

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

B E T W E E N:

**LONDON VALLEY IV INC.,
by its Court-Appointed Receiver and Manager, KSV RESTRUCTURING INC.**

Plaintiff

- and -

**BEHZAD PILEHVER also known as BEN PILEHVER also known as BEHZAD
PILEHVAR also known as BEN PILEHVAR, MAHTAB NALI also known as MAHTAB
NALI PILEHVAR also known as MAHTAB PILEHVAR and 2621598 ONTARIO INC.
doing business as NALI AND ASSOCIATES**

Defendants

**SUPPLEMENTARY MOTION RECORD OF THE PLAINTIFF
(*Ex Parte* Motion for *Mareva* Injunction and *Norwich* Order)**

August 5, 2025

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, Ontario M5J 2T9

Mark van Zandvoort (LSO No. 59120U)
Email: mvanzandvoort@airdberlis.com

Kyle Plunkett (LSO No. 61044N)
Email: kplunkett@airdberlis.com

Adrienne Ho (LSO No. 68439N)
Email: aho@airdberlis.com

Calvin Horsten (LSO No. 90418I)
Email: chorsten@airdberlis.com

Lawyers for the Plaintiff

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

B E T W E E N:

**LONDON VALLEY IV INC.,
by its Court-Appointed Receiver and Manager, KSV RESTRUCTURING INC.**

Plaintiff

- and -

**BEHZAD PILEHVER also known as BEN PILEHVER also known as BEHZAD
PILEHVAR also known as BEN PILEHVAR, MAHTAB NALI also known as MAHTAB
NALI PILEHVAR also known as MAHTAB PILEHVAR and 2621598 ONTARIO INC.
doing business as NALI AND ASSOCIATES**

Defendants

INDEX

TAB

DOCUMENT

1. Supplement to the Third Report of KSV Restructuring Inc. as Receiver of London Valley IV Inc. et al. dated August 5, 2025

Appendices

A Mr. Hoffner's Statement of Defence dated August 4, 2025

TAB 1



**Supplement to the Third Report of
KSV Restructuring Inc.
as Receiver of
London Valley IV Inc. *et al.***

August 5, 2025

Contents		Page
1.0	Introduction.....	1
1.1	Currency	1
1.2	Restrictions	1
2.0	Mr. Hoffner’s Statement of Defence	2

Appendices

Appendix	Tab
Mr. Hoffner’s Statement of Defence dated August 4, 2025.....	A

COURT FILE NO.: CV-25-00736577-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

MIZUE FUKIAGE, AKIKO KOBAYASHI, YOSHIKI FUKIAGE, KOBAYASHI KYOHODO
CO., LTD. AND TORU FUKIAGE

APPLICANTS

- AND -

CLEARVIEW GARDEN ESTATES INC., TALBOT CROSSING INC., NIAGARA ESTATES
OF CHIPPAWA II INC., LONDON VALLEY INC., LONDON VALLEY II INC., LONDON
VALLEY III INC., LONDON VALLEY IV INC., LONDON VALLEY V INC., FORT ERIE HILLS
INC., 2533430 ONTARIO INC., CGE CAPITAL MANAGEMENT INC., TGP-TALBOT
CROSSING INC., NEC II CAPITAL MANAGEMENT INC., LV CAPITAL MANAGEMENT
INC., LV II CAPITAL MANAGEMENT INC., LV III CAPITAL MANAGEMENT INC., LV IV
CAPITAL MANAGEMENT INC., LV V CAPITAL MANAGEMENT INC. AND FORT ERIE
HILLS CAPITAL MANAGEMENT INC.

RESPONDENTS

SUPPLEMENT TO THIRD REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER

AUGUST 5, 2025

1.0 Introduction

1. This report (the “**Supplemental Report**”) supplements the Receiver’s third report to Court dated August 1, 2025 (the “**Third Report**”). Capitalized terms not otherwise defined herein have the meanings given to them in the Third Report.

1.1 Currency

1. All currency references in this Supplemental Report are to Canadian dollars, unless otherwise noted.

1.2 Restrictions

1. This Supplemental Report is subject to the same restrictions as the Third Report.

2.0 Mr. Hoffner's Statement of Defence

1. With respect to the status of the action commenced by the Receiver against Randy Hoffner ("**Mr. Hoffner**") discussed in section 4.4 of the Third Report, on August 4, 2025, Mr. Hoffner's counsel served a Statement of Defence on Mr. Hoffner's behalf. With respect to the LV IV Property, this Statement of Defence alleges at paragraphs 20 and 21 that the sale of the LV IV Property was effected by Mr. Pilehver in breach of the October 31, 2024 Injunction Order. A copy of Mr. Hoffner's Statement of Defence is attached as **Appendix "A"**.
2. All of the Receiver's recommendations set out in the Third Report remain unchanged.

All of which is respectfully submitted by,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER OF
LONDON VALLEY IV INC.
AND NOT IN ITS PERSONAL OR IN ANY OTHER CAPACITY**

Appendix “A”

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

B E T W E E N :

**LONDON VALLEY IV INC.,
by its Court-Appointed Receiver and Manager, KSV RESTRUCTURING INC.**

Plaintiff

and

RANDY HOFFNER

Defendant

STATEMENT OF DEFENCE

1. Hoffner admits the allegations at paragraphs 5 and 7 of the Statement of Claim.
2. Hoffner denies all other allegations contained in the Statement of Claim unless expressly admitted herein.

Parties

3. The Plaintiff, London Valley IV Inc. ("**LV IV**"), is a corporation incorporated pursuant to the laws of Ontario. LV IV was the owner of the property with the PIN 0821-0150, with the municipal address of 6211 Colonel Talbot Road, London Ontario, (the "**London Property**").

4. At all material times, LV IV is controlled and operated, through a chain of ownership, by TGP Canada Management Inc. ("**TGP**").

5. Randy Hoffner ("**Hoffner**") is a resident of Ontario.

Sale of TGP

6. On or about June 4, 2024, First Global Financial Corporation, Titan Shield Inc., 2630306 Ontario Inc. operating as Paybank Financial, and Trans Global Partners Limited (collectively the "**Purchasers**") entered into a Share Purchase Agreement with Trans Global Partners Limited (H.K.).

7. Pursuant to this Share Purchase Agreement the Purchasers purchased 100% of the shares of TGP from Trans Global Partners Limited (H.K.) and effectively gained full control and ownership of LV IV.

Timeline of Events

8. Prior to the Share Purchase Agreement, Hoffner was a Director of LV IV and other corporations that were controlled and operated by TGP.

9. The operating expenses of LV IV, and the other corporations Hoffner was a director of, were funded by money received from Trans Global Partners Limited (H.K.).

10. In or about 2023, the funding from Trans Global Partners Limited (H.K.) ceased or became insufficient to meet the liabilities of these corporations.

11. The LV IV property required certain renovations in order to be rented out.

12. Hoffner sought to obtain a mortgage to fund the renovations to the LV IV property and the ongoing expenses of the aforementioned corporations.

13. Hoffner was unable to obtain a mortgage on the London Property.

14. Hoffner secured a mortgage on his residence, the Maplehurst Property, as defined in the Statement of Claim, which mortgage was also registered on two other properties, including the London Property. Hoffner personally guaranteed this mortgage.

15. Hoffner used the funds from this mortgage to pay for renovations to the London Property and to fund the operating costs of LV IV and of other corporations owned directly or indirectly by TGP.

16. Hoffner took these actions in good faith in order to protect the interests of, among other parties, the Kobayashi Group, as defined in the Statement of Claim.

No Involvement in the Sale of the London Property

17. Following the sale of the shares in TGP from Trans Global Partners Limited (H.K.) to the purchasers, Hoffner resigned as a director of LV IV.

18. Hoffner was not an officer or director of LV IV at the time that the Agreement of Purchase and Sale of the London Property was entered into. Hoffner denies any involvement with the sale of the London Property. Hoffner denies that he instructed the solicitor acting on the sale transaction.

19. Hoffner was not a direct or indirect party to the purchase and sale of the London Property.

20. The sale of the London Property was effected by Behzad (Ben) Pilehver, who was at the time the sole registered director of LV IV.

21. The sale of the London Property was made in breach of an Order for a Mareva Injunction obtained on October 31, 2024, by Justice MacNeil in the matter with Court File Number CV-24-00087580 commenced at Hamilton by Hoffner, among other Applicants (the “**Hamilton Application**”).

22. The Hamilton Application was commenced by Hoffner, and others, due to the failure of the Purchasers to pay the purchase funds under the aforementioned Share Purchase Agreement, among other things.

No oppressive conduct

23. Hoffner denies that he acted in an oppressive manner by registering the aforementioned mortgage, or otherwise.

24. Hoffner denies that he obtained any personal benefit from this mortgage, or that he has been unjustly enriched by this mortgage.

25. Hoffner denies that he owed any fiduciary duty to the Kobayashi Group.

26. Hoffner denies that he engaged in any other improper conduct.

27. Hoffner denies that the Plaintiff is entitled to an interest his personal residence. There is no basis for any constructive, resulting, or other trust to arise as a result of the mortgage being registered. Hoffner owned the Maplehurst Property prior to the mortgage being obtained.

28. Hoffner denies that the Plaintiff suffered any damages as a result of his conduct, or alternatively, the damages claimed are remote and excessive.

29. The Plaintiff failed to take steps to mitigate its losses, if any, including by failing to take steps to enforce the Mareva Injunction which prevented the disposition of the London Property.

August 4, 2025

ROSS & MCBRIDE LLP
Barristers & Solicitors
1 King Street West, 10th Floor
Hamilton, ON L8P 1A4

ANDREI DOBROGEANU (LSO #69957Q)
adobrogeanu@rossmcbride.com

INDERDEEP TOOR (LSO #85004D)
itoor@rossmcbride.com

Tel: (905) 526-9800

Lawyers for the Defendant

TO: AIRD & BERLIS LLP
Barrister & Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

MARK VAN ZANDERVOORT (LSO #59120U)
mvanzandervoort@airdberlis.com
Tel: (416) 865-4742

KYLE PLUNKETT (LSO #61044N)

kplunkett@airdberlis.com

Tel: (416) 865-3406

ADRIENNE HO (LSO #68439N)

aho@airdberlis.com

Tel: (416) 865-7980

CALVIN HORSTEN (LSO N#90418I)

chorsten@airdberlis.com

Tel: (416) 865-3077

Lawyers for the Plaintiff

London Valley IV Inc. by its Court-
Appointed Receiver and Manager,
KSV Restructuring Inc.

-and-

Randy Hoffner

Plaintiff

Defendant

Court File No. CV-25-00740869-00CL

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

PROCEEDING COMMENCED AT
TORONTO

STATEMENT OF DEFENCE

ROSS & MCBRIDE LLP
Barristers and Solicitors
1 King Street West, 10th floor
Hamilton, Ontario L8P 1A4

ANDREI DOBROGEANU (LSO #69957Q)
adobrogeanu@rossmcbride.com

INDERDEEP TOOR (LSO #85004D)
itoor@rossmcbride.com

Tel: (905) 526-9800

Lawyers for the Defendant

LONDON VALLEY IV INC.,
by its Court-Appointed Receiver and Manager, KSV
RESTRUCTURING INC.
Plaintiff

- and -

BEHZAD PILEHVER et al.

Defendants

Court File No. CV-25-00748799-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

SUPPLEMENTARY MOTION RECORD
OF THE PLAINTIFF
(Ex Parte Motion for Mareva Injunction)

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Mark van Zandvoort (LSO No. 59120U)

Email: mvanzandvoort@airdberlis.com

Kyle Plunkett (LSO No. 61044N)

Email: kplunkett@airdberlis.com

Adrienne Ho (LSO No. 68439N)--

Email: aho@airdberlis.com

Calvin Horsten (LSO No. 90418I)

Email: chorsten@airdberlis.com

Lawyers for the Plaintiff