



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP

COURT FILE NO.: CV-21-673521-00CL DATE: 20 January 2023

NO. ON LIST: 1 & 2

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

BEFORE JUSTICE: **CONWAY**

**PARTICIPANT INFORMATION**

**For Applicant:**

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## **ENDORSEMENT OF JUSTICE CONWAY**

**All defined terms used in this Endorsement shall, unless otherwise defined, have the meanings ascribed to them in the Factum of KSV Restructuring Inc. dated January 17, 2023.**

The Receiver brings this motion for two orders. One is for approval of the Aurora Transaction and the Aurora AVO. The other is for ancillary relief – approval of the Sixth Report Supplement and the activities of the Receiver and its counsel described therein; authorization to distribute monies from Go-To Eagle Valley to Imperio and the Lien Claimants; and production of the Unredacted Trust Ledgers to seek the identity of Mr. Maltz's client.

The motion is unopposed. The ancillary order reflects a resolution with respect to the Recommended Lien Holdback Distributions and with Mr. Maltz's counsel on the Unredacted Trust Ledgers.

I am satisfied that both orders should be granted. With respect to the Aurora Transaction and Aurora AVO, the *Soundair* test has been satisfied. In particular, the sale process was conducted in accordance with the court-approved sale process, the property has been satisfactorily exposed to the market for almost a year, and the transaction represents the maximum recovery for the property. I approve the Aurora Transaction and Aurora AVO.

With respect to the Ancillary Order, I approve the Sixth Report Supplement and the activities of the Receiver and its counsel described therein. As noted, the Recommended Lien Holdback Distributions are not opposed by Imperio. On the Unredacted Trust Ledgers, I see no issue with disclosure of the identity of Mr. Maltz's client - see *Haroon v. Sheikh*, 2020 ONSC 1284, at para. 42; *Greymac Ontario (Securities Commission) v. Greymac Credit Corp.* (1983), 41 O.R. (2d) 328 (Div. Ct.), at 338. There is no client communication at issue here.

Counsel updated the court as to the status of the Lloyds insurance matter. Ms. Gray repeated her request to schedule a lift-stay motion. The Receiver and the OSC object to this proceeding. They submit that there is no urgency to this motion, that it will only deplete resources available to stakeholders, that there are parallel proceedings between Lloyds and Mr. Furtado that will be relevant to this motion, and that the motion is really a substantive one, not simply a lift stay motion.

After discussion with counsel, I have directed Ms. Gray to deliver Lloyds' motion materials so that the court can see what the issues are and whether it is appropriate to schedule the lift stay motion. I also direct counsel to confer with one another on the relationship between the two insurance proceedings and how those would impact Lloyds' proposed motion in this receivership. Once those steps have been completed, counsel may schedule a one hour case conference with me through the Commercial List office.

Orders to go as signed by me and attached to this Endorsement. These orders are effective from today's date and are enforceable without the need for entry and filing.

