

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

B E T W E E N :

**ONTARIO SECURITIES COMMISSION**

Applicant

- and -

**GO-TO DEVELOPMENTS HOLDINGS INC., OSCAR FURTADO, FURTADO HOLDINGS INC., GO-TO DEVELOPMENTS ACQUISITIONS INC., GO-TO GLENDALE AVENUE INC., GO-TO GLENDALE AVENUE LP, GO-TO MAJOR MACKENZIE SOUTH BLOCK INC., GO-TO MAJOR MACKENZIE SOUTH BLOCK LP, GO-TO MAJOR MACKENZIE SOUTH BLOCK II INC., GO-TO MAJOR MACKENZIE SOUTH BLOCK II LP, GO-TO NIAGARA FALLS CHIPPAWA INC., GO-TO NIAGARA FALLS CHIPPAWA LP, GO-TO NIAGARA FALLS EAGLE VALLEY INC., GO-TO NIAGARA FALLS EAGLE VALLEY LP, GO-TO SPADINA ADELAIDE SQUARE INC., GO-TO SPADINA ADELAIDE SQUARE LP, GO-TO STONEY CREEK ELFRIDA INC., GO-TO STONEY CREEK ELFRIDA LP, GO-TO ST. CATHARINES BEARD INC., GO-TO ST. CATHARINES BEARD LP, GO-TO VAUGHAN ISLINGTON AVENUE INC., GO-TO VAUGHAN ISLINGTON AVENUE LP, AURORA ROAD LIMITED PARTNERSHIP and 2506039 ONTARIO LIMITED**

Respondents

**APPLICATION UNDER  
Sections 126 and 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended**

**NOTICE OF MOTION  
(returnable October 31, 2023)**

KSV Restructuring Inc. (“KSV”), in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of the real property listed on Schedule “A” hereto (the “**Real Property**”) and all the other assets, undertakings and properties of each of the parties listed on Schedule “B” hereto (the “**Receivership Respondents**”), including all the assets held in trust or required to be held in trust by or for any of the Receivership Respondents, or by their lawyers, agents and/or any other person, and all proceeds thereof (collectively together with the Real Property, the “**Property**”), will make a motion to a

Judge of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on Tuesday, October 31, 2023 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The motion is to be heard:

- ☐ in writing under subrule 37.12.1 (1);
- ☐ in writing as an opposed motion under subrule 37.12.1 (4);
- ☒ in person;
- ☐ by telephone conference;
- ☐ by video conference.

**THE MOTION IS FOR:**

1. an Order, substantially in the form attached as Schedule “C” hereto, upholding the Receiver’s disallowance of the claim filed by Oscar Furtado (“**Mr. Furtado**”) against Go-To Stoney Creek (as defined below); and
2. such further and other relief as counsel may advise and this Court may permit.

**THE GROUNDS FOR THE MOTION ARE:**

- (a) the Receivership Respondents were developers of nine residential real estate projects in Ontario, and Mr. Furtado was the Receivership Respondents’ founder and directing mind;<sup>1</sup>
- (b) between 2016 and 2020, Mr. Furtado and the Receivership Respondents raised approximately \$80 million from Ontario investors for these nine real estate projects by selling limited partnership units;<sup>2</sup>

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<sup>1</sup> Endorsement of The Honourable Mr. Justice Pattillo (the “**Pattillo Endorsement**”), at para. 8.

<sup>2</sup> Pattillo Endorsement, *supra*, at para. 8.

- (c) one of the real estate projects was owned by the Receivership Respondents named Go-To Stoney Elfrida LP and Go-To Stoney Creek Elfrida Inc. (jointly, “**Go-To Stoney Creek**”), which were involved in the proposed development of certain properties in Hamilton (the “**Stoney Creek Properties**”);
- (d) another one of the real estate projects was owned by the Receivership Respondents named Go-To Adelaide Square LP (“**Adelaide LP**”) and Go-To Adelaide Spadina Inc. (jointly, “**Go-To Adelaide**”), which were involved in the development and partial construction of certain properties on Adelaide Street West and Charlotte Street in downtown Toronto (the “**Adelaide Properties**”);
- (e) on December 10, 2021, upon application by the Ontario Securities Commission (the “**Commission**”) pursuant to the *Securities Act* (Ontario), KSV was appointed Receiver over the Property of all the Receivership Respondents by Order of this Court (the “**Receivership Order**”). In granting the Commission’s application, this Court was “*satisfied based on the Commission’s evidence of [Mr.] Furtado’s dealings in respect of Adelaide LP that it is in the best interest of the investors in the Go-To projects that a receiver be appointed to ensure that the Go-To projects are managed in a proper fashion to protect the investors’ investments.*”<sup>3</sup> Amongst other things, this Court noted that “*The Commission’s evidence establishes [Mr.] Furtado:*
  - (i) *Arranged to personally profit from Adelaide LP’s purchase of the [Adelaide] Properties; [and]*
  - (ii) *Misused other Go-To LP assets to secure Adelaide LP’s acquisition of the [Adelaide] Properties.*”<sup>4</sup> In particular, and without limiting the generality of the foregoing, “[Mr.] Furtado pledged the assets of [Go-To Stoney Creek] to secure Adelaide LP obligations contrary to the LP agreements and without notice to any of the unit holders;”<sup>5</sup>

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<sup>3</sup> Pattillo Endorsement, *supra*, at para. 22.

<sup>4</sup> Pattillo Endorsement, *supra*, para. 24.

<sup>5</sup> Pattillo Endorsement, *supra*, para. 13.

- (f) Mr. Furtado unsuccessfully attempted to appeal (and stay) the Receivership Order at both appellate levels:<sup>6</sup>
- (i) on December 29, 2021, the Court of Appeal for Ontario (the “**Court of Appeal**”) dismissed Mr. Furtado’s motion to stay the Receivership Order pending an appeal of the granting of the Receivership Order (the “**Appeal**”);
  - (ii) on April 28, 2022, the Court of Appeal dismissed the Appeal;
  - (iii) on June 27, 2022, Mr. Furtado filed a Notice of Application seeking leave to appeal the Court of Appeal’s dismissal of the Appeal to the Supreme Court of Canada, which leave application the Supreme Court of Canada dismissed on February 16, 2023;
- (g) on April 7, 2022, this Court approved a claims procedure (the “**Claims Procedure**”), pursuant to which the Receiver is authorized, directed and empowered to administer the Claims Procedure for the purpose of calling for, assessing and determining claims against the Receivership Respondents;
- (h) notwithstanding Mr. Furtado’s conduct, including, without limitation, his misuse of Go-To Stoney Creek’s assets by pledging them to secure Adelaide LP obligations contrary to Go-To Stoney Creek’s limited partnership agreement and without notice to any of Go-To Stoney Creek’s unit holders, Mr. Furtado has filed a claim pursuant to the Claims Procedure against Go-To Stoney Creek;
- (i) substantially all of Mr. Furtado’s claim against Go-To Stoney Creek relates to fees totalling \$867,769 that he claims are owing to him for guaranteeing certain mortgages that were registered on title to the Stoney Creek Properties;<sup>7</sup>

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<sup>6</sup> Seventh Report of the Receiver dated June 6, 2023 (the “**Seventh Report**”), s. 1.0.

<sup>7</sup> Mr. Furtado has not disputed the Receiver’s disallowance of the remainder of his claim (a nominal amount of \$748) in respect of a purported shareholder loan.

- (j) on March 28, 2023, the Receiver issued the requisite notice under the Claims Procedure disallowing Mr. Furtado's claim against Go-To Stoney Creek in full (the "**Stoney Creek Furtado Disallowance Notice**");
- (k) on April 11, 2023, Mr. Furtado's counsel (Miller Thomson LLP) issued the requisite notice under the Claims Procedure disputing the Receiver's disallowance of Mr. Furtado's claim against Go-To Stoney Creek (the "**Stoney Creek Furtado Dispute Notice**");
- (l) the Receiver provides several alternative reasons in the Stoney Creek Furtado Disallowance Notice for disallowing the claim, but the primary reason is that the claim "*constitutes undisclosed, related-party agreements made by a fiduciary in breach of the fiduciary's contractual and/or common law duties;*"
- (m) in response, the Stoney Creek Furtado Dispute Notice does not dispute the Receiver's finding that Mr. Furtado failed to disclose the agreements. Instead, the dispute states that "*Mr. Furtado disagrees entirely with the assertion that there was any requirement or obligation on his part to disclose the entitlement to guarantee fees. In addition and more importantly, any failure to disclose the guarantee fees does not eliminate the enforceable liability for guarantee fees, which is clearly and unequivocally documented in the Guarantee Agreement;*"
- (n) the Receiver stated in the Seventh Report that "*If the Stoney Creek Furtado Dispute Notice is not withdrawn in the following weeks, the Receiver intends to bring a motion to Court to have the Receiver's disallowance of the claim upheld*" (the "**Stoney Creek Disallowance Motion**");
- (o) the dispute has not been withdrawn, and, at a case conference held on August 14, 2023, the Court scheduled the Stoney Creek Disallowance Motion for two hours on October 31, 2023;
- (p) the Receiver cannot distribute further monies to Go-To Stoney Creek's stakeholders until the approximately \$868,000 claim filed by Mr. Furtado against Go-To Stoney Creek has been dealt with;

- (q) section 126 of the Securities Act;
- (r) rules 1.04, 2.03, 3.02, 37 and 41 of the *Rules of Civil Procedure* (Ontario); and
- (s) such further and other grounds as counsel may advise and this Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

- (a) the reports and supplements thereto filed in this proceeding by the Receiver (including, without limitation, the Seventh Report) and the appendices thereto (including, without limitation, the Stoney Creek Furtado Disallowance Notice and the Stoney Creek Furtado Dispute Notice);
- (b) the Receiver's aide-mémoire and document brief, both dated August 9, 2023;
- (c) the Court's endorsement dated August 14, 2023; and
- (d) such further and other material as counsel may submit and this Court may permit.

Date: September 29, 2023

**AIRD & BERLIS LLP**

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*Lawyers for the Receiver*

**TO: SERVICE LIST**

**Schedule "A"**  
**REAL PROPERTY**

1. 527 Glendale Avenue  
St. Catharines, ON  
PIN: 46415-0949
2. 185 Major MacKenzie Drive East  
Richmond Hill, ON  
PIN: 03139-0047
3. 197 Major MacKenzie Drive East  
Richmond Hill, ON  
PIN: 03139-0049
4. 209 Major MacKenzie Drive East  
Richmond Hill, ON  
PIN: 03139-0051
5. 191 Major MacKenzie Drive East  
Richmond Hill, ON  
PIN: 03139-0048
6. 203 Major MacKenzie Drive East  
Richmond Hill, ON  
PIN: 03139-0050
7. 215 Major MacKenzie Drive East  
Richmond Hill, ON  
PIN: 03139-0052
8. 4210 Lyons Creek Road  
Niagara Falls, ON  
PIN: 64258-0110
9. 4248 Lyons Creek Road  
Niagara Falls, ON  
PIN: 64258-0713
10. 2334 St. Paul Avenue  
Niagara Falls, ON  
PIN: 64269-0559
11. 355 Adelaide Street West  
Toronto, ON  
PIN: 21412-0150

12. 46 Charlotte Street  
Toronto, ON  
PIN: 21412-0151
13. Highland Road  
Hamilton, ON  
PIN: 17376-0025
14. Upper Centennial Parkway  
Hamilton, ON  
PIN: 17376-0111
15. 19 Beard Place  
St. Catharines, ON  
PIN: 46265-0022
16. 7386 Islington Avenue  
Vaughan, ON  
PIN: 03222-0909
17. 4951 Aurora Road  
Stouffville, ON  
PIN: 03691-0193



**Schedule “B”**  
**RECEIVERSHIP RESPONDENTS**

1. GO-TO DEVELOPMENTS HOLDINGS INC.
2. FURTADO HOLDINGS INC.
3. GO-TO DEVELOPMENTS ACQUISITIONS INC.
4. GO-TO GLENDALE AVENUE INC.
5. GO-TO GLENDALE AVENUE LP
6. GO-TO MAJOR MACKENZIE SOUTH BLOCK INC.
7. GO-TO MAJOR MACKENZIE SOUTH BLOCK LP
8. GO-TO MAJOR MACKENZIE SOUTH BLOCK II INC.
9. GO-TO MAJOR MACKENZIE SOUTH BLOCK II LP
10. GO-TO NIAGARA FALLS CHIPPAWA INC.
11. GO-TO NIAGARA FALLS CHIPPAWA LP
12. GO-TO NIAGARA FALLS EAGLE VALLEY INC.
13. GO-TO NIAGARA FALLS EAGLE VALLEY LP
14. GO-TO SPADINA ADELAIDE SQUARE INC.
15. GO-TO SPADINA ADELAIDE SQUARE LP
16. GO-TO STONEY CREEK ELFRIDA INC.
17. GO-TO STONEY CREEK ELFRIDA LP
18. GO-TO ST. CATHARINES BEARD INC.
19. GO-TO ST. CATHARINES BEARD LP
20. GO-TO VAUGHAN ISLINGTON AVENUE INC.
21. GO-TO VAUGHAN ISLINGTON AVENUE LP
22. AURORA ROAD LIMITED PARTNERSHIP
23. 2506039 ONTARIO LIMITED

**Schedule “C”  
FORM OF ORDER BEING SOUGHT**

Court File No. CV-21-00673521-00CL

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

THE HONOURABLE	)	TUESDAY, THE 31ST
	)	
	)	
JUSTICE	)	DAY OF OCTOBER, 2023

B E T W E E N :

**ONTARIO SECURITIES COMMISSION**

Applicant

- and -

**GO-TO DEVELOPMENTS HOLDINGS INC., OSCAR FURTADO, FURTADO HOLDINGS INC., GO-TO DEVELOPMENTS ACQUISITIONS INC., GO-TO GLENDALE AVENUE INC., GO-TO GLENDALE AVENUE LP, GO-TO MAJOR MACKENZIE SOUTH BLOCK INC., GO-TO MAJOR MACKENZIE SOUTH BLOCK LP, GO-TO MAJOR MACKENZIE SOUTH BLOCK II INC., GO-TO MAJOR MACKENZIE SOUTH BLOCK II LP, GO-TO NIAGARA FALLS CHIPPAWA INC., GO-TO NIAGARA FALLS CHIPPAWA LP, GO-TO NIAGARA FALLS EAGLE VALLEY INC., GO-TO NIAGARA FALLS EAGLE VALLEY LP, GO-TO SPADINA ADELAIDE SQUARE INC., GO-TO SPADINA ADELAIDE SQUARE LP, GO-TO STONEY CREEK ELFRIDA INC., GO-TO STONEY CREEK ELFRIDA LP, GO-TO ST. CATHARINES BEARD INC., GO-TO ST. CATHARINES BEARD LP, GO-TO VAUGHAN ISLINGTON AVENUE INC., GO-TO VAUGHAN ISLINGTON AVENUE LP, AURORA ROAD LIMITED PARTNERSHIP and 2506039 ONTARIO LIMITED**

Respondents

**APPLICATION UNDER  
Sections 126 and 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended**

**ORDER  
(Stoney Creek Disallowance Matter)**

**THIS MOTION**, made by KSV Restructuring Inc. (“**KSV**”), in its capacity as the Court-appointed receiver and manager in this proceeding (in such capacity, the “**Receiver**”), for an order upholding the Receiver’s disallowance of the claim filed by Oscar Furtado (“**Mr. Furtado**”) against Go-To Stoney Elfrida LP and Go-To Stoney Creek Elfrida Inc. (jointly, “**Go-To Stoney Creek**”), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the facts of the Receiver and Mr. Furtado, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the Service List, as appears from the affidavit of service, filed,

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion of the Receiver is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
  2. **THIS COURT ORDERS** that the Receiver’s disallowance of the claim filed by Mr. Furtado against Go-To Stoney Creek in this receivership proceeding be and is hereby upheld, such that, for greater certainty, Mr. Furtado has no claim against Go-To Stoney Creek.
  3. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
  4. **THIS COURT HEREBY REQUESTS** the aid and recognition of any other Canadian and foreign court, tribunal, regulatory or administrative body (“**Judicial Bodies**”) to give effect to this Order and to assist the Receiver and its respective agents in carrying out the terms of this Order. All Judicial Bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its respective agents in carrying out the terms of this Order.
  5. **THIS COURT ORDERS** that this Order is effective from today’s date and is enforceable without the need for entry or filing.
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Applicant

Respondents

CV-21-00673521-00CL

<p><b>ONTARIO</b> <b>SUPERIOR COURT OF JUSTICE</b> <b>(COMMERCIAL LIST)</b></p> <p><b>Proceedings commenced at Toronto</b></p>	
<p><b>ORDER</b></p> <p><b>(Stoney Creek Disallowance Matter)</b></p>	
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ONTARIO SECURITIES COMMISSION

- and -

GO-TO DEVELOPMENTS HOLDINGS INC., et al.

Applicant

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CV-21-00673521-00CL

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

**Proceedings commenced at Toronto**

**NOTICE OF MOTION  
(returnable October 31, 2023)**

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