

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

**KSV KOFMAN INC., by and on behalf of URBANCORP CUMBERLAND 1 LP, by its
general partner, URBANCORP CUMBERLAND 1 GP INC.**

Applicant

- and -

URBANCORP RENEWABLE POWER INC.

Respondent

Application Under Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43,
as amended, and Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-
3, as amended

**FACTUM OF THE RECEIVER
(DISCHARGE ORDER)**

February 23, 2026

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Lawyers for the Receiver

TO: E-Service List located at
https://www.ksvadvisory.com/docs/default-source/insolvency-case-documents/urbancorp-renewable-power-inc/receivership-proceedings/service-list/service-list-as-at-december-9-2020.pdf?sfvrsn=62b856d5_0

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**FACTUM OF THE RECEIVER
(DISCHARGE OF THE RECEIVER)**

PART I - OVERVIEW

1. This Factum is filed by KSV Restructuring Inc. (formerly KSV Kofman Inc.) (“**KSV**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) of the assets, undertakings, and properties of Urbancorp Renewable Power Inc. (“**URPI**”) in support of the Receiver’s motion returnable February 25, 2026 for an Order, *inter alia*:

- (a) if necessary, abridging the time for service of this Notice of Motion and the Motion Record;
- (b) approving the activities of the Receiver as set out in the Seventh Report of the Receiver dated February 18, 2026 (the “**Report**”);

- (c) approving the fees and disbursements of the Receiver and its counsel Davies Ward Phillips & Vineberg LLP ("**Davies**") as set out in the Report;
 - (d) discharging KSV as the Receiver of URPI subject to the filing of a discharge certificate with this Court (the "**Receiver's Discharge Certificate**") confirming that it has remitted the balance of funds in the Receiver's account to KSV Restructuring Inc., in its capacity as monitor (the "**Monitor**") of the Urbancorp group of companies subject to Companies' Creditors Arrangement Act proceedings in Court File No. CV-16-11389-00CL (the "**CAA Proceedings**");
 - (e) releasing KSV, and its directors and officers, from any and all liability in any way arising from its capacity as the Receiver save and except for any gross negligence or wilful misconduct; and
 - (f) such further and other relief as counsel may request and this Court may permit.
2. The Receiver is presently unaware of any opposition to the requested relief.

PART II - BACKGROUND AND FACTS

A. Background

3. The facts with respect to this motion are set out in more detail in the Report. Capitalized terms not otherwise defined herein have the meanings given to them in the Report.¹

4. KSV was appointed as the Receiver of URPI on June 28, 2018, pursuant to an Order of the Court (the “**Receivership Order**”).² During the course of these proceedings (the “**Receivership**”), the Receiver settled certain litigation, and sold certain geothermal assets (the “**Recovery Activities**”) generating material recoveries for stakeholders.³

B. Transfer of Remaining Funds to the Monitor

5. During the Receivership, the Monitor provided loans to fund URPI’s operating expenses and the costs of the Receivership, substantially all of which amounts were repaid from the Recovery Activities.⁴

6. The balance in the Receiver’s account is approximately \$49,500. The Receiver proposes that these funds, after paying the Receiver’s final billing in the amount of approximately \$20,416, be paid to the Monitor to reimburse it for sundry unpaid costs related to the administration of the Receivership, including unpaid interest under the

¹ Seventh Report to Court of KSV Restructuring Inc. as Court Appointed Receiver and Manager of Urbancorp Renewable Power Inc. dated February 18, 2026 [**Report**], Receiver’s Motion Record [**MR**], tab 2, [page 12, E1471](#).

² Report, Section 3.0, para. 1, MR, tab 2, [page 21, E1480](#).

³ Report, Section 3.0, para. 1, MR, tab 2, [page 21, E1480](#).

⁴ Report, Section 3.0, para. 2, MR, tab 2, [page 21, E1480](#).

Receiver's Borrowing Charge (which was advanced by the Monitor from the CCAA Proceedings) and which was approved pursuant to the Receivership Order.⁵

7. Upon paying the balance in the Receiver's account, the Receiver's administration will be complete. Accordingly, the Receiver seeks an Order discharging it as Receiver.⁶

C. Approval of the Receiver's Fees and Disbursements

8. The Receiver seeks the approval of its fees and disbursements during the period from June 28, 2018 through to and including January 31, 2026 and approval of the fees and disbursements of its counsel, Davies, incurred during the period from July 1, 2018 through to and including September 30, 2021.⁷ These fees cover the entire duration of the Receivership.⁸

9. In support of this motion, the Receiver prepared the Report, which attaches affidavits from representatives of the Receiver and Davies that provide a comprehensive listing of the accounts sought to be passed and summary tables identifying the individual professionals that have worked on this matter, their hourly billing rates and total numbers of hours worked, among other information.⁹

⁵ Report, Section 3.0, para. 3, MR, tab 2, [page 21, E1480](#).

⁶ Report, Section 3.0, para. 4, MR, tab 2, [page 21, E1480](#).

⁷ Report, Section 7.0, para. 1, MR, tab 2, [page 23, E1482](#).

⁸ Report, Section 7.0, para. 3, MR, tab 2, [page 23, E1482](#).

⁹ See, respectively, Appendix "L", Affidavit of Noah Goldstein sworn February 17, 2026, MR, tab 2, [page 197, E1656](#), and Appendix "M", Affidavit of Robin B. Schwill sworn February 18, 2026, MR, tab 2, [page 307, E1766](#).

10. The fees and disbursements (excluding HST) of KSV from June 28, 2018 through to and including January 31, 2026 total \$891,638.27.¹⁰

11. The fees and disbursements (excluding HST) of Davies, incurred during the period from July 1, 2018 through to and including September 30, 2021 total \$700,196.03.¹¹

PART III - ISSUES

12. The issues on this motion are whether this Court should:

- (a) approve the activities and actions of the Receiver;
- (b) approve the fees and disbursements of the Receiver and Davies; and
- (c) discharge and release KSV as the Receiver upon the filing of the Receiver's Discharge Certificate.

PART IV - LAW AND ARGUMENT

A. The Court Should Approve the Report and the Activities of the Receiver

13. The Court has inherent jurisdiction to review and approve or disapprove the activities of a court-appointed receiver. If the receiver has met the objective test of demonstrating that it has acted reasonably, prudently and not arbitrarily, the court may approve the activities set out in its report to the court.¹²

¹⁰ Report, Section 7.0, para. 1, MR, tab 2, [page 23, E1482](#).

¹¹ Report, Section 7.0, para. 1, MR, tab 2, [page 23, E1482](#).

¹² [Leslie & Irene Dube Foundation Inc. v. P218 Enterprises Ltd., 2014 BCSC 1855 at para 54](#).

14. All activities and actions of the Receiver described in the Report were reasonable and undertaken in good faith pursuant to the Receiver's duties and powers set out in this Court's orders. Therefore, the Receiver respectfully submits that the Court should approve the activities of the Receiver described in the Report.

B. The Fees and Disbursements of the Receiver and its Counsel should be Approved

15. Paragraph 16 of the Receivership Order specifically provides that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, unless otherwise ordered by the Court on the passing of accounts.

16. The fees and disbursements of the Receiver as set out in the Report are fair and reasonable under the circumstances at rates consistent with those of other Toronto accounting firms providing insolvency and restructuring services.

17. The standard to be applied is whether the compensation sought is "*fair and reasonable*", with an emphasis on the value provided and what was accomplished.¹³

18. The Receiver has reviewed the fees and disbursements of Davies as set out in the Report and has confirmed that the services reflected therein have been duly authorized and duly rendered and are reasonable in the Receiver's opinion.¹⁴

¹³ [Bank of Nova Scotia v. Diemer, 2014 ONCA 851 at paras. 44-45.](#)

¹⁴ Report, Section 7.0, para. 4, MR, tab 2, [page 23, E1482](#).

19. The Respondents do not oppose the approval of the Receiver's activities or the approval of the fees and disbursements of the Receiver and Davies as set out in the Report.

20. Based on the foregoing, the Receiver respectfully submits that fees and disbursements of the Receiver, and those of Davies, should be approved by this Court.

C. The Court Should Approve the Discharge of the Receiver upon the filing of the Receiver's Discharge Certificate

21. The draft Discharge Order provides that upon the filing of the Receiver's Discharge Certificate certifying that all matters in connection with the receivership of URPI have been completed, the Receiver shall be discharged and released.¹⁵

22. The proposed Discharge Order provides that KSV shall remain the Receiver for the performance of any incidental duties as may be required to complete the administration of the URPI's estate. In fulfilling such duties, the Receiver shall continue to have the benefit of the provisions of all orders made in connection with this receivership.¹⁶

23. The relief with respect to the Discharge Order is consistent with the Commercial List's Model Discharge Order.¹⁷

¹⁵ Draft Discharge Order, para. 5, MR, tab 3, [page 457, E1916](#).

¹⁶ *Ibid.*

¹⁷ Blackline of Draft Discharge Order to Commercial List Model Order, MR, tab 4, [page 463, E1922](#).

24. The termination of these proceedings is appropriate given that there will be no more assets for the Receiver to realize upon, the Receiver will have completed all its statutory duties and obligations under the Appointment Order, and the administration of URPI's estate will be complete.

25. Further, the payment to the Monitor is appropriate since the Monitor advanced funds from the CCAA Proceedings under the Court-approved Receiver's Borrowing Charge to cover the Receiver's operating expenses, and the Monitor has not, and will not be, fully repaid.

D. The Receiver Should be Released

26. The Receiver respectfully submits that it is also appropriate to grant a limited release in its favour. In *Pinnacle v Kraus*, this Court held that in the absence of any evidence of improper or negligent conduct on the part of the Receiver, the release in favour of the Receiver should be granted.¹⁸

27. Throughout the Receivership, the Receiver has acted prudently and contributed to the administration of these proceedings. Accordingly, the Receiver respectfully submits that the requested release is reasonable in the circumstances, will provide the Receiver with finality, and should be granted.

¹⁸ [*Pinnacle v Kraus*, 2012 ONSC 6376 at para 47.](#)

PART V - ORDER REQUESTED

28. For the reasons set forth herein and in the Report, the Receiver respectfully requests the granting of the Discharge Order substantially in the form included at tab 3 of the Receiver's motion record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 23rd day of February, 2026.

Sean Monahan

Sean Monahan
Lawyers for the Receiver

SCHEDULE "A"
CASES RELIED ON

1. [*Bank of Nova Scotia v. Diemer*, 2014 ONCA 851](#)
2. [*Leslie & Irene Dube Foundation Inc. v. P218 Enterprises Ltd.*, 2014 BCSC 1855](#)
3. [*Pinnacle Capital Resources Ltd. v. Kraus Inc.*, 2012 ONSC 6376](#)

SCHEDULE "B" **STATUTES RELIED ON**

Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3

Court may appoint receiver

243. (1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

(a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;

(b) exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or

(c) take any other action that the court considers advisable.

Good faith, etc.

247. A receiver shall

(a) act honestly and in good faith; and

(b) deal with the property of the insolvent person or the bankrupt in a commercially reasonable manner.

Receiver may apply to court for directions

249. A receiver may apply to the court for directions in relation to any provision of this Part, and the court shall give, in writing, such directions, if any, as it considers proper in the circumstances.

Right to apply to court

250. An application may be made under section 248 or 249 notwithstanding any order of a court as defined in subsection 243(1).

Rules of Civil Procedure, R.R.O. 1990, Regulation 194

Extension or Abridgment

3.02 (1) Subject to subrule (3), the court may by order extend or abridge any time prescribed by these rules or an order, on such terms as are just. R.R.O. 1990, Reg. 194, r. 3.02 (1).

(2) A motion for an order extending time may be made before or after the expiration of the time prescribed. R.R.O. 1990, Reg. 194, r. 3.02 (2).

Jurisdiction of Judge

37.02 (1) A judge has jurisdiction to hear any motion in a proceeding. R.R.O. 1990, Reg. 194, r. 37.02 (1).

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