



August 18, 2025

Dear Sirs/Mesdames:

You are receiving this notice as you may have invested funds in a land banking scheme in the Province of Ontario, Canada with one or more of the following companies (collectively, the **"Companies"**):

- 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.
- Fort Erie Hills Inc. Capital Management Inc.

1) Overview of the Receivership Proceedings

On March 6, 2025, a group of the Companies' investors brought a receivership application in the Ontario Superior Court of Justice (Commercial List) (the **"Court"**), bearing Court File No. CV-25-00736577-00CL (the **"Receivership Proceeding"**), and obtained an order from the Court appointing KSV Restructuring Inc. as receiver and manager (the **"Receiver"**) over certain assets of these Companies. The details leading up to appointment of the Receiver and the concerns expressed by the investor group regarding the mismanagement of the asset portfolios are set out in supporting materials filed in connection with the application which, together with all other Court materials filed to date, can be found at the Receiver's website at <https://www.ksvadvisory.com/experience/case/clearviewgarden>.

We can also advise that there are currently ongoing discussions with other investors looking to expand the Receivership to include additional companies and property. The Receiver will provide a further update should those steps be taken.

2) Real Property Sales and Claims Process

Following its appointment, the Receiver has taken steps to secure some of the material assets, including certain real properties, and obtained approval from the Court to sell certain properties owned by a few of these Companies. The net proceeds of sale (approximately CAD\$11 million) are now being held in trust by the Receiver subject to further Order of the Court. In the near term, the Receiver intends to apply for Court approval of a claims process to identify and determine which investors are entitled to proceeds from realization based on their investments and to distribute such proceeds to them. You will receive notice of this claims process once it is approved by the Court. This process may require you to provide additional information to prove your entitlement to any distribution.

The fact that you have received this notice does not mean the Receiver has accepted any claim to any of the sale proceeds. It simply means that certain of the Companies' books and records reflect you may have been an investor in the land banking scheme. It also does not mean that you will receive any distribution of sale proceeds. Any future distributions will be subject to completion of a Court-supervised claims process and distribution order of the Court.

3) Court Proceedings Concerning the 6211 Colonel Talbot Road Property

On August 1, 2025, the Receiver commenced an action against Behzad Pilehver ("**Mr. Pilehver**") and others. In this Court action, the Receiver seeks to trace and recover certain sale proceeds from the sale of the 6211 Colonel Talbot Road property located in Ontario (referred to as the "**Colonel Property**").

Mr. Pilehver was a director of London Valley IV Inc. at the time the Colonel Property was sold. The Colonel Property was sold before the Receivership Proceedings were commenced. The Receiver started the Court action for the benefit of individuals who had invested in the Colonel Property. Details concerning the Receiver's allegations are set out in a Notice of Action dated August 1, 2025. A copy of these materials is available on the Receiver's website.

On August 7, 2025, the Receiver obtained a Mareva Order from the Court. This order effectively prevents Mr. Pilehver and the other Defendants from selling or otherwise dealing with their assets. The Court provided its reasons for granting this order in an endorsement.

On August 15, 2025, the Court continued to allow the Mareva Order to have effect. The Court provided more detailed reasons in its endorsement. The Defendants, including Mr. Pilehver, may file evidence with the Court to challenge the Mareva Order.

You may have recently received communications from third parties that contain misleading, false or inaccurate information about the Receiver, the Receiver's lawyers, and the Receivership Proceeding. In the endorsement issued by the Court, the Court stated that any concerns regarding the conduct of the Receiver (who is a Court-appointed officer) should be addressed in the Receivership Proceeding. The Court also stated that leave of the Court (that is, permission from the Court) is required before any litigation can be commenced against the Receiver or its lawyers, Aird & Berlis LLP. A copy of this endorsement is enclosed.

You can find copies of the Mareva Orders and the endorsements issued on August 7, 2025 and August 15, 2025 on the Receiver's case website. The Receiver has also provided details regarding its activities and the reasons for obtaining the Mareva Order in various reports, including the Third Report to Court dated August 1, 2025, Supplement to Third Report dated August 5, 2025 and Second Supplement to Third Report dated August 13, 2025. These reports are also available on the Receiver's case website.

We strongly encourage you to read all the Court materials posted on the Receiver's case website and to communicate with the Receiver at its designated email address below should you have any questions concerning your interests in the land banking scheme. Please be advised that the Receiver is an officer of the Canadian Court and Aird & Berlis LLP is the Receiver's independent legal counsel in these Court proceedings.

4) How to Contact the Receiver

Should you have any information or questions concerning your interests, please contact the Receiver at ontariolandbankingreceivership@ksvadvisory.com, or the Receiver's counsel, Aird & Berlis LLP, at ontariolandbankingreceivership@airdberlis.com.

For those who have received a copy of this notice in the mail, we would encourage you to provide the Receiver with your email address. This will facilitate communications going forward.

As a courtesy, copies of this notice in Chinese (simplified and traditional), Japanese, Malay and Tamil are attached. **However, please note that the Receiver can only correspond with you in English.** We thank you for your understanding.

Yours Truly,

A handwritten signature in blue ink that reads "KSV Restructuring Inc." in a cursive, flowing script.

KSV Restructuring Inc. solely in its capacity as court-appointed Receiver and Manager of 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.; and as Receiver and Manager in respect of certain property of 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. and not in its personal or any other capacity



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00748799-00CL

DATE: August 15, 2025

NO. ON LIST: 1

TITLE OF PROCEEDING: London Valley IV Inc., by its Court-Appointed Receiver and Manager, KSV Restructuring Inc. v. Pilehvar et al.

BEFORE: Madam Justice J. Dietrich

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Mark van Zandvoort	Plaintiff and Receiver KSV Restructuring	mvanzandvoort@airdberlis.com
Calvin Horsten	Plaintiff and Receiver KSV Restructuring	chorsten@airdberlis.com
David Sieradzki	Receiver	dsieradzki@ksvadvisory.com
Jordan Wong	Receiver	jwong@ksvadvisory.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Behzad Pilehvar	Defendant, self-represented	ben@sandgecko.ca

ENDORSEMENT OF JUSTICE J. DIETRICH:

- [1] On August 7, 2025, I granted an order on ex parte basis against the defendants which included a Mareva injunction and Norwich order relief. As required by Rule 40.01 of the *Rules of Civil Procedure* RRO Reg 194 (the "**Rules**"), an interlocutory injunction or

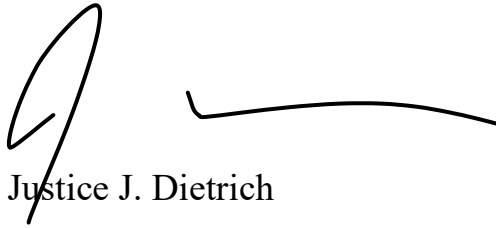
mandatory order under section 101 of the CJA may include such terms as are just, and may be sought on motion made without notice for a period not exceeding 10 days.

- [2] Accordingly, my endorsement of August 7, 2025, required notice be provided to the defendants and a comeback hearing was scheduled for today.
- [3] Defined terms used but not defined herein have the meaning provided to them in my endorsement of August 7, 2025.
- [4] London Valley IV Inc. ("LV IV") by KSV Restructuring Inc. ("KSV") solely in its capacity as the Court- Appointed Receiver and Manager of LV IV, (the "**Receiver**"), being the Plaintiff in the matter served the defendant Behzad Pilehver on August 7, 2025 with the material and served the defendants Mahtab Nali and 2621598 Ontario Inc. doing business as Nali and Associates on August 8, 2025 with the material.
- [5] A Second Supplement to the Third Report of the Receiver dated August 13, 2025 (the "**Second Supplement**") was delivered later.
- [6] Yesterday, Mr. Pilehver filed written submissions with the Commercial List Office on behalf of himself and the other defendants requesting an adjournment of four weeks to permit the defendants to (i) retain and instruct counsel; (ii) prepare responding material; and (ii) consider the overlap of this matter with a 'pending class action process'.
- [7] During submissions, Mr. Pilehver advised that counsel was expected to be retained within one week. In the circumstances, I am adjourning the comeback hearing to be scheduled at a case conference following the expected retention of counsel. That case conference is scheduled for **August 26, 2025 for 30 min at 11:00 am.**
- [8] Aide Memoires outlining proposed schedules (or if agreed a proposed schedule) should be uploaded to Case Center no later than August 24, 2025.
- [9] Mr. Pilehver is to bring this endorsement to the attention of counsel as soon as possible.
- [10] Pending a determination of the comeback hearing, the August 7, 2025 Order remains in effect. As set out in the Second Supplement, the Receiver has identified a number of additional accounts into which proceeds have been deposited. To the extent those accounts are held by the Defendants they are also to be subject to the terms of the August 7, 2025 Order.
- [11] I note that although Mr. Pilehver requested an adjournment to address the 'pending class action process' that is not a matter that before me and it is not the basis on which an adjournment has been granted. As noted in the Second Supplement, following service of the material in this matter, the Receiver has become aware of a number of emails, a

website post, press release and additional correspondence to certain regulators and others making various allegations against the Receiver and others.

[12] Concerns regarding the conduct of the Receiver – who is a court-appointed officer – should be addressed within the existing receivership proceeding. Further, leave of the Court is required in that proceeding prior to commencing litigation against the Receiver or its counsel.

[13] Order to go in the form signed by me this day.

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a horizontal line that curves slightly upwards at the end.

August 15, 2025

Justice J. Dietrich