against any of the Indemnitees in any way directly or indirectly arising from, relating to or in connection with this Assignment Agreement or the Claim, the Notice of Action or the Statement of Claim from and after the date of the Assignment Order and (ii) for any and all fees, expenses or costs (including professional fees and expenses) that any of the Indemnities may be required to expend if they are required (despite the terms of this Assignment Agreement and the Assignment Order) to participate in any way relating to the Claim (or any proceedings relating thereto) or defend against, object to or oppose any claims, relief or causes of action asserted against any of the Indemnitees in any way directly or indirectly arising from, relating to or in connection with this Assignment Agreement or the Claim, the Notice of Action or the Statement of Claim.

12. The Assignee agrees that it shall forego and not be entitled to any funds or recoveries from its claims into the estate of LSGI in excess of the Viscount Priority Payment.

13. Until such time as the Monitor is discharged, the Assignee shall provide to the Monitor periodic (and not less than quarterly) reports on the status of the Claim commencing on the date that is three months following the date of this Assignment Agreement.

14. Until such time as the Monitor is discharged, the Assignor agrees to execute and deliver to the Assignee at the Assignee's expense all such further documents and instruments, if any, as the Assignee may reasonably require to more fully vest it with the Assignor's rights in the Claim to the Assignee pursuant to the Assignment Order.

15. This Assignment Agreement binds and enures to the benefit of the parties' respective heirs, successors and assigns, to the extent applicable.

16. The Assignee acknowledges and agrees that the Monitor is executing this Assignment Agreement, in its capacity as Monitor and not in its personal or corporate capacity, on behalf of the Applicants in accordance with the Monitor's authority under the EMP Order, and that KSV and the Monitor, and their current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives, shall have no personal or corporate responsibility or liability under this Assignment Agreement.

17. This Assignment Agreement can only be modified or amended by written agreement executed by the Assignee and the Monitor on behalf of the Applicants in accordance with the Monitor's authority under the EMP Order. This document constitutes the entire agreement between the Assignor and Assignee, and there are no other terms, conditions, provisos, agreements, warranties or representations, other than those expressly contained herein in writing.

18. This Assignment Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereto irrevocably submit to the Court overseeing the Balboa Proceedings in any action or proceeding arising out of or relating to this Assignment Agreement that involves the Assignor or the Monitor, and irrevocably agree that all such actions and proceedings may be heard and determined in the Court, and irrevocably waives, to the fullest extent possible, the defence of an inconvenient forum; provided that nothing herein constitutes a waiver of any protections (including, without limitation, the stays of proceedings) in favour of the Assignor or the Monitor contained in the CCAA or the Initial Order.

19. Each of the parties hereto acknowledges and declares that: (a) it has had an adequate opportunity to read and consider this Assignment Agreement and to obtain such advice in regard to it as it considers advisable, including, without limitation, independent legal advice; (b) it fully understands the nature and effect of this Assignment Agreement; and (c) this Assignment Agreement has been duly executed voluntarily.

20. This Assignment Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument

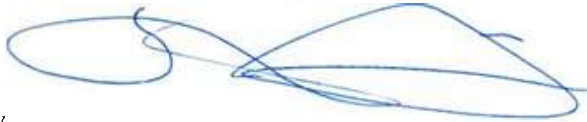
and execution and delivery of this Assignment Agreement may be made and evidenced by electronic transmission.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF each of the undersigned has executed this Assignment Agreement with effect as of the date first written above.

**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., by KSV
Restructuring Inc., in its capacity as monitor and
not in its personal or corporate capacity**

By.




Name: **David Sieradzki**
Title: **Managing Director**

c/s

VISCOUNT CAPITAL INC.

By:



Name: **ERIC RAHN**
Title: **DIRECTOR**

c/s

Schedule “A”

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

THE HONOURABLE	)	<*>DAY THE <*>
)	
JUSTICE OSBORNE	)	DAY OF <*>, 2025

B E T W E E N:

**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
(Assignment of Claims)**

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 videoconference.

ON READING the Motion Record of the Monitor, including the Thirteenth Report of the Monitor dated <*>, 2025 (the “**Thirteenth Report**”) and appendices thereto, and such other materials that were filed, and on hearing the submissions of counsel to the Monitor, counsel to the Assignee (as defined below), and those other parties in attendance, no one else appearing although duly served as it appears from the Affidavit of Service of <*> dated <*>, filed.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the motion record of the Monitor is hereby validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined have the meaning given to them in the Thirteenth Report.

ASSIGNMENT OF CORE CLAIM

3. **THIS COURT ORDERS** that the assignment agreement between the Applicants and Viscount Capital Inc. (the “**Assignee**”) dated as of May 31, 2025 substantially in the form attached at Appendix “●” to the Thirteenth Report (the “**Assignment Agreement**”) be and is hereby approved, and the Monitor is hereby authorized and directed, *nunc pro tunc*, on behalf of the Applicants in accordance with the Order (Expansion of Monitor’s Powers) granted by this Court on June 25, 2024 (the “**Expanded Powers Order**”), to execute the Assignment Agreement and to give full effect to the terms of the Assignment Agreement in accordance with this Order. The Monitor is hereby authorized and directed to take such additional steps and execute such additional documents, on behalf of the Applicants in accordance with the Expanded Powers Order, as may be necessary or desirable for the completion of the transactions contemplated by the Assignment Agreement.
4. **THIS COURT ORDERS** that, subject to the terms and provisions of the Assignment Agreement and this Order, the Assignee is authorized to continue proceedings, including the action bearing Court File No. CV-25-00742331-0000, in its own name and at its own expense and risk regarding the Applicants’ claims as against Core Acquisition Co. Inc. as a defendant for, *inter alia*, damages arising from breach of contract and/or unjust enrichment relating to unpaid portions of the purchase price required to be paid under the agreement of purchase and sale dated February 24, 2022 (the “**Assigned Claim**”) pursuant to terms of the Assignment Agreement.
5. **THIS COURT ORDERS**, subject to the terms and provisions of the Assignment Agreement and this Order, this Order herein shall have the effect of transferring the Applicants’ right, title and interest in the Assigned Claim to the Assignee.

6. **THIS COURT ORDERS** that all proceeds or monies generated or received from any recovery under a successful order or judgment under the Assigned Claim or any settlement of the Assigned Claim (the “**Recovered Amounts**”) shall be paid as follows:

- (a) to the Assignee on account of (collectively, the “**Viscount Priority Payment**”):
 - (i) all out-of-pocket expenses and costs associated with the assignment, and the Assignee’s litigation efforts;
 - (ii) the Funding Requirements (as defined in the Assignment Agreement); and
 - (iii) an amount of up to CDN\$1,000,000, to be applied to repay the outstanding unsecured indebtedness owing by The Lion’s Share Group Inc. (“**LSGI**”) to the Assignee under certain promissory notes advanced by the Assignee to LSGI; and
- (b) subject to a further order of this Court, any Recovered Amounts in excess of the Viscount Priority Payment shall be distributable to the general unsecured creditors of the Applicants in these proceedings on a *pro rata* basis.

7. **THIS COURT ORDERS** that the Applicants and the Monitor shall not be required in any way to participate in the Assigned Claim (or any proceedings relating to the Assigned Claim) in any manner whatsoever, including production and discovery. For greater certainty, this exclusion shall not apply to the principals of the Applicants, including, *inter alia*, Robert Clark and Aruba Butt, provided that the Applicants and the Monitor shall not be required to, or be required to take steps to, compel such participation of the principals of the Applicants.

8. **THIS COURT ORDERS** that the Monitor shall have no personal liability in carrying out the actions contemplated by this Order or the Assignment Agreement and, without limitation the generality of any other protection afforded to it, shall continue to have all of the protections afforded to it under the CCAA and all Orders of this Court.

9. **THIS COURT ORDERS** that the Assignee, any creditor of Applicants' estates and/or the Monitor may seek the advice and direction of this Court with respect to the order herein and its implementation by way of motion brought on at least seven (7) days' notice.

MISCELLANEOUS

10. **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 Monitor 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that the Monitor and its counsel, may serve or distribute this Order and any related materials, by forwarding true copies thereof by email or regular mail. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and the notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

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

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, 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.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at TORONTO

ORDER
(Assignment of Claims)

Cassels Brock & Blackwell LLP
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Joseph J. Bellissimo LSO#: 46555R
Tel: 416. 860.6572
Email: jbellissimo@cassels.com

Lawyers for the Monitor, KSV Restructuring Inc

Appendix “E”

**NOTICE OF OPPORTUNITY
TO ACQUIRE CLAIM OF THE CCAA APPLICANTS
DEADLINE: 5:00 P.M. EST ON JULY 7, 2025**

Pursuant to an Initial Order granted by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on January 23, 2024, as subsequently amended and restated by the Court, KSV Restructuring Inc. was appointed as monitor (the "**Monitor**") of each 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**") in connection with the Applicants' proceedings (the "**Balboa Proceedings**") under the *Companies' Creditors Arrangement Act* ("**CCAA**").

On June 25, 2024, the Court granted an order (the "**EMP Order**") in the Balboa Proceedings which, *inter alia*, empowered and authorized the Monitor to exercise any powers which may be properly exercised by a board of directors or any officers of the Applicants.

In accordance with the Monitor's authority under the EMP Order, the Applicants have entered into an assignment agreement (the "**Assignment Agreement**") dated as of May 31, 2025 with Viscount Capital Inc. ("**Viscount**") pursuant to which Viscount will, subject to certain conditions (including in connection with this Notice), acquire all of the Applicants' right, title and interest in a claim/action against Core Acquisition Co Inc. ("**Core**") for, *inter alia*, damages arising from breach of contract and/or unjust enrichment relating to unpaid portions of the purchase price to be paid under an agreement of purchase and sale dated February 24, 2022, as amended, between certain of the Applicants and Core (the "**Claim**").

A copy of the Assignment Agreement is attached to this Notice.

Under the Assignment Agreement, Viscount agrees that all proceeds or monies generated or received from any recovery under a successful order or judgment under the Claim or any settlement of the Claim (the "**Recovered Amounts**") shall be paid as follows:

- a) Firstly, to Viscount on account of (collectively, the "**Viscount Priority Payment**"):
 - i. all out-of-pocket expenses and costs associated with this assignment, and its litigation efforts;
 - ii. the Funding Requirements (as defined in the Assignment Agreement); and
 - iii. an amount of up to CDN\$1,000,000, to be applied to repay the outstanding unsecured indebtedness owing by The Lion's Share Group Inc ("**LSGI**") to Viscount under certain promissory notes advanced by Viscount to LSGI.
- b) Secondly, any Recovered Amounts in excess of the Viscount Priority Payment, to the general unsecured creditors of the Applicants in the Balboa Proceeding on a *pro rata* basis in accordance with a further order of the Court.

The assignment of the Claim to Viscount pursuant to the Assignment Agreement is conditional upon, among other things, no other person having provided a written offer to the Monitor by 5:00 p.m. (EST) July 7, 2025 offering to take an assignment of the Claim on terms that are, in the opinion of the Monitor, more favourable than the terms of the Assignment Agreement, which, for greater certainty, must provide for a reimbursement of the Funding Requirements actually funded by Viscount.

The Monitor is therefore, by this Notice, soliciting any written offers to take an assignment of the Claim on more favourable terms than the terms of this Assignment Agreement, which, for greater certainty, must provide for a reimbursement of the Funding Requirements actually funded by Viscount.

Any such offer(s) should be delivered to the Monitor in writing by email at balboa@ksvadvisory.com and must be received by the Monitor no later than 5:00 p.m. (EST) on July 7, 2025.

If the Monitor does not receive any offers by that deadline, the condition in the Assignment Agreement will be satisfied and the Monitor will proceed to seek Court approval of the Assignment Agreement and the assignment of the Claim to Viscount.

If you are interested in potentially making an offer to take an assignment of the Claim, you can contact the Monitor in writing by email at balboa@ksvadvisory.com to obtain further details on the Claim, subject to entering into an appropriate confidentiality agreement. Please note that the Applicants and the Monitor make no representations or warranties of any kind in relation to the Claim and any information provided to persons in connection therewith and any assignment of the Claim must be on an “as is, where is” basis, without any representation or warranties of any kind and without recourse.

Assignment Agreement re CORE Claim

This ASSIGNMENT dated as of the 31st day of May, 2025 (the “**Assignment Agreement**”)

BETWEEN:

**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**” or the “**Assignor**”)

-and-

VISCOUNT CAPITAL INC.,
for the benefit of itself and the unsecured creditors of the Applicants

(the “**Assignee**”)

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted on January 23, 2024 (as amended and amended and restated from time to time, the “**Initial Order**”), the Applicants were granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”, and the proceedings resulting thereby, the “**Balboa Proceeding**”), and KSV Restructuring Inc. (“**KSV**”) was appointed by the Court as CCAA monitor of the Applicants (in such capacity, the “**Monitor**”);

AND WHEREAS on June 25, 2024, the Court granted an order (the “**EMP Order**”) which, *inter alia*, empowered and authorized the Monitor to exercise any powers which may be properly exercised by a board of directors or any officers of the Applicants;

AND WHEREAS on May 2, 2025, under the authority of the Monitor pursuant to the EMP Order, certain of the Applicants issued a Notice of Action (the “**Notice of Action**”) naming Core Acquisition Co. Inc. as a defendant for, *inter alia*, damages arising from breach of contract and/or unjust enrichment relating to unpaid portions of the purchase price required to be paid under the agreement of purchase and sale dated February 24, 2022, as amended (the “**Claim**”);

AND WHEREAS, subject to the terms and conditions set out in this Assignment Agreement, the Monitor intends to make a motion to the Court for an Order (the “**Assignment**”

Order") substantially in the form attached at Schedule "A" hereto with such modifications acceptable to the Assignee and the Monitor (each acting reasonably), among other things, assigning the Claim to the Assignee and authorizing the Assignee to continue the proceedings commenced in the Notice of Action that are held by the Applicants, all on the terms set out in this Assignment Agreement;

AND WHEREAS the Assignment Order (if granted) will assign all of the Applicants' right, title and interest, if any, in the subject matter of the Claim to the Assignee, on an *as is, where is* basis and free and clear of all claims, for the benefit of itself and the unsecured creditors of the Applicants on the terms set out in this Assignment Agreement;

AND WHEREAS it is a condition of the Assignor and the Monitor agreeing to assign the Claim to the Assignee that (i) the Assignee cover the out-of-pocket costs and expenses related to negotiating this assignment and pursuing the Claim (the "**Out-of-Pocket Costs**"), and the Assignee has agreed to cover the Out-of-Pocket Costs; and (ii) no other person has provided a written offer to the Monitor by 5:00 p.m. (EST) July 7, 2025 offering to take an assignment of the Claim on terms that are, in the opinion of the Monitor, better than the terms of this Assignment Agreement, which, for greater certainty, must provide for a reimbursement of the Funding Requirements (as defined below) actually funded by the Assignee (together, the "**Assignment Conditions**");

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Assignor hereby agrees with the Assignee as follows:

1. Subject to the Assignment Conditions and the granting of the Assignment Order, the Assignor hereby assigns absolutely to the Assignee, for itself and for the benefit of the unsecured creditors of the Applicants, all of the estate, right, title, interest, claim and demand, if any, whatsoever both at law and in equity, including any document in support thereof and any and all rights, claims, demands and causes of action that the Assignor has in the Claim but without recourse of any kind whatsoever to the Assignor, the Monitor or KSV (or the Monitor's and KSV's current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives).

2. The Assignee acknowledges and agrees that the Assignee is accepting the Claim and any related documentation on an “*as is, where is*” basis, without any representations or warranties of any kind, save and except in respect of the express representation and warranty made pursuant to Section 8 herein, and without recourse against the Assignor or the Monitor and KSV (or the Monitor’s and KSV’s current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives) in any respect.

3. Following the assignment, neither the Assignors nor the Monitor shall be required in any way to participate in the Claim (or any proceedings relating to the Claim) in any manner whatsoever, including production and discovery. For greater certainty, this exclusion shall not apply to the principals of the Applicants, including, *inter alia*, Robert Clark and Aruba Butt, provided that neither the Assignors nor the Monitor shall be required to, or required to take steps to, compel such participation of the principals of the Applicants.

4. The Assignee agrees that all proceeds or monies generated or received from any recovery under a successful order or judgment under the Claim or any settlement of the Claim (the “**Recovered Amounts**”) shall be paid as follows:

(a) Firstly, to the Assignee on account of (collectively, the “**Viscount Priority Payment**”):

- (i) all out-of-pocket expenses and costs associated with this assignment, and its litigation efforts;
- (ii) the Funding Requirements (as defined below); and
- (iii) an amount of up to CDN\$1,000,000, to be applied to repay the outstanding unsecured indebtedness owing by The Lion’s Share Group Inc (“**LSGI**”) to the Assignee under certain promissory notes advanced by the Assignee to LSGI.

(b) Secondly, any Recovered Amounts in excess of the Viscount Priority Payment, to the general unsecured creditors of the Applicants in the Balboa Proceeding on a *pro rata* basis in accordance with an order of the Court.

5. The Monitor shall, on behalf of the Applicants in accordance with the EMP Order, instruct Adair Goldblatt Bieber LLP (“**AGB**”) to prepare and file a Statement of Claim (the “**Statement of Claim**”) with respect to the Claim and the Notice of Action.

6. The Assignee agrees that it shall be responsible for the Out-of-Pocket Costs of: (i) the Monitor and its legal counsel for preparing, negotiating and settling this Assignment Agreement and preparing and bringing the motion for the Assignment Order up to \$25,000; and (ii) AGP for the preparation and filing of the Statement of Claim (the “**Funding Requirements**”). The Assignee shall wire the Monitor, in accordance with the wire instructions provided by the Monitor, the amount of \$35,000 to cover the Funding Requirements, which includes an initial amount to cover the Out-of-Pocket Costs of AGP to prepare and file the Statement of Claim. The Assignee’s obligation to pay the Funding Requirements shall be unconditional and non-refundable (including if the Assignment Order is not granted), other than solely to the extent of a refund received pursuant to any other party’s accepted and approved offer to take an assignment of the Claim, if any, as contemplated by the Assignment Conditions.

7. Following the issuance of the Assignment Order, the Assignee will continue the engagement of AGB and shall pay all professional fees and costs in furtherance of advancing the Claim.

8. The Monitor represents and warrants to the Assignee that it has not previously pledged, assigned or encumbered the Claim, other than in respect of the Charges set out in the Initial Order.

9. Subject to Section 8 hereof, none of the Assignor, the Monitor or KSV (or the Monitor’s and KSV’s current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives) make any representation or warranty of any kind whatsoever with respect to the Claim, the Notice of Action or the Statement of Claim, including, for greater certainty, no representation or warranty with respect to the validity, enforceability, existence, adequacy, sufficiency, collectability, value or any other matter whatsoever with respect to the Claim, the Notice of Action or the Statement of Claim.

10. The Assignee hereby: (i) unconditionally and irrevocably fully releases and discharges, and holds harmless, the Monitor and KSV and their current and former directors and officers, partners,

employees, agents, advisors, legal counsel and representatives (the “**Released Parties**”) from any claim or cause of action which the Assignee may now or hereafter have against any of the Release Parties by reason of any matter or thing arising out of, or resulting from the Claim, the Notice of Action or the Statement of Claim, including any claim for negligence as against any of the Released Parties, and (ii) agrees that the Assignee will not make or take any claim with respect to any matter released and discharged in this Section 10 which may result in any claim against the Released Parties for contribution or indemnity or other relief.

11. The Assignee hereby agrees to indemnify and save harmless the Monitor and KSV and their current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives (collectively, the “**Indemnitees**”) (i) from and against all claims, relief or causes of action asserted against any of the Indemnitees in any way directly or indirectly arising from, relating to or in connection with this Assignment Agreement or the Claim, the Notice of Action or the Statement of Claim from and after the date of the Assignment Order and (ii) for any and all fees, expenses or costs (including professional fees and expenses) that any of the Indemnities may be required to expend if they are required (despite the terms of this Assignment Agreement and the Assignment Order) to participate in any way relating to the Claim (or any proceedings relating thereto) or defend against, object to or oppose any claims, relief or causes of action asserted against any of the Indemnitees in any way directly or indirectly arising from, relating to or in connection with this Assignment Agreement or the Claim, the Notice of Action or the Statement of Claim.

12. The Assignee agrees that it shall forego and not be entitled to any funds or recoveries from its claims into the estate of LSGI in excess of the Viscount Priority Payment.

13. Until such time as the Monitor is discharged, the Assignee shall provide to the Monitor periodic (and not less than quarterly) reports on the status of the Claim commencing on the date that is three months following the date of this Assignment Agreement.

14. Until such time as the Monitor is discharged, the Assignor agrees to execute and deliver to the Assignee at the Assignee's expense all such further documents and instruments, if any, as the Assignee may reasonably require to more fully vest it with the Assignor's rights in the Claim to the Assignee pursuant to the Assignment Order.

15. This Assignment Agreement binds and enures to the benefit of the parties' respective heirs, successors and assigns, to the extent applicable.

16. The Assignee acknowledges and agrees that the Monitor is executing this Assignment Agreement, in its capacity as Monitor and not in its personal or corporate capacity, on behalf of the Applicants in accordance with the Monitor's authority under the EMP Order, and that KSV and the Monitor, and their current and former directors and officers, partners, employees, agents, advisors, legal counsel and representatives, shall have no personal or corporate responsibility or liability under this Assignment Agreement.

17. This Assignment Agreement can only be modified or amended by written agreement executed by the Assignee and the Monitor on behalf of the Applicants in accordance with the Monitor's authority under the EMP Order. This document constitutes the entire agreement between the Assignor and Assignee, and there are no other terms, conditions, provisos, agreements, warranties or representations, other than those expressly contained herein in writing.

18. This Assignment Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereto irrevocably submit to the Court overseeing the Balboa Proceedings in any action or proceeding arising out of or relating to this Assignment Agreement that involves the Assignor or the Monitor, and irrevocably agree that all such actions and proceedings may be heard and determined in the Court, and irrevocably waives, to the fullest extent possible, the defence of an inconvenient forum; provided that nothing herein constitutes a waiver of any protections (including, without limitation, the stays of proceedings) in favour of the Assignor or the Monitor contained in the CCAA or the Initial Order.

19. Each of the parties hereto acknowledges and declares that: (a) it has had an adequate opportunity to read and consider this Assignment Agreement and to obtain such advice in regard to it as it considers advisable, including, without limitation, independent legal advice; (b) it fully understands the nature and effect of this Assignment Agreement; and (c) this Assignment Agreement has been duly executed voluntarily.

20. This Assignment Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument

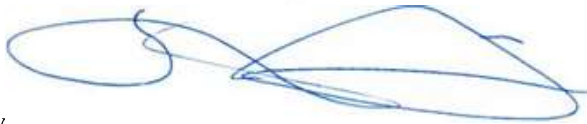
and execution and delivery of this Assignment Agreement may be made and evidenced by electronic transmission.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF each of the undersigned has executed this Assignment Agreement with effect as of the date first written above.

**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., by KSV
Restructuring Inc., in its capacity as monitor and
not in its personal or corporate capacity**

By.

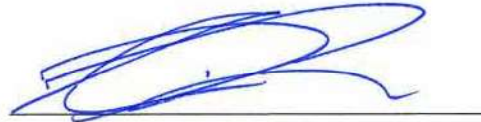


Name: **David Sieradzki**
Title: **Managing Director**

c/s

VISCOUNT CAPITAL INC.

By:



Name: **ERIC RAHN**
Title: **DIRECTOR**

c/s

Schedule “A”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) <*>DAY THE <*>
JUSTICE OSBORNE)
DAY OF <*>, 2025

B E T W E E N:

**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
(Assignment of Claims)

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 videoconference.

ON READING the Motion Record of the Monitor, including the Thirteenth Report of the Monitor dated <*>, 2025 (the “**Thirteenth Report**”) and appendices thereto, and such other materials that were filed, and on hearing the submissions of counsel to the Monitor, counsel to the Assignee (as defined below), and those other parties in attendance, no one else appearing although duly served as it appears from the Affidavit of Service of <*> dated <*>, filed.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the motion record of the Monitor is hereby validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined have the meaning given to them in the Thirteenth Report.

ASSIGNMENT OF CORE CLAIM

3. **THIS COURT ORDERS** that the assignment agreement between the Applicants and Viscount Capital Inc. (the “**Assignee**”) dated as of May 31, 2025 substantially in the form attached at Appendix “●” to the Thirteenth Report (the “**Assignment Agreement**”) be and is hereby approved, and the Monitor is hereby authorized and directed, *nunc pro tunc*, on behalf of the Applicants in accordance with the Order (Expansion of Monitor’s Powers) granted by this Court on June 25, 2024 (the “**Expanded Powers Order**”), to execute the Assignment Agreement and to give full effect to the terms of the Assignment Agreement in accordance with this Order. The Monitor is hereby authorized and directed to take such additional steps and execute such additional documents, on behalf of the Applicants in accordance with the Expanded Powers Order, as may be necessary or desirable for the completion of the transactions contemplated by the Assignment Agreement.
4. **THIS COURT ORDERS** that, subject to the terms and provisions of the Assignment Agreement and this Order, the Assignee is authorized to continue proceedings, including the action bearing Court File No. CV-25-00742331-0000, in its own name and at its own expense and risk regarding the Applicants’ claims as against Core Acquisition Co. Inc. as a defendant for, *inter alia*, damages arising from breach of contract and/or unjust enrichment relating to unpaid portions of the purchase price required to be paid under the agreement of purchase and sale dated February 24, 2022 (the “**Assigned Claim**”) pursuant to terms of the Assignment Agreement.
5. **THIS COURT ORDERS**, subject to the terms and provisions of the Assignment Agreement and this Order, this Order herein shall have the effect of transferring the Applicants’ right, title and interest in the Assigned Claim to the Assignee.

6. **THIS COURT ORDERS** that all proceeds or monies generated or received from any recovery under a successful order or judgment under the Assigned Claim or any settlement of the Assigned Claim (the “**Recovered Amounts**”) shall be paid as follows:

- (a) to the Assignee on account of (collectively, the “**Viscount Priority Payment**”):
 - (i) all out-of-pocket expenses and costs associated with the assignment, and the Assignee’s litigation efforts;
 - (ii) the Funding Requirements (as defined in the Assignment Agreement); and
 - (iii) an amount of up to CDN\$1,000,000, to be applied to repay the outstanding unsecured indebtedness owing by The Lion’s Share Group Inc. (“**LSGI**”) to the Assignee under certain promissory notes advanced by the Assignee to LSGI; and
- (b) subject to a further order of this Court, any Recovered Amounts in excess of the Viscount Priority Payment shall be distributable to the general unsecured creditors of the Applicants in these proceedings on a *pro rata* basis.

7. **THIS COURT ORDERS** that the Applicants and the Monitor shall not be required in any way to participate in the Assigned Claim (or any proceedings relating to the Assigned Claim) in any manner whatsoever, including production and discovery. For greater certainty, this exclusion shall not apply to the principals of the Applicants, including, *inter alia*, Robert Clark and Aruba Butt, provided that the Applicants and the Monitor shall not be required to, or be required to take steps to, compel such participation of the principals of the Applicants.

8. **THIS COURT ORDERS** that the Monitor shall have no personal liability in carrying out the actions contemplated by this Order or the Assignment Agreement and, without limitation the generality of any other protection afforded to it, shall continue to have all of the protections afforded to it under the CCAA and all Orders of this Court.

9. **THIS COURT ORDERS** that the Assignee, any creditor of Applicants' estates and/or the Monitor may seek the advice and direction of this Court with respect to the order herein and its implementation by way of motion brought on at least seven (7) days' notice.

MISCELLANEOUS

10. **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 Monitor 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that the Monitor and its counsel, may serve or distribute this Order and any related materials, by forwarding true copies thereof by email or regular mail. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and the notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

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

IN THE MATTER OF AN APPLICATION UNDER SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, 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.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at TORONTO

ORDER
(Assignment of Claims)

Cassels Brock & Blackwell LLP
Suite 3200, Bay Adelaide Centre - North Tower 40 Temperance
Street Toronto, ON M5H 0B4

Ryan Jacobs LSO#: 59510J
Tel: 416.860.6465
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Joseph J. Bellissimo LSO#: 46555R
Tel: 416. 860.6572
Email: jbellissimo@cassels.com

Lawyers for the Monitor, KSV Restructuring Inc

Appendix “F”

Balboa Inc. et al
Liquidation Portfolio Properties Status

No.	Address	City	Listing Status	Offer Status, if any	Current List Price	DIP Allocation (excluding escrow)
1	127 Pardee Ave	Sault Ste. Marie	N/A - Closed Credit Bid	N/A	N/A	38,029.86
2	180 Tamarack St	Timmins	N/A - Closed Credit Bid	N/A	N/A	41,834.81
3	187 Pine Street North	Timmins	N/A - Closed Credit Bid	N/A	N/A	43,261.55
4	221 Balsam St. S	Timmins	N/A - Closed Credit Bid	N/A	N/A	60,921.50
5	257 Ratter Lake Road	Markstay	N/A - Closed Credit Bid	N/A	N/A	147,001.05
6	282 Fourth Ave	Sault Ste. Marie	N/A - Closed Credit Bid	N/A	N/A	40,485.69
7	33 McKelvie Ave	Kirkland Lake	N/A - Closed Credit Bid	N/A	N/A	49,853.77
8	4 Sheppard St	Sault Ste. Marie	N/A - Closed Credit Bid	N/A	N/A	54,977.31
9	43 Crescent Ave	Timmins	N/A - Closed Credit Bid	N/A	N/A	45,702.28
10	48 McCamus Ave	Kirkland Lake	N/A - Closed Credit Bid	N/A	N/A	121,813.77
11	549 Spooner Road	Timmins	N/A - Closed Credit Bid	N/A	N/A	46,440.08
12	86 Way Ave	Timmins	N/A - Closed Credit Bid	N/A	N/A	42,412.82
13	432 Bessie Ave	Greater Sudbury	Listed	No offers accepted	199,000	47,797.08
14	76 & 74 Prospect Ave	Kirkland Lake	Listed	No offers accepted	750,000	187,205.74
15	108 Albert St	Sault Ste. Marie	Listed	No offers accepted	49,900	36,354.27
16	163 Wellington St E	Sault Ste. Marie	Listed	No offers accepted	59,900	38,147.82
17	168 Hudson St	Sault Ste. Marie	Listed	No offers accepted	184,900	31,323.99
18	254 Goulais Ave	Sault Ste. Marie	Listed	No offers accepted	169,900	37,838.50
19	271 Brown Street	Sault Ste. Marie	Listed	No offers accepted	79,900	41,845.80
20	28 St. Georges Avenue East	Sault Ste. Marie	Listed	No offers accepted	215,000	42,549.84
21	35 Walnut St	Sault Ste. Marie	Listed	No offers accepted	250,000	49,914.42
22	405 Wellington St. E	Sault Ste. Marie	Listed	No offers accepted	169,900	35,060.09
23	95 Birch Street	Temiskaming	Listed	No offers accepted	25,000	13,431.74
24	103 Dome Avenue	Timmins	Listed	No offers accepted	160,000	63,460.20
25	148 Pine St N	Timmins	Listed	No offers accepted	125,000	38,253.54
26	263 Kent Avenue	Timmins	Listed	No offers accepted	225,000	67,217.82
27	269 Kimberley Avenue	Timmins	Listed	No offers accepted	20,000	165,863.02
28	45 Maple St N	Timmins	Listed	No offers accepted	185,000	47,000.71
29	49 Dale Ave	Timmins	Listed	No offers accepted	398,000	123,716.04
30	75 Elm Street	Timmins	Listed	No offers accepted	150,000	49,070.62
31	79 Fourth Ave	Timmins	Listed	No offers accepted	18,000	26,366.37
32	257 Jean St	Greater Sudbury	Listed	Offer accepted, not yet closed	189,000	103,619.75
33	296 Lloyd St	Greater Sudbury	Listed	Offer accepted, not yet closed	169,000	60,959.47
34	5 Picard Street	Greater Sudbury	Listed	Offer accepted, not yet closed	230,000	62,552.35
35	107 Government Rd	Kirkland Lake	Listed	Offer accepted, not yet closed	150,000	22,212.56
36	1022 Wellington Street East	Sault Ste. Marie	Listed	Offer accepted, not yet closed	160,000	35,753.24
37	109 Victor Emmanuel Avenue	Sault Ste. Marie	Listed	Offer accepted, not yet closed	235,000	47,630.40

Balboa Inc. et al
Liquidation Portfolio Properties Status

No.	Address	City	Listing Status	Offer Status, if any	Current List Price	DIP Allocation (excluding escrow)
38	155 Wallace Terrace	Sault Ste. Marie	Listed	Offer accepted, not yet closed	149,900	41,578.79
39	159 Wallace Terrace	Sault Ste. Marie	Listed	Offer accepted, not yet closed	44,900	40,318.98
40	353 Moody St	Sault Ste. Marie	Listed	Offer accepted, not yet closed	260,000	55,994.86
41	519 Albert St	Sault Ste. Marie	Listed	Offer accepted, not yet closed	199,900	37,389.47
42	1540 Wellington St E	Sault Ste. Marie	Not yet listed	N/A	235,000	54,597.71
43	166 Tancred St	Sault Ste. Marie	Not yet listed	N/A	49,900	35,440.35
44	210 Cathcart St	Sault Ste. Marie	Not yet listed	N/A	80,000	25,263.09
45	210 Glasgow Ave	Sault Ste. Marie	Not yet listed	N/A	165,000	35,100.93
46	237 Wellington St.	Sault Ste. Marie	Not yet listed	N/A	69,900	28,198.35
47	250 John Street	Sault Ste. Marie	Not yet listed	N/A	179,900	38,682.46
48	302 Franklin Street	Sault Ste. Marie	Not yet listed	N/A	215,000	43,035.49
49	348 Sixth Ave	Sault Ste. Marie	Not yet listed	N/A	289,900	47,118.40
50	453 Northland Road	Sault Ste. Marie	Not yet listed	N/A	230,000	47,865.22
51	528 Brunswick Avenue	Sault Ste. Marie	Not yet listed	N/A	180,000	57,527.04
52	78 McNabb Street	Sault Ste. Marie	Not yet listed	N/A	270,000	49,323.05
53	904 Wellington Street East	Sault Ste. Marie	Not yet listed	N/A	169,900	44,893.85
54	106 Commercial Ave.	Timmins	Not yet listed	N/A	319,900	67,852.31
55	157 Pine	Timmins	Not yet listed	N/A	50,000	40,820.02
56	210 Commercial Avenue	Timmins	Not yet listed	N/A	285,000	59,094.23
57	227 Toke St	Timmins	Not yet listed	N/A	250,000	54,590.25
58	228 Birch St N	Timmins	Not yet listed	N/A	135,000	83,849.32
59	264 Tamarack St	Timmins	Not yet listed	N/A	260,000	67,710.90
60	335 Spruce Street	Timmins	Not yet listed	N/A	50,000	45,913.13
61	430 Toke St	Timmins	Not yet listed	N/A	250,000	36,845.82
62	465 Pine St South	Timmins	Not yet listed	N/A	100,000	56,379.22
63	54 Jubilee Avenue East	Timmins	Not yet listed	N/A	149,000	36,641.98
64	55 - 63 Preston Street	Timmins	Not yet listed	N/A	750,000	162,481.70
65	6128 King St	Timmins	Not yet listed	N/A	475,000	89,913.87
66	65 Kirby Ave	Timmins	Not yet listed	N/A	125,000	29,235.89
67	464 Eva Avenue	Greater Sudbury	Sold	Offer accepted and closed	N/A	81,324.20
68	246 East Balfour St	Sault Ste. Marie	Sold	Offer accepted and closed	N/A	58,292.65
69	44 Cameron Ave	Sault Ste. Marie	Sold	Offer accepted and closed	N/A	28,425.25
70	63 Jubilee Ave W	Timmins	Sold	Offer accepted and closed	N/A	66,687.37
71	396 Fairview Road	Fort Erie	Sold	Offer accepted and closed	N/A	57,927.57
72	342 Donovan Street	Greater Sudbury	Sold	Offer accepted and closed	N/A	40,212.90
73	445 Bessie Avenue	Greater Sudbury	Sold	Offer accepted and closed	N/A	19,201.24
74	454 Eva	Greater Sudbury	Sold	Offer accepted and closed	N/A	72,544.43

Balboa Inc. et al
Liquidation Portfolio Properties Status

No.	Address	City	Listing Status	Offer Status, if any	Current List Price	DIP Allocation (excluding escrow)
75	496 Whissel Street	Greater Sudbury	Sold	Offer accepted and closed	N/A	106,908.65
76	10 Wilson Ave	Kirkland Lake	Sold	Offer accepted and closed	N/A	37,395.15
77	417 Dovercourt Road	Sault Ste. Marie	Sold	Offer accepted and closed	N/A	39,530.84
78	91 Greene St	Sault Ste. Marie	Sold	Offer accepted and closed	N/A	46,681.66
79	20 Parkview Road	St. Cathar	Sold	Offer accepted and closed	N/A	137,192.00
80	101 Dixon St	Timmins	Sold	Offer accepted and closed	N/A	41,449.11
81	140 Shamrock Avenue	Timmins	Sold	Offer accepted and closed	N/A	76,784.91
82	261 Kimberly Ave	Timmins	Sold	Offer accepted and closed	N/A	116,515.90
83	308 Belanger	Timmins	Sold	Offer accepted and closed	N/A	46,375.29
84	309 Cedar Street North	Timmins	Sold	Offer accepted and closed	N/A	83,395.74
85	80 Elm St N	Timmins	Sold	Offer accepted and closed	N/A	54,795.75
86	17 Southworth Street North	Welland	Sold	Offer accepted and closed	N/A	66,822.80
					10,555,500	5,000,000

Summary

Liquidation Portfolio	Properties
Opening Balance	86
Secondary Credit Bids	12
Sold Properties	20
Remaining Liquidation Portfolio	54

Remaining Liquidation Portfolio	Properties	List Price
Listed, offer accepted	10	1,787,700
Listed, no offer accepted	19	3,434,400
Not yet listed	25	5,333,400
Total	54	10,555,500

Appendix “G”

Balboa Inc. et al
DIP Repayments Status

[Note 1]

Property Type	Address	City	DIP Repayment	Note
Credit Bid	127 Pardee Ave	Sault Ste. Marie	38,029.86	
Credit Bid	180 Tamarack St	Timmins	41,834.81	
Credit Bid	187 Pine Street North	Timmins	43,261.55	
Credit Bid	221 Balsam St. S	Timmins	60,921.50	
Credit Bid	257 Ratter Lake Road	Markstay	147,001.05	
Credit Bid	282 Fourth Ave	Sault Ste. Marie	40,485.69	
Credit Bid	33 McKelvie Ave	Kirkland Lake	49,853.77	
Credit Bid	4 Sheppard St	Sault Ste. Marie	54,977.31	
Credit Bid	43 Crescent Ave	Timmins	45,702.28	
Credit Bid	48 McCamus Ave	Kirkland Lake	121,813.77	2
Credit Bid	549 Spooner Road	Timmins	46,440.08	2
Credit Bid	86 Way Ave	Timmins	42,412.82	
Sold Liquidation Property	63 Jubilee Ave W	Timmins	66,687.37	
Sold Liquidation Property	44 Cameron Ave	Sault Ste. Marie	28,425.25	
Sold Liquidation Property	396 Fairview Road	Fort Erie	57,927.57	
Sold Liquidation Property	342 Donovan Street	Greater Sudbury	40,212.90	
Sold Liquidation Property	445 Bessie Avenue	Greater Sudbury	19,201.24	
Sold Liquidation Property	80 Elm St N	Timmins	54,795.75	
Sold Liquidation Property	20 Parkview Road	St. Cathar	137,192.00	
Sold Liquidation Property	101 Dixon St	Timmins	41,449.11	
Sold Liquidation Property	454 Eva	Greater Sudbury	72,544.43	
Sold Liquidation Property	417 Dovercourt Road	Sault Ste. Marie	39,530.84	
Sold Liquidation Property	496 Whissel Street	Greater Sudbury	106,908.65	
Sold Liquidation Property	17 Southworth Street North	Welland	66,822.80	
Sold Liquidation Property	261 Kimberly Ave	Timmins	15,138.54	
Sold Liquidation Property	308 Belanger	Timmins	46,375.29	
Sold Liquidation Property	140 Shamrock Avenue	Timmins	76,784.91	
Sold Liquidation Property	309 Cedar Street North	Timmins	83,395.74	
Sold Liquidation Property	10 Wilson Ave	Kirkland Lake	37,395.15	
TOTAL			1,723,522.02	

Note 1

DIP Loan Outstanding Balance

Opening Balance	4,400,000
DIP Reduction (Note 2)	(168,254)
DIP Repayments	(1,555,268)
Current Outstanding Balance	<u>2,676,477.98</u>

Note 2

The mortgagee who credit bid both properties facilitated a credit bid "roll-over" through the DIP Lender. Accordingly, the DIP Loan was reduced by the DIP Allocation attributed to these two properties.

Appendix “H”

Balboa Inc., DISPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc., Homestown Housing Inc., The Muligan Inc.,
Horses In The Back Inc., Nest Nests Inc. and Joint Captain Real Estate Inc.

Projected Cash Flow Statement

For the Period Ending January 31, 2026

(Unaudited, \$CAD in 000's)

		Week Ending																												1 day period	Total
Note		1-Aug-25	8-Aug-25	15-Aug-25	22-Aug-25	29-Aug-25	5-Sep-25	12-Sep-25	19-Sep-25	26-Sep-25	3-Oct-25	10-Oct-25	17-Oct-25	24-Oct-25	31-Oct-25	7-Nov-25	14-Nov-25	21-Nov-25	28-Nov-25	5-Dec-25	12-Dec-25	19-Dec-25	26-Dec-25	2-Jan-26	9-Jan-26	16-Jan-26	23-Jan-26	30-Jan-26	31-Jan-26		
Receipts																															
Net rent collections	2	48	-	-	-	-	45	-	-	-	-	43	-	-	40	-	-	-	-	37	-	-	-	35	-	-	-	-	-	248	
Sale proceeds	3	159	-	159	-	159	-	159	-	159	-	159	-	159	-	159	-	159	-	159	-	159	-	159	-	159	-	159	-	2,226	
Total Receipts		207	-	159	-	159	45	159	-	159	-	202	-	159	-	199	-	159	-	196	-	159	-	194	-	159	-	159	-	2,474	
Disbursements																															
Property taxes	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Repairs & maintenance		(12)	(12)	(12)	(12)	(12)	(12)	(11)	(11)	(11)	(11)	(10)	(10)	(10)	(10)	(10)	(9)	(10)	(9)	(9)	(9)	(9)	(9)	(9)	(8)	(8)	(8)	(8)	(8)	(269)	
Utilities		(22)	-	-	-	-	(21)	-	-	-	-	(20)	-	-	-	(18)	-	-	-	-	-	(16)	-	-	-	-	(15)	-	-	(112)	
Insurance	5	(53)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(45)	-	-	-	-	(96)	
Property management fees		(35)	-	-	-	-	(34)	-	-	-	-	(32)	-	-	-	(31)	-	-	-	-	(30)	-	-	-	(28)	-	-	-	-	(190)	
Other	6	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(280)	
Total Disbursements		(132)	(22)	(22)	(22)	(22)	(76)	(21)	(21)	(21)	(21)	(53)	(40)	(20)	(20)	(51)	(37)	(20)	(19)	(49)	(19)	(35)	(19)	(19)	(91)	(18)	(33)	(18)	(10)	(949)	
Other Disbursements																															
Professional fees	7	-	(110)	-	-	-	(100)	-	-	-	(75)	-	-	-	(60)	-	-	-	(50)	-	-	-	(50)	-	-	-	(50)	-	-	(495)	
DIP interest and fees	8	(33)	-	-	-	-	(28)	-	-	-	(27)	-	-	-	-	(26)	-	-	-	-	(25)	-	-	-	(24)	-	-	-	-	(165)	
DIP repayment	9	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(784)	
Total Other Disbursements		(89)	(110)	(57)	-	(57)	(128)	(57)	-	(57)	(102)	(57)	-	(57)	(60)	(83)	-	(57)	(50)	(82)	-	(57)	(50)	(81)	-	(57)	(50)	(57)	-	(1,453)	
Net Cash Flow																															
		(15)	(132)	81	(22)	81	(160)	81	(21)	81	(156)	105	(20)	82	(80)	85	(37)	82	(69)	66	(19)	67	(69)	94	(91)	84	(83)	84	(10)	71	
Opening Cash Balance																															
	10	1,229	1,214	1,083	1,164	1,142	1,223	1,063	1,144	1,123	1,205	1,049	1,154	1,134	1,216	1,136	1,201	1,164	1,246	1,177	1,243	1,224	1,291	1,222	1,316	1,224	1,309	1,226	1,310	1,229	
Net Cash Flow																															
		(15)	(132)	81	(22)	81	(160)	81	(21)	81	(156)	105	(20)	82	(80)	85	(37)	82	(69)	66	(19)	67	(69)	94	(91)	84	(83)	84	(10)	71	
Closing Cash Balance																															
		1,214	1,083	1,164	1,142	1,223	1,063	1,144	1,123	1,205	1,049	1,154	1,134	1,216	1,136	1,201	1,164	1,246	1,177	1,243	1,224	1,291	1,222	1,316	1,224	1,309	1,226	1,310	1,300	1,300	
DIP Facility balance																															
	11	2,676	2,676	2,620	2,620	2,563	2,563	2,506	2,506	2,450	2,450	2,393	2,393	2,336	2,336	2,280	2,280	2,223	2,223	2,166	2,166	2,109	2,109	2,053	2,053	1,996	1,996	1,939	1,939	1,939	

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.

Notes to Projected Statement of Cash Flows

For the Period Ending January 31, 2026

(Unaudited; \$CAD)

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and Joint Captain Real Estate Inc. (the "Applicants") for the period July 28, 2025 to January 31, 2026 (the "Period") in respect of the proceedings under the *Companies' Creditors Arrangement Act* ("CCAA").

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical

2. Represents rents collected from tenants.

Most Probable

3. The amount and timing of property sales for properties that are listed for sale is subject to a changing market. For the purpose of this analysis, the Monitor has assumed that one property is sold every other week, starting in the week ending August 1, 2025. The net sale proceeds are based on the average of both (i) accepted offer prices for listed properties (where applicable), and (ii) latest suggested list prices (by Listing Agents) for properties without offers.
4. For the purpose of this analysis, property taxes are to be assumed by the purchasers on closing of the transactions for the Remaining Properties.
5. Represents payments required to maintain insurance over the Remaining Properties.
6. Represents miscellaneous expenses, capital expenditures and/or repairs.
7. The professional fees projected to be paid represent accrued and projected fees and disbursements secured by the Administration Charge.
8. Represents interest and fees payable under the Viscount DIP Term Sheet.
9. Represents repayments to the DIP Lender for 100% of the DIP Allocated to specific properties (based on assumed sales of Remaining Liquidation Properties). The assumed DIP Allocation repayments starting the week ending August 1, 2025 represent the average Second DIP Allocation of the Remaining Liquidation Properties. This excludes the 25% premium on the DIP Allocation payable on closing as required under the Viscount DIP Term Sheet, which is to be held by the Monitor in escrow.
10. The opening cash balance does not consider payment of certain arrears outstanding, including but not limited to utility arrears.
11. Represents the principal balance owing under the Viscount DIP Term Sheet.

Appendix “I”

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

**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.**

**MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)**

The attached statement of projected cash-flow 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") as of the 21st day July, 2025, consisting of a weekly projected cash flow statement for the period July 28, 2025 to January 31, 2026 ("Cash Flow") has been prepared by the management of the Applicants for the purpose described in Note 1, using probable and hypothetical assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Applicants. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- c) the Cash Flow does not reflect the probable and hypothetical assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto this 21st day of July, 2025.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR
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.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “J”

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

**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.**


**AFFIDAVIT OF DAVID SIERADZKI
(sworn July 21, 2025)**

I, **DAVID SIERADZKI**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY
AS FOLLOWS:**

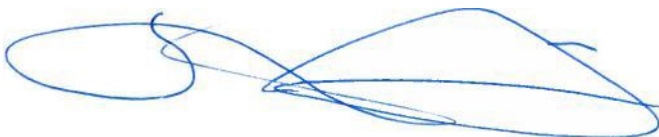
1. I am a Managing Director of KSV Restructuring Inc. ("KSV"), the Court-appointed monitor (the "Monitor") of Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc., Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and Joint Captain Real Estate Inc. (collectively, the "Applicants"), and as such I have knowledge of the matters deposed to herein.
2. Pursuant to an order of the Ontario Superior Court of Justice ("Court") made on January 23, 2024, the Applicants were granted protection under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") and KSV was appointed as the Monitor in this proceeding.
3. This Affidavit is sworn in support of a motion seeking, among other things, approval of the Monitor's fees and disbursements for the period April 1, 2025 to June 30, 2025 (the "Period").
4. The Monitor's invoices for the Period disclose in detail: the nature of the services rendered; the time expended by each person and their hourly rates; the total charges for the services rendered; and the disbursements charged. A copy of the Monitor's invoices is attached hereto as Exhibit "A" and the billing summary is attached hereto as Exhibit "B".

5. The Monitor spent a total of 355.50 hours on this matter during the Period, resulting in fees totalling \$178,474.25, excluding disbursements and HST, as summarized in Exhibit "B".
6. As reflected on Exhibit "B", the Monitor's average hourly rate for the Period was \$502.04.
7. I verily believe that the time expended and the fees charged are reasonable in light of the services performed and the prevailing market rates for services of this nature in downtown Toronto.

SWORN before me at the City of
Toronto, in the Province of Ontario
this 21st day of July, 2025



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027



DAVID SIERADZKI

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF DAVID SIERADZKI

Sworn before me

this 21st day of July, 2025



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027

**ksv advisory inc.**

220 Bay Street, Suite 1300

Toronto, Ontario, M5J 2W4

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ksvadvisory.com

INVOICE

Balboa Inc. et al.
c/o KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

May 22, 2025

Invoice No: 4442

HST #: 818808768RT0001

Re: Balboa Inc. et al (the “Company”)

For professional services rendered during April, 2025 in our capacity as Monitor in the Company's proceedings under the *Companies' Creditors Arrangement Act* (“CCAA”), including:

- Corresponding extensively with Cassels Brock & Blackwell LLP (“Cassels”), the Monitor's legal counsel, in respect of the Company's operations and the CCAA proceedings generally, including multiple calls and email correspondence on a near daily basis as more specifically outlined herein;
- Corresponding extensively with Chaitons LLP (“Chaitons”), representative counsel to the secured lenders, in respect of, among other things, closing related matters and the liquidation of the remaining portfolio properties;
- Corresponding periodically with Goldman Sloan Nash & Haber LLP (“GSNH”), representative counsel to the unsecured lenders;
- Corresponding with Viscount Capital Inc. (“Viscount”), its advisor and its legal counsel regarding the liquidation process and information requests, and preparing the relevant information and analyses in response to same;
- Corresponding extensively on a near daily basis with Richmond Advisory Services (“Richmond”) regarding, among other things, property specific matters;
- Dealing with tenant issues;
- Corresponding with various Cities and Municipalities regarding the status of these CCAA proceedings and the closed credit bid transactions;

- Corresponding with CBRE Limited and the local listing agents engaged regarding the listing of the remaining properties following the secondary credit bid deadline process;
- Drafting the Monitor's twelfth report to court dated April 7, 2025 (the "Twelfth Report") filed in connection with the Secondary Credit Bid AVO and Liquidation Process Motion returnable April 14, 2025 (the "Liquidation Process Motion");
- Preparing the cash flow forecast, fee affidavit and other appendices to the Twelfth Report;
- Discussing the Twelfth Report with legal counsel and reviewing multiple versions of same after incorporating comments from counsel;
- Reviewing and commenting on all court materials files in connection with the Liquidation Process Motion, including the notice of motion, factum and order;
- Attending the Liquidation Process Motion on April 14, 2025;
- Preparing the revised DIP allocation on the remaining portfolio properties and including same in the Twelfth Report;
- Corresponding extensively with mortgagees regarding questions on the revised DIP allocation schedule;
- Working with legal counsel and the applicable stakeholders to close the 12 Secondary Credit Bid APAs, including reviewing purchase price amounts and corresponding with the purchasers on information requests, including to support their mortgage indebtedness;
- Corresponding extensively with Chaitons and Kormans LLP in connection with all aspects of the secondary credit bids;
- Corresponding extensively with Chaitons and Kormans LLP in connection with the status of closed properties and any outstanding credit bid transactions;
- Corresponding multiple times per day with Richmond in respect of the transition process and urgent property management matters arising at multiple properties;
- Dealing with Richmond on all property management issues, including the transition process, insurance matters, maintenance matters, tenant issues and all other matters in connection with the state of the properties in the portfolio;
- Corresponding with Richmond and certain municipalities and cities regarding court orders brought to the Monitor's attention by cities and municipalities;
- Reviewing and summarizing receipts and disbursements;
- Dealing with Viscount and its legal counsel in connection with a potential assignment of a litigation claim against Core Acquisition Co. Inc.;
- Engaging and corresponding with SID's former paralegal regarding outstanding Landlord Tenant Board matters related to the remaining portfolio;

- Corresponding with Co-operators Insurance Brokerage (“Co-operators”) to confirm insurance is active on all properties owned by the Company and dealing with the transfer of insurance on certain properties;
- Preparing and providing requested materials to Co-operators including but not limited to occupancy reports to meet insurance reporting standards;
- Corresponding with creditors and the Company, including regarding the leased status of each property and overall status of the proceedings;
- Corresponding with various utility service providers to discuss the stay of proceedings and to ensure continuity of services;
- Preparing, reviewing, and updating several utility schedules to ensure timely payment of certain utility payments;
- Preparing cash flow projections;
- Corresponding daily with several creditors and providing, among other things, updates regarding the CCAA proceedings and property-specific status updates;
- Maintaining the Service List in these proceedings on the Monitor’s case website and posting all Court materials on the Monitor’s case website;
- Dealing with the listing agents on a daily basis following the April 14th court date to respond to offers;
- Arranging for consents from mortgagees of certain properties necessary for the Monitor to accept offers on the remaining properties;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements	\$ 61,759.59
HST	8,033.43
Total due	<u>\$ 69,829.02</u>

KSV Restructuring Inc.

Balboa Inc. et al.

Time Summary

For the period ending April 30, 2025

Personnel	Rate (\$)	Hours	Amount (\$)
David Sieradzki	850	17.50	14,875.00
Noah Goldstein	850	2.50	2,125.00
Maha Shah	475	6.00	2,850.00
Nathalie El-Zakhem	475	80.50	38,237.50
Other staff and administration	175-240	15.85	3,697.75
Total Fees		122.35	61,785.25
Total Disbursements			10.34
Total Fees and Disbursements			61,795.59

**ksv advisory inc.**

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INVOICE

Balboa Inc. et al.
c/o KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

June 23, 2025

Invoice No: 4514

HST #: 818808768RT0001

Re: Balboa Inc. et al (the "Company")

For professional services rendered during May, 2025 in our capacity as Monitor in the Company's proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), including:

- Corresponding extensively with Cassels Brock & Blackwell LLP ("Cassels"), the Monitor's legal counsel, in respect of the Company's operations and the CCAA proceedings generally, including multiple calls and email correspondence as more specifically outlined herein;
- Corresponding extensively with Chaitons LLP ("Chaitons"), representative counsel to the secured lenders, in respect of, among other things, closing related matters and the liquidation of the remaining portfolio properties ("Liquidation Properties");
- Corresponding periodically with Mario Forte, representative counsel to the unsecured lenders;
- Corresponding with Viscount Capital Inc. ("Viscount"), its advisor and its legal counsel regarding the liquidation process and information requests, and preparing the relevant information and analyses in response to same;
- Corresponding extensively on a near daily basis with Richmond Advisory Services ("Richmond") regarding, among other things, property specific matters;
- Dealing with tenant issues;
- Corresponding with various Cities and Municipalities regarding the status of these CCAA proceedings and the closed credit bid transactions;
- Corresponding with CBRE Limited and the local listing agents engaged regarding the listing of the Liquidation Properties;

- Working with legal counsel and the applicable stakeholders to finalize the closing of the 12 Secondary Credit Bid APAs;
- Corresponding extensively with Chaitons and Kormans LLP in connection with all aspects of the secondary credit bids;
- Corresponding extensively with Chaitons and Kormans LLP in connection with the status of closed properties and the Liquidation Properties;
- Corresponding extensively with Kormans LLP in connection with information required to close certain Liquidation Properties and preparing the requested information including, among other things, tenancy status, status of active leases, and property tax information;
- Corresponding with mortgagees regarding questions on the revised DIP allocation schedule;
- Corresponding multiple times per day with Richmond in respect of the liquidation process and urgent property management matters arising at multiple properties;
- Dealing with Richmond on all property management issues, including insurance matters, maintenance matters, tenant issues and all other matters in connection with the state of the properties in the portfolio;
- Corresponding with Richmond and certain municipalities and cities regarding court orders brought to the Monitor's attention by cities and municipalities;
- Reviewing and summarizing receipts and disbursements;
- Corresponding extensively with Viscount and its legal counsel in connection with a potential assignment of a litigation claim against Core Acquisition Co. Inc.;
- Preparing budget to actuals analyses for Viscount;
- Preparing listing status reporting for Viscount;
- Corresponding with Co-operators Insurance Brokerage ("Co-operators") to confirm insurance is active on all properties owned by the Company and dealing with the transfer of insurance on certain properties;
- Preparing and providing requested materials to Co-operators including but not limited to occupancy reports to meet insurance reporting standards;
- Corresponding with creditors and Richmond, including regarding the leased status of each property and overall status of the proceedings;
- Corresponding with various utility service providers to discuss the stay of proceedings and to ensure continuity of services;
- Preparing, reviewing, and updating several utility schedules to ensure timely payment of certain utility payments;
- Preparing cash flow projections;

- Corresponding daily with several creditors and providing, among other things, updates regarding the CCAA proceedings and property-specific status updates;
- Maintaining the Service List in these proceedings on the Monitor's case website and posting all Court materials on the Monitor's case website;
- Dealing with the listing agents on a daily basis to respond to offers on the Liquidation Properties;
- Reviewing recommendations by the listing agents regarding list price adjustments on certain Liquidation Properties;
- Arranging for consents from mortgagees of certain properties necessary for the Monitor to accept offers on the Liquidation Properties;
- Corresponding on a daily basis with mortgagees to respond to any questions on the liquidation process and to follow up on outstanding consents;
- Maintaining and updating a Liquidation Properties Tracker on a daily basis, to record the status of the remaining portfolio properties;
- Corresponding with Richmond and Co-operators upon the sale of properties to ensure services are halted and/or transitioned;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements	\$ 54,033.00
HST	<u>7,024.29</u>
Total due	<u>\$ 61,057.29</u>

KSV Restructuring Inc.

Balboa Inc. et al.

Time Summary

For the period ending May 31, 2025

Personnel	Rate (\$)	Hours	Amount (\$)
David Sieradzki	850	16.50	14,025.00
Maha Shah	475	13.40	6,365.00
Nathalie El-Zakhem	475	63.40	30,115.00
Other staff and administration	175-240	15.10	3,528.00
Total Fees		108.40	54,033.00
Total Disbursements			-
Total Fees and Disbursements			54,033.00

**ksv advisory inc.**

220 Bay Street, Suite 1300

Toronto, Ontario, M5J 2W4

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

INVOICE

Balboa Inc. et al.
c/o KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

July 8, 2025

Invoice No: 4527

HST #: 818808768RT0001

Re: Balboa Inc. et al (the "Company")

For professional services rendered during June, 2025 in our capacity as Monitor in the Company's proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), including:

- Corresponding extensively with Cassels Brock & Blackwell LLP ("Cassels"), the Monitor's legal counsel, in respect of the Company's operations and the CCAA proceedings generally, including multiple calls and email correspondence as more specifically outlined herein;
- Corresponding periodically with Chaitons LLP ("Chaitons"), representative counsel to the secured lenders, in respect of, among other things, closing related matters and the liquidation of the remaining portfolio properties ("Liquidation Properties");
- Corresponding periodically with Mario Forte, representative counsel to the unsecured lenders;
- Corresponding with Viscount Capital Inc. ("Viscount"), its advisor and its legal counsel regarding the liquidation process and information requests, and preparing the relevant information and analyses in response to same;
- Corresponding extensively on a near daily basis with Richmond Advisory Services ("Richmond") regarding, among other things, property specific matters;
- Dealing with tenant issues;
- Corresponding with various Cities and Municipalities regarding the status of these CCAA proceedings and the closed credit bid transactions;
- Corresponding on a daily basis with CBRE Limited and the local listing agents engaged regarding the listing of the Liquidation Properties;

- Corresponding extensively with Kormans LLP in connection with the closing of numerous Liquidation Properties in June;
- Corresponding extensively with Kormans LLP in connection with information required to close certain Liquidation Properties and preparing the requested information including, among other things, tenancy status, status of active leases, and property tax information;
- Corresponding multiple times per day with Richmond in respect of the liquidation process and urgent property management matters arising at multiple properties;
- Dealing with Richmond on all property management issues, including insurance matters, maintenance matters, tenant issues and all other matters in connection with the state of the properties in the portfolio;
- Corresponding with Richmond and certain municipalities and cities regarding court orders brought to the Monitor's attention by cities and municipalities;
- Reviewing and summarizing receipts and disbursements;
- Corresponding extensively with Viscount and its legal counsel in connection with a potential assignment of a litigation claim against Core Acquisition Co. Inc. (the "Core Claim");
- Reviewing and commenting on multiple versions of an Assignment Agreement between the Monitor and Viscount in respect of the Core Claim;
- Running a process to solicit interest in the Core Claim, including reviewing and commenting on documents prepared by Cassels in connection with that solicitation process;
- Preparing budget to actual analyses and other summary information for Viscount;
- Preparing a listing status reporting for Viscount;
- Corresponding with Co-operators Insurance Brokerage ("Co-operators") to confirm insurance is active on all properties owned by the Company;
- Preparing and providing requested materials to Co-operators including but not limited to occupancy reports to meet insurance reporting standards;
- Corresponding with creditors and Richmond, including regarding the leased status of each property and overall status of the proceedings;
- Corresponding with various utility service providers to discuss the stay of proceedings and to ensure continuity of services;
- Preparing, reviewing, and updating several utility schedules to ensure timely payment of certain utility payments;
- Preparing cash flow projections;
- Corresponding daily with several creditors and providing, among other things, updates regarding the CCAA proceedings and property-specific status updates;
- Maintaining the Service List in these proceedings on the Monitor's case website and posting all Court materials on the Monitor's case website;

- Dealing with the listing agents on a daily basis to respond to offers on the Liquidation Properties;
- Reviewing recommendations by the listing agents regarding list price adjustments on certain Liquidation Properties;
- Arranging for consents from mortgagees of certain properties necessary for the Monitor to accept offers on the Liquidation Properties;
- Corresponding on a daily basis with mortgagees to respond to any questions on the liquidation process and to follow up on outstanding consents;
- Maintaining and updating a Liquidation Properties Tracker on a daily basis, to record the status of the remaining portfolio properties;
- Corresponding with Richmond and Co-operators upon the sale of properties to ensure services are halted and/or transitioned;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements	\$ 62,690.46
HST	8,149.76
Total due	<u>\$ 70,840.22</u>

KSV Restructuring Inc.

Balboa Inc. et al.

Time Summary

For the period ended June 30, 2025

Personnel	Rate (\$)	Hours	Amount (\$)
David Sieradzki	850	18.00	15,300.00
Maha Shah	475	4.10	1,947.50
Nathalie El-Zakhem	475	89.70	42,607.50
Other staff and administration	175-240	12.95	2,801.00
Total Fees		124.75	62,656.00
Total Disbursements			34.46
Total Fees and Disbursements			62,690.46

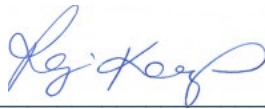
Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF DAVID SIERADZKI

Sworn before me

this 21st day of July, 2025



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027

Exhibit "B"

**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")**

Schedule of Professionals' Time and Rates

For the Period April 1, 2025 to June 30, 2025

Name	Role	Hours	Billing Rate (Per Hour)	Total Fees by Professional (\$)
David Sieradzki	Overall Responsibility	52.00	\$ 850	44,200.00
Noah Goldstein	Overall Responsibility	2.50	\$ 850	2,125.00
Nathalie El-Zakhem	All aspects of mandate	233.60	\$ 475	110,960.00
Maha Shah	Aspects of mandate	23.50	\$ 475	11,162.50
Other Staff and administration		43.90	\$ 175 - 240	10,026.75
Total Fees				178,474.25
Total Disbursements				44.80
Total Fees and Disbursements				178,519.05
Total hours				355.50
Average hourly rate				502.04

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.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**AFFIDAVIT OF DAVID SIERADZKI
(SWORN JULY 21, 2025)**

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre - North Tower
40 Temperance Street
Toronto, ON M5H 0B4

Ryan Jacobs LSO #: 59510J

Tel: 416.860.6465
rjacobs@cassels.com

Shayne Kukulowicz LSO#: 30729S

Tel: 416.860.6463
skukulowicz@cassels.com

Joseph J. Bellissimo LSO#: 46555R

Tel: 416.860.6572
jbelissimo@cassels.com

Lawyers for the Monitor, KSV Restructuring Inc.

Appendix “K”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**.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**")**

**AFFIDAVIT OF RYAN JACOBS
(sworn July 21, 2025)**

I, Ryan Jacobs, of the City of Toronto, in the Province of Ontario, MAKE OATH AND
SAY:

1. I am a lawyer qualified to practice law in Ontario and a Partner¹ with Cassels Brock & Blackwell LLP ("**Cassels**"), counsel for KSV Restructuring Inc., in its capacity as the monitor (the "**Monitor**") of the Applicants, as appointed pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 23, 2024, as amended and restated from time to time. As such, I have knowledge of the following matters.

2. During the period from April 1, 2025 to June 30, 2025, Cassels incurred fees and disbursements, including Harmonized Sales Tax ("**HST**"), in the amount of \$105,652.75.

¹ My services are provided through a professional corporation.

Particulars of the work performed are contained in the invoices (together, the “**Invoices**”, each an “**Invoice**”) attached hereto as **Exhibit “A”**.

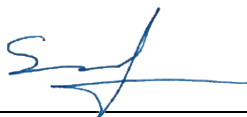
3. Attached hereto as **Exhibit “B”** is a summary of the respective years of call and billing rates of each individual at Cassels who acted for the Monitor.

4. Attached hereto as **Exhibit “C”** is a summary of each Invoice in Exhibit “A”, the total billable hours charged per Invoice, the total fees charged per Invoice and the average hourly rate charged per Invoice. The average hourly rate charged by Cassels was \$824.65.

5. To the best of my knowledge, the rates charged by Cassels are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services, and the rates charged by Cassels for services rendered in similar proceedings.


6. This affidavit is sworn in support of a motion to, among other things, seek approval of the fees and disbursements of counsel of the Monitor, and for no other or improper purpose.

SWORN BEFORE ME by video conference on this 21st day of July, 2025. The affiant and I were both located at the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



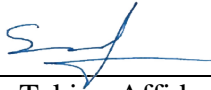
Commissioner for Taking Affidavits
(or as may be)

Commissioner Name: Stephanie Savannah
Fernandes
Law Society of Ontario Number: 85819M



RYAN JACOBS

This is Exhibit “A” referred to in the Affidavit of Ryan Jacobs sworn July 21, 2025. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read 'Stephanie', is positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

EXHIBIT "A"

**Copies of the Invoices issued to the Monitor
for fees and disbursements incurred by
Cassels Brock & Blackwell LLP**



Attn: Noah Goldstein
KSV Advisory
150 King St W, Suite 2308
Toronto, ON M5H 1J9

Invoice No: 2282686
Date: May 27, 2025
Matter No.: 057984-00012
GST/HST No.: R121379572
Lawyer: Jacobs, Ryan
Tel.: (416) 860-6465
E-mail: RJacobs@cassels.com

Re: Balboa et al Restructuring

Fees for professional services rendered up to and including April 30, 2025

Our Fees	60,434.00
Disbursements	435.10
Total Fees and Disbursements	60,869.10
HST @ 13.00%	7,867.68
TOTAL DUE (CAD)	68,736.78

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Please provide your email address to payments@cassels.com to receive invoice and reminder statements electronically.

Payment due upon receipt. Please return remittance advice(s) with cheque.

REMITTANCE ADVICE: Email payment details to payments@cassels.com

Canadian Dollar EFT and Wire

Payments:

Bank of Nova Scotia
44 King St. West,
Toronto, ON, M5H 1H1

Bank I.D.: 002
Transit No.: 47696
Account No.: 0073911
Swift Code: NOSCCATT
ABA No.: 026002532

Cheque Payments:

Cassels Brock & Blackwell LLP
Finance & Accounting (Receipts)
Suite 3200, Bay Adelaide Centre - North Tower
40 Temperance St., Toronto, ON, M5H 0B4 Canada

Online Bill Payments:

Vendor name is **Cassels Brock Blackwell LLP** and
you are required to enter the first six digits of the
matter #

Invoice No: 2282686
Matter No.: 057984-00012
Amount: **CAD 68,736.78**

e-Transfer Payments: payments@cassels.com

Credit Card Payments: payments.cassels.com

Cassels Brock Blackwell LLP | cassels.com

Suite 3200, Bay Adelaide Centre - North Tower, 40 Temperance Street, Toronto, ON M5H 0B4 Canada | t: 416 869 5300 | f: 416 360 8877

FEE DETAIL			
Date	Name	Description	Hours
Apr-01-25	S. Fernandes	Meeting with S. Zhou regarding preparation of draft fee affidavit; reviewing and finalizing draft order;	0.50
Apr-01-25	J. Bellissimo	Emails with D. Sieradzki re claim assignment; call with K. Plunkett re same; correspondence with R. Jacobs regarding motion record and affidavit;	1.00
Apr-01-25	R. Jacobs	Correspondence with J. Bellissimo regarding motion record and affidavit;	0.50
Apr-01-25	S. Zhou	Meeting with S. Fernandes re fee affidavit; draft fee affidavit;	1.20
Apr-02-25	S. Fernandes	Correspondence with J. Bellissimo regarding draft order; preparing draft notice of motion; reviewing draft affidavit; correspondence with J. Bellissimo regarding same; reviewing draft report;	5.30
Apr-02-25	J. Bellissimo	Review and revise draft order for April 14th motion; emails re fee approvals; review affidavit re same;	1.50
Apr-03-25	S. Fernandes	Reviewing draft report; reviewing and updating draft affidavit and review invoices for confidentiality and privilege; reviewing draft notice of motion and draft order;	4.50
Apr-04-25	S. Fernandes	Reviewing draft Report; reviewing draft affidavit; reviewing and updating draft notice of motion and draft order; considering questions from client regarding appendix to report; updating and finalizing affidavit; reviewing statement of claim issued against applicant;	2.80
Apr-04-25	J. Bellissimo	Revise draft report; revise draft order; calls and emails re same; emails re affidavits and redactions; review further revised draft report; emails re comments on same; correspondence with R. Jacobs;	3.80
Apr-04-25	R. Jacobs	Review and comment on draft report and order; correspondence with J. Bellissimo regarding same;	1.40
Apr-05-25	S. Fernandes	Reviewing and updating draft order and notice of motion; correspondence with R. Jacobs;	1.70
Apr-05-25	R. Jacobs	Review and comment on draft affidavit; correspondence with S. Fernandes regarding order and motion;	0.80
Apr-06-25	J. Bellissimo	Review comments on draft order; emails re same; review various comments on draft report; emails re same; review cash flow forecast;	1.20
Apr-06-25	S. Fernandes	Preparing draft factum; preparing motion record index; preparing draft letter regarding commenced litigation against CCAA Applicant;	5.20
Apr-07-25	S. Fernandes	Reviewing and updating Report and related motion materials; call with R. Jacobs to swear and commission affidavit; correspondence with client regarding same; considering correspondence from client regarding listings; reviewing motion record; reviewing and updating service list and supplemental service lists; correspondence regarding same; discussion with J. Bellissimo regarding	7.10

Date	Name	Description	Hours
		same; reviewing tenant notice to be served; preparing affidavit of service of N. El-Zakhem; reviewing and finalizing motion record; preparing draft service emails; serving motion record to service lists;	
Apr-07-25	R. Jacobs	Meeting with S. Fernandes regarding affidavit; review and comment on final draft of same;	1.00
Apr-07-25	J. Bellissimo	Various emails with D. Sieradzki re matters for report and related issues; emails and calls with S Fernandes re finalization of court materials and service process; emails with M. Forte; consider issues re report; review revised NOM; revise same; review revised form of order; revise same; review final 12th report; emails re service matters;	2.20
Apr-08-25	S. Fernandes	Coordinating service of notice of motion via courier; reviewing and swearing affidavits of service; preparing draft stay letter regarding statement of claim; correspondence with J. Bellissimo regarding same; updating draft letter; correspondence with client regarding same; finalizing and issuing stay letter; updating and finalizing affidavit of service of N. El-Zakhem; call with N. El-Zakhem to swear and commission affidavit of service; reviewing and updating draft factum;	5.00
Apr-08-25	J. Gordon	Correspondence with S. Fernandes regarding draft factum; revising draft factum;	8.40
Apr-08-25	J. Bellissimo	Review and revise stay letter; emails re service matters;	0.50
Apr-09-25	S. Fernandes	Reviewing and finalizing draft factum; correspondence with J. Bellissimo regarding same; updating draft factum to incorporate comments from J. Bellissimo; correspondence with client regarding draft factum; reviewing comments to draft factum from client;	1.90
Apr-09-25	J. Bellissimo	Review and revise draft factum; emails re same;	1.00
Apr-10-25	S. Fernandes	Finalizing draft factum for service; preparing draft service emails; serving factum on service lists; coordinating service of factum via courier; reviewing and swearing affidavits of service;	0.70
Apr-11-25	J. Bellissimo	Review final orders; emails with S. Fernandes re same;	0.40
Apr-11-25	S. Fernandes	Reviewing and updating draft participant information form; reviewing and updating draft orders; correspondence with J. Bellissimo regarding same; correspondence with L. Starr regarding updates to schedule A of draft AVO;	1.20
Apr-11-25	R. Jacobs	Prep for hearing; correspondence with J. Bellissimo regarding same;	0.70
Apr-13-25	S. Fernandes	Reviewing updated draft orders; correspondence regarding hearing attendance;	0.40
Apr-14-25	S. Fernandes	Reviewing and finalizing draft PIF; attending hearing;	0.90
Apr-14-25	J. Bellissimo	Review materials and prepare submissions for court; attend court hearing; post-hearing next steps; review endorsement and orders;	3.40

Date	Name	Description	Hours
Apr-15-25	S. Fernandes	Serving issued orders and endorsement to service lists; reviewing endorsement;	0.40
Apr-15-25	J. Bellissimo	Review and revise APA schedule B; emails with D. Sieradzki re same; call with G. Benchetrit;	1.10
Apr-16-25	S. Fernandes	Correspondence with N. El-Zakhem regarding issuance of AVO to tenants;	0.10
Apr-16-25	J. Bellissimo	Emails re Core claim; call with D Sieradzki and K Plunkett re various matters;	1.80
Apr-21-25	S. Fernandes	Correspondence regarding updated parcel register for Welland location;	0.20
Apr-24-25	J. Bellissimo	Emails re property sales and DIP matters;	0.50
Apr-30-25	S. Kemp	Review relevant agreements and background and draft Notice of Action;	3.60
Apr-30-25	C. Pendrith	Discussion with J. Bellissimo; Review background materials and consider potential claims against Core; Discussion with S. Kemp;	2.30
Apr-30-25	J. Bellissimo	Call with K. Plunkett re claim assignment; review background materials and strategy for action; call with C. Pendrith re same;	3.50

FEE SUMMARY				
Name	Title	Hours	Rate	Amount
Bellissimo, Joseph J.	Partner	21.90	1,060.00	23,214.00
Pendrith, Colin	Partner	2.30	950.00	2,185.00
Jacobs, Ryan	Partner	4.40	1,740.00	7,656.00
Fernandes, Stephanie	Associate	37.90	550.00	20,845.00
Kemp, Sarah	Associate	3.60	550.00	1,980.00
Gordon, Joshua	Associate	8.40	500.00	4,200.00
Zhou, Sebastian	Law Student	1.20	295.00	354.00
TOTAL (CAD)		79.70		60,434.00
Our Fees		60,434.00		
HST @ 13.00%		7,856.42		
TOTAL FEES & TAXES (CAD)				68,290.42

DISBURSEMENT SUMMARY	
Non-Taxable Disbursements	
Parcel Register	9.45
Court - Sundry	339.00
Total Non-Taxable Disbursements	348.45

Taxable Disbursements

Binding, Tabs, Disks, etc	16.50
Copies	46.50
Parcel Register	23.65
Total Taxable Disbursements	86.65
HST @ 13.00%	11.26
Total Taxable Disbursements & Taxes	97.91

TOTAL DISBURSEMENTS & TAXES (CAD)	446.36
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TOTAL FEES	60,434.00
TOTAL DISBURSEMENTS	435.10
TOTAL TAXES	7,867.68
TOTAL FEES, DISBURSEMENTS & TAXES (CAD)	68,736.78



Attn: Noah Goldstein
KSV Advisory
150 King St W, Suite 2308
Toronto, ON M5H 1J9

Invoice No: 2284758
Date: June 12, 2025
Matter No.: 057984-00012
GST/HST No.: R121379572

Lawyer: Jacobs, Ryan
Tel.: (416) 860-6465
E-mail: RJacobs@cassels.com

Re: Balboa - Restructuring

Fees for professional services rendered up to and including May 31, 2025

Our Fees	23,910.00
HST @ 13.00%	3,108.30
TOTAL DUE (CAD)	27,018.30

We are committed to protecting the environment.

Please provide your email address to payments@cassels.com to receive invoice and reminder statements electronically.

Payment due upon receipt. Please return remittance advice(s) with cheque.

REMITTANCE ADVICE: Email payment details to payments@cassels.com

Canadian Dollar EFT and Wire

Payments:

Bank of Nova Scotia
44 King St. West,
Toronto, ON, M5H 1H1

Bank I.D.: 002
Transit No.: 47696
Account No.: 0073911
Swift Code: NOSCCATT
ABA No.: 026002532

Cheque Payments:

Cassels Brock & Blackwell LLP
Finance & Accounting (Receipts)
Suite 3200, Bay Adelaide Centre - North Tower
40 Temperance St., Toronto, ON, M5H 0B4 Canada

Online Bill Payments:

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you are required to enter the first six digits of the
matter #

Invoice No: 2284758
Matter No.: 057984-00012

Amount: **CAD 27,018.30**

e-Transfer Payments: payments@cassels.com

Credit Card Payments: payments.cassels.com

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Suite 3200, Bay Adelaide Centre - North Tower, 40 Temperance Street, Toronto, ON M5H 0B4 Canada | t: 416 869 5300 | f: 416 360 8877

FEE DETAIL			
Date	Name	Description	Hours
May-01-25	S. Kemp	Review and revise draft notice of action;	0.30
May-01-25	C. Pendrith	Discussion concerning potential action related to sale of bulk properties; Review background documents and revise claim; Discussion with J. Adair concerning issuance;	2.50
May-02-25	C. Pendrith	Discussion with J. Adair; Finalize notice of action for issuance; Communications with KSV concerning same;	2.20
May-02-25	R. Jacobs	Review and comment on draft complaint;	0.50
May-02-25	J. Bellissimo	Attend to Core claim matters; emails and calls re assignment of Core claim;	2.00
May-07-25	S. Fernandes	Correspondence with client regarding PINs; preparing draft letter in response to statement of claim against applicant;	0.90
May-07-25	J. Bellissimo	Review offer re Core claim assignment; emails with D. Sieradzki re same;	0.50
May-08-25	J. Bellissimo	Emails re Core claim assignment matters;	0.40
May-13-25	S. Fernandes	Reviewing and finalizing letter regarding statement of claim issued; issuing letter;	0.40
May-14-25	S. Fernandes	Discussion with N. El-Zakhem regarding title searches; conferring with J. Bellissimo regarding next steps regarding same; correspondence with N. El-Zakhem regarding next steps on title searches;	1.90
May-15-25	J. Bellissimo	Call with K. Plunkett re Core claim assignment; call with D. Sieradzki re same;	0.50
May-21-25	S. Fernandes	Correspondence with J. Bellissimo and N. El-Zakhem regarding insurance policy;	0.40
May-21-25	J. Bellissimo	Review revised Core claim assignment terms from K. Plunkett; call with D. Sieradzki re same;	0.50
May-22-25	J. Bellissimo	Emails re Core claim assignment terms; revise Core assignment deal terms and emails re same;	2.20
May-23-25	J. Bellissimo	Emails and calls re Core assignment deal terms;	1.00
May-26-25	J. Bellissimo	Emails and calls re Core claim assignment matters;	1.20
May-27-25	J. Bellissimo	Emails and calls with D. Sieradzki re Core claim assignment; emails and calls with M. Forte re same; emails and call with G. Benchetrit re same; emails and call with K. Plunkett re same;	3.40
May-29-25	J. Bellissimo	Review and revise draft Core assignment agreement; emails with KSV re same; review D. Sieradzki revisions to same; further revise draft assignment agreement; email to Aird & Berlis re same;	3.80

FEE SUMMARY				
Name	Title	Hours	Rate	Amount
Bellissimo, Joseph J.	Partner	15.50	1,060.00	16,430.00

Name	Title	Hours	Rate	Amount
Pendrith, Colin	Partner	4.70	950.00	4,465.00
Jacobs, Ryan	Partner	0.50	1,740.00	870.00
Fernandes, Stephanie	Associate	3.60	550.00	1,980.00
Kemp, Sarah	Associate	0.30	550.00	165.00
TOTAL (CAD)		24.60		23,910.00

Our Fees	23,910.00	
HST @ 13.00%	3,108.30	
TOTAL FEES & TAXES (CAD)		27,018.30

TOTAL FEES	23,910.00
TOTAL TAXES	3,108.30
TOTAL FEES & TAXES (CAD)	27,018.30



Attn: Noah Goldstein
KSV Advisory
150 King St W, Suite 2308
Toronto, ON M5H 1J9

Invoice No: 2288802
Date: July 17, 2025
Matter No.: 057984-00012
GST/HST No.: R121379572

Lawyer: Jacobs, Ryan
Tel.: (416) 860-6465
E-mail: RJacobs@cassels.com

Re: Balboa - Restructuring

Fees for professional services rendered up to and including June 30, 2025

Our Fees	8,759.00
HST @ 13.00%	1,138.67
TOTAL DUE (CAD)	9,897.67

We are committed to protecting the environment.

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REMITTANCE ADVICE: Email payment details to payments@cassels.com

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Transit No.: 47696
Account No.: 0073911
Swift Code: NOSCCATT
ABA No.: 026002532

Cheque Payments:

Cassels Brock & Blackwell LLP
Finance & Accounting (Receipts)
Suite 3200, Bay Adelaide Centre - North Tower
40 Temperance St., Toronto, ON, M5H 0B4 Canada

Online Bill Payments:

Vendor name is **Cassels Brock Blackwell LLP** and
you are required to enter the first six digits of the
matter #

Invoice No: 2288802
Matter No.: 057984-00012

Amount: **CAD 9,897.67**

e-Transfer Payments: payments@cassels.com

Credit Card Payments: payments.cassels.com

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Suite 3200, Bay Adelaide Centre - North Tower, 40 Temperance Street, Toronto, ON M5H 0B4 Canada | t: 416 869 5300 | f: 416 360 8877

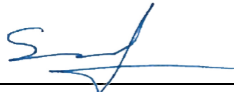
FEE DETAIL			
Date	Name	Description	Hours
Jun-03-25	J. Bellissimo	Emails with Aird & Berlis re Core claim assignment; review revisions to assignment agreement from Aird & Berlis; discuss same with D Sieradzki; email to Aird & Berlis with comments/responses on agreement revisions;	1.10
Jun-05-25	J. Bellissimo	Emails with Aird & Berlis re Core claim assignment; review revised agreement; email to G Benchetrit re same; email to M Forte re same; review and revise draft form of assignment order; emails with D Sieradzki re same;	1.80
Jun-06-25	J. Bellissimo	Call with M Forte re Core claim assignment agreement; emails with G Benchetrit re same; further revisions to draft assignment order; emails with Aird & Berlis re same; prepare notice of assignment of claim;	2.40
Jun-08-25	J. Bellissimo	Review D Sieradzki comments on claim assignment notice; emails with D Sieradzki re same;	0.20
Jun-10-25	J. Bellissimo	Emails re core claim assignment; finalize assignment agreement and notice; emails re same;	1.40
Jun-10-25	S. Fernandes	Discussion with J. Bellissimo regarding next steps for upcoming motion;	0.40
Jun-12-25	J. Bellissimo	Emails re Notice re Core claim; emails with G Benchetrit re same; discuss preparation of motion materials with S Fernandes;	1.00
Jun-12-25	S. Fernandes	Discussion with J. Bellissimo regarding next steps for upcoming motion;	0.30

FEE SUMMARY				
Name	Title	Hours	Rate	Amount
Bellissimo, Joseph J.	Partner	7.90	1,060.00	8,374.00
Fernandes, Stephanie	Associate	0.70	550.00	385.00
TOTAL (CAD)		8.60		8,759.00

Our Fees	8,759.00	
HST @ 13.00%	1,138.67	
TOTAL FEES & TAXES (CAD)		9,897.67

TOTAL FEES	8,759.00
TOTAL TAXES	1,138.67
TOTAL FEES & TAXES (CAD)	9,897.67

This is Exhibit “**B**” referred to in the Affidavit of Ryan Jacobs sworn July 21, 2025. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read 'S. Fernandes', is positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

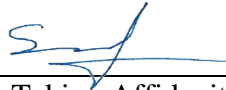
Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

EXHIBIT “B”

**Summary of Respective Years of Call and Billing Rates of
Cassels Brock & Blackwell LLP
for the period April 1, 2025 to June 30, 2025**

Year of Call	Individual	Rate (\$) (2025)	Total Fees Billed (\$)	Total Hours Worked
2002	Joseph J. Bellissimo	1,060.00	48,018.00	45.30
2004 (New York) 2011 (Ontario)	Ryan Jacobs	1,740.00	8,526.00	4.90
2011	Colin Pendrith	950.00	6,650.00	7.00
2022	Stephanie Fernandes	550.00	23,210.00	42.20
2022	Sarah Kemp	550.00	2,145.00	3.90
2025	Joshua Gordon	500.00	4,200.00	8.40
	Sebastian Zhou (Law Student)	295.00	354.00	1.20

This is Exhibit “C” referred to in the Affidavit of Ryan Jacobs sworn July 21, 2025. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

EXHIBIT “C”

**Calculation of Average Hourly Billing Rates of
Cassels Brock & Blackwell LLP
for the period April 1, 2025 to June 30, 2025**

Invoice No./ Period	Fees (\$)	Disbursements (\$)	HST (\$)	Total Fees, Disbursements and HST (\$)	Hours Billed	Average Billed Rate (\$)
#2282686 (April 1, 2025 – April 30, 2025)	\$60,434.00	\$435.10	\$7,867.68	\$68,736.78	79.70	\$758.27
#2284758 (May 1, 2025 – May 31, 2025)	\$23,910.00	\$-	\$3,108.30	\$27,018.30	24.60	\$971.95
#2288802 (June 1, 2025 – June 30, 2025)	\$8,759.00	\$-	\$1,138.67	\$9,897.67	8.60	\$1,018.49
Total	\$93,103.00	\$435.10	\$12,114.65	\$105,652.75	112.90	\$824.65

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.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**AFFIDAVIT OF RYAN JACOBS
(SWORN JULY 21, 2025)**

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre - North Tower
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Shayne Kukulowicz LSO#: 30729S

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Joseph J. Bellissimo LSO#: 46555R

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jbelissimo@cassels.com

Lawyers for the Monitor, KSV Restructuring Inc.

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.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

THIRTEENTH REPORT OF THE MONITOR

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre - North Tower
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jbelissimo@cassels.com

Lawyers for the Monitor, KSV Restructuring Inc.

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE	)	MONDAY, THE 28 TH
)	
JUSTICE OSBORNE	)	DAY OF JULY, 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
(Assignment of Claims)**

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 Motion Record of the Monitor, including the Thirteenth Report of the Monitor dated July 21, 2025 (the “**Thirteenth Report**”) and appendices thereto, and such other materials that were filed, and on hearing the submissions of counsel to the Monitor, counsel to the Assignee (as defined below), and those other parties in attendance, no one else appearing although

duly served as it appears from the Affidavit of Service of Stephanie Fernandes dated July 1, 2025, filed;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the motion record of the Monitor is hereby validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined have the meaning given to them in the Thirteenth Report.

ASSIGNMENT OF CORE CLAIM

3. **THIS COURT ORDERS** that the assignment agreement between the Applicants and Viscount Capital Inc. (the “**Assignee**”) dated as of May 31, 2025 substantially in the form attached at Appendix “D” to the Thirteenth Report (the “**Assignment Agreement**”) be and is hereby approved, and the Monitor is hereby authorized and directed, *nunc pro tunc*, on behalf of the Applicants in accordance with the Order (Expansion of Monitor’s Powers) granted by this Court on June 25, 2024 (the “**Expanded Powers Order**”), to execute the Assignment Agreement and to give full effect to the terms of the Assignment Agreement in accordance with this Order. The Monitor is hereby authorized and directed to take such additional steps and execute such additional documents, on behalf of the Applicants in accordance with the Expanded Powers Order, as may be necessary or desirable for the completion of the transactions contemplated by the Assignment Agreement.

4. **THIS COURT ORDERS** that, subject to the terms and provisions of the Assignment Agreement and this Order, the Assignee is authorized to continue proceedings, including the action bearing Court File No. CV-25-00742331-0000, in its own name and at its own expense and risk regarding the Applicants' claims as against Core Acquisition Co. Inc. as a defendant for, inter alia, damages arising from breach of contract and/or unjust enrichment relating to unpaid portions of the purchase price required to be paid under the agreement of purchase and sale dated February 24, 2022 (the "**Assigned Claim**") pursuant to terms of the Assignment Agreement.

5. **THIS COURT ORDERS** subject to the terms and provisions of the Assignment Agreement and this Order, this Order herein shall have the effect of transferring the Applicants' right, title and interest in the Assigned Claim to the Assignee.

6. **THIS COURT ORDERS** that all proceeds or monies generated or received from any recovery under a successful order or judgment under the Assigned Claim or any settlement of the Assigned Claim (the "**Recovered Amounts**") shall be paid as follows:

- (a) to the Assignee on account of (collectively, the "**Viscount Priority Payment**"):
 - (i) all out-of-pocket expenses and costs associated with the assignment, and the Assignee's litigation efforts;
 - (ii) the Funding Requirements (as defined in the Assignment Agreement); and
 - (iii) an amount of up to CDN\$1,000,000, to be applied to repay the outstanding unsecured indebtedness owing by The Lion's Share Group Inc. ("**LSGI**")

to the Assignee under certain promissory notes advanced by the Assignee to LSGI; and

- (b) subject to a further order of this Court, any Recovered Amounts in excess of the Viscount Priority Payment shall be distributable to the general unsecured creditors of the Applicants in these proceedings on a *pro rata* basis.

7. **THIS COURT ORDERS** that the Applicants and the Monitor shall not be required in any way to participate in the Assigned Claim (or any proceedings relating to the Assigned Claim) in any manner whatsoever, including production and discovery. For greater certainty, this exclusion shall not apply to the principals of the Applicants, including, inter alia, Robert Clark and Aruba Butt, provided that the Applicants and the Monitor shall not be required to, or be required to take steps to, compel such participation of the principals of the Applicants.

8. **THIS COURT ORDERS** that the Monitor shall have no personal liability in carrying out the actions contemplated by this Order or the Assignment Agreement and, without limitation the generality of any other protection afforded to it, shall continue to have all of the protections afforded to it under the *Companies' Creditors Arrangement Act* and all Orders of this Court.

9. **THIS COURT ORDERS** that the Assignee, any creditor of Applicants' estates and/or the Monitor may seek the advice and direction of this Court with respect to the order herein and its implementation by way of motion brought on at least seven (7) days' notice.

MISCELLANEOUS

10. **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 Monitor 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that the Monitor and its counsel, may serve or distribute this Order and any related materials, by forwarding true copies thereof by email or regular mail. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and the notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

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

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

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.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**ORDER
(Assignment of Claims)**

Cassels Brock & Blackwell LLP
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jbelissimo@cassels.com

Lawyers for the Monitor, KSV Restructuring Inc.

TAB 4

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE	)	MONDAY, THE 28 TH
)	
JUSTICE OSBORNE	)	DAY OF JULY, 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")**

ANCILLARY MATTERS ORDER

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 Motion Record of the Monitor, including the Thirteenth Report of the Monitor dated July 21, 2025, and appendices thereto (the "**Thirteenth Report**"), and such other materials that were filed, and on hearing the 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 Viscount Capital Inc., and those other counsel that were

present, no one else appearing although duly served as appears from the Affidavit of Service of Stephanie Fernandes dated July 1, 2025, filed;

SERVICE

1. **THIS COURT ORDERS** that the time for service of the motion record of the Monitor is hereby validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined have the meaning given to them in the Thirteenth Report.

STAY OF PROCEEDINGS

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 January 31, 2026.

CHANGE OF THE UNSECURED LENDER REPRESENTATIVE COUNSEL

4. **THIS COURT ORDERS** that paragraph 30 of the SARIO, is hereby amended to delete “Goldman Sloan Nash & Haber LLP” and replace it with “Reconstruct LLP”, with all terms pertaining to the Unsecured Lender Representative Counsel otherwise unaffected and in full force and effect notwithstanding such amendment.

APPROVAL OF THE MONITOR’S THIRTEENTH REPORT, ACTIVITIES AND FEES

5. **THIS COURT ORDERS** that the Thirteenth 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.

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

GENERAL

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

8. **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.

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.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ANCILLARY MATTERS ORDER

Cassels Brock & Blackwell LLP

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Lawyers for the Monitor, KSV Restructuring Inc.

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.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD

Cassels Brock & Blackwell LLP

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Lawyers for the Monitor, KSV Restructuring Inc.