



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00698576-00CL

DATE: May 3, 2024

NO. ON LIST: 3

TITLE OF PROCEEDING: KINGSETT MORTGAGE CORPORATION AND DORR CAPITAL CORPORATION v. STATEVIEW HOMES (MINU TOWNS) INC et al

BEFORE: JUSTICE CONWAY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Sean Zweig Milan Singh-Cheema	Counsel for the Applicant, KingSett Mortgage Corporation	zweigs@bennettjones.com singhcheemam@bennettjones.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
Alec Hoy Alan Merskey	Counsel for the Receiver, KSV Restructuring Inc.	ahoy@cassels.com amerskey@cassels.com
Alyssa Wiebe	Counsel for the Carpenter's Union	alyssa@rousseau Mazzuca.com

ENDORSEMENT OF JUSTICE CONWAY:

- [1] There are two motions before me. The first is a motion by Kingsett authorizing and directing the Receiver to assign Taurasi Holdings into bankruptcy.
- [2] The second is the Receiver's motion for two orders, (i) the approval and vesting order (AVO) for the Oster Property, and (ii) the distribution order that approves an interim distribution to Kingsett, approves the Receiver's activities set out in the Ninth Report, approves its fees and disbursements and those of its counsel, and approves the allocation of those fees and disbursements in accordance with the Allocation Methodology
- [3] Both motions are unopposed.
- [4] I am satisfied that both motions should be granted. On Kingsett's motion, it is well established that the court can authorize and direct a receiver to make a voluntary assignment into bankruptcy: *Royal Bank v Sun Squeeze Juices Inc.*, (1994) CarswellOnt 266. Moreover, it is appropriate to make such an order to alter priorities pursuant to the BIA regime (in this case, to alter the CRA deemed trust claim): see, for example, *2403177 Ontario Inc. v. Bending Lake Iron Group Ltd.*, 2016 ONSC 199.
- [5] On the Receiver's motion, I am satisfied that the *Soundair* principles have been met and the transaction should be approved. I am also satisfied that the requested sealing order for the Confidential Appendix meets the test in *Sierra Club/Sherman Estates* and that disclosure of this information would pose a risk to the public interest in enabling stakeholders of a company in receivership to maximize the realization of assets. **I direct counsel for the Receiver to file a hard copy of the Confidential Appendix with the Commercial List office in a sealed envelope with a copy of the AVO and this Endorsement.**
- [6] The relief sought in the Distribution Order is acceptable and approved. In particular, the distribution to Kingsett as a secured creditor, subject to a reserve, is satisfactory. The activities and fees and disbursements are acceptable.
- [7] 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.

A handwritten signature in blue ink, appearing to read "Conway J.", is located at the bottom left of the page.