



Court File No. CV-24-00714543-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE) THURSDAY, THE 13TH
JUSTICE MYERS) DAY OF NOVEMBER, 2025

BETWEEN

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

**759 WINSTON CHURCHILL GP INC., 759 WINSTON CHURCHILL L.P., 688
SOUTHDOWN GP INC., 688 SOUTHDOWN LP, 2226 ROYAL WINDSOR GP INC. and
2226 ROYAL WINDSOR LP**

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

(SALE PROCESS APPROVAL)

THIS MOTION, made by KSV Restructuring Inc. in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”) of, among other things, the real property legally described in **Schedule “A”** hereto (the “**Real Property**”) and all present and future assets, undertakings and personal property of 688 Southdown GP Inc. (“**Southdown GP**”), 688

Southdown LP (“**Southdown LP**”), 2226 Royal Windsor GP Inc. (“**Royal Windsor GP**”) and 2226 Royal Windsor LP (“**Royal Windsor LP**” and together with Southdown GP, Southdown LP and Royal Windsor GP, the “**Debtors**” and each a “**Debtor**”), including all permits and deposits paid and obtained on behalf of a Debtor, located at, related to, used in connection with or arising from or out of the Real Property, including all proceeds therefrom (collectively with the Real Property, the “**Property**”), for an order, *inter alia*, approving a sale process in respect of the Property, in the form attached hereto as **Schedule “B”** (the “**Sale Process**”) was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the Third Report of the Receiver dated November 6, 2025 and the Appendices thereto (the “**Third Report**”) and on hearing the submissions of counsel for the Receiver and the Applicant and the other parties listed on the counsel slip, no one else appearing for any other party although duly served as appears from the affidavit of service of Marleigh Dick affirmed November 11, 2025,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record 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 capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Third Report.

SALE PROCESS

3. **THIS COURT ORDERS** that the Sale Process is hereby approved and the Receiver is hereby authorized and directed to implement the Sale Process pursuant to the terms thereof and is

hereby authorized and directed to perform its obligations thereunder and to do all things reasonably necessary to perform its obligations thereunder, subject to prior approval of the Court being obtained before completion of any transaction under the Sale Process.

4. **THIS COURT ORDERS** that the Receiver and its affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Sale Process, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Receiver in performing its obligations under the Sale Process, as determined by this Court in a final order that is not subject to appeal or other review.

5. **THIS COURT ORDERS** that, in conducting the Sale Process, the Receiver shall have all of the benefits and protections granted to it under the *Bankruptcy and Insolvency Act* R.S.C. 1985, c. B-3, as amended, the Receivership Order and any other Order of this Court in the within proceeding.

STALKING HORSE PURCHASE AGREEMENT

6. **THIS COURT ORDERS** that the Receiver is hereby authorized and empowered, *nunc pro tunc*, to enter into the stalking horse agreement of purchase and sale dated November 6, 2025 (the “**Stalking Horse Purchase Agreement**”) between the Receiver and the Applicant, KingSett Mortgage Corporation (“**KingSett**”) in the form attached as and Appendix “B” to the Third Report with such minor amendments as may be acceptable to each of the parties thereto; provided that nothing herein approves the sale and the vesting of any Property to the KingSett pursuant to the Stalking Horse Purchase Agreement and that the approval of any sale and vesting of any such Property shall be considered by this Court on a subsequent motion made to this Court if the

transaction set out in the Stalking Horse Purchase Agreement is the Successful Bid pursuant to the Sale Process.

PIPEDA

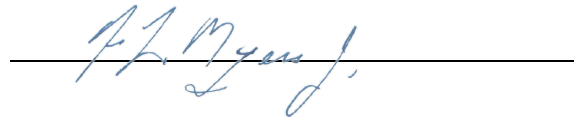
7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and any similar legislation in any other applicable jurisdictions, the Receiver and its advisors are hereby authorized and permitted to disclose and transfer to prospective Sale Process participants that are party to a non-disclosure agreement with the Receiver (each, a “**Sale Process Participant**”) and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the Sale Process (a “**Transaction**”). Each Sale Process Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and, if it does not complete a Transaction, shall return all such information to the Receiver, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Receiver. The bidder with a Successful Bid shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the personal information provided to it that is related to the Debtors’ business and/or property acquired pursuant to the Sale Process in a manner that is in all material respects identical to the prior use of such information by Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

GENERAL

8. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal and regulatory or administrative bodies, having jurisdiction in Canada or in any other foreign jurisdiction, to give effect to this Order and to assist the Receiver and its respective agents in carrying out the terms of this Order. All courts, tribunals and regulatory and administrative 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 or to assist the Receiver and its respective agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.



Justice FL
Myers

Digitally signed by
Justice FL Myers
Date: 2025.11.13
13:14:42 -05'00'

SCHEDULE “A”
REAL PROPERTY

Southdown

PIN: 13493-0044(LT)

PT LT 31 CON 3 SDS TORONTO; PT LT 32 CON 3 SDS TORONTO PTS 1 TO 6, 8, 43R13084; S/T TT129899; S/T TT103210, TT103804, TT153650, VS163947, VS42085, VS58563 MISSISSAUGA

Royal Windsor

PIN: 13493-0190 (LT)

PT LT 31, 32 CON 3 SDS DES PTS 1, 2 PL 43R11375 SAVE & EXCEPT PTS 1,2,3 PL 43R21957, EXCEPT PT 1 43R22260, EXCEPT PT 1 43R25470, EXCEPT PTS 1, 2, 3 PL 43R25635, EXCEPT PT 1 PL 43R28305 MISSISSAUGA.S/T EASEMENT IN FAVOUR OF INTERPROVINCIAL PIPE LINE COMPANY OVER PT LT 32 CON 3 SDS DES PT 2 PL 43R11375 EXCEPT PT 2 PL 43R21957 AS IN TT102320, TT104152.T/W EASEMENT OVER PT LT 32 CON 3 SDS DES PT 3 PL 43R21957 AS IN LT1712946

SCHEDULE “B”

SALE PROCESS

Sale Process

1. On May 30, 2024, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an order (as amended, restated and/or supplemented from time to time, the “**Receivership Order**”), among other things, appointing KSV Restructuring Inc. as the receiver and manager (in such capacity, the “**Receiver**”) of, among other things, the real property legally described in **Schedule “A”** hereto (the “**Real Property**”) and all present and future assets, undertakings and personal property of 688 Southdown GP Inc. (“**Southdown GP**”), 688 Southdown LP (“**Southdown LP**”), 2226 Royal Windsor GP Inc. (“**Royal Windsor GP**”) and 2226 Royal Windsor LP (“**Royal Windsor LP**” and together with Southdown GP, Southdown LP and Royal Windsor GP, the “**Debtors**”), including all permits and deposits paid and obtained on behalf of a Debtor, located at, related to, used in connection with or arising from or out of the Real Property, including all proceeds therefrom (collectively with the Real Property, the “**Property**”).
2. On November 13, 2025, the Court granted an order (the “**Sale Process Order**”) that, among other things: (a) authorized the Receiver to implement a sale process in accordance with the terms hereof (“**Sale Process**”); and (b) authorized and empowered the Receiver to enter into the Stalking Horse Asset Purchase Agreement between the Receiver and the Applicant, KingSett Mortgage Corporation (“**KingSett**”) dated November 6, 2025 (the “**Stalking Horse Purchase Agreement**”) solely for the purposes of acting as the Stalking Horse Bid (as defined below) in the Sale Process.
3. Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the Sale Process Order or the Stalking Horse Purchase Agreement, as the case may be. A copy of the Sale Process Order can be found at:
<https://www.ksvadvisory.com/experience/case/winston-churchill>.
4. This Sale Process sets out the manner in which: (a) binding bids for executable transaction alternatives that are superior to the sale transaction contemplated by the Stalking Horse Purchase Agreement will be solicited from interested parties; (b) any such bids received will be addressed; (c) any Successful Bid (as defined below) will be selected; and (d) Court approval of any Successful Bid will be sought.
5. This Sale Process shall be conducted by the Receiver, with the assistance of Avison Young (the “**Agent**”) and the Receiver and the Agent shall be entitled to receive all information in relation to the Sale Process.
6. Parties who wish to have their bids considered must participate in this Sale Process as conducted by the Receiver with the assistance of the Agent.
7. This Sale Process will be conducted such that the Receiver and the Agent will:
 - a) disseminate marketing materials and a process letter to potentially interested parties identified by the Receiver and the Agent;
 - b) solicit interest from parties with a view to such interested parties entering into non-disclosure agreements in form and substance satisfactory to the Receiver in its sole discretion (each a “**NDA**”) (parties shall only obtain access to the data room and be

permitted to participate in this Sale Process if they execute an NDA and agree to the additional measures that are required by the Receiver to protect competitively sensitive information);

- c) provide applicable parties with access to a data room containing diligence information; and
 - d) request that such parties (other than KingSett) submit (i) a letter of intent to bid that identifies the potential bidder and a general description of the Property that would be the subject of the bid, the proposed consideration, and that reflects a reasonable prospect of culminating in a Qualified Bid (as defined below), as determined by the Receiver (a “**LOI**”), by the LOI Deadline (as defined below) and, if applicable, (ii) a binding offer meeting at least the requirements set forth in Section 9 below, as determined by the Receiver (a “**Qualified Bid**”), by the Qualified Bid Deadline (as defined below).
8. This Sale Process shall be conducted subject to the terms hereof and the following key milestones, in each case subject to Court availability:
- a) the Receiver to commence the solicitation process – as soon as practicable following the granting of the Sale Process Order;
 - b) the deadline to submit a LOI – 5:00 p.m. Eastern Time on January 15, 2026 (the “**LOI Deadline**”);
 - c) the deadline to submit a Qualified Bid – 5:00 p.m. Eastern Time on February 17, 2026 (the “**Qualified Bid Deadline**”);
 - d) the Receiver to determine whether a bid is a Qualified Bid and, if applicable, to notify those parties who submitted a Qualified Bid of the Auction (as defined below) – 5:00 p.m. Eastern Time on February 19, 2026;
 - e) the Receiver to hold an Auction (if applicable) – within three (3) business days of the Receiver determining that the Auction will take place;
 - f) Approval and Vesting Order (as defined below) – Receiver to bring a motion by no later than fifteen (15) calendar days following the selection (or deemed selection) of the Successful Bid; and
 - g) the closing of the Successful Bid – as soon as reasonably practicable after the Approval and Vesting Order or such later date as agreed to among the Receiver and KingSett (the “**Outside Date**”), except that the Outside Date for the Stalking Horse Bid shall be, if the Stalking Horse Bid is selected as the Successful Bid, the Closing Date (as defined in the Stalking Horse Purchase Agreement).

9. In order to constitute a Qualified Bid, a bid or group of bids must comply with the following:
- a) it provides consideration (the “**Consideration Value**”) that, in the opinion of the Receiver, provides for a superior economic result for the Debtors’ estates (or, if for one of the Debtor’s assets, such Debtor’s estate) as compared to the Stalking Horse Purchase Agreement;
 - b) it provides a detailed schedule that identifies, with specificity, the composition and sources of the Consideration Value and any assumptions that could reduce the net consideration payable including details of any material liabilities that are being assumed or being excluded;
 - c) it provides for the closing of the transaction contemplated thereunder by no later than the Outside Date;
 - d) it contains:
 - i. the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of its controlling equityholder(s) and/or sponsors;
 - ii. a purchase agreement duly executed and binding on the bidder;
 - iii. a redline of the purchase agreement to the Stalking Horse Purchase Agreement;
 - iv. evidence of authorization and approval from the bidder’s board of directors (or comparable governing body) and, if necessary to complete the transaction, the bidder’s equityholder(s) in form and substance reasonably satisfactory to the Receiver;
 - v. disclosure of any connections or agreements with the Debtors or any of their affiliates, any known, potential, prospective bidder, or any officer, manager, director, member or known equity security holder of the Debtors or any of their affiliates; and
 - vi. such other information as may be reasonably requested by the Receiver;
 - e) it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until closing of the Successful Bid; provided, that if such bid is not selected as the Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid (such bid, the “**Back-Up Bid**”) it shall only remain irrevocable until selection of the Successful Bid;
 - f) it provides that the bid will serve as the Back-Up Bid if it is not selected as the Successful Bid and if selected as the Back-Up Bid it will remain irrevocable until the earlier of: (i) closing of the Successful Bid, or (ii) closing of the Back-Up Bid;

- g) it provides written evidence of a bidder's ability to fully fund and consummate the transaction (including financing required, if any, prior to the closing of the transaction to finance the receivership proceedings) and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid;
- h) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- i) it is not conditional upon:
 - i. approval from the bidder's board of directors (or comparable governing body) or, if applicable, equityholder(s);
 - ii. the outcome of any due diligence by the bidder; or
 - iii. the bidder obtaining financing;
- j) it includes an acknowledgment and representation that the bidder:
 - i. has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid;
 - ii. is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Receiver and its employees, officers, directors, agents, advisors and other representatives, regarding the proposed transaction, this Sale Process, or any information (or the completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents;
 - iii. is making its bid on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Receiver or any of its employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transaction documents;
 - iv. is bound by this Sale Process and the Sale Process Order; and
 - v. is subject to the exclusive jurisdiction of the Court with respect to any disputes or other controversies arising under or in connection with this Sale Process or its bid;
- k) it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the proposed transaction (including the anticipated timing necessary to obtain such approvals);

- l) it is accompanied by a cash deposit (the “**Deposit**”) by wire transfer of immediately available funds equal to 10% of the Consideration Value, which Deposit shall be retained by the Receiver in an interest bearing trust account in accordance with the terms hereof;
 - m) it includes a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
 - n) it is received by the Receiver by the Qualified Bid Deadline at the email addresses specified on **Schedule “B”** hereto.
- 10. The Qualified Bid Deadline may be extended by the Receiver, with the prior written consent of KingSett, or by further order of the Court.
- 11. The Receiver may, in consultation with KingSett, waive compliance with any one or more of the requirements specified in Section 9 above and deem a non-compliant bid to be a Qualified Bid, provided that the Receiver shall not waive compliance with the requirements specified in Subsections 9(a), (b), (c), (d), (e), (g), (j), (k), (l) or (n) without the prior written consent of KingSett, acting reasonably.
- 12. Notwithstanding the requirements specified in Section 9 above, the transaction contemplated by the Stalking Horse Purchase Agreement (the “**Stalking Horse Bid**”), is deemed to be a Qualified Bid.
- 13. If one or more Qualified Bids (other than the Stalking Horse Bid) have been received by the Receiver on or before the Qualified Bid Deadline, the Receiver will proceed with an auction process to determine the successful bid(s) (the “**Auction**”), which Auction shall be administered in accordance with **Schedule “C”** hereto. The successful bid(s) selected within the Auction shall constitute the “Successful Bid”. Forthwith upon determining to proceed with an Auction, the Receiver shall provide written notice to each party that submitted a Qualified Bid (including KingSett) in accordance with the terms herein, along with copies of all Qualified Bids and a statement by the Receiver specifying which Qualified Bid is the leading bid.
- 14. If, by the LOI Deadline, (a) no LOI has been received, or (b) no single LOI has been received with consideration at least as much as the applicable minimum Consideration Value, then the Sale Process shall be deemed to be terminated and the Stalking Horse Bid shall be the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Purchase Agreement.
- 15. If, by the Qualified Bid Deadline, no Qualified Bid (other than the Stalking Horse Bid) has been received by the Receiver, then the Stalking Horse Bid shall be deemed the Successful Bid and shall be consummated in accordance with and subject to the terms of the Stalking Horse Purchase Agreement.
- 16. Following selection of the Successful Bid, the Receiver, with the assistance of its advisors, shall seek to finalize any remaining necessary definitive agreement(s) with respect to the

Successful Bid in accordance with the milestones set out in Section 8. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the Receiver, the Receiver shall apply to the Court for an order approving such Successful Bid and authorize the Receiver to complete the transactions contemplated thereby, as applicable, and authorizing the Receiver to: (a) enter into any and all necessary agreements and related documentation with respect to the Successful Bid; (b) undertake such other actions as may be necessary to give effect to such Successful Bid; and (c) implement the transaction contemplated by such Successful Bid (an “**Approval and Vesting Order**”). If the Successful Bid is not consummated in accordance with its terms, the Receiver shall be authorized, but not required, to elect that the Back-Up Bid (if any) is the Successful Bid.

17. If a Successful Bid is selected and an Approval and Vesting Order authorizing the consummation of the transaction contemplated thereunder is granted by the Court, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a bid, other than the Stalking Horse Bid, that is not selected as a Successful Bid will be returned, with applicable interest thereon, to the applicable bidder as soon as reasonably practicable (but not later than ten (10) business days) after the date upon which the Successful Bid is approved pursuant to the Approval and Vesting Order or such earlier date as may be determined by the Receiver; provided, however, that the Deposit in respect of the Back-Up Bid shall not be returned to the applicable bidder until the closing of the Successful Bid.
18. The Receiver shall be permitted, in its discretion, to provide general updates and information in respect of this Sale Process to any stakeholder (each a “**Stakeholder**”) on a confidential basis, upon: (a) the irrevocable confirmation in writing from such Stakeholder that it will not submit any bid in this Sale Process; and (b) such Stakeholder executing a confidentiality agreement with the Receiver, in form and substance satisfactory to the Receiver.
19. Any amendments to this Sale Process may only be made by the Receiver, or by further order of the Court, provided that the Receiver shall not extend the Qualified Bid Deadline or amend the requirements specified in 9(a), (b), (c), (d), (e), (g), (j), (k), (l) or (n) without the prior written consent of KingSett, acting reasonably.

SCHEDULE "A": REAL PROPERTY

Southdown

PIN: 13493-0044(LT)

PT LT 31 CON 3 SDS TORONTO; PT LT 32 CON 3 SDS TORONTO PTS 1 TO 6, 8, 43R13084; S/T TT129899; S/T TT103210, TT103804, TT153650, VS163947, VS42085, VS58563 MISSISSAUGA

Royal Windsor

PIN: 13493-0190 (LT)

PT LT 31, 32 CON 3 SDS DES PTS 1, 2 PL 43R11375 SAVE & EXCEPT PTS 1,2,3 PL 43R21957, EXCEPT PT 1 43R22260, EXCEPT PT 1 43R25470, EXCEPT PTS 1, 2, 3 PL 43R25635, EXCEPT PT 1 PL 43R28305 MISSISSAUGA.S/T EASEMENT IN FAVOUR OF INTERPROVINCIAL PIPE LINE COMPANY OVER PT LT 32 CON 3 SDS DES PT 2 PL 43R11375 EXCEPT PT 2 PL 43R21957 AS IN TT102320, TT104152.T/W EASEMENT OVER PT LT 32 CON 3 SDS DES PT 3 PL 43R21957 AS IN LT1712946

SCHEDULE “B”: E-MAIL ADDRESSES FOR DELIVERY OF BIDS

To the Receiver:

ngoldstein@ksvadvisory.com; mtallat@ksvadvisory.com

With a copy to counsel for the Receiver:

mwasserman@osler.com; drosenblat@osler.com

SCHEDULE “C”: AUCTION PROCEDURES

1. **Auction.** If the Receiver receives at least one Qualified Bid (other than the Stalking Horse Bid), the Receiver will conduct and administer the Auction in accordance with the terms of the Sale Process. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties (as defined below) not less than 24 hours prior to the Auction.

2. **Participation.** Only parties that provided a Qualified Bid by the Qualified Bid Deadline, including the Stalking Horse Bid (collectively, the “**Qualified Parties**” and each a “**Qualified Party**”), shall be eligible to participate in the Auction. No later than 3:00 pm Eastern Time on the day prior to the Auction, each Qualified Party (other than KingSett) must inform the Receiver whether it intends to participate in the Auction. The Receiver will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party provides such expression of intent, the Stalking Horse Bid shall be the Successful Bid.

3. **Auction Procedures.** The Auction shall be governed by the following procedures:

- a. **Attendance.** Only the Receiver, the Qualified Parties, and each of their respective advisors will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction;
- b. **Minimum Overbid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Receiver (the “**Initial Bid**”), and any bid made at the Auction by a Qualified Party subsequent to the Receiver’s announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of \$250,000;
- c. **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group video-conference, on an open basis, and all Qualified Parties will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each subsequent bid will be fully disclosed to all other Qualified Parties throughout the entire Auction; provided, however, that the Receiver, in its discretion, may establish separate video conference rooms to permit interim discussions between the Receiver and individual Qualified Parties with the understanding that all formal bids will be delivered in one group video conference, on an open basis;
- d. **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit one or more additional bids with full knowledge and written confirmation of the then-existing highest bid(s); and

- e. **No Post-Auction Bids.** No bids will be considered for any purpose after the Auction has concluded.
- f. **Auction Cancellation/Postponement.** The Receiver reserves the right to cancel or postpone the Auction.
- g. **Additional Rules.** Except as otherwise set forth herein, the Receiver may establish additional rules for conducting the Auction, provided that such rules are: (a) disclosed to each participating Qualified Party; (b) designed, in the Receiver's business judgment, to result in the highest and otherwise best offer; and (c) not contrary to any material term set out herein.

4. **Selection.** Before the conclusion of the Auction, the Receiver, will: (a) review each Qualified Bid, considering the factors set out in Section 9 of the Sale Process and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in prong (i) above; (iii) the likelihood of the Qualified Party's ability to close a transaction by the Outside Date and the timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals), (iv) the likelihood of the Court's approval of the Qualified Bid, and (v) any other factors the Receiver may, consistent with its fiduciary duties, reasonably deem relevant; and (b) identify the highest or otherwise best bid received at the Auction (the "**Successful Bid**" and the Qualified Party making such bid, the "**Successful Party**").

5. **Acknowledgement.** The Successful Party shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one (1) business day of the Successful Bid being selected as such, unless extended by the Receiver, subject to the milestones set forth in Section 8 of the Sale Process.

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	759 WINSTON CHURCHILL GP INC., 759 WINSTON CHURCHILL L.P., 688 SOUTHDOWN GP INC., 688 SOUTHDOWN LP, 2226 ROYAL WINDSOR GP INC. and 2226 ROYAL WINDSOR LP
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Applicant	Respondents	Court File No.: CV-24-00714543-00CL
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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

**ORDER
(Sale Process Approval)**

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Lawyers for KSV Restructuring Inc. in its capacity as
court-appointed Receiver