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SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
COUNSEL SLIP / ENDORSEMENT

COURT FILE NO.: CV-23-00707989-00CL

DATE: March 18, 2025

REGISTRAR: Chidera Emeruem

NO. ON LIST: 1

TITLE OF PROCEEDING: 1180554 ONTARIO LIMITED
vs
CBJ DEVELOPMENT INC., et al

BEFORE JUSTICE: OSBORNE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Ryan Shah Jeff Larry	TDB Restructuring (Receiver)	ryan.shah@paliareroland.com jeff.larry@paliareroland.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Andrew Parley Davon Kapoor	Ursataur Capital Management LP Andrew Cockwell Lan Cockwell Mutende Equities Limited	aparley@litigate.com dkapoor@litigate.com
Jonathan Kulathungam	1180554 Ontario Limited	jkulathungam@teplitskyllp.com

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1. The Receiver moves for a discharge and release order, and an order approving the Third Report dated March 7, 2025, the statement of receipts and disbursements for the period January 26, 2024 to February 28, 2025, and an order approving the fees of the Receiver and its counsel.
2. The Receiver relies on the Third Report. The Service List has been served. The motion is unopposed. Defined terms in this Endorsement have the meaning given to them in the motion materials unless otherwise stated.
3. The Sales Transaction closed on November 7, 2024. Given that administration of the estate is substantially complete, the Receiver seeks a discharge and related relief, including authorization to make a distribution to the Applicant.
4. The activities of the Receiver as set out in the Third Report are consistent with its mandate provided in the original Appointment Order, were appropriate, and have been accretive to the progress of this proceeding. They are approved.
5. The statement of receipts and disbursements is appropriate and is also approved.
6. The fees of the Receiver and its counsel relate to the activities described in the Third Reports in the earlier reports. They are fully described in the fee affidavits appended to the Third Report. They are appropriate, reasonable, and they also are approved: *Bank of Nova Scotia v. Deimer*.
7. That leaves the request for a discharge of the Receiver. The administration of the estate is, as noted above, substantially complete. Ordinarily, it would follow that a discharge today might well be appropriate. However, in my view, such relief ought not to be granted today, given certain events that have transpired as set out in the Third Report at Section 6.0.
8. In particular, the Receiver was advised on February 24, 2025 that on December 23, 2024, CBJ Developments commenced an action in Alberta against Ursatur Capital Management LP, Andrew Cockwell, Ian Cockwell and Mutende Equities Ltd. The statement of claim in the Alberta action is appended to the Third Report as Appendix H.
9. Counsel to the Receiver sent a letter to CBJ Developments advising that the Alberta action was commenced without the consent of the Receiver, contrary to the express terms of the Receivership Order, and the Receiver demanded that CBJ Developments refrain from taking any steps in the Alberta Action without the explicit consent of the Receiver, which has not been given (Appendix I).
10. CBJ responded by correspondence dated March 5, 2025 advising that no further steps would be taken in the Alberta action pending the outcome of the receivership or seeking Court approval to proceed with same. (Appendix J).
11. Then, on March 7, 2025, the Receiver learned that CBJ had commenced another action in Ontario (Appendix K). On the same day, counsel to the Receiver wrote to Ontario counsel for CBJ advising of the fact that this action also was improper and not permitted by the Receivership Order and requesting that no further steps be taken in the Ontario action without the consent of the Receiver which has likewise not been given.
12. Counsel present today advise that the Alberta action was before the Court of King's Bench in Alberta last week, but was adjourned at the request of CBJ to March 31, 2025.
13. Both the Alberta action and the Ontario action were commenced by CBJ in direct breach of the Receivership Order of Penny, J of the Commercial List in this Court. I am concerned by the blatant and

repeated disregard of the Receivership Order by CBJ. I am also concerned by the fact that, in its response, CBJ did not undertake to immediately discontinue the actions, but rather advised that it would not take any further steps “pending the outcome of the Receivership or [my] seeking Court approval to proceed with the claim”.

14. Moreover, I do not know whether the adjournment request in Alberta (to a date subsequent to the date of this previously scheduled discharge hearing) was related to the fact that the Receiver was seeking a discharge today in this Court, something of which CBJ was aware.
15. In any event, and given the pendency of these actions and particularly the Alberta action, in the circumstances, in my view, it is not appropriate to discharge the Receiver today. The receivership continues, and the Receiver remains an officer of this Court with the powers granted to it in the Receivership Order, including with respect to actions brought by or on behalf of CBJ.
16. The Court of King’s Bench will obviously do as it sees fit in respect of the Alberta Action. This Endorsement should be brought to the attention of that Court at the March 31 hearing.
17. In the circumstances, I am adjourning the Receiver’s motion for a discharge to be returnable before me on April 14, 2025 at 12 PM noon.
18. The Receiver had intended to make a distribution of surplus proceeds to the Applicant (who will suffer a shortfall in any event) upon discharge. The Applicant wants those funds, and there is no issue that the Applicant is beneficially entitled to them. There is no reason to delay that distribution, and it is approved.
19. Order to go with respect to the approval of the Third Report, the fees of the Receiver and its counsel, and with respect to the distribution by the Receiver of the surplus proceeds to the Applicant.

A handwritten signature in green ink, appearing to read "Oliver J.", is positioned in the lower right area of the page.