



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000142-0000 DATE: APRIL 17, 2026

NO. ON LIST: 3

TITLE OF PROCEEDING: CORTLAND CREDIT LENDING CORPORATION v. SEQUENT AI LTD.; SEQUENT AI EXCHANGE CO LTD.; FULCRUM STONWORKS EXCHANGE CO LTD.

BEFORE: JUSTICE W.D. BLACK

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Valerie Cross Cassandra Federico	Counsel for the Applicant	valerie.cross@dentons.com cassandra.federico@dentons.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
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For Other, Self-Represented:

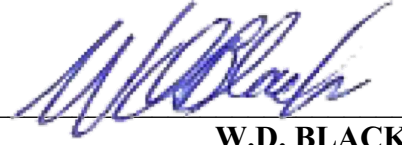
Name of Person Appearing	Name of Party	Contact Info
Heather Meredith Sanea Tanvir	Counsel for KSV Restructuring Inc. – Proposed Receiver	hmeredith@mccarthy.ca stanvir@mccarthy.ca
Noah Goldstein Murtaza Tallat	Proposed Receiver – KSV Restructuring Inc.	ngoldstein@ksvadvisory.com mtallat@ksvadvisory.com

ENDORSEMENT

[1] The applicant Cortland (in this endorsement I will use this and other terms as defined in the applicant's materials), seeks a Receivership Order appointing KSV as Receiver of the assets, undertakings and properties of the Debtors.

- [2] The Borrower, which operated in the business of reselling information technology hardware and software, has been in default under its loan arrangements with Cortland, as agent on behalf of a group of secured lenders, since approximately January of 2024.
- [3] The Credit Facility was extended to the Borrower under the terms of the Credit Agreement and, as security for the Indebtedness and pursuant to the terms of the Credit Agreement, the Borrower granted to Cortland the Borrower GSA. The other Debtors executed Guarantees (dated June 29, 2023), guaranteeing all of the Borrower's obligations to Cortland.
- [4] The Borrower defaulted on several of its obligations under the Credit Agreement throughout 2024 and 2025.
- [5] Cortland has been monitoring the Debtors' circumstances and has entered into a series of amendments to provide the Debtors with time to address the Existing Defaults.
- [6] The Debtors have not rectified the Existing Defaults, financial reporting for the Borrower is deficient, and the Debtors have not advanced a valid restructuring plan.
- [7] Accordingly, on March 12, 2026, Cortland (through counsel) issued the Demands to the Borrower and the Debtors for payment of the Indebtedness, attaching Notices of Intention to enforce security under section 244(1) of the BIA, establishing a payment deadline of March 23, 2026. Cortland also issued demand upon Mr. Clementi, with reference to the pledge of his shares of Stoneworks Technologies in favour of Cortland.
- [8] As at March 31, 2026, the outstanding Indebtedness totaled \$39,779,089.64, inclusive of principal and interest up to March 12, 2026, but exclusive of interest accruing thereafter and exclusive of fees, cost, and expenses, including legal fees.
- [9] The Borrower and the Debtors have failed to cure the Existing Defaults, and have in fact provided signed consents to enforcement (in the forms attached to the Demands).
- [10] I find that it is just and convenient in these circumstances to appoint KSV as Receiver as requested, and that Cortland is permitted to bring this application under s.243(1) of the BIA.
- [11] Notices of Intention to Enforce Security have been delivered in accordance with s. 244 of the BIA and the 10-day notice period thereunder has expired.
- [12] I find that the circumstances comply with the technical requirements under the BIA for the appointment of the Receiver. In reaching this conclusion, and in determining that it is just and convenient to appoint the Receiver, I have considered the list of factors set out by Osborne J. (as he then was) in *iSpan Systems LP*, 2023 ONSC 6212.
- [13] In addition, I note that there is no opposition to the Receivership and that in fact, as set out above, the Debtors have consented to this relief.
- [14] In the circumstances, I am granting the relief sought, and have signed the order provided by the applicant.

[15] At the request of the Receiver, I have also booked a hearing for consideration of a sales process. That hearing will proceed before me on May 5, 2026, at 12:00 Noon for one hour.



W.D. BLACK J.

DATE: APRIL 17, 2026