



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-21-00673521-00CL

DATE: 15 June 2023

NO. ON LIST: 2

TITLE OF PROCEEDING: **ONTARIO SECURITIES COMMISSION v. GO-TO
DEVELOPMENTS HOLDINGS INC. ET AL.**

BEFORE JUSTICE: **R. CENTA**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Jeremy Nemers	KSV Restructuring Inc.	jnemers@airdberlis.com
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Ian Aversa	"	iaversa@airdberlis.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Neil Rabinovitch	7386 Islington Development Inc.	Neil.rabinovitch@dentons.com
Eric Golden	Dorr Capital Coporation	egolden@blaney.com
Gregory Azeff	Oscar Furtado	gazeff@millerthomson.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Bobby Kofman		
Jordan Wong	KSV	

Endorsement of Robert Centa J.:

This motion is brought by KSV Restructuring Inc. ("KSV"), in its capacity as the court-appointed receiver and manager seeking two orders.

First, KSV seeks an order:

- a. approving the agreement of purchase and sale dated May 17, 2023 (the "Vaughan APS") between the Receiver and 7386 Islington Development Inc. (the "Vaughan Purchaser") for the purchase and sale of the real property municipally known as 7386 Islington Avenue, Vaughan, ON, and legally described in PIN 03222-0909 (collectively, the "Vaughan Real Property"), and authorizing the Receiver to complete the transaction contemplated thereby (the "Vaughan Transaction");
- b. upon execution and delivery of a certificate by the Receiver confirming the closing of the Vaughan Transaction, vesting in the Vaughan Purchaser all rights, title and interest in the Purchased Assets (as defined in the Vaughan APS) subject to certain encumbrances; and
- c. authorizing and directing the Receiver to distribute \$6,244,131 following closing of the Vaughan Transaction to Dorr Capital Corporation, the first and only mortgagee registered on title to the Vaughan Real Property.

Second order, KSV seeks an order:

- a. approving certain intercompany distributions from Go-To Glendale, Go-To Chippawa and Go-To Stoney Creek to FHI and GTDH;
- b. directing Dickinson Wright LLP to serve, by no later than June 30, 2023, an application under section 38 of the *BIA* in the bankruptcy proceedings of Capital Build Construction Management Corp. if Dickinson Wright intends to contest the Receiver's disallowance of the claim filed by Capital Build against Go-To Chippawa (the "Outstanding Capital Build Claim"), failing which the notice of disallowance issued by the Receiver to Capital Build's bankruptcy trustee on October 31, 2022 shall be final and conclusive;
- c. approving the Receiver's Seventh Report dated June 6, 2023, and the actions and activities of the Receiver described therein; and
- d. approving the fees and disbursements of the Receiver and its counsel

There was no opposition to the motion.

In my view the proposed sale of assets satisfies the *Soundair* principles. The evidence satisfies me that the Receiver has made significant efforts to maximize realization, to act fairly, efficiently, with integrity and to consider the interests of all stakeholders in the transaction. The Receiver's sale process appears commercially reasonable and to have been conducted in accordance with the court approved sale process. The property has been exposed to market for a significant period of time by a qualified realtor. The court has previously approved transactions resulting from similar sale process in this proceeding. I accept the Receiver's judgment that further time marketing the property will not result in a superior transaction. For these reasons I approve the first order.

I am also satisfied that the direction to Dickinson Wright is appropriate, particularly since it has confirmed that it will meet the June 30, 2023, deadline. In light of that, I am prepared to approve the intercompany

distributions recommended by the Receiver, to approve the Receiver's Seventh report, including its fees and disbursements. For these reasons I approve the second order.

I have signed the orders in the form presented.