

COUNSEL SLIP

COURT FILE

NO.: CV-21-00673521-00CL

DATE: 09-FEB-2022

NO. ON LIST 3

TITLE OF
PROCEEDING

ONTARIO SECURITIES COMMISSION v. GO-TO DEVELOPMENTS
HOLDINGS INC. et al.

COUNSEL FOR:

PLAINTIFF(S)

PHONE _____

APPLICANT(S)

FAX _____

Moving Party(ies)

- I. Aversa; T. Dolny; S. Graff, for Court-appointed Receiver (iaversa@airdberlis.com; tdolny@airdberlis.com; sgraff@airdberlis.com)

EMAIL _____

COUNSEL FOR:

DEFENDANT(S)

PHONE _____

Responding Party(ies) / Other

- E. Hoult; B. Stapleton, for OSC (ehoult@osc.gov.on.ca; bstapleton@osc.gov.on.ca)
- G. Azeff; M. Faheim, for Appellants (gazeff@millerthomson.com; mfaheim@millerthomson.com)
- K. Kraft; S. Wilson, for 341868 Ontario Limited and Kesbro Inc. (kenneth.kraft@dentons.com; sara.wilson@dentons.com)
- D. Touesnard, for Mortgage Holder (dtouesnard@waterousholden.com)
- J. Naster, for Anthony Marek and Northridge Maroak Developments (jnaster@btlegal.ca)
- B. Moldaver, for Richmond & Mary Development Inc., Hans Jain, 2768819 Ontario Ltd. And 2434547 Ontario Inc. (brett@moldaverbarristers.com)
- D. Pollack; R. Varcoe, for Kingsett Capital Inc. (dpollack@kingsettcapital.com; rvarcoe@kingsettcapital.com)
- Etc.

FAX _____

EMAIL _____

JUDICIAL NOTES:

Conway J. Endorsement

The Receiver's motion proceeded before me on an unopposed/consent basis. The Receiver seeks approval of a sale process for the subject properties. Yesterday, offers were presented by Mr. Furtado's counsel for the Glendale and Aurora properties, which he seeks to remove from the sale process. Counsel have negotiated a resolution that will permit the sale process to go forward while having the Receiver evaluate the two offers. They have agreed on the following terms, which I endorse:

The Receiver, the Receivership Respondents and Mr. Oscar Furtado ("**Furtado**", and with the Receivership Respondents, the "**Respondents**") agree that the Order sought by the Receiver at the hearing scheduled on February 9, 2022 shall be issued, on consent, pursuant to the following terms:

1. The Receiver agrees to use its best efforts to evaluate the agreement of purchase and sale for :

A. 527 Glendale Avenue, St. Catherines, ON, at PIN 46415-0949 (the "**Glendale Property**"), in the form appended as Confidential Exhibit "A" to the Respondents' motion record dated February 8, 2022 (the "**Glendale Offer**"), such that:

if the Receiver determines, after performing due diligence, that:

- I. the Glendale Offer is in the best interests of all relevant stakeholders; and
- II. the Receiver is advised in writing by all investors in the Glendale Property that the Receiver ought to accept the offer,

the Receiver will take steps to accept the Glendale Offer on the same economic terms as presented within Confidential Exhibit "A", as amended in consultation with the relevant parties, such that the Glendale Property will not form part of the Sale Process on a going forward basis.

The Receiver will communicate its intention to accept or reject the Glendale Offer by 5:00 PM EST on Friday, February 18, 2022 (the "**Acceptance Deadline**").

B. 4951 Aurora Road, Stouffville, ON at PIN 03491-0193 (the "**Aurora Property**") in the form appended as Confidential Exhibit "D" to the Respondents' motion record dated February 8, 2022 (the "**Aurora Offer**"), such that:

if the Receiver determines, after performing due diligence, that:

- I. the Aurora Offer is in the best interests of all relevant stakeholders;
- II. the Receiver is advised in writing by the owners of the other parcels subject to the Aurora Offer that the Aurora Offer is acceptable;
- III. the Receiver is advised in writing by all investors and stakeholders, as the Receiver deems appropriate, in the Aurora Property that the Receiver ought to accept the offer; and
- IV. the Receiver is satisfied that the proceeds from the Aurora Offer as allocated to the Aurora Property will be sufficient to pay, in full, all costs, expenses and stakeholder interests in respect of the Aurora Property,

the Receiver will take steps to accept the Aurora Offer on the same economic terms as presented within Confidential Exhibit "D", as amended in consultation with the relevant parties, such that the Aurora Property will not form part of the Sale Process on a going forward basis.

The Receiver will communicate its intention to accept or reject the Aurora Offer by the Acceptance Deadline.

2. Approval of the Sale Process, as defined in the Order, remains without prejudice to the Respondents' right to return to this Court in the event that the Receiver communicates its intention to reject the

Glendale Offer and/or the Aurora Offer, and seek to have the Glendale Property and/or the Aurora Property excluded from the Sale Process.

3. If the Receiver accepts the Glendale Offer and/or the Aurora Offer by the Acceptance Deadline, an amount of \$50,000 in each of the Glendale Offer and the Aurora Offer shall be included as costs for CBRE Limited (“**CBRE**”) in consideration for its professional fees and expenses to market the Glendale Property and the Aurora Property in the Sale Process.
4. The Respondents are restrained from engaging in any further sales or marketing efforts of the Real Property, and shall direct any potential purchasers to the Receiver and/or the relevant Realtor.

The remaining relief on the motion is acceptable to me, including approval of the first and second reports.

I am granting a sealing order for Confidential Appendix “1” to the Second Report in light of the ongoing sale process and the commercially sensitive information contained therein. I am satisfied that it meets the *Sierra Club/Sherman Estate* test for sealing. In addition, I am sealing the Confidential Exhibit Brief of the Responding Motion Record, for the same reasons (and it contains private information about the investors).

Order to go as signed by me and attached to this endorsement. This order is effective from today's date and is enforceable without the need for entry and filing.

A handwritten signature in blue ink, appearing to read "Conway J.", with a stylized flourish at the end.