SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

COUNSEL SLIP / ENDORSEMENT

COURT FILE NO.: CV-23-00710411-00CL DATE: July 10, 2026

REGISTRAR: F. Ablona

NO. ON LIST: 01

TITLE OF PROCEEDING: FIRST SOURCE FINANCIAL MANAGEMENT INC. v. KING DAVID INC. et al.

BEFORE: JUSTICE FL MYERS

PARTICIPANT INFORMATION

For Plaintiff, Applicant / Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Ryan Shah	First Source Financial Management Inc.	ryan.shah@paliareroland.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Avi Bourassa	King David Inc. and Helen Roman-Barber	abourassa@rossnasseri.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Jennifer Stam	TDB Restructuring Limited	Jennifer.stam@nortonrosefulbright.com
Calvin Horsten	Home Trust Company	chorsten@airdberlis.com

ENDORSEMENT OF JUSTICE FL MYERS:

1. The motion to approve the sale of the property is unopposed. The buyer credit bid $30 million of its more than $40 million aggregate secured debt. There was a higher bid received in the bidding process. But that bidder walked away in its due diligence process. All other bidders declined to continue their bids as well after learning about the issues raised by the highest bidder.
2. There were two bid processes. The first failed. The second had the results above. There is no doubt that the property was adequately exposed to the market. The multiple bids received make that clear.
3. The Receiver recommends the approval of the transaction for the following reasons:

    (a) the process undertaken by the Receiver to market the Lands was commercially reasonable and conducted in accordance with the terms of the Sale Process and Stalking Horse Approval Order;

    (b) the market was widely canvassed by the Receiver pursuant to two separate sale processes

      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 [the Listing Agent retained by the Receiver] 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.

4. I accept and find that the Receiver made sufficient effort to obtain the best price for the secured collateral. There is no basis in evidence to fear that it acted improvidently. The Receiver has considered the interests of all parties although there will be no recovery behind the first secured creditor. It tried – twice. The processes were carried out with integrity and produced the best offers available. Whatever the issues were that dissuaded bidders from proceeding were not caused by the Receiver or the manner by which it carried out the sales process. *Royal Bank of Canada v Soundair Corp.*, 1991 CanLII 2727 (ON CA).
5. The Receiver's report lays out its activities comprehensively. They are reasonable and I approve them accordingly. So too the Receiver's R&D.
6. The fees claimed are supported by affidavits. The rates charged are within market. The hours expended are reasonable. I therefore approve the fees and disbursements of the Receiver and its counsel as sought.
7. The Receiver's motion for its discharge and release is adjourned pending the closing of the sale and determination of the proceeds available for distribution. If unopposed, the Receiver may bring this back on for hearing at a case conference or in writing addressed to me through the Commercial List office.

FL Myers J.

Justice FL Myers

Digitally signed by Justice FL Myers
Date: 2026.07.10 11:13:26 -04'00'