

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

|                  |   |                               |
|------------------|---|-------------------------------|
| THE HONOURABLE   | ) | TUESDAY, THE 21 <sup>st</sup> |
|                  | ) |                               |
| JUSTICE CAVANAGH | ) | DAY OF NOVEMBER, 2024         |

B E T W E E N:

**KINGSETT MORTGAGE CORPORATION**

Applicant

- and -

**MAPLEVIEW DEVELOPMENTS LTD., PACE MAPLEVIEW LTD and 2552741  
ONTARIO INC.**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE  
*BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND  
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

**ORDER**

**THIS MOTION**, made by KSV Restructuring Inc. in its capacity as the Court-appointed receiver and manager of certain assets of the Respondents (in that capacity, the “**Receiver**”), for a determination of the extent to which the claims of construction lien claimants (collectively, the **Lien Claims**) are Priority Payables was heard on September 17, 2024 at the Court House at 330 University Avenue, Toronto, Ontario, and by videoconference via Zoom.

**ON READING** the Second Report of the Receiver dated July 26, 2024, the Affidavit of Daniel Pollack sworn on August 14, 2024, the Affidavit of Carolin Jumaa sworn August 2, 2024, the Affidavit of Ying (Teddy) Ouyang sworn August 15, 2024, the Factum of the Receiver dated August 29, 2024, the Responding Factum of the Lien Claimants Sunbelt Rentals of Canada Inc. and Mykon Electric North Ltd. dated September 5, 2024, the Responding Factum of the Fuller Landau Group Inc., in its capacity as the Court-appointed Receiver of Quality Rugs of Canada Limited, *et al*, dated September 5, 2024, the Reply Factum of the Receiver dated September 11, 2024, 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, although properly served as appears from the affidavit of Sierra Farr affirmed July 29, 2024, filed,

1. **THIS COURT ORDERS** that unless otherwise indicated herein, capitalized words and terms have the meaning given to them in the Second Report or the Sale Approval, Vesting and Ancillary Matters Order dated August 16, 2024 (the “**AVO**”), as applicable.
2. **THIS COURT ORDERS AND DECLARES** that the Lien Claims are not Priority Payables, except to the extent of the deficiency in the holdbacks required to be retained pursuant to the *Construction Act*, RSO 1990, c C30, as such holdback amounts are agreed upon or determined pursuant to the AVO.
3. **THIS COURT ORDERS** that, subject to this Order becoming Final Order (as defined in the Sale Agreement), the Receiver is hereby authorized and directed to release an amount from the Lien Claimants’ Reserve to the Purchaser such that the amount of the Lien Claimants’ Reserve is reduced to the aggregate of the lesser of (i) \$3,735,262.27 and (ii)

the maximum potential Holdback Claim owing to each Construction Lien Claimant from time to time as such amounts are agreed upon or determined pursuant to the AVO.

4. **THIS COURT ORDERS** that, should the parties to this motion be unable to resolve the issue of costs, they may make written submissions to the Court, in accordance with a timetable to be agreed upon by counsel and approved by the Court.
5. **THIS COURT ORDERS** that this Order is effective from November 21, 2024, and is enforceable without the need for entry and filing.

---

Justice Cavanagh

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

**KINGSETT MORTGAGE CORPORATION**

**and MAPLEVIEW DEVELOPMENTS LTD., PACE MAPLEVIEW LTD. and 2552741 ONTARIO INC.**

Applicant

Respondents

Court File No.: CV-24-00716511-00CL

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

PROCEEDING COMMENCED AT TORONTO

**ORDER**

**OSLER, HOSKIN & HARCOURT LLP**

100 King Street West  
1 First Canadian Place  
Suite 6200, P.O. Box 50  
Toronto ON M5X 1B8

**Marc Wasserman** (LSO# 44066M)

Tel: 416.862.4908

Email: [mwasserman@osler.com](mailto:mwasserman@osler.com)

**David Rosenblat** (LSO# 64586K)

Tel: 416.862.5673

Email: [drosenblat@osler.com](mailto:drosenblat@osler.com)

**Roger Gillott** (LSO# 37816L)

Tel: 416.862.6818

Email: [rgillott@osler.com](mailto:rgillott@osler.com)