

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**FIRST SOURCE FINANCIAL MANAGEMENT INC.**

**APPLICANT**

**- AND -**

**KING DAVID INC. AND HELEN ROMAN-BARBER**

**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**

**FACTUM OF TDB RESTRUCTURING LIMITED,  
IN ITS CAPACITY AS RECEIVER**

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Lawyers for TDB Restructuring Limited, the  
Receiver

TO: THE SERVICE LIST

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**FACTUM OF TDB RESTRUCTURING LIMITED,  
IN ITS CAPACITY AS RECEIVER**

**PART I - INTRODUCTION**

1. TDB Restructuring Limited ("**TDB**"), in its capacity as receiver (in such capacity, the "**Receiver**") of the Property (as defined below) owned by King David Inc., brings this motion seeking, among other things, Orders:

- (a) approving a sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale dated August 8, 2025 (the "**HTC APS**") between the Receiver and Home Trust Company ("**HTC**") and vesting all of KDI's right, title and interest in and to the Purchased Assets (as defined in the HTC APS) to HTC;
- (a) authorizing and directing the Receiver to carry out the terms of the HTC APS, together with any further minor amendments thereto deemed necessary by the

Receiver; Approving the Receiver's cash receipts and disbursements for the period January 12, 2024 to March 31, 2026 (the "**Interim R&D**");

- (b) Approving the Receiver's fees and disbursements including those of its counsel from the commencement of these receivership proceedings to May 31, 2026, as set out in the second report of the Receiver dated April 10, 2026 (the "**Second Report**"), the Affidavits of Jeffrey Berger sworn on April 10, 2026 and June 16, 2026, the Affidavits of Jennifer Stam sworn April 10, 2026 and June 15, 2026 and the Affidavit of Beatrice Loschiavo sworn July 25, 2025 (collectively, the "**Fee Affidavits**");
- (c) Approving the Fee Accrual (defined below); and
- (d) Approving the First Report of the Receiver dated August 8, 2025 (as supplemented by the supplemental report dated September 2, 2025, the "**First Report**"), the Second Report and the activities of the Receiver as set out therein.

## **PART II - SUMMARY OF FACTS**

2. Further background in these proceedings is set out in the Second Report. Capitalized terms used herein and not otherwise defined have the meaning given to them in the Second Report.<sup>1</sup>

### Background

3. On December 21, 2023, pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Receivership Order**"), RSM Canada Limited (as replaced by TDB

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<sup>1</sup>Second Report of the Receiver dated April 10, 2026 ("**Second Report**"), Motion Record of the Receiver returnable July 10, 2026 ("**MR**"), Tab 2.

pursuant to a Substitution Order dated March 1, 2024) was appointed, without security, as the Receiver of the Property.<sup>2</sup> The Lands, which are Phases 2 and 3 of a larger development, remain undeveloped and are adjacent to Phase 1, which is not subject to these receivership proceedings. HTC is the senior secured lender in respect of the Lands.<sup>3</sup>

4. The Property has been subject to two comprehensive sale processes including, a second sale process (the “**Second Sale Process**”), which was approved pursuant to the Sale Process and Stalking Horse Approval Order made on September 11, 2025 and pursuant which, among other things, (a) Cushman and Wakefield Inc. (“**Cushman**”) was appointed as the listing agent for the Property; and (b) the HTC APS was approved solely for the purpose of acting as the stalking horse bid in the Second Sale Process.<sup>4</sup>

#### *The Second Sale Process*

5. As set out above, the Second Sale Process followed the First Sale Process which was also conducted by the Receiver with a different listing agent. The First Sale Process did not result in any viable offers for the sale of the Lands.<sup>5</sup>

6. Under the Second Sale Process,

(a) on September 22, 2025, Cushman launched the Second Sale Process with an email campaign to Cushman’s contact list of 4,896 contacts including developers, purchasers, and investors of residential development land;

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<sup>2</sup> “Property” is comprised of the Lands and any personal property located on or which may arise out of, from or in connection with the ownership, use or disposition of the Lands, and any proceeds to be received by the Debtor derived from dealings with the Lands by the Debtor; Appendix “A” (Appointment Order) to the Second Report para 2, MR, Tab 2, p 30.

<sup>3</sup> Second Report at sections 1.0 and 7.0, paras. 1 and 29, MR, Tab 2, pp 15 and 24.

<sup>4</sup> Second Report at section 1.0, para. 3, MR, Tab 2, p 15.

<sup>5</sup> Second Report at section 4.0, para. 12, MR, Tab 2, p 19.

- (b) the opportunity was subsequently sent on six (6) separate occasions between October 3, 2025 and November 4, 2025 to Cushman's contact list;
- (c) Cushman provided prospective purchasers a form of a confidentiality agreement (the "**CA**") that parties were required to sign in order to obtain access to a virtual data room (the "**VDR**"). The VDR contained information regarding the Second Sale Process and the Lands, including Cushman's confidential information memorandum, as well as concept plans, renderings, official plan and zoning documents, property tax documents, site survey plan, and other information that was provided to the Receiver primarily by First Source Financial Management Inc. ("**First Source**"), the applicant and the administrator of the first-ranking mortgage against the Lands;
- (d) a confidential information memorandum ("**CIM**") was prepared and provided to interested parties to signed a CA;
- (e) Cushman made targeted calls to active developers, investors, and other parties operating in the locality of the Lands; and
- (f) the Lands were listed by Cushman on MLS on September 22, 2025, listing number N12419052.<sup>6</sup>

7. In response to Cushman's marketing efforts, twenty-six (26) parties executed a CA and were provided access to the VDR and CIM, to perform additional due diligence.<sup>7</sup>

8. On November 6, 2025, being the bid deadline set by the Receiver (the "**Qualified Bid Deadline**"), four (4) bids were received. Subsequently, the Receiver invited all four (4) bidders

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<sup>6</sup> Second Report at section 4.0, para. 14, MR, Tab 2, pp 19-20.

<sup>7</sup> Second Report at section 4.0, para. 15, MR, Tab 2, p 20.

to re-submit their offers with their “highest and best” offer, following which the Receiver accepted its recommended successful bid (the “**Accepted Offer**”) from a bidder identified as “Bidder 1”.<sup>8</sup>

9. The Accepted Offer was subject to a 45 day due diligence period during which time Bidder 1 identified a number of concerns related to the Lands. At the end of the due diligence period Bidder 1 advised it was not going to proceed with the transaction and terminated the Accepted Offer.<sup>9</sup>

10. Subsequent to the termination of the Accepted Offer, Cushman re-engaged with the other three (3) bidders including disclosing the concerns raised by Bidder 1. However, none of the bidders were willing to proceed with an acceptable or Qualified Bid. Additionally, in early February 2026, counsel to the Debtor advised that it had been approached by a potential party interested in purchasing or refinancing the Lands. The Receiver’s counsel advised that any such interested party should contact Cushman. However, this also did not result in any further offer on the Lands.<sup>10</sup>

11. While there were subsequently, (2) offers were presented to the Receiver for consideration. Both offers had purchase prices that were significantly lower than the purchase price in the HTC APS, were conditional on extensive due diligence, and were not supported HTC.<sup>11</sup>

*The HTC APS*<sup>12</sup>

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<sup>8</sup> Second Report at section 4.0, paras. 16-18, MR, Tab 2, pp 20-21.

<sup>9</sup> Second Report at section 4.0, para. 19, MR, Tab 2, p 21.

<sup>10</sup> Second Report at section 4.0, paras. 20-22, MR, Tab 2, p 21.

<sup>11</sup> Second Report at section 4.0, para. 22, MR, Tab 2, p 21.

<sup>12</sup> Second Report at section 5.0, para 24-25, MR, Tab 2 p. 22; Appendix “E” (the First Report) section 6, para. 48, MR, Tab 2 p. 92 ; Appendix “I” (HTC APS), MR, pp. 113- 168.

12. Certain key terms and conditions of the HTC APS are provided below:<sup>13</sup>

- (a) Purchaser: HTC.
- (b) Purchased Assets: the Lands and certain associated assets as set out in the HTC APS.
- (c) Purchase Price: thirty million (\$30,000,000) Canadian dollars (exclusive of any transaction taxes) to be satisfied by as follows:
  - (i) cash consideration for the following items: i) accrued property taxes until Closing; ii) the fees of the Receiver and its counsel; iii) an accrual for the fees and disbursements of the Receiver and its counsel until discharge; and iv) any other amounts with priority to the Secured Indebtedness (other than the Receiver's Certificates); and
  - (ii) the balance of the Purchase Price (exclusive of any transaction taxes) to be satisfied by way of a credit bid and the release of the amount of the Secured Indebtedness equivalent to the balance of the Purchase Price.
- (d) Material Conditions: the HTC APS will have been chosen as the Successful Bid in the Second Sale Process and approved pursuant to an approval and vesting order.
- (e) "As is Where Is": the Purchased Assets are being conveyed on an as is where is basis.

### **PART III - STATEMENT OF ISSUES, LAW & AUTHORITIES**

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<sup>13</sup> Capitalized terms used in this section and not otherwise defined have the meaning given to them in the HTC APS. The summary contained in this section is for informational purposes only. To the extent there is any inconsistency between this overview and the HTC APS, the terms of the HTC APS shall prevail.

13. The issues for this Court to consider are as follows:

- (a) Whether Transaction contemplated by the HTC APS should be approved; and
- (b) whether the additional relief sought by the Receiver should be granted.

*The Court has the Jurisdiction to Approve the Transaction*

14. Pursuant to Section 100 of the *Courts of Justice Act*,<sup>14</sup> as amended and section 243(1) of the *Bankruptcy and Insolvency Act*,<sup>15</sup> the Court has the jurisdiction to grant the proposed vesting orders.

15. Further, it is well established that in Canadian insolvency law that a secured creditor is permitted to credit bid its debt instead of providing cash consideration.<sup>16</sup>

*The Transaction should be Approved*

16. The factors for the Court to consider in determining whether the Transaction should be granted are set out in *Royal Bank of Canada v Soundair*.<sup>17</sup> *Soundair* states that a Court should consider:

- (a) whether the receiver has made a sufficient effort to obtain the best price and has not acted improvidently;
- (b) whether the interests of all parties have been considered;
- (c) the efficacy and integrity of the process by which offers are to be obtained; and

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<sup>14</sup> *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, [s 100](#).

<sup>15</sup> *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended, [s 243\(1\)](#).

<sup>16</sup> *Elleway Acquisitions Ltd. v. 4358376 Canada Inc.*, [2013 ONSC 7009](#) (Commercial List) at para 38; *8527504 Canada Inc. v. Liquibrands Inc.*, [2015 ONSC 5912 \(Commercial List\)](#) at para 20, ref'g leave to appeal [2015 ONCA 916](#); and *North American Tungsten Corporation Ltd. (Re)*, [2016 BCSC 12](#) at para 24.

<sup>17</sup> [1991 CanLII 2727 \(ON CA\)](#) at para 15 [*"Soundair"*].

(d) whether there has been unfairness in the working out of the process.

17. Deference is to be afforded to the Receiver in regard to the Transaction. Unless there is a violation of the *Soundair* principles or other exceptional circumstances, the court should uphold the business judgment of the Receiver.<sup>18</sup> As affirmed by the Court in *Soundair*:

If the court were to reject the recommendation of the Receiver in any but the most exceptional circumstances, it would materially diminish and weaken the role and function of the Receiver both in the perception of receivers and in the perception of any others who might have occasion to deal with them. It would lead to the conclusion that the decision of the Receiver was of little weight and that the real decision was always made upon the motion for approval. That would be a consequence susceptible of immensely damaging results to the disposition of assets by court-appointed receivers.<sup>19</sup>

18. In this case, there are no exceptional circumstances which would justify rejecting the Receiver's recommendation in respect to the Transaction. The Transaction should be approved for the following reasons:<sup>20</sup>

- (a) the process undertaken by the Receiver to market the Lands was commercially reasonable and conducted in accordance with the terms of the Second Sale Process and Stalking Horse Approval Order;
- (b) the market was widely canvassed by the Receiver pursuant to two separate sale processes;

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<sup>18</sup> *Crown Trust Co. et al. v. Rosenberg et al.*, [1986 CanLII 2760](#) at para 83; *9-Ball Interests Inc. v. Traditional Life Sciences Inc.*, [2012 ONSC 2788](#) at para 28; and *Business Development Bank of Canada et al v. 1673747 Ontario Inc. et al.*, [2013 ONSC 286](#) at para 38.

<sup>19</sup> *Soundair* at para 21.

<sup>20</sup> Second Report at section 5.0, para. 26, MR, Tab 2, pp 22-23.

- (i) The Second Sale Process followed an extensive marketing of the Lands pursuant to the First Sale Process – in total, the Lands were marketed by two separate agents over a period of approximately four (4) months in aggregate;
  - (ii) During the Second Sale Process alone, the Lands were listed on MLS for a period of approximately six (6) weeks, and notice of the sale of the Lands was sent to almost 5,000 parties;
- (c) Cushman has advised that, in its opinion and based on its experience, it does not believe that exposing the Lands to the market for additional time will result in a superior transaction – the Receiver agrees with this assessment;
- (d) as a result of the marketing efforts undertaken, twenty-six (26) parties executed a CA and reviewed the opportunity;
- (e) no other parties have come forward to provide an offer superior to the proposed Transaction; and
- (f) any ongoing efforts to market the Lands will result in ongoing accruing interest to the secured debt and increased cost within the receivership.

19. This motion was originally scheduled to be heard on May 25, 2026.<sup>21</sup> On April 27, 2026, the Respondents served an aide memoire seeking a further adjournment of the motion as a result of an accident suffered by Ms. Roman-Barber.<sup>22</sup> Ms. Roman-Barber is one of the Respondents and principals of the Debtor. She was adjudged bankrupt on April 9, 2026.<sup>23</sup> The Receiver agreed to the proposed revised timetable but requested that the Court make an

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<sup>21</sup> See [Endorsement of Justice Dietrich](#) dated April 1, 2026, para. 3.

<sup>22</sup> See [Aide Memoire of Respondents](#) dated April 27, 2026, para. 2.

<sup>23</sup> See [Aide Memoire of the Receiver](#) dated April 27, 2026, para. 2;

endorsement that the proposed adjournment would be the final adjournment in respect of the motion.<sup>24</sup> The Debtors objected to such request. In approving the adjournment, the Court noted the following: (a) during the proposed additional period, over \$1 million interest would accrue; (b) the equity holders have had years to try to refinance; (c) the secured creditors are underwater on the proposed sale; (d) that any further request for an adjournment should be granted lightly and any party seeking such an adjournment must bring a case conference before June 30, 2026. The Court further noted that there would not likely be another adjournment of the motion.<sup>25</sup> The Receiver does not believe that any further delay will produce a better result. In fact, the Receiver was recently advised that additionally property owned by the Debtor is now subject to a pending receivership application.<sup>26</sup>

### ***The Interim R&D should be Approved***

20. The approval of a receiver's statement of receipts and disbursements is commonly granted as part of orders in receivership proceedings.<sup>27</sup> The general standard of review for the accounts of a court-appointed receiver is "whether the amount claimed for remuneration and the disbursements incurred in carrying out the receivership are fair and reasonable."<sup>28</sup> The Court is to consider all of the relevant factors in a holistic manner and need not examine "dockets, hours, the explanations or disbursements, line by line."<sup>29</sup> The focus on such a review should be the fair and reasonable assessment of what was accomplished, rather than the time it took.<sup>30</sup> The interim R&D for the period January 12, 2024 to July 31, 2025 was approved pursuant to the Sale Process and Stalking Approval Order.<sup>31</sup> In the present circumstances,

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<sup>24</sup> See [Aide Memoire of the Receiver](#) dated April 27, 2026, para. 3;

<sup>25</sup> See [Endorsement of Justice Myers](#) dated April 29, 2026, paras. 3-5, 10, 11.

<sup>26</sup> See Court File No. CL-26-00000233-0000.

<sup>27</sup> See the [Ancillary Order of Justice Steele dated July 2, 2025](#), *In the Matter of the Receivership of the Lion's Share Group Inc. and the Windrose Group Inc.*, Court File No. CV-24-00717669-00CL, Ontario Superior Court of Justice (Commercial List), at para 10.

<sup>28</sup> [Confectionately Yours Inc. \(Re\)](#), 2002 CanLII 45059 at para 42 [[Confectionately Yours](#)].

<sup>29</sup> [Bank of Nova Scotia v Diemer](#), 2014 ONSC 365 at para 19.

<sup>30</sup> [Confectionately Yours](#) at para 42.

<sup>31</sup> Appendix "C" (Sale Process and Stalking Horse Order) to Second Report, para 7, MR Tab 2, p. 65

the Interim R&D are reasonable, justified in the circumstances, and undertaken in accordance with the Receivership Order.

***The Receiver's and its counsels' fees (including the Fee Accrual) should be approved***

21. The total fees and disbursements (excluding HST) of the Receiver and its counsel, as described in the Second Report and the Fee Affidavits, are set out below:<sup>32</sup>

(a) TDB: \$264,155.00

(b) Paliare: \$6,885.00

(c) NRFC: \$166,567.50

22. The question for this Court in deciding to approve TDB's fees and disbursements in its capacities as the Receiver and those of its counsel is whether the fees were "fair and reasonable in all the circumstances," with an emphasis on "what was accomplished, and not on how much it took."<sup>33</sup> This Court has provided a non-exhaustive list of factors to consider when determining whether the fees and disbursements are fair and reasonable, including, among other things, the time spent and the cost of comparable services when performed in a prudent and economical manner.<sup>34</sup>

23. The Receiver is of the view that the hourly rates charged by Paliare and NRFC are consistent with the rates charged by other law firms practicing in the area of insolvency in the

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<sup>32</sup> Second Report at section 10.0, para. 34-37, MR, Tab 2, pp 25-26; Appendices "M" – "O" to the Second Report (Affidavit of Jeff Berger sworn April 10, 2026, affidavit of Jennifer Stam sworn April 10, 2026, affidavit of Beatrice Loschiavo sworn July 24, 2025, MR Tab 2, pp. 176-310; supplemental affidavit of Jeff Berger sworn June 16, 2026, reply motion record of the Receiver dated June 17, 2026 (the "**Reply MR**"), Tab 2, p. 26, supplemental affidavit of Jennifer Stam sworn June 15, 2026, Reply MR, Tab 1, p. 8.

<sup>33</sup> *Bank of Nova Scotia v Diemer*, [2014 ONCA 851](#) at para 45.

<sup>34</sup> *Re Nortel Networks Corporation et al*, [2017 ONSC 673](#) at para 14.

Toronto market, and that the overall fees charged the Receiver are reasonable and appropriate in the circumstances.<sup>35</sup>

24. The Receiver is also of the view that proposed fee accrual of \$80,000 (the “**Fee Accrual**”) is reasonable and appropriate in the circumstances to cover its fees and the fees of NRFC from June 1, 2026 to the completion of this matter, which have primarily been, or will be, incurred in connection with preparing for the hearing of this motion, completion of the Transaction and seeking the Discharge Order.<sup>36</sup>

### ***The Activities of the Receiver Should be Approved***

25. It is well established that the court has inherent jurisdiction to review and approve the activities of a court-appointed receiver where the receiver demonstrates that it has acted reasonably, prudently and not arbitrarily.<sup>37</sup> Such approvals are commonly granted as part of orders in receivership proceedings.<sup>38</sup>

26. The activities of the Receiver described in the Second Report were necessary and undertaken in good faith pursuant to the Receiver’s duties and powers as set out in the Receivership Order.

### ***The Discharge Order***

27. The Receiver has sought a request for the Discharge Order in its notice of motion. However, given that the Transaction remains to be completed (if approved by this Court), it

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<sup>35</sup> Second Report at section 10.0, para. 38, MR, Tab 2, pp 26.

<sup>36</sup> Second Report at section 10.0, para. 35-36, MR, Tab 2, pp 25-26.

<sup>37</sup> [Leslie & Irene Dube Foundation Inc. v P218 Enterprises Ltd.](#), 2014 BCSC 1855 para 54; see also [Target Canada Co. \(Re\)](#), 2015 ONSC 7574 at para 23 and [Hanfeng Evergreen Inc., \(Re\)](#), 2017 ONSC 7161 at para 15.

<sup>38</sup> See the [Order of Justice Penny dated June 5, 2023](#), *Atrium Mortgage Investment Corporation and Dorr Capital Corporation v Stateview Homes (Nao Towns II) Inc. et al.*, Superior Court of Justice of Ontario (Commercial List), Toronto, Court File No. CV-23-00698395-00CL, at para 7.

seeks an adjournment of this portion of the motion and expects to file a further supplement to the Second Report prior to the return of that portion of the motion.

**PART IV - ORDER REQUESTED**

31. For the reasons set out above, the Receiver requests that this Court should grant the proposed Order.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 17<sup>th</sup> day of June, 2026.



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Jennifer Stam

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Receiver

## SCHEDULE "A"

### LIST OF AUTHORITIES

1. *8527504 Canada Inc. v. Liquibrands Inc.*, [2015 ONSC 5912 \(Commercial List\)](#)
2. *9-Ball Interests Inc. v. Traditional Life Sciences Inc.*, [2012 ONSC 2788](#) at para 28
3. [Aide Memoire of the Receiver](#) dated April 27, 2026
4. [Aide Memoire of Respondents](#) dated April 27, 2026
5. [Ancillary Order of Justice Steele dated July 2, 2025](#), *In the Matter of the Receivership of the Lion's Share Group Inc. and the Windrose Group Inc.*, Court File No. CV-24-00717669-00CL, Ontario Superior Court of Justice (Commercial List)
6. [Bank of Nova Scotia v Diemer](#), 2014 ONSC 365
7. *Bank of Nova Scotia v Diemer*, [2014 ONCA 851](#)
8. *Business Development Bank of Canada et al v. 1673747 Ontario Inc. et al.*, [2013 ONSC 286](#)
9. [Confectionately Yours Inc. \(Re\)](#), 2002 CanLII 45059 at para [42](#)
10. *Crown Trust Co. et al. v. Rosenberg et al.*, [1986 CanLII 2760](#)
11. *Elleway Acquisitions Ltd. v. 4358376 Canada Inc.*, [2013 ONSC 7009](#)
12. [Endorsement of Justice Dietrich](#) dated April 1, 2026
13. [Endorsement of Justice Myers](#) dated April 29, 2026
14. [Hanfeng Evergreen Inc., \(Re\)](#), 2017 ONSC 7161
15. [Leslie & Irene Dube Foundation Inc. v P218 Enterprises Ltd.](#), 2014 BCSC 1855
16. *North American Tungsten Corporation Ltd. (Re)*, [2016 BCSC 12](#)
17. [Order of Justice Penny dated June 5, 2023](#), *Atrium Mortgage Investment Corporation and Dorr Capital Corporation v Stateview Homes (Nao Towns II) Inc. et al.*, Superior Court of Justice of Ontario (Commercial List), Toronto, Court File No. CV-23-00698395-00CL,
18. *Re Nortel Networks Corporation et al*, [2017 ONSC 673](#)
19. *Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727 (ON CA), [1991 CanLII 2727 \(ON CA\)](#)

20. [Target Canada Co. \(Re\)](#), 2015 ONSC 7574

I certify that I am satisfied as to the authenticity of every authority.

*Note: Under the Rules of Civil Procedure, an authority or other document or record that is published on a government website or otherwise by a government printer, in a scholarly journal or by a commercial publisher of research on the subject of the report is presumed to be authentic, absent evidence to the contrary (rule 4.06.1(2.2)).*

Date: June 17, 2026



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Jennifer Stam

## SCHEDULE "B"

### TEXT OF STATUTES, REGULATIONS & BY - LAWS

#### Courts of Justice Act, R.S.O., c. C. 43, as amended, s 100

##### Vesting orders

100 A court may by order vest in any person an interest in real or personal property that the court has authority to order be disposed of, encumbered or conveyed. R.S.O. 1990, c. C.43, s. 100.

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

##### Section 243(1)

##### 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.

First Source Financial Management  
Inc.

-and-

King David Inc. et al.

Court File No.: CV-23-00710411-00CL

Applicant

Respondents

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

Proceeding commenced at Toronto

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**FACTUM  
(APPROVAL AND VESTING ORDER)**

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