

### SUBMISSIONS OF THE CLASS A LPs ON AMENDED PROPOSAL #3

1. The Class A LPs oppose Amended Proposal #3 (the “**Proposal**”),<sup>1</sup> which fails to address the concerns expressed in the Amended Reasons for Interim Decision (the “**Reasons**”).
2. By making this Proposal without the consent of the Class A LPs, the General Partner has again<sup>2</sup> breached the Partnership Agreement and its fiduciary duties to the Class A LPs.
3. No attempt is made to address the Court’s concerns over the fair value of the Property.<sup>3</sup>
4. The Proposal’s release appears to be directed at releasing constructive trust claims the Class A LPs may have for breach of fiduciary duty contrary to s.178(1)(d) of the *BIA*.<sup>4</sup>
5. Cresford has again devoted precious time “solely to finding transactions that offered the greatest level of benefits for the Cresford group”<sup>5</sup>: the companion “Offer to Equityholders” will likely lead to funds going to Cresford Yonge before the Class A LPs are paid in full.
6. The Debtors have acted in bad faith. The Proposal does not address the Court’s concerns regarding reasonableness or benefit to creditors. In these circumstances “the court **shall** refuse to approve the proposal”,<sup>6</sup> resulting in a deemed bankruptcy.<sup>7</sup>

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<sup>1</sup> Unless otherwise defined, capitalized terms herein have the meaning ascribed to them in the Joint Factum of the Class A LPs’ dated June 21, 2021.

<sup>2</sup> [Reasons, paras 60-70.](#)

<sup>3</sup> [Reasons, paras 25-26.](#)

<sup>4</sup> [Proposal, s.2.04; Bankruptcy and Insolvency Act, RSC 1985, c B-1 \[BIA\], s.178\(1\)\(d\).](#)

<sup>5</sup> [Reasons, para 76.](#)

<sup>6</sup> [BIA, s.59\(2\).](#)

<sup>7</sup> [BIA, s.61\(2\).](#)