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IN THE MATTER OF THE RECEIVERSHIP OF
HARRY SHERMAN CROWE HOUSING COOPERATIVE INC.

SECOND SUPPLEMENT TO THE FOURTH REPORT TO THE COURT OF TDB
RESTRUCTURING LIMITED

SEPTEMBER 1, 2026

Court File No. CV-22-00688248-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

BETWEEN:

CITY OF TORONTO

Applicant

-and-

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

Respondent

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1.0 INTRODUCTION

1. By order of the Ontario Superior Court of Justice (the “**Court**”) dated March 14, 2023, RSM Canada Limited was appointed receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Harry Sherman Housing Cooperative Inc. (“**HSC**”, the “**Co-op**”) acquired for, or used in relation to a business carried on by HSC, including all proceeds thereof (the “**Appointment Order**”).
2. On March 1, 2024, the Court granted an order substituting the name TDB Restructuring Limited in place of RSM Canada Limited as Receiver.
3. This report (the “**Second Supplemental Report**”), the second supplement to the Receiver’s fourth report to the Court dated March 30, 2026 (the “**Fourth Court Report**”) is filed by the Receiver in response to the motion filed by Betty’s Law Office (“**Betty’s Law**”) dated August 4, 2026, seeking approval of and authorizing the Receiver to pay, legal fees in the amount of \$29,986.58 (the “**Fee Approval Motion**”) to Betty’s Law. The Second Supplemental Report should be read in conjunction with the Receiver’s prior reports filed in these proceedings.
4. Capitalized terms, unless otherwise expressly defined herein, shall have the meanings set out in the Receiver’s prior reports to the Court.
5. The Appointment Order, together with Court documents related to the receivership proceeding, has been posted on the Receiver’s website, which can be found at <https://tdbadvisory.ca/insolvency-case/harry-sherman-crowe-housing-co-operative-inc/>.

1.1 Purpose of the Second Supplemental Report

6. The purpose of the Second Supplemental Report is to provide the Court with the Receiver’s position on the Fee Approval Motion, namely that:
 - a) the Fee Approval Motion constitutes a breach of settlement memorialized in the terms of an offer to settle dated March 5, 2026 (the “**Fee Settlement**”) accepted by the Board and Betty’s Law;

- b) the services for which the Fee Approval Motion is sought were inappropriate and should not be sanctioned by this Court;
- c) the Court should dismiss the Fee Approval Motion, with costs to be paid personally by Betty's Law; and
- d) the Board and Betty's Law be required to obtain leave of this Court before taking any further step in the within receivership proceeding.

1.2 Terms of Reference

- 7. In preparing the Second Supplemental Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the "**Information**"). Certain of the information contained in the Second Supplemental Report may refer to, or is based on, the Information. As the Information has been provided by other parties or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
- 8. Unless otherwise stated, all dollar amounts contained in the Second Supplemental Report are expressed in Canadian dollars.

2.0 BACKGROUND AND PRIOR FEE REQUESTS

- 9. On June 3, 2025, Justice Kimmel issued an endorsement (the "**June 3, 2025 Endorsement**") establishing the framework for any funding of the Board's legal costs from the Co-op's estate. The June 3, 2025 Endorsement required, among other things, that the Board seek advance approval for legal funding and provide evidence of the need for such funding, including the scope and anticipated cost of the proposed work. The Court stated it "will not write a blank cheque." A copy of the June 3, 2025 Endorsement is attached hereto as **Appendix "A"**.

10. On November 28, 2025, Justice Kimmel issued a further endorsement (the “**November 28, 2025 Endorsement**”) following a case conference addressing certain fees sought by Betty’s Law in connection with the June 3, 2025 Endorsement as containing “guidance regarding any future funding approval requests by the Board or its counsel”. A copy of the November 28, 2025 Endorsement is attached hereto as **Appendix “B”**.
11. Despite these prior Endorsements, on February 6, 2026, Betty’s Law attempted to bring a motion for approval of its fees already incurred in connection with the Receiver’s motion heard on December 11, 2025. This Notice of Motion dated February 6, 2026 and the Affidavit of Courtney Betty sworn February 6, 2026 are collectively referred to herein as the “**February 2026 Fee Approval Motion**”. A copy of February 2026 Fee Approval Motion is attached hereto as **Appendix “C”**.
12. On February 19, 2026, at a case conference to schedule the February 2026 Fee Approval Motion, the Court issued a further endorsement setting out a timetable for this motion (the “**February 19, 2026 Endorsement**”). A copy of the February 19, 2026 Endorsement is attached hereto as **Appendix “D”**.
13. As will be discussed below, the February 2026 Fee Approval Motion was settled and did not proceed.
14. On March 6, 2026, a case conference was convened before Justice Kimmel to schedule the Receiver’s motion to report on and seek approval of a process to implement a consultation process to provide information on certain options for the future of the housing project (the “**Consultation Process Motion**”). The timetable for this motion was established with input from Betty’s Law and required that the Receiver deliver its report by March 31, 2026, with responding materials to be delivered on May 15, 2026 (extended at the request of Mr. Betty). A copy of Justice Kimmel’s Endorsement dated March 6, 2026 is attached hereto as **Appendix “E”**.
15. The Consultation Process Motion was heard on June 29, 2026. Prior to, and at the Consultation Process Motion, neither the Board nor Betty’s Law sought any approval for fees for the services incurred or to be provided by Betty’s Law. A copy of Justice Kimmel’s Endorsement dated July 2, 2026 is attached hereto as **Appendix “F”**.

3.0 OFFER TO SETTLE AND ACCEPTANCE THEREOF

16. Following the setting of the timetable for the February 2026 Fee Approval Motion, the Receiver engaged in settlement discussions with Betty's Law to resolve the issues in relation to the February 2026 Fee Approval Motion, resulting in the Fee Settlement. A copy of email correspondence between counsel to the Receiver and Betty's Law between March 4, 2026 and March 6, 2026 is attached hereto as **Appendix "G"**.
17. The Fee Settlement and acceptance thereof, which acceptance was delivered to the Receiver on March 6, 2026, are collectively attached hereto as **Appendix "H"**.
18. On March 18, 2026, the Receiver provided a cheque in accordance with the accepted Fee Settlement to Betty's Law, which cheque was accepted and negotiated for payment by Betty's Law. The fees of Betty's Law in connection with the Fee Settlement were paid from the Co-op's operating funds.
19. The Fee Settlement provided, among other things, for the following:
 - a) From the date of acceptance of the Fee Settlement, the Board and its lawyers will proceed in a manner consistent with the June 3, 2025 Endorsement, including, without limitation, seeking approval for funding in advance of incurring fees by way of a properly scheduled motion or case conference in which the Board will identify:
 - i. the specific issue on which it seeks to be heard;
 - ii. the reason legal representation is necessary; and
 - iii. the scope and anticipated cost of the proposed work; and
 - b) The Board and its lawyers will not seek approval for, and are not entitled to, funding of any legal work from HSC or the Receiver unless such prior Court authorization has been obtained, provided that the Board may personally pay for any such legal services as it may deem appropriate.
20. In connection with the pending Fee Approval Motion, counsel to the Receiver advised Betty's Law that its motion was in breach of the terms of the Fee Settlement, and that

such conduct would be reported on to the Court. A copy of the email exchange with Mr. Betty dated July 21, 2026 is attached hereto as **Appendix “I”**.

21. The Receiver notes that the conduct of Betty’s Law is consistent with past efforts to obtain approval for its fees without first attempting to adhere to the process set out in the June 3, 2025 Endorsement. The Fee Settlement was intentionally structured to bring the requirements of the June 3, 2025 Endorsement to the attention of the Board and Betty’s Law, and require that such a process be followed as directed by the Court.
22. The present Fee Approval Motion is in direct contravention of the terms of the Fee Settlement in which the Board and Betty’s Law expressly agreed that it would not seek approval for funding from HSC or the Receiver without prior Court authorization. There is no basis for departing from the terms of the Fee Settlement.

4.0 SERVICES PROVIDED WERE INAPPROPRIATE

23. As set out in the Receiver’s supplement to its fourth report to the Court dated May 22, 2026 (the “**Supplement to the Fourth Report**”), the Receiver had concerns with certain conduct that appears to have been undertaken by Betty’s Law in connection with the community meeting that took place at the Co-op (the “**Members’ Meeting**”). Paragraphs 22-26 of the Supplement to the Fourth Report summarizes these concerns. A copy of the Supplement to the Fourth Report, without appendices, is attached hereto as **Appendix “J”**.
24. The Receiver learned of the existence of, and subsequently obtained, an audio recording of a portion of the Members’ Meeting (the “**Audio Recording**”). The Audio Recording was made by a person in attendance at the meeting. To protect the identity of the person who fears reprisal from others in the Co-op, the Receiver is not disclosing the name of the person who made the recording. The Receiver has listened to the Audio Recording and is satisfied that the Audio Recording is a true recording of a portion of the Members’ Meeting.
25. The Receiver has prepared transcript of the Audio Recording, with the assistance of software AI and human verification. The transcript of the Audio Recording is attached hereto as **Appendix “K”**. A copy of the Audio Recording file will be emailed to Betty’s

Law and to the Court separately with the last 28 seconds trimmed to protect the identity of the person who recorded the Audio Recording (as their voice can be heard). The portion that has been trimmed is not material to the purpose for which the Receiver tenders the Audio Recording file, which is marked as **Appendix “K-1”**.

26. On the Audio Recording, the Receiver is able to identify the primary speaker, namely Mr. Betty. The statements made by Mr. Betty are of such concern that they must be brought to the Court’s attention in assessing the appropriateness of the relief sought on the Fee Approval Motion. Below, the Receiver has set out certain statements made by Mr. Betty together with commentary highlighting the Receiver’s concerns:

- a) *“At the end of the day, you've heard so many things. So, all I can tell you is what's factually correct.”*

To the contrary, as will be set out below, many statements made by Mr. Betty are not “factually correct” and are in many respects, misleading.

- b) *“I actually had an opportunity to represent Mississauga New Credit. And it was something that I cherish. But I see a lot of similarities here. Mississauga New Credit, they don't own this land. Their land was taken away from them. And this is why I'm fighting this battle here, so that your land, so that your co-op is not taken away from you.”*

This is not “factually correct”. The lands are owned by York University and are leased to the Co-op. Mr. Betty implies that the Receiver (or some other entity) is attempting to take away the Co-op’s land, which is not only incorrect, but prejudicial to the purpose of the Receiver’s Consultation Process.

- c) *“We're in court right now. This has been an incredible legal battle that's been going on for three years now. The court has authorized millions of dollars. Go and look at the report. Millions of dollars to support this battle against us, the legal team. Hundreds of thousands of dollars have been paid to the lawyers on the other side.”*

The characterization that the Court has “authorized millions of dollars” to “support this battle against us” is misleading. The Court has approved interim

statements of receipts and disbursements show total receipts aggregating over \$12 million. However, these receipts are Co-op revenues and grants or subsidies provided by the City or the Province, to which the Co-op would have been otherwise entitled but for the financial mismanagement of the Board leading to the receivership. Fees authorized in favour of the Receiver and its counsel (what can be considered to be extraordinary) are less than \$1 million for a period spanning more than three years. The Receiver reiterates again that its fees and the fees of its counsel are paid by the City of Toronto and are not paid from the Co-op's revenues.

Further, Mr. Betty continues to position these receivership proceedings as an adversarial process, which undermines the purpose of the receivership administration and the Receiver's efforts developed in the Consultation Process.

- d) *"This is your property. And I want you to really understand that. You're not just a tenant, you're an owner in a cooperative. At the end of the day, what's at stake is that you have the possibility of losing everything."*

This statement creates confusion as to a Member's interest in the Co-op and tenancy rights. As already stated, the lands are owned by York University and the Co-op possesses the lands pursuant to a land lease with a finite term. Members are not "tenants" nor are they "owners", as the Co-op is a non-share capital co-operative housing corporation. Further, none of the Options proposed involves any risk to the security of housing accommodations of Members.

- e) *"And I think it's important for you to understand who RSM is because you're kind of sitting back here and I drew the analogy with the Mississauga New Credit. RSM happens to be linked to one of the most powerful corporations in this country. Bryan Tannenbaum, you may recognize the name Tanenbaum. His family owns Maple Leaf Sports. They own the hockey team. They own the soccer team. They own the Raptors. That's the battle that you're up against. This is David and Goliath. At the end of the day, all I'm asking from you, we can fight this battle."*

This statement is fraught with false, misleading and simply, inappropriate allegations concerning the Receiver and one of the principals of TDB Restructuring Inc. (formerly RSM Canada Limited). Minimal trivial research on the matter would have revealed that Bryan Tannenbaum has: (i) no familial relationship with Larry Tanenbaum (who spell their surnames differently); and (ii) no financial interest, equitable or otherwise, in Maple Leaf Sports.

- f) *“Fear is what builds opportunity. Fear that somehow I’m going to be evicted, somehow I’m not going to get all the things that I need or whatever. That’s what’s being used against you. If you look at the world, the idea of fear is the biggest weapon. We’re here to protect you legally. We’re actually here to fight for you. So don’t be fearful to speak up. Because what’s at stake is that if you don’t, and the pathway is number two, number three, or number four, in a couple of years, you’re going to have to find another residence. You’re going to have to find somewhere to live.”*

While framed in language encouraging Members to not be afraid, the statements actually mislead the Members into believing there is something to fear, unless they work with Betty’s Law to “fight”.

27. As is unambiguously evident from the selected statements above, the information provided by Mr. Betty to the Members is inaccurate, misleading and inflammatory. The Receiver also notes that the statements made by Mr. Betty to the Members is antithetical to the notion that Mr. Betty or his client are trying to “build bridges”, a point which was highlighted in the July 2 Endorsement (paragraphs 52 and 53). This Court, in the Receiver’s view, cannot endorse the conduct of Betty’s Law by approving the fees sought.
28. Further, in reviewing the time entries, the Receiver notes the following:
- a) Betty’s Law began reviewing the Fourth Report beginning April 1, 2026, but did not meet with the Board members until April 21, 2026 and attended the Members’ Meeting on April 30, 2026. During that period of time, no effort was made to advise the Receiver that it would be engaging in work or seek court approval as required;

- b) Approximately 17.5 hours was spent preparing responding materials for the Consultation Process Motion, which responding materials largely repeated allegations made in the past, and which were substantially not relied on in the Responding Factum or in oral submissions; and
 - c) Approximately 12 hours was spent on legal research and preparing the Responding Factum, which Responding Factum consisted of argument opposing every relief sought by the Receiver, with little to no law cited to support any controversial issue, and which counsel largely abandoned at the hearing.
29. The Court commented in its June 29, 2026 Endorsement that, while declining to make an award of costs against the Board, the conduct follows a pattern:

[53] The sentiments of bridge-building and providing a voice to the community offered in response to the request for an adverse costs award are laudable, but I observe, having now presided over a number of motions in this receivership, that those sentiments are not always reflected in the starting position of the Board in response to steps taken or proposed by the Receiver. As the Receiver has noted, the responses typically do follow the pattern of objection up to the hearing, followed by a late concession to some or all of the relief sought, but not without causing added expense and, in some instances, delays (for example, with respect to the membership application approvals).

[54] It would be open to the court to make the adverse costs award that the Receiver seeks, but I am going to exercise my discretion not to do so at this time because I am cognizant of the potential implications for the Co-op and its Members, or the individual Board Members. It is not even clear to me at this time who the individuals are who might be facing this sanction. However, I do not foreclose the possibility of an adverse costs award in the future if this pattern continues.

30. The Receiver's experience with Betty's Law and its representation of the Board has been at best, challenging. Objectively, from the Receiver's perspective, very little value is gained from the Board's consistent opposition to every relief sought with little to no consultation or effort to understand the issues, or work with the Receiver in advance

of the motions. Considerable effort is made by the Receiver and its counsel to address the concerns raised by the Board and Betty's Law, which are often revealed late and only through the service of responding materials resulting in a compressed timeline in which to reply.

31. The Receiver strongly objects to the approval of any of the time incurred by Betty's Law to be paid from HSC's funds as there is no basis to believe that: (i) the position advanced by Betty's Law had merit; (ii) the Board and Betty's Law were acting in the best interests of the Co-op; and (iii) the position advanced was properly advanced by the Board and not already considered by the Receiver. In sum, the positions advanced by Betty's Law (or the Board) only serve to detract from the orderly administration of the receivership.

5.0 DISMISSAL OF MOTION AND PAYMENT OF COSTS

32. The Receiver is concerned that the conduct of the Board, ostensibly based on advice from Betty's Law, has the continued effect of delaying the administration of the receivership and causing real harm or prejudice to residents of the Co-op. Very little appears to have been gained by the manner in which the Board and Betty's Law have approached their concerns, most of which could have been addressed through consultation and discussion with the Receiver.
33. The Receiver, for the first time in this receivership administration, requested that costs be paid by the Board as a result of the conduct leading to, and the position taken on, the Consultation Process Motion. While the Court did not grant a costs award, the Court's comments in its endorsement identified concerns as to the pattern of conduct attributable to the Board and Betty's Law, indicating that an adverse costs award was not inappropriate but declining to award costs primarily on the basis that it was unclear as to the effect such an order could have on the Co-op, its members, or the individual Board members.
34. Despite these comments, Betty's Law brought its Fee Approval Motion in direct contravention of the terms of the Fee Settlement and contrary to the process endorsed by this Court in its June 3, 2025 Endorsement.

35. As a result, the Receiver seeks costs to be paid personally by Betty's Law for the within Fee Approval Motion, in the event that such motion is unsuccessful. The Receiver notes that such an order will address the Court's concern as to the potential effect on the Co-op, its members or any individual Board member.
36. The Receiver has previously reported that other Co-op Members, including a Member who was a member of the Board, have questioned the process through which Betty's Law was retained and continues to act. The Co-op Members are a diverse body of individuals, many of whom may be from a vulnerable socio-economic segment. As a result, the process through which any person or group of people, including counsel, are appointed to represent the interests of the Co-op Members must be valid and proper.
37. The Receiver requests that Betty's Law be directed to disclose the identity of its instructing client, together with evidence supporting the process on which such retainer was authorized. The Receiver believes such information is not subject to privilege and is important to disclose to the Receiver and the Court, given that counsel has not been consistent, sometimes identifying the client as the Board, while at other times the client is identified as the Co-op itself.

6.0 REQUIREMENT TO SEEK LEAVE

38. As the Board and Betty's Law have continuously acted in a manner inconsistent with the June 3, 2025 Endorsement and have disregarded the terms of the Fee Settlement (despite having received the full consideration from the Co-op's funds), the Receiver recommends the Court expressly order that neither the Board nor Betty's Law may file materials or appear at any further hearing without leave of the Court, such leave to be sought at a case conference.
39. The Receiver notes that despite the Court's Order dated June 29, 2026, ordering that an Advisory Committee may be proposed by Betty's Law within 30 days of the Order, as at the date of this Second Supplementary Report, no such Advisory Committee has been proposed. Attached as **Appendix "L"** is a copy of the email correspondence between the Receiver's counsel and Mr. Betty. In the circumstances, the Receiver recommends that the June 29, 2026 Order be amended to give the Receiver the

authority to determine pending membership applications in a manner consistent with the Co-op's by-laws and the statutes.

7.0 RECEIVER'S RECOMMENDATIONS

40. Based on the foregoing, the Receiver respectfully recommends that the Court:

- a) dismiss the Fee Approval Motion;
- b) order costs of the Fee Approval Motion to be paid to the Receiver, by Betty's Law personally;
- c) order that the Board and Betty's Law may not take any step in the receivership proceeding, including filing of materials or making submissions at any hearing without leave of the Court, to be sought at a case conference in advance; and
- d) amend the June 29, 2026 Order to give the Receiver the authority to determine the pending membership applications in a manner consistent with the Co-op's by-laws and the statutes.

All of which is respectfully submitted to this Court as of this 1st day of September 2026.

TDB RESTRUCTURING LIMITED, solely in its capacity
as Receiver and Manager of Harry Sherman Crowe Housing
Cooperative Inc. and not in its personal or corporate capacity

Per:



Arif Dhanani, CPA, CA, CIRP, LIT
Managing Director

APPENDIX A



SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

COUNSEL/ENDORSEMENT SLIP

COURT FILE
NO.:

CV-22-00688248-00CL

HEARING
DATE:

Friday May 30, 2025

NO. ON LIST: 3

TITLE OF
PROCEEDING:

City of Toronto v. Harry Sherman Crowe Housing Co-Operative Inc. et al.

BEFORE:

JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Mark Siboni	City of Toronto	mark.siboni@toronto.ca

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Courtney Betty	Board of Directors of Harry Sherman Crowe Housing Co-Operative Inc.	betty@bettyslaw.com
Philip Cho	Receiver, TDB Restructuring Ltd.	pcho@weirfoulds.com
Arif Dhanani	Receiver, TDB Restructuring Ltd.	adhanani@tdbadvisory.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE KIMMEL – BOARD’S FUNDING MOTION:

[1] The current and subsisting Board of Directors of the respondent is asking the court to approve funding of its past and continuing legal expenses incurred in connection with this receivership proceeding.¹ There is a timetable in place for a motion brought by the Receiver, that was adjourned at the respondent’s request and is now scheduled to be heard on June 20, 2025. That timetable requires the Board to deliver its responding material by the end of this week. The parties need the decision on this motion to carry that timetable forward, and committed to doing so if the decision was rendered in the early part of this week. The court has endeavoured to do so. All of the written and oral submissions of the parties have been considered, even if not referred to or elaborated upon in this endorsement.

The Receivership

[2] The City of Toronto brought an Application to appoint a Receiver and Manager over the property, assets and undertaking of Harry Sherman Crowe Housing Co-operative Inc. (the “Co-op”) pursuant to, and in accordance with the provisions of the *Housing Services Act*, 2011, S.O. 2011, c. 6, Schedule I (the “HSA” or the “Act”). The receivership application was brought because the City (the designated service manager of the Co-op under the HSA) determined that the Co-op was experiencing challenges regarding its operations and the administration of its Rent-Geared-to-Income (“RGI”) portfolio. The City also identified issues with the Co-op’s financial position and its governance structures and practices.

[3] The court was satisfied on the record before it that, in light of the circumstances of the Co-op and the challenges that it faced, it was both just and convenient that a Receiver be appointed to manage the affairs of the Co-op, and an Order appointing the Receiver was granted on March 16, 2023 (the “Appointment Order” or “Receivership Order”). Neither the City nor the Co-op requested that any Order be made as to costs when the Appointment Order was made.

[4] At the time of the Receiver’s appointment, the Co-op was insolvent. It owed approximately \$1.1 million to its unsecured creditors, not including amounts now claimed by the lawyers for the Board, Betty’s Law. The Receiver has reported to the court that the balance of the Co-op’s operating account, as of April 20, 2025, was approximately \$74,000. The Receiver continues its work to complete various outstanding capital repair projects, while operating the housing project in accordance with the provisions of the HSA.

[5] The powers of a Receiver appointed by order of the court pursuant to subsection 85(7) of the HSA are governed by the Appointment Order. The Receiver owes duties to all relevant stakeholders. One of its duties is to provide an annual report. The Receiver’s first annual report was presented to the court on April 29, 2024 (the “Receiver’s First Report - Approval Motion”), at which time the First Report, the Receiver’s activities described in it and its fees and disbursements were approved.

Receiver’s Upcoming Motion

[6] The Receiver’s motion to deliver its second annual report to the Court, and seeking the approval of that report and the Receiver’s activities described in it and its fees and disbursements, is returnable on June 20, 2025 (the “Receiver’s Second Report - Approval Motion”). This will include approval of a proposed Request for Expressions of Interest and Qualifications (“RFEIQ”) process.

[7] The RFEIQ process, and the Receiver’s reasons for proposing it, are outlined in the Receiver’s Second Report dated April 30, 2025. In summary, it contemplates that the Receiver will engage with the members and

¹ While it has been pointed out that there are some dockets in the supporting accounts from the Board’s lawyers that appear to relate to other matters, those amounts are small and the motion was approached on the basis of the general assertion that this motion is for funding for legal expenses of the Board incurred in connection with this receivership.

residents of the Co-op to solicit feedback that the Receiver would then evaluate and report back to the Court on, along with a recommendation as to what steps should be taken in respect of the Co-op to best ensure that the housing project can continue as a healthy, ongoing, viable concern.

The Legal Fees and Disbursements of the Board for Which Approval for Funding is Sought

[8] Betty's Law Office was retained in 2022, prior to the receivership proceedings, by the then Board of Directors of the Co-op (the "Board"). Betty's Law acted for and advised the Board in its initial opposition to the appointment of the Receiver and in the Board's eventual withdrawal of that opposition. Following the appointment of the Receiver, Betty's Law continued to represent the Board in connection with the receivership proceedings.

[9] This motion was initially framed as a motion by the Co-op for:

- a. An order authorizing the City of Toronto and the Receiver TDB Restructuring to pay legal fees outstanding since 2023 in the amount of \$30,809.08 (CAD), these fees said to have been incurred in respect of Board representation by Betty's Law in responding to ongoing legal issues, including in connection with the Receivership Order.
- b. An order further authorizing the Receiver to pay all ongoing legal fees reasonably incurred by the Board of Directors for continued legal representation by Betty's Law, to be paid from the Co-op's market funds, currently controlled by the Receiver.
- c. Such further and other reliefs as this Honourable Court may deem just, recognizing that representation of the Co-op is required to ensure the smooth transitioning of the Co-op out of Receivership.

[10] Mr. Betty confirmed at the hearing of this motion that he represents the individuals and authority of the Board of the Co-op elected prior to the Appointment Order. The Board maintains that it continues to require ongoing legal representation to participate in receivership proceedings, respond to motions by the Receiver, and protect the rights and interests of Co-op members, while governance issues remain unresolved and the RFEIQ process proceeds. Mr. Betty also confirmed at the hearing that the Board is not seeking an order that the City pay any of the outstanding legal fees directly. The order sought is for the court to authorize the Receiver to pay these outstanding and future amounts from market rents paid to the Co-op by members.

[11] As part of the relief being sought in the within motion, the Board relies on three invoices it has received from Betty's Law that appear to relate to fees and disbursements incurred prior to the Appointment Order, namely Invoices 1123, 1124, and 1251, totaling \$34,556.16, as follows:

- a. Invoice 1123 (for work that Betty's Law performed in January and February 2023) in the amount of \$14,125.00;
- b. Invoice 1124 (for work that Betty's Law performed between March 4th and March 14th, 2023), in the amount of \$14,229.21; and
- c. Invoice 1251 (for disbursements that Betty's Law paid in the course of work performed between January 1st and March 14th, 2023), in the amount of \$6,131.95.

[12] Before the Appointment Order was made on March 14, 2023, the Co-op continued to have control over its Property. According to transactions disclosed on Invoices 1124 and 1247 from Betty's Law, it received retainer funds on deposit from the Co-op prior to the Appointment Order of \$10,000 and \$13,355.66, for a total of

\$23,355.66 (approximately 67% of the original total claimed invoices for this pre-Appointment Order period). In the absence of any evidence or explanation to the contrary, it is reasonable for the court to infer, and I do so infer, that those retainer funds were or could be applied to the oldest to newest outstanding invoiced amounts, which reduces the balance owing for legal fees and expenses to \$11,200.50 in the pre-Appointment period, specifically with respect to the Board's initial opposition to, and eventual support of, the Appointment Order.

[13] At the hearing of this motion, without addressing directly this analysis put forward by the Receiver, counsel for the Board advised the court that the request for funding was being reduced by approximately 50% to \$15,400, from the original request for \$30,809.08.

[14] Betty's Law has also rendered one invoice that appears to relate to work that was undertaken and completed following the issuance of the Appointment Order. This is Invoice 1247 dated May 1, 2024, in the amount of \$6,252.92, for work done in connection with the Receiver's First Report Approval Motion that the Board initially opposed.

Analysis

Legal Framework and the Parties' Positions

[15] The Court of Appeal set out the framework for assessing a request by a board of a corporation to be paid out of the assets of a corporation in a receivership in *Peterborough (City) v. Kawartha Native Housing Society Incorporated*, 2010 ONCA 705. In *City of Peterborough* the board of a non-profit housing corporation sought similar relief (funding of legal fees of that board) in respect of a receivership commenced by the City of Peterborough.

[16] Neither the Receiver nor the City take issue with the right of the Board to take positions in connection with matters brought before the court and retain legal counsel in appropriate circumstances, although it is noted that this is not an unfettered right and the court must be satisfied that the Board has acted responsibly and reasonably in doing so: see *City of Peterborough*, at paras. 31 and 32. Where the Board wants assurance of reimbursement, it can bring an application for an advance costs award. That was not done in this case in respect of the pre-Receivership funding request but it is what the Board is now doing in connection with ongoing funding that it seeks.

[17] The crux of the issue in this case is about whether the Board is entitled to have the legal fees and disbursements reflected in past and future invoices of Betty's Law (or such other lawyer as the Board may engage instead of Betty's Law) paid for by the Receiver out of the funds of the Co-op. The Receiver emphasizes that: "There are no blank cheques. The court will decide whether a board is to be reimbursed for the legal expenses in taking a particular course of action": see *City of Peterborough*, at para. 35.

[18] The court in the *City of Peterborough* went on (at para. 35) to describe the test to be applied by the court in deciding whether to approve funding of legal expenses to be as follows:

On exercising its discretion to make a costs award in favour of a board of a corporation in receivership, the court may, in addition to the factors under Rule 57 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, consider the following:

- (i) whether the position advanced by counsel for the board had any merit;
- (ii) whether the board was acting in the interest of the corporation;

(iii) whether the position advanced by the board was properly advanced by the board rather than by the receiver; and

(iv) whether the position advanced by the board detracted from the orderly administration of the receivership. The above is obviously a non-exhaustive list and, as always, each case will turn on its own particular facts.

[19] The Board maintains it satisfies these criteria and should be granted the amended order it seeks, whereas the Receiver, supported by the City of Toronto, maintains that the Board has not met any of these criteria and the requested order should not be granted.

Funding of Pre-Receivership Legal Expenses and Post-Receivership Legal Expenses Already Invoiced (the Appointment Order – Receivership Motion and Receiver’s First Annual Report - Approval Motion)

[20] In part, the Receiver’s practical approach to this issue relies upon the inference it urged the court to draw (and the court did draw for reasons detailed earlier in this endorsement) that the historic legal expenses that are the subject of those motion have already been, or could be, partially paid for from retainer funds held on deposit that the Board had provided to Betty’s Law before the Receiver was appointed. The Receiver says that amount, the \$23,355.66 that the court has inferred has been applied or will be applied by Betty’s Law to invoices in rendered in connection with the Receivership application, is a rough approximation of the partial indemnity costs of the Board in connection with the Appointment Order (as noted above, it is approximately 67% of the total amount of the invoices of Betty’s Law referable to this period of time).

[21] In a situation such as this where partial indemnity costs have already been paid by the Co-op (through its retainer funds) in respect of the Board’s legal representation regarding the appointment of the Receiver, the court should not exercise its discretion under Rule 57 and the *City of Peterborough* factors to grant what would in effect be full indemnity costs, or possibly even double recovery of some costs already paid. This is particularly so in a situation where the Board’s initial opposition was not sustained, but nonetheless resulted in increased legal fees to both sides.

[22] For its part, the Board has reduced its request for pre-Appointment Order legal expenses to \$15,400 but has not explained how this is reconciled with the invoices rendered for this period and amounts indicated to have been paid, or held, on account of amounts owing to Betty’s Law prior to the Appointment Order. Based on the Receiver’s accounting, approval of funding from the Co-op of a further \$15,400 would result in more than full indemnification of the legal expenses invoiced to the Board by Betty’s Law.

[23] Ms. Kerr says in her May 12, 2025 affidavit filed by the Board in support of its motion that Betty’s Law submitted cumulative invoices for legal fees totaling \$30,908.00 CAD for services rendered to the Board from 2023 through early 2025. The invoices were attached to her affidavit, but no mention was made in the supporting affidavit or submissions of the Board about reconciling the invoices with trust funds received on retainer that are referenced in the invoices. Ms. Kerr was ill on the date that had been scheduled for her cross-examination so she was not cross-examined as the schedule did not have any additional time buffers in it in the lead up to this hearing. No adjournment was sought, nor was she cross examined at the hearing, which was offered.

[24] While the responding parties could have asked questions of Ms. Kerr about the application of previously retainer funds reflect on the invoices that she references in her affidavit, they were not obligated to do so. It is the Board, that seeks to have legal expenses of its lawyer paid, that would be required to fully account for and reconcile the balances actually owing on the invoices tendered in support of this motion. The Board did, however, at the outset of the hearing indicate that it was reducing the amount of pre-hearing legal expenses that it is seeking

funding for to \$15,400 (by approximately 50%). The explanation provided in court for this offer was that the Board wanted to be reasonable in what it was asking for.

[25] Absent the reconciliation and accounting that I would have expected from the Board regarding the net legal expenses for which they have no funding, it is reasonable for the court to infer, and I do so infer, that this reduced amount of \$15,400 reflects a reasonable amount of funded legal fees for the pre-Receiver's legal expenses incurred by the Board. In terms of the applicable Rule 57 factors, it reasonably reflects the outcome of the Receiver's application, that the Board initially objected to but eventually decided not to oppose, it is proportionate and objectively reasonable. I further conclude that more than this amount has already been paid, or is available to be paid, from the retainer trust funds held by Betty Law (totaling \$23,355, representing a \$13,355 payment noted on one of Betty's Law invoices at issue, and another \$10,000 noted to be a retainer held in trust).

[26] The only invoice from Betty's Law for legal services performed post-Receiver's is the invoice for \$6,252.92 that appears to relate specifically to work done in connection with the Receiver's First Report Approval Motion that the Board initially opposed. Even if this amount is added to the requested funding for pre-Receiver's legal expenses of \$15,400, the total is still less than the total of \$23,355 indicated to have been paid to Betty's Law in respect of the Board's legal fees prior to the Appointment Order.

[27] Thus, no further funding of already invoiced legal expenses is authorized. Implicit in this decision is the approval of some, but not all, of the legal expenses for which funding is sought to pay Betty's Law for its work representing the Board in connection with the Receiver's Application. I consider that to be appropriate under the *City of Peterborough* framework. It is within the court's discretion to decide whether approval of funding in a receivership context is appropriate, and I so find. While the Board backed away from its positions, some of which were attributed by the court in an earlier endorsement to misunderstandings, the airing of counter positions in this particular context introduced a vigor and transparency into the receivership that is not entirely unwelcome. That said, this must be kept in check to avoid unnecessary enhanced legal fees, not only of the Board (to the extent future funding is approved), but also in respect of the fees and disbursements of the Receiver and its counsel as well.

[28] Further, I agree that because the court has authorized the funding of the pre-Receiver's legal expenses of the Board from the retainer trust funds, that is an exception that will not constitute a preference payment to an unsecured pre-receivership unsecured creditor (Betty's Law). The Receiver recognized in the course of its submissions that, as in the *City of Peterborough*, if the court approves the payment of the pre-receivership legal expenses then it is not a preference.

Funding of post-Receiver's Legal Expenses Not Yet Invoiced (Second Annual Approval Motions)

[29] With respect to the Receiver's Second Report Approval Motion, there is no relief sought against the Co-op or the Board. The RFEIQ process that has been recommended by the Receiver invites the members of the Co-op (including members of the Board) to participate in a process that will assist the Receiver in making recommendations and "strategic planning".

[30] Ms. Kerr explains in her affidavit on behalf of the Co-op that court approval is sought for legal expenses incurred by the Board going forward. She attests that: "These fees will be incurred in good faith for the purpose of ensuring the Board's effective participation in legal processes and governance transition planning. Legal counsel may be required to review future filings, respond to the RFEIQ process, and attend before this Honourable Court or with external stakeholders.

[31] The Receiver and the City have raised concerns regarding the conduct of this particular Board, and whether the interests of the Co-op will be served by funding counsel to the Board going forward. They point to the recent example of the Board waiting until shortly before the return date of the Receiver's pending motion in

May 2025 to purport to call an annual general meeting of members, without any consultation with the Receiver. While the annual general meeting did not take place upon the court's direction (after an urgent hearing was convened), had the meeting taken place, it would have further complicated the Receiver's efforts to engage with the members as contemplated by its motion for, among other things, the court's approval of the RFEIQ process. Interference with the receivership and not acting in the interests of the Co-op are among the discretionary factors that the court may consider under the *City of Peterborough* test.

[32] The Board requests a blanket pre-authorization of the Receiver to disburse such ongoing legal fees as they arise, subject to reasonableness, without requiring further motions unless the Receiver objects. The request for authorization of the payment by the Receiver of the Board's legal expenses post-Receivership appears to be predicated on the assumption that the Board as presently constituted will continue and eventually the management and operation of the Co-op will be transitioned back to this Board. This is reflected in the third prayer for relief in this motion that seeks such further and other relief "recognizing that representation of the Harry Sherman Co-op is required to ensure the smooth transitioning of the Co-op out of Receivership".

[33] The Board's request and presumption that the transition will necessarily be back to this Board (as presently constituted) goes too far. The Receiver's proposed RFEIQ process, if approved, or some further direction or order of the court will determine what the transition will look like, and to whom at the appropriate time. The concerns that existed at the outset when the Appointment Order was made, that included financial management and governance issues associated with this Board, may factor into this analysis. That remains an open question.

[34] Further, the Board's request, as currently framed, in respect of post-Receivership Board Legal Expenses, even if initially capped at \$10,000 up to the Receiver's Second Report Approval Motion (a limit only offered during submissions at the hearing in response to concerns raised by the court), is too general and could be considered to be tantamount to a blank cheque.

[35] Relief that is overreaching is not reasonable and appropriate and I am not prepared to grant the relief as it was set out in the Notice of Motion.

[36] All of that said, I agree that the Board may have something constructive to say about transition considerations given that it is the eventual objective for the Receiver to transition the management and direction of the Co-op back to a self-governing body of some sort, which might be this Board or might be constituted differently, something the Receiver will develop its recommendations about after the planned consultation and investigation procedures.

[37] I do not agree that the particulars and details of the positions that the Board is intending to take necessarily need to be spelled out chapter and verse in order for the court to approve some level of funding for the Board's legal expenses in advance. While the merits of positions taken are a relevant consideration for funding approval after the fact (as they were in *City of Peterborough*), the merits of positions taken may be a less significant factor to consider under the *City of Peterborough* test when approval of fees is sought in advance.

[38] The Court of Appeal in *City of Peterborough* expressly contemplates that approval of legal expenses of a board of a company in receivership can be sought in advance. In those circumstances, it may be unrealistic to expect the positions to have been fully formulated before knowing that counsel will have some funding to be paid for its work. While there is an initial onus on the Board to explain what it needs the funding for, in the circumstances of this case it is sufficient that the Board has said that it wants to contribute to the court's consideration of the RFEIQ process which, in turn, will engage transition considerations. Penny J. observed in his endorsement on the First Report Approval Motion, at paras. 9 and 10 that: "If the board wishes to successfully transition out of the receivership, it will have to show it has a clear understanding of what is required, from a regulatory, governance and financial point of view, for the successful operation of the Co-op". It seems to me

that this is the underlying objective of the Board's current proposed funding request in connection with the Receiver's Second Report Approval Motion.

[39] The Receiver makes a valid point that the Board does not have a great track record of succeeding on issues raised, as many have settled at the last minute due to changes in positions, adjournment requests, misunderstandings and the like, and that these positions were often at odds with the due administration of the receivership and ultimately may not have entirely served the interests of the Co-op. However, that does not necessarily mean that the Board's position in response to the next motion will be unreasonable.

[40] I am concerned that Betty's Law appears to have pulled the \$10,000 figure out of the air for the requested funding, when pressed at the hearing. No budget was provided and it was simply stated that this was a "discount". The court requires evidence of the need for advance funding and what it is for, and will not write a blank cheque. Given the timing, the court is provisionally approving a budget up to a maximum of \$10,000 in legal expenses for Betty's Law to provide legal representation to the Board in connection with the upcoming Receiver's Second Report Approval Motion, subject to the submission at the hearing a costs outline (or something similar to detail the basis for any amount of funding sought) that supports that amount of legal fees and disbursements that the funding is requested to cover and how it was calculated. It shall still remain in the discretion of the court to determine the amount of legal expenses, if any, that will be approved for funding in connection with this motion, up to this maximum amount.

Order and Amin

[41] The legal expenses of the Board in connection with this receivership that have been invoiced by Betty's Law are only approved to the extent of the retainer funds deposited with Betty's Law prior to the Receivership Order, as reflected (for example) on Invoices 1124 and 1247 from Betty's Law indicating that it received retainer funds on deposit from the Co-op prior to the Appointment Order of \$10,000 and \$13,355.66, for a total of \$23,355.66.

[42] The post-Receivership as-of-yet unbilled legal expenses incurred by legal counsel for the Board in connection with the Receiver's Second Report Approval Motion are approved up to an all-inclusive maximum of \$10,000 (or such lesser amount is substantiated and/or awarded by the court in its discretion at or after that motion).

[43] It should not be assumed that there will be approval for funding for future legal representation of the Board after the Receiver's Second Report Approval Motion and the consideration of the RFEIQ process, as the court's approval of or directions given in respect of that process may change the court's view on the application of the relevant factors to any future funding of Board legal expenses.

[44] Counsel for the Board represented that he would continue to work and ensure that he is in a position to deliver the responding materials that are due on June 6, 2025 in connection with the Receiver's Second Report Approval Motion so that motion stays on track for a hearing on June 20, 2025 in accordance with the court's May 13, 2025 endorsement. The court expects that timetable to be adhered to.

KIMMEL J.

Date: June 3, 2025

APPENDIX B



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-22-00688248-00CL

DATE: November 28, 2025

NO. ON LIST: 3

TITLE OF PROCEEDING: City Of Toronto v. Harry Sherman Crowe Housing Co-Operative Inc
BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Mark Siboni	Lawyer for the City of Toronto	Mark.siboni@toronto.ca

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Courtney Betty	Board of Directors of Harry Sherman Crowe Housing CoOperative Inc.	betty@bettyslaw.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Philip Cho	Counsel for the Receiver TDB Restructuring Ltd	pcho@weirfoulds.com
Arif Dhanani	Receiver	adhanani@tdbadvisory.ca

ENDORSEMENT OF JUSTICE KIMMEL:

[1] On June 3, 2025, I released an endorsement in this matter that contained the following regarding provisional funding of legal counsel for the Board of the respondent Harry Sherman Crowe Housing Co-operative:

[40] I am concerned that Betty's Law appears to have pulled the \$10,000 figure out of the air for the requested funding, when pressed at the hearing. No budget was provided and it was simply stated that this was a "discount". The court requires evidence of the need for advance funding and what it is for, and will not write a blank cheque. Given the timing, the court is provisionally approving a budget up to a maximum of \$10,000 in legal expenses for Betty's Law to provide legal representation to the Board in connection with the upcoming Receiver's Second Report Approval Motion, subject to the submission at the hearing a costs outline (or something similar to detail the basis for any amount of funding sought) that supports that amount of legal fees and disbursements that the funding is requested to cover and how it was calculated. It shall still remain in the discretion of the court to determine the amount of legal expenses, if any, that will be approved for funding in connection with this motion, up to this maximum amount.

...

[42] The post-Receivership as-of-yet unbilled legal expenses incurred by legal counsel for the Board in connection with the Receiver's Second Report Approval Motion are approved up to an all-inclusive maximum of \$10,000 (or such lesser amount is substantiated and/or awarded by the court in its discretion at or after that motion).

[43] It should not be assumed that there will be approval for funding for future legal representation of the Board after the Receiver's Second Report Approval Motion and the consideration of the RFEIQ process, as the court's approval of or directions given in respect of that process may change the court's view on the application of the relevant factors to any future funding of Board legal expenses.

[2] On June 30, 2025, following a hearing on June 20, 2025, I released a decision on the Receiver's Second Report Approval Motion (*City of Toronto v. Harry Sherman Crowe Housing Co-Operative Inc.*, 2025 ONSC 3908) that included the following provisions:

[63] No costs were sought by the Receiver, despite the concerns noted earlier in this endorsement about the unfounded allegations of misconduct and misfeasance.

[64] Given the outcome of the RFEIQ process approval (largely in favour of the Receiver) and the timing of the Board's withdrawal of its

opposition to the other aspects of the relief sought by the Receiver, no costs are awarded to or in favour of the Board.

- [3] The parties attended the case conference today seeking directions about whether the court's June 30, 2025 decision overrode the provisional funding that was provided for in the June 3, 2025 endorsement. The court has confirmed that it did not. Approval of funding for the payment of legal fees incurred by a party to their own counsel is distinct from a costs award on a motion.
- [4] Mr. Betty has provided an invoice detailing his actual time, hourly rate, fees, disbursements and taxes in connection with the Receiver's Second Report Approval Motion, which total \$26, 117.29.
- [5] Counsel for the Receiver asked for an hour after the hearing to review Mr. Betty's invoice and raise any objections to the court approving the quantum of the payment to Mr. Betty of the \$10,000 cap provisionally approved by the June 3, 2025 endorsement, given that his invoices for actual fees and disbursements were more than twice the approved amount. No objections having been raised, the court approves the payment of \$10,000 by the Board from the Housing Co-operatives' funds for Mr. Betty's legal fees and disbursements in connection with his representation of the Board on the Receiver's Second Report Approval Motion.
- [6] The Receiver confirmed that, subject to cash flow constraints, the Housing Co-operative does have the funds to pay this capped fee of \$10,000. Mr. Betty confirmed that he will co-operate in terms of timing of payment to accommodate cash flow considerations.
- [7] Counsel for the Receiver noted, as does the court, that the court's previous endorsement contains guidance regarding any future funding approval requests by the Board or its counsel.
- [8] It was confirmed that, in accordance with the court's prior endorsement, the Receiver has delivered its Third report and is on track for the next scheduled December 11, 2025 case conference.

A handwritten signature in dark ink, appearing to read "Kimmel J.", is written over a horizontal line.

Jessica Kimmel

Date: Nov 28, 2025

APPENDIX C

**ONTARIO SUPERIOR COURT OF JUSTICE-
COMMERCIAL LIST**

BETWEEN:

CITY OF TORONTO

Applicant

And

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

Respondent

**Notice of Motion
(Returnable on 19 February 2026)**

The Respondent, Harry Sherman Crowe Housing Co-operative Inc. (the "Co-op"), will make a motion to a Judge presiding over the Commercial List at 330 University Avenue, Toronto, Ontario, on February 19, 2026, at 10:00am, or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard (*choose appropriate option*)

- ☐ In writing under subrule 37.12.1 (1) because it is (*insert one of* on consent, unopposed *or* made without notice);
- ☐ In writing as an opposed motion under subrule 37.12.1 (4);
- ☐ In person;
- ☐ By telephone conference;
- ☐ By video conference.

at the following location: **Judicial Video Conference link to be provided in Case Center.**

THE MOTION IS FOR:

1. Approving the legal fees incurred by the Counsel for the Respondent, Harry Sherman Housing Co-operative Inc. (“HSC”) and its Board of Directors with respect to court hearing date December 11, 2025.
2. Authorizing TBD Restructuring Ltd. (“TBD”) in its capacity as court-appointed receiver and manager of Harry Sherman Housing Co-operative Inc. to pay outstanding legal fees to the Respondent's counsel with respect to court hearing date December 11, 2025.
3. Such further and other reliefs as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. On December 03, 2025, the Receiver brought a motion returnable December 11, 2025, for:
 - i. *Authorizing and directing the Receiver to continue developing the requirement and viability of options available to the HSC for the purpose of developing a process, subject to the court approval...*
 - ii. *Authorizing the Receiver to engage in considering and where appropriate, approving applications for membership to HSC and unit transfer requests, in accordance with the provisions of the Co-operative Corporations Act, R.S.O. 1990, c. C.35 and the by-laws of HSC;*
 - iii. *Approving the Third Report to the Court dated November 20, 2025 (the “Third Court Report”) and the activities and conduct of the Receiver described therein;*
 - iv. *Approving the interim statement of receipts and disbursements of the Receiver;*
 - v. *Approving the fees and disbursements of the Receiver and its counsel; and*
 - vi. *Such further and other relief as this Honourable Court may deem just.*
2. The legal fees for which approval is sought were reasonably and necessarily incurred as a result of counsel’s preparation for, and representation of, the Respondent, Harry Sherman Crowe Housing Co-operative Inc. (“HSC”), at the hearing held on December 11, 2025. Counsel was required to review the Receiver’s Third Report, prepare responding materials, advise the Board, engage with the Receiver and the City, and attend before the Court to address the relief sought.
3. At the December 11, 2025, hearing, counsel for the Board actively participated in resolving issues raised by the Receiver’s motion, including objections to the Receiver’s request for authority to approve new membership applications, which resulted in amendments to the proposed order and the removal of that aspect of the relief sought.
4. Pursuant to paragraph 11 of the Endorsement of Justice Kimmel dated December 16, 2025, the Court stated that Mr. Betty raised the matter of his fees at the conclusion of the hearing, but the Court had no material or time to consider them, and that *“if a motion is required to deal with Mr. Betty’s fees, a separate scheduling appointment may be booked for the court to schedule and timetable that motion”* This motion is brought in compliance with that direction.
5. The fees incurred are fair, proportionate, and consistent with the complexity and importance of the issues addressed at the December 11, 2025, hearing, including the

Receiver's request for approval of its Third Report, its activities, its statement of receipts and disbursements, and its own fees and those of its counsel.

6. Independent legal representation for HSC and its Board was necessary to ensure that their statutory obligations, governance responsibilities, and rights under the Co-operative Corporations Act, R.S.O. 1990, c. C.35 were properly protected and presented to the Court in the context of the ongoing receivership.
7. It is appropriate that the Receiver be authorized to pay these fees from the receivership estate, as the Respondent and its Board do not have independent access to funds, and the work performed contributed to the orderly administration of the receivership and the Court's understanding of the issues before it.
8. Rules 1.04, 3.02, 37, and 57 of the *Rules of Civil Procedure* and sections 131 and 138 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 support the Court's authority to approve and direct payment of reasonable legal fees incurred in connection with court proceedings.
9. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. Fess Affidavit of Courtney Betty and exhibits thereto, and
2. Such further and other evidence as this Honourable Court may permit.

Dated at Toronto this 06 day of February, 2026.

BETTY'S LAW OFFICE

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ON M4P 1E4

Courtney Betty (LSO # 28347U)

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Cc: tenechia@bettyslaw.com

TO: CITY SOLICITOR'S OFFICE

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Counsel to the Receiver

Court File No. CV-22-00688248-00CL

BETWEEN

CITY OF TORONTO **and**

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

(Applicant)

(Respondent)

ONTARIO

SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

BETTY'S LAW OFFICE

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ONTARIO
SUPERIOR COURT OF JUSTICE- COMMERCIAL LIST

BETWEEN:

CITY OF TORONTO

Applicant

And

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

Respondent

AFFIDAVIT OF SERVICE

I, Courtney Betty, of the City of Toronto in the Province of Ontario, MAKE OATH AND SAY:

1. I am the Senior Partner of the Law Firm Betty's Law Office Professional Corporation ("Betty's Law Office"), lawyers for the Respondent, Harry Sherman Crowe Housing Co-operative Inc. in this proceeding. As such, I have knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out below, I state the source of my information and verily believe such information to be true.
2. Attached hereto and marked as "**Exhibit A**" is invoice #1401 for legal fees incurred with respect to the preparation and attendance to court hearing on December 11, 2026.

SWORN by Courtney Betty
of the City of Toronto in the
Province of Ontario, before me at
the City of Toronto, in the Province of Ontario,
on February 06, 2026, in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.

Julian Castro Ortiz

Julian Castro Ortiz (Feb 6, 2026 13:54:34 EST)

Commissioner for Taking Affidavits
Julian Castro Ortiz
Barrister and Solicitor LSO #77258V

}

Courtney Betty

Courtney Betty (Feb 6, 2026 13:55:51 EST)

Courtney Betty
Signature of the Deponent

This is **Exhibit “A”** mentioned and referred to in the

Affidavit of Courtney Betty

Affirmed this 06th day of February 2026

Julian Castro Ortiz

Julian Castro Ortiz (Feb 6, 2026 13:54:34 EST)

.....
A Commissioner for Taking Affidavit

Julian Castro Ortiz

Barrister and Solicitor LSO #77258V

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INVOICE

Harry Sherman Crowe Housing Co-operative
51 The Chimneystack Road
North York, M3J 3L9

Date: 02/06/2026

Attention: Harry Sherman Crowe Housing Co-operative

Invoice #: 1401

File #: 21-1015

Our Fee Herein

Date	LWR	Description	Hours	Rate	Amount
4-5/12/2025	CB	Receipt, review and analysis of Receiver's motion dated December 03, 2025, Vol. 1 & 2	5	\$650.00	\$3,400.00
08/12/2025	CB	Review of Townhall meeting recording dated August 19, 2025	1.5	\$650.00	\$1,020.00
10/12/2025	CB	Preparation and finalization of Respondent's Factum and Affidavit of Sareeda Nur sworn on 10 December 2025	5	\$650.00	\$3,400.00
10/12/2025		Service of Factum of the Respondent and Affidavit of Sareeda Nur on Counsels Mark Siboni and Philip Cho via email. Preparation and finalization of Affidavit of Service. Filing of Respondent's Factum, Affidavit of Sareeda Nur and Affidavit of Service	.5	\$150.00	\$75.00
10/12/25	CB	Email communications with Philip Cho with respect to negotiating the reliefs sought in the Receiver's Motion Record dated 03 December 2026 as well as discussion on the proposed cost outline for legal fees relating to court hearing 11 December 2025	.2	\$650.00	\$130.00
06/06/2025	CB	Preparation for Arguments at case conference scheduled for December 11, 2025	5	\$650.00	\$3,400.00
06/13/2025	CB	Attendance at Case Conference scheduled for December 11, 2025	1	\$650.00	\$650.00

For professional services	18.20	\$12, 075.00
HST		\$ 1,569.75
Total fees including HST		\$13, 644.75

HST# 818737421 RT0001

Court File No. CV-22-00688248-00CL

BETWEEN

CITY OF TORONTO **and**

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

(Applicant)

(Respondent)

ONTARIO

SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF COURTNEY BETTY

BETTY'S LAW OFFICE

2300 Yonge Street, Suite 1600

Toronto, ON

M4P 1E4

Courtney Betty (LSO # 28347U)

Tel: 416-972-472

Email: betty@bettyslaw.com

tenechia@bettyslaw.com

APPENDIX D



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-22-00688248-00CL

DATE: February 19, 2026

NO. ON LIST: 2

TITLE OF PROCEEDING: CITY OF TORONTO v. HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

BEFORE: The Honourable Justice Jessica Kimmel

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Mark Siboni	Counsel for Applicant- City of Toronto	msiboni@toronto.ca

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Courtney Betty	Counsel for Respondent- Harry Sherman Crowe Housing Co-Operative Inc.	betty@bettyslaw.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Philip Cho	Counsel for Receiver- TDB Restructuring Ltd.	pcho@weirfoulds.com
Arif Dhanani	Receiver	adhanani@tdbadvisory.ca

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ENDORSEMENT OF JUSTICE J. KIMMEL:

- [1] The court's December 16, 2025 endorsement at paragraph 11 directed that: "if a motion is required to deal with Mr. Betty's fees, a separate scheduling appointment may be booked for the court to schedule and timetable that motion". Mr. Betty has served a motion dated February 6, 2026 for approval of his fees in connection with his representation of certain members of the Board of Directors of the housing co-operative at the December 11, 2025 court hearing. Today's case conference was convened to schedule that motion.
- [2] At this time, the City of Toronto and the Receiver have not fully determined their position in response to this motion, but there were indications that they may be raising some objections to it.
- [3] Mr. Betty indicated that he would like a broader direction from the court regarding his continued representation of certain members of the Board of Directors of the housing co-operative as he is frustrated by the time and effort that it is taking for him to be paid. He anticipates that he will be amending his Notice of Motion and supporting material to seek this broader relief.
- [4] A two-hour in person hearing has been scheduled on April 14, 2026 commencing at 10:00 a.m. for Mr. Betty's motion on behalf of certain members of the Board of Directors of the housing co-operative. The following timetable of pre-hearing steps shall be adhered to by the parties in advance of that motion:
- (a) Mr. Betty shall serve his Amended Notice of Motion and supporting evidence (including any previously delivered affidavit) in a motion record to be delivered by March 2, 2026.
 - (b) Any responding motion records from the Receiver and/or the City of Toronto shall be delivered by March 16, 2026.
 - (c) Mr. Betty's reply motion record, if any, shall be delivered by March 23, 2026.
 - (d) The court is not encouraging examinations for this motion, but if any are requested they shall be completed by March 27, 2026.
 - (e) Mr. Betty's moving factum shall be delivered by April 1, 2026.
 - (f) Responding factums shall be delivered by April 8, 2026.
 - (g) Mr. Betty's reply factum, if any, shall be delivered by April 10, 2026.
 - (h) All material for this motion must be filed and uploaded into the appropriate hearing bundle in Case Center by no later than 5:00 p.m. on April 10, 2026.
 - (i) The parties may agree to change the above deadlines for pre-hearing steps as long as any changes do not impact the final deadline for all material to have been served, filed and uploaded into the appropriate hearing bundle in Case Center by no later than 5:00 p.m. on April 10, 2026.

(j) All factums must be double spaced and must comply with the other requirements for factums prescribed by the *Rules of Civil Procedure* and the Commercial List Practice Direction.

[5] There is a previously scheduled case conference on March 6, 2026 that will proceed as scheduled, to address other matters specified at the time it was booked.

[6] This endorsement shall have the immediate effect of a court order without the necessity of a formal order.

Date: February 19, 2026

A handwritten signature in cursive script, appearing to read "Kimmel J.", enclosed within a rectangular box.

Jessica Kimmel

APPENDIX E



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-22-00688248-00CL

DATE: March 6, 2026

NO. ON LIST: 5

TITLE OF PROCEEDING: CITY OF TORONTO v. HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

BEFORE: The Honourable Justice Jessica Kimmel

PARTICIPANT INFORMATION

For Applicant:

Name of Person Appearing	Name of Party	Contact Info
Mark Siboni	Counsel for Applicant- City of Toronto	msiboni@toronto.ca

For Respondent:

Name of Person Appearing	Name of Party	Contact Info
Courtney Betty	Counsel for Respondent- Harry Sherman Crowe Housing Co-Operative Inc.	betty@bettyslaw.com
Julian Castro		julian@bettyslaw.com

For Other:

Name of Person Appearing	Name of Party	Contact Info
Arif Dhanani	Receiver	adhanani@tdbadvisory.ca
Philip Cho	Counsel for Receiver- TDB Restructuring Ltd.	pcho@weirfoulds.com

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ENDORSEMENT OF JUSTICE J. KIMMEL:

- [1] This case conference was scheduled by the court's endorsement of December 16, 2025, for the purpose of updating the court on the Receiver's progress in developing and elaborating upon the Options set out in section 6.3 of its Third Report. That work has been ongoing.
- [2] The Receiver proposes the following timetable for a hearing (motion) for the court to receive and consider any relief requested by the Receiver in connection with the Options and the Receiver's recommended process:
- (a) Receiver's Report delivered by March 31, 2026;
 - (b) Any responding materials delivered by April 21, 2026; and,
 - (c) Hearing on or after May 5, 2026, subject to court availability.
- [3] While no specific objections were raised in connection with this proposed timetable, at the hearing Mr. Betty suggested that he and the members of the Board of Directors who he takes instructions from might benefit from some additional time to respond. Accordingly, the deadline for responding materials was extended to May 15, 2026 and a two hour in person hearing has been scheduled on June 29, 2026 commencing at 10:00 a.m.
- [4] The parties shall adhere to the following adjusted and expanded pre-hearing timetable:
- (a) Receiver's Report shall be delivered by March 31, 2026;
 - (b) Any responding materials (including any materials from the City of Toronto) shall be delivered by May 15, 2026;
 - (c) The Receiver's Reply Report, if any, shall be delivered by May 22, 2026;
 - (d) The Receiver's factum shall be delivered by June 17, 2026;
 - (e) Responding factums (including any factum from the City of Toronto) shall be delivered by June 24, 2026;
 - (f) The Receiver's reply factum shall be delivered by June 25, 2026; and
 - (g) All materials shall have been uploaded into the appropriate hearing bundle in Case Center by no later than 4:30 p.m. on June 24, 2026 with the exception only of the Receiver's reply factum, which may be uploaded by no later than 4:30 p.m. on June 25, 2026.

[5] If all parties are in agreement, this timetable may be adjusted on consent without the necessity of a further court appearance as long as all materials have been served filed and uploaded by June 24, 2026 (except the reply factum may be uploaded on June 25, 2026 by 4:30); if the parties reach an agreement such that the full hearing time is not needed and such that they are ready to appear earlier than June 29, 2026, alternative earlier dates may be canvassed with the Commercial List scheduling office.

Date: March 6, 2026

A handwritten signature in cursive script, reading "Kimmel J.", enclosed within a rectangular box.

Jessica Kimmel

APPENDIX F



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-22-00688248-00CL

HEARING DATE: June 29, 2026

NO. ON LIST: 02

TITLE OF PROCEEDING: CITY OF TORONTO v. HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

BEFORE: JUSTICE Jessica Kimmel

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Mark Siboni	City of Toronto	Msiboni@toronto.ca
Philip Cho	Receiver	Pcho@weirdfoulds.com

For defendant, respondent, responding party:

Name of person appearing	Name of party	Contact info
Courtney Betty Julian Castro	Self-identified as counsel to Harry Sherman Crowe Housing Co-operative Inc., also previously identified in these proceedings as counsel to the pre-receivership Elected Board of Directors of the Harry Sherman Crowe Housing Co-Operative Inc.	Betty@bettyslaw.com julian@bettyslaw.com

ENDORSEMENT OF JUSTICE KIMMEL:

The Motion: Context for Relief Sought

- [1] By order of the Ontario Superior Court of Justice dated March 14, 2023 (the "Appointment Order"), RSM Canada Limited (now TDB Restructuring Limited) was appointed receiver and manager (the "Receiver"), without security, of all of the assets, undertakings and properties of Harry Sherman Housing Cooperative Inc. ("HSC", the "Co-op") acquired for, or used in relation to a business carried on by HSC (the "Housing Project").
- [2] This motion arises out of an order made on December 11, 2025, authorizing and directing the Receiver to continue developing certain Options it has been exploring for the future of the Co-op, post-receivership (the "Options") and directing the Receiver to return to court to seek approval of its proposed process for stakeholder consultation regarding the Options. The Receiver has developed its proposed Options and is now proposing to embark upon a consultation process (the "Consultation Process") by which it would provide Members and resident non-members of the Co-op with information about the Options it is considering ("Information Package"), give them an opportunity to ask questions and seek clarifications about the Options in a Town Hall, and then solicit input about their preferences through a "voting" procedure. Eventually, after consultation with other stakeholders, the Receiver proposes to come back to the court and make a recommendation about the future of the Co-op, post-receivership.
- [3] In the absence of any constructive proposal from the pre-receivership Elected Board of Directors of the HSC (the "Board") or the advisory committee that the Board indicated at the December 11, 2025 hearing it wanted to establish to work more closely with, and provide input and support to, the Receiver (the "Advisory Committee"), the Receiver is also asking the court to revisit its previous request for express authority to consider and, if determined appropriate, approve pending Co-op membership applications. Lastly, the Receiver seeks various ancillary relief for the approval of its latest Reports and its activities and its interim Statement of Receipts and Disbursements ("SRD") set out in the Reports, and approval of the Receiver's and its counsel's most recent fees and disbursements (the "Ancillary Relief").
- [4] Specifically, the Receiver seeks an order:
- (a) Authorizing and directing the Receiver to implement its proposed Consultation Process with respect to its four proposed governance and transition Options, including:
 - i. Dissemination of its Information Package to the Members;
 - ii. Holding of a Town Hall meeting with Members of the Co-op;
 - iii. Solicitation and receipt of non-binding input and voting results from Members regarding their preferred Option;
 - iv. Engaging with key stakeholders, including the City of Toronto and the co-operative housing federation of Toronto ("CHFT");
 - (b) Authorizing the Receiver to approve applications for membership to HSC;
 - (c) Approving the Fourth Court Report and the Supplement to the Fourth Report (the "Reports") and the activities and conduct of the Receiver described therein;
 - (d) Approving the interim SRD of the Receiver; and,

(e) Approving the fees and disbursements of the Receiver and its counsel as set out in the supporting Fee Affidavits.

- [5] Capitalized terms not otherwise defined in this endorsement shall have the meanings ascribed to them in the Receiver's Factum dated June 17, 2026 filed in support of this motion. The Receiver's motion is primarily supported by its Fourth Court Report dated March 30, 2026 (the "Fourth Report").
- [6] On May 15, 2026, counsel purporting to represent the Board and Community Members of the Co-op delivered two affidavits and a document titled Response to Receiver Motion Record dated March 31, 2026. I agree with the Receiver that the "Response" is not a document that is provided for under the *Rules of Civil Procedure*, nor was it provided for in the briefing schedule for this motion. It is not a sworn affidavit or other form of admissible evidence, nor is it a factum. A responding factum (not compliant with the formal requirements for factums) was later delivered, and then amended and replaced with a responding factum dated June 25, 2026.
- [7] Although not properly before the court, I note that the Response indicated a wholesale objection to all of the relief sought by the Receiver on this motion, much of which was repeated in a later-filed Responding Factum. The headings in the Responding Factum are reproduced below to illustrate the positions being advanced in response to this motion (which are repeated at the end of the Responding Factum at paragraph 51):
- (a) Consultation Process should not be approved
 - (b) The Receiver should not process membership applications
 - (c) The Court should not approve the proposed consultation process
 - (d) The interim statement of receipts and disbursements should not be approved
 - (e) The Fees and Disbursements of the Receiver and its Counsel Should Not Be Approved
- [8] In paragraph 51 of the Responding Factum, the Board also purports to asks for 60 days to provide the court with a strategic implementation plan for return to governance by an elected Board, effectively asking to halt the current Consultation Process that the Receiver has been working on leading up to and since December 11, 2025, so that they can ask for the receivership to be presumptively terminated upon the election of a new board. This is essentially the first of the Receiver's four proposed Options, which the Board was (based on its opposition to the Receiver's motion) asking the court to approve in lieu of approving the Receiver's proposed Consultation Process.
- [9] Despite the strong language of opposition contained in the responding material filed prior to the hearing of this motion, counsel (who now identifies himself as counsel for the respondent HSC, although previously identified in this proceeding as counsel for the Board) indicated that there is, in fact, very little in dispute. He confirmed that he would leave it to the court's discretion to decide whether to grant the requested relief, except:
- (a) with respect to the process for approval of membership applications, the Board still wants time to constitute an Advisory Committee to deal with those if the court is inclined to direct that they be considered at all while the receivership is ongoing; and
 - (b) to object to the now proposed restriction on attendees at the Town Hall being limited to Members and non-member residents of the Co-op, in those capacities, and that it is not attended by the Board (in that capacity) or its counsel.

[10] The City of Toronto, in its capacity as the service manager of the Co-op, supports all of the relief sought by the Receiver, and confirmed at the hearing that it is continuing to directly pay the fees and disbursements of the Receiver and its counsel, including those for which court approval is being sought by this motion.

Approval of the Consultation Process

[11] There are four Options proposed by the Receiver for consideration by the stakeholders: (1) Regular Election; (2) Supported Board Election; (3) Transfer to Non-Profit Housing Provider; and (4) Land Trust Model. These are explained in detail in the Receiver's Information Package and also in the Receiver's Summary of Options appended to its Notice to Members that it is proposing to disseminate prior to its Town Hall. The Receiver has satisfied itself that these Options are all within the Co-op's power and authority to undertake, if approved. As noted above, they are supported by the service manager (City of Toronto) and the CHFT has been consulted about their feasibility as well. The court is not being asked to approve any particular Option at this time, just the process by which the Receiver is proposing to consult with various stakeholders about the Options before making its recommendation to the court.

[12] After the Receiver had served its Motion Record on March 31, 2026, a meeting (the "Members' Meeting") was held in the community room at HSC, organized by Sharon Richards, a former member of the Board, which the Receiver facilitated but did not attend. The Agenda and Summary of the intended topics to be discussed indicated that the Members' Meeting was supposed to be "neutral" and "even-handed", with no recommendations being made to Members about the Options that the Receiver would be presenting at the Town Hall. The Summary also suggested that the meeting would be an opportunity for Members to openly discuss the roles of Mr. Betty and the Board throughout the receivership proceeding.

[13] Based on the stated purpose of the Members' Meeting, the Receiver declined the invitation to attend as it was expecting to present its Options at the Town Hall that it was seeking approval of by this motion that had already been served. It did not want to pre-empt the very process that it was asking the court to approve.

[14] Following the Members' Meeting, the Receiver delivered a Supplement to its Fourth Report dated May 22, 2026. This Supplement is objected to by the Board because it provides a hearsay and allegedly inaccurate account of what transpired at the Members' Meeting, in that it purports to report on matters discussed at the Members' Meeting based on information received from anonymous attendees who indicated that they did not want to be identified. This led to the delivery of a further Supplementary Affidavit of Sharon Richards sworn on June 23, 2026 (the "Supplementary Richards Affidavit") disputing the Receiver's second-hand account of what had transpired at the Members' Meeting. The Supplementary Richards Affidavit is objected to by the Receiver because it was delivered without seeking prior consent for the delivery of a sur-reply affidavit that was not contemplated in the timetable for this motion, more than one month after the Receiver delivered, in accordance with the briefing timetable, its Reply Motion Record and Supplement to the Fourth Report.

[15] The Receiver is concerned that the Members' Meeting was used by counsel for the Board and the Board to pre-empt the Receiver's proposed Consultation Process and Town Hall. The Receiver therefore asked in its factum that the court direct that attendees of the Town Hall be restricted to Members only, without interference from the Board or its counsel, such that a Board member will be permitted to attend solely in their capacity as a Member. At the hearing, it was clarified that that non-member residents would also be permitted to attend and participate in the Town Hall on the same basis.

[16] There are evidentiary challenges on both sides in connection with Receiver's Supplement to the Fourth Report and the Supplementary Richards Affidavit, both addressing what transpired at the Members' Meeting. The court has been asked to disregard both of these filings. While they have not been struck from the record, and have not been ruled formally to be inadmissible, their utility on this motion is limited. From

the court's perspective for purposes of the issues that must be decided on this motion, what is important (and not disputed) is that the Members' Meeting took place and there was a discussion about the Receiver's proposed Options, the very same Options that the Receiver is seeking approval to present and discuss with Co-op Members and non-member residents at the Town Hall as part of the proposed Consultation Process. It is also not disputed that, unbeknownst to the Receiver, litigation counsel for the Board was invited to, and attended, the Members' Meeting and spoke about, among other things, the receivership, the Receiver's proposed Options and the future governance of the Co-op.

[17] Without making a determination at this time about precisely what was, or was not, said at this Members' Meeting, it cannot serve as a substitute for the proposed Town Hall that the court is being asked to approve by this motion. Whether intentional or not, the fact that there was a directed discussion at the Members' Meeting about the Receiver's proposed Options has the potential to undermine what the Receiver is trying to do under this court's supervision. The Members' Meeting was, according to the Supplementary Richards Affidavit, "for the purpose of explaining the Receiver's motion and the four governance Options to residents who had limited legal knowledge and who were anxious about the future of their homes". This stated purpose presupposes that the Receiver's Consultation Process would go forward, and the fact that the Members' Meeting has taken place underscores and reinforces the need for the Receiver to proceed with its Consultation Process and Town Hall.

[18] The Members and non-member residents of the Co-op should have the benefit of the fulsome Information Package prepared by the Receiver, and access to the Receiver and its counsel and CHFT to answer their questions at the Town Hall. Further, the dispute about what was or was not said at the Members' Meeting also reinforces the importance of a Consultation Process to ensure that all Members receive the same information about the Receiver's proposed Options and about its proposed Consultation Process.

[19] The restriction that the Receiver seeks to impose on attendees at the Town Hall is appropriate. Attendance and participation at the Receiver's Town Hall should be limited to Members and non-member residents of HSC only. Board members will of course be permitted to attend in their capacity as Members of the Co-op. The Board is not attending the Town Hall as such, and no rights are being voted on or impacted at the Town Hall. Mr. Betty (who is counsel for the Board) has had the opportunity to address the Members' Meeting already. He does not need to be given another platform to speak at the Town Hall. The Town Hall is not a debate.

[20] The Consultation Process is consistent with, and authorized by, paragraph 2(1) of the Appointment Order, expressly conferring on the Receiver the power to "meet with and discuss with such Persons ... as the Receiver deems appropriate on all matters relating to the Property and the receivership ..." and where not expressly provided, paragraph 3(s) of the Appointment Order provides that the Receiver is expressly conferred with the power to "take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations".

[21] Paragraph 3 of the Appointment Order further provides that where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons ... including the Respondent, and the Respondent's Board of Directors, and without interference from the Respondent, the Respondent's Board of Directors, and any other Person."

[22] The Consultation Process was developed by the Receiver to provide a meaningful opportunity for Members to give input to the Receiver regarding the proposed Options. The Receiver views the input of the Members as a fundamental and necessary factor in developing recommendations to the Court as to the receivership and the future of HSC. There is no support for the Board's attempts to characterize the Receiver as having any other motive.

[23] While the oral submissions of the Board's counsel at the hearing of this motion ended up seemingly only raising an objection to the now proposed restrictions on attendance and participation in the Town Hall (addressed above), reference was made to the general concerns noted in the written responding materials filed, regarding the length of time that the Receiver has now been in control of HSC, questioning why transition back to board control has not occurred and why that is not the only Option now being presented under the Consultation Process.

[24] The focus of this opposition is tied to a misplaced emphasis on a single line in the April 29, 2024 endorsement in this proceeding of Penny J. in which he stated (at para. 9): "[I]n this next phase of the receivership, Toronto and the Receiver should work with the Co-op to begin working for when and how the transition back to board control might be achieved". That comment was made at a point in time and in a broader context (at paragraphs 9 and 10):

[9] In my view, the past year has been spent dealing with the most urgent and pressing problems; this was necessarily so given the extent and seriousness of the physical, financial, governance and other problems being faced by the Co-op. Now that the situation has begun to stabilize, the Receiver should, as outlined in the First Report, continue with the initiatives it has undertaken. At the same, time, in this next phase of the receivership, Toronto and the Receiver should work with the Co-op to begin working toward a plan for when and how the transition back to board control might be achieved.

[10] For example, counsel for Toronto advised that there are various resources available to board members, and potential board members, to help them understand what is required to successfully manage a co-op housing project. I strongly recommend that the board work with Toronto to understand and utilize these resources. The history of this matter leads me to believe that, in the past, the board has on occasion failed to understand, and to follow, various requirements necessary to maintain the service manager's support and co-operation. If the board wishes to successfully transition out of the receivership, it will have to show it has a clear understanding of what is required, from a regulatory, governance and financial point of view, for the successful operation of the Co-op.

[25] Transition back to Board control is an objective or goal, not a requirement to the exclusion of all other Options, as counsel for the Board suggests. The Receiver points out that if the Board has made efforts to educate itself or has availed itself of available resources to attempt to understand what is required to successfully manage a co-op housing project, there is no clear or direct evidence before the court about the nature or extent of those efforts.

[26] The City points out that the decision of this court in *Corporation of the County of Simcoe v. Matthew Co-Operative Housing Inc.*, 2010 ONSC 4047 (relied upon by the Board in its opposition to this motion, at paragraphs 20, 47 and 73) reflects a similar goal to what the court expressed in paragraph 9 of the April 29, 2024 endorsement of eventually restoring governance authority to the Co-op itself, but achieving that is dependent upon various things to have occurred, such as: (i) reasonable steps having been taken to assist the co-operative in developing a governance structure which would permit it to resume control; and (ii) demonstration that the housing co-operative is capable of managing its affairs without outside assistance.

[27] Unquestionably, the ideal would be for the Co-op to "exercise governance authority through the election of directors, participation in members' meetings, approval of by-laws, and the exercise of voting rights protected by the Co-operative Corporations Act" (see *Matthew*, at para. 47, citing *Co-Operative Housing Federation of Canada and Thornhill Green Co-Operative Homes Inc. v. The Regional Municipality of York and York Housing Inc.*, *Mintz & Partners Limited, Receiver* 2009 CanLII 7081 (ON SCDC), [2009] O.J.

No. 696, 58 M.P.L.R. (4th) 68 (Div. Ct.), at para. 77) and for the Co-op to be an independently functioning entity that has “a hand in determining its own destiny” (see *Matthew* at para. 73, citing *Thornhill Green* at para. 90).

[28] However, these cases were situations where a Receiver was recommending or agreeing to the sale of the assets of a co-op, and the court was concerned that the service manager needed “to provide reasonable notice to the co-op of its intentions, and to provide the co-op with a meaningful opportunity to make submissions, before the Service Manager makes a decision” (see *Thornhill Green* at para. 91, cited by *Matthew*, at para. 73). The City of Toronto points out that this is exactly what the Receiver is attempting to do through its proposed Consultation Process: it is attempting to collect information and input from various stakeholders so that it can provide the best advice it is able to bearing in mind the legislative policy, statutory provisions and its mandate.

[29] Furthermore, in this case there is no evidence of a currently proposed governance structure which would permit the Board to resume control, nor demonstration that the Co-op is presently capable of managing its affairs without outside assistance. To the contrary, the relief requested in paragraph 51 of the responding factum and reiterated by Mr. Betty in court indicates that, despite the lengthy duration of this receivership, the Board has not yet formulated a governance structure and is seeking 60 days (at the hearing, the request was expanded to 120 days) to come up with a proposed governance structure.

[30] If and when the Board has formulated a governance structure, they can come to the court with what they are proposing. In the meantime, the Receiver’s Consultation Process should continue and the aspects of the relief sought in furtherance of that are granted.

Outstanding Membership Applications

[31] Membership applications have not been processed by HSC since the appointment of the Receiver. The Receiver has learned that there are at least two residents who have pending membership applications that are in limbo. Membership in the Co-op affects residents’ rights to occupy their units, which is an important aspect of their housing security.

[32] This aspect of the relief sought by the Receiver was adjourned at the December 11, 2025 hearing due to a last minute objection by the Board. Part of the reason for deferring this was to allow the establishment of the Advisory Committee to work with the Receiver on, among other things, the processing of membership applications and to come back to the court if need be for further guidance and directions. This was in response to concerns raised (and repeated now) about protecting the democratic rights of the Members to have their elected Board involved in the approval membership applications.

[33] Despite the Board's opposition to the Receiver's request to seek the authority to process membership applications at the December 11, 2025 hearing, and the Receiver's follow up, the Receiver did not receive any feedback on its proposed process for addressing membership applications from the Board or its counsel following the December 11, 2025 hearing. While the material filed by the Board in December 2025 in response to this motion purported to identify Advisory Committee members, no evidence has been provided confirming their willingness to serve, nor is there a proposed mandate for any such Advisory Committee.

[34] That Advisory Committee has still not been struck. The concerns now noted by counsel for the Board that have led to the delays in establishing that Advisory Committee were not communicated to the Receiver until this motion. The court agrees with the Receiver that the pending membership applications need to be processed.

[35] Sub-paragraph 2 (c) of the Appointment Order authorizes the Receiver to “manage, operate, and carry on the business of the Respondent ...” and sub-paragraph 2 (s) authorizes it to “take any steps reasonably

incidental to the exercise of these powers or the performance of any statutory obligations”. There are other provisions authorizing the Receiver to deal with other matters incidental to membership in the Co-op, such as (q): increasing “the rents, housing charges, and any other fees and charges the occupants of the Housing Project; and (r): terminating “the occupancy of any resident of the Property”, all accordance with the *Housing Services Act, 2011* (the "HSA"), the HSA's regulations, and the *Residential Tenancies Act, 2006* (the "RTA").

[36] I agree with the Receiver that it is wholly consistent with the exercise of these powers that the Receiver be authorized and directed to process membership applications, given the duration of this receivership, the lack of any effort of the Board to address membership applications, and the real prejudicial impact that lack of membership status may have on certain non-member residents of HSC. This receivership has taken longer than one might have expected. That is not a criticism, just an observation but one that has implications for the non-member residents of the Co-op who seek membership status. It is not fair to them for their applications to continue to be in limbo.

[37] The Receiver remains willing to engage in a co-operative process with the Advisory Committee to deal with pending membership applications. Counsel for the Board has now undertaken to establish that Advisory Committee within 30 days and to now do what was supposed to have been done after the December 11, 2025 hearing. This is reflected in changes made to the Receiver’s draft June 19, 2025 order.

Ancillary Relief: Approval of Fees, Reports, Activities and Interim SRD

[38] It was confirmed at the hearing that there is no opposition to the requested approval of fees and disbursement of the Receiver and its counsel since the City of Toronto is continuing to pick up the tab and it is not opposing the requested fee approvals. It was suggested that the relevant consideration for the court in determining whether to approve the Receiver’s fees is an evaluation of the value added by the Receiver on a cost basis. That is not a fair articulation of the test that the court applies when determining whether to approve the fees and disbursements of receivers and their counsel. The court must consider whether the fees for which approval is sought are fair, reasonable and justified in the circumstances and having regard to relevant factors: see *Bank of Nova Scotia v. Diemer*, 2014 ONCA 851, 20 C.B.R. (6th) 292, at paras. 33, 44-45.

[39] The Receiver points out that many of the objections raised by the Board (and then withdrawn) were similar to objections previously raised and rejected by the court in earlier endorsements and/or eventually withdrawn by the Board, about things the Receiver has not done. This is aptly demonstrated by the following excerpt from the court’s June 30, 2025 endorsement (see *City of Toronto v. Harry Sherman Crowe Housing Co-Operative Inc.*, 2025 ONSC 3908, at para. 23):

[23] In the court’s last endorsement, the Board was invited to direct questions they had about the Receiver’s Reports and activities in writing to the Receiver, but they declined to do so. Instead, they read the Reports, interpreted them, and raised arguments based on their own interpretations and views about how the Receiver and its counsel should be conducting themselves. These accusations (examples of which can be found throughout the Factum filed on behalf of the Board and the supporting affidavit of Rosell Kerr sworn June 6, 2025) have not been substantiated and are denied by the Receiver and its counsel.

[24] The Receiver and its counsel are officers of the court. Criticisms against them are a serious matter. These types of attacks on court officers made without evidentiary foundation can be subject to

sanctions, such as costs: see *Kaptor Financial Inc. et al v. SF Partnership, LLP et al*, 2016 ONSC 6607, 41 CBR (6th) 262, at para 7. No sanction is being sought at this time, but it was appropriate for the Receiver to point out the many unfounded criticisms and accusations. This has been duly noted by the court.

[40] As is noted later in this endorsement, the Receiver is now seeking the sanction of costs against the Board or its members given that it has been put to the time and expense of responding to the objections raised to every aspect of the relief it was seeking, including the approval of its latest Reports and activities, its SRD, and its fees and disbursements and those of its counsel, on similar grounds as have been raised in the past and withdrawn, as they eventually were in this instance as well.

[41] The fees and disbursements of the Receiver and its counsel are supported by the fee affidavits of Arif Dhanani sworn March 30, 2026 (Receiver's fees and disbursements totaling \$53,592.29) and Philip Cho sworn March 30, 2026 (Counsel's fees and disbursements totaling \$77,587.27. Progress has been made since the last fee approval in December of 2025. To the extent that it has not been at a speed at which the Board might have wanted, they are not innocent bystanders in the delays that this receivership has experienced.

[42] The professional fees and disbursements claimed for the Receiver and its counsel reflect the nature of the work that has been done, the complications and difficulties encountered, and include detailed time descriptions of the work performed. The fees are commensurate with the tasks performed and the Receiver considers the fees and hourly rates to be reasonable and within the range of comparable market rates. These are among the relevant considerations for approval of fees and disbursements of court officers and their counsel: see *Confectionately Yours Inc. (Re)* (2002), 219 D.L.R. (4th) 72 (Ont. C.A.), at paras. 40, 45.

[43] As was noted in the court's endorsement approving fees earlier in this receivership, given all that they have been contending with, the professionals appear to have staffed the file in a manner commensurate with the issues involved, and to have involved juniors at lower hourly rates when appropriate. Importantly, the City is paying the fees of the Receiver and its counsel directly, they are not being paid out of the operating funds of the Co-op, and the City supports the Receiver's request for this fee approval.

[44] I find the fees of the Receiver and its counsel to be fair, reasonable and justified in the circumstances and having regard to relevant factors: see *Diemer*, at paras. 33, 44-45.

[45] All of the Receiver's activities set out in its Reports were conducted within the ambit of its powers as granted by the Appointment Order, and in furtherance of the objectives of this appointment and the HSA. The approval of the Reports and the activities of the Receiver described therein has been made subject to the standard qualification that has become the Commercial List practice to include in these types of orders.

[46] It has become the practice of the court to periodically approve the activities of its court appointed officers to ensure that their activities are being conducted in a prudent and diligent manner. This provides certainty for the Receiver and stakeholders, and provides an opportunity to address any problems. This approval falls within the court's inherent jurisdiction: see *Target Canada Co. (Re)*, 2015 ONSC 7574, 31 C.B.R. (6th) 311, at paras. 22-23; *In the Matter of The Body Shop Canada Limited*, 2024 ONSC 3882, at para. 27.

[47] I am satisfied that the Receiver's activities have been conducted in a prudent and diligent manner and, as noted above, in accordance with its mandate under the Appointment Order, directions of the court made in the course of this receivership and the objectives of the HSA. The Receiver continues to work with the service manager (the City), the property manager, CHFT, the Co-op and other stakeholders to ensure the Co-op is operating in a manner consistent with the HSA.

- [48] The Reports and the Receiver's activities and conduct described in them are approved. One caveat that I note in the particular circumstances of this case is that the approval of the Supplement to the Fourth Report should not be taken as acceptance of the truth of the anonymous third-party accounts of what transpired at the Members' Meeting, in light of the noted disagreement with those accounts. That is not a criticism of the Receiver's role in receiving and conveying those accounts and the concerns expressed by those third parties, but only to note that they have not been fully evaluated since they did not need to be for purposes of this motion.
- [49] The interim SRD appears to be in order. While there were some initial concerns raised by the Board about certain of the disbursements in this year compared to the prior year, those appear to have been the result of a misunderstanding about the cumulative nature of this statement. This was precisely the same concern raised and answered on prior approval motions.
- [50] The ancillary approvals of the Reports, activities, interim SRD, and fees are all granted.

Costs and Order

- [51] Up until this point in this receivership, the Receiver has not sought costs despite the many objections it has faced from the Board to its various requests for advice and directions from the court, often withdrawn at the eleventh hour. This motion has followed that consistent pattern. The Receiver is thus asking for an award of substantial indemnity costs for the time spent by its counsel after delivery of the responding record, in the all-inclusive amount of \$22,889.54. This is supported by a Costs Outline. The costs are sought against the Board members personally, or against the "Board" which would ultimately likely come from the Co-op's budget. The costs award is requested to act as a deterrent against this pattern of conduct that has caused delays and increased the cost of this receivership.
- [52] The request for costs is opposed on the basis that it could have a ripple effect across the community and mute the voices of the community members if they face this type of economic sanction for raising concerns. The Board suggests that they were reasonable in that they eventually did not oppose the approval of the fees and disbursements, the Reports and the SRD, and softened other objections with respect to the proposed Consultation Process and in favour of a path to move forward with the Advisory Committee. They say they want to build bridges. However, their actions sometimes suggest otherwise.
- [53] The sentiments of bridge-building and providing a voice to the community offered in response to the request for an adverse costs award are laudable, but I observe, having now presided over a number of motions in this receivership, that those sentiments are not always reflected in the starting position of the Board in response to steps taken or proposed by the Receiver. As the Receiver has noted, the responses typically do follow the pattern of objection up to the hearing, followed by a late concession to some or all of the relief sought, but not without causing added expense and, in some instances, delays (for example, with respect to the membership application approvals).
- [54] It would be open to the court to make the adverse costs award that the Receiver seeks, but I am going to exercise my discretion not to do so at this time because I am cognizant of the potential implications for the Co-op and its Members, or the individual Board Members. It is not even clear to me at this time who the individuals are who might be facing this sanction. However, I do not foreclose the possibility of an adverse costs award in the future if this pattern continues.
- [55] This is intended to be a co-operative process and eventual orderly transition out of the receivership at the appropriate time and under the appropriate structure. The Consultation Process should run its course without further delay.

[56] I have signed today the revised form of Order dated June 29, 2026 submitted after the hearing to reflect changes requested during the hearing and some small revisions that I have since made to the last preamble and paragraph 7 thereof.

Date: July 2, 2026

A rectangular box containing a handwritten signature in cursive script that reads "Kimmel J.".

Jessica Kimmel

APPENDIX G

Arif Dhanani

From: Tenechia Williams <tenechia@bettyslaw.com>
Sent: Friday, March 6, 2026 5:02 PM
To: Philip Cho; Courtney Betty
Cc: mark.siboni@toronto.ca; Betty's Law Office; Bobbie-Jo Brinkman; Arif Dhanani; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com
Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

External sender

Dear Philip,

The revised invoice will be provided on Monday.

Tenechia Williams

Operations Manager, LLB, LLM
Betty's Law Office
2300 Yonge St, #1600
Toronto, ON, M4P 1E4



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<https://bettyslaw.com>

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From: Philip Cho <pcho@weirfoulds.com>
Sent: March 6, 2026 4:59 PM
To: Tenechia Williams <tenechia@bettyslaw.com>; Courtney Betty <betty@bettyslaw.com>
Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com
Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

Thank you. I forgot that we also need the revised invoice for \$11K including HST. Can you send that to us on Monday? Thanks.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

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From: Tenechia Williams <tenechia@bettyslaw.com>

Sent: March 6, 2026 4:44 PM

To: Philip Cho <pcho@weirfoulds.com>; Courtney Betty <betty@bettyslaw.com>

Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com

Subject: Re: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

[External Message]

Dear Philip,

I confirm receipt of your email.

Regards,
Tenechia Williams

Get [Outlook for Android](#)

From: Philip Cho <pcho@weirfoulds.com>

Sent: Friday, March 6, 2026 5:41:05 PM

To: Tenechia Williams <tenechia@bettyslaw.com>; Courtney Betty <betty@bettyslaw.com>

Cc: mark.siboni@toronto.ca <mark.siboni@toronto.ca>; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com <a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com <a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com <a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com>

Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

Thank you Tenechia. We will arrange for that cheque to be issued and will advise when ready for pick-up.

We will wait until the cheque has been issued and received by your office before informing Justice Kimmel that the parties have settled the fee motion.

Have a great weekend.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

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From: Tenechia Williams <tenechia@bettyslaw.com>

Sent: March 6, 2026 3:57 PM

To: Philip Cho <pcho@weirfoulds.com>; Courtney Betty <betty@bettyslaw.com>

Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>;
a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com;
a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com;
a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com

Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

[External Message]

Dear Philip,

Please see the attached dated Acceptance of Offer.

With respect to the cheque payment, we will arrange with a courier to pick-up when the cheque is ready.

Tenechia Williams

Operations Manager, LLB, LLM
Betty's Law Office
2300 Yonge St, #1600
Toronto, ON, M4P 1E4



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<https://bettyslaw.com>

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From: Philip Cho <pcho@weirfoulds.com>

Sent: March 6, 2026 3:36 PM

To: Tenechia Williams <tenechia@bettyslaw.com>; Courtney Betty <betty@bettyslaw.com>

Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>;
a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com;
a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com

Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL
Importance: High

Thank you Tenechia. Please see attached revised Offer to Settle for \$11,000 inclusive of disbursements and HST, together with a blackline and an updated Acceptance of Offer. We made a few minor changes to correct some grammatical issues. We confirm that your client's acceptance of the Offer is subject to the below regarding payment of the fee amount:

1. Your office issues a revised invoice (like last time) showing the fee and HST totalling \$11,000;
2. Your office accepts that the timing for payment will be sometime next week or the week after to process the cheque. Please confirm whether you will arrange for pick up from the Receiver's office like last time (NOTE TDB's offices have moved – now at 65 Queen St. W., Suite 605).

If this is agreeable, please date and send back the Acceptance of Offer, which we will consider served and confirmation as acceptance.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

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From: Tenechia Williams <tenechia@bettyslaw.com>

Sent: March 6, 2026 12:38 PM

To: Philip Cho <pcho@weirfoulds.com>; Courtney Betty <betty@bettyslaw.com>

Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com

Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

[External Message]

Dear Philip,

I confirm that this offer includes agreement to the terms set out the offer to settle as well as the conditions contained in your email.

Tenechia Williams

Operations Manager, LLB, LLM
Betty's Law Office
2300 Yonge St, #1600
Toronto, ON, M4P 1E4



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From: Philip Cho <pcho@weirfoulds.com>

Sent: March 6, 2026 12:00 PM

To: Tenechia Williams <tenechia@bettyslaw.com>; Courtney Betty <betty@bettyslaw.com>

Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com

Subject: Re: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

Please confirm that this offer includes agreement on all of the other terms and conditions that have been set out below and in the formal offer to settle before I seek instructions.

From: Tenechia Williams <tenechia@bettyslaw.com>

Sent: Friday, March 6, 2026 11:57:45 AM

To: Philip Cho <pcho@weirfoulds.com>; Courtney Betty <betty@bettyslaw.com>

Cc: mark.siboni@toronto.ca <mark.siboni@toronto.ca>; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com <a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com>

Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

[External Message]

Dear Philip,

I respond to this email on behalf of Mr. Betty.

We are agreeable to resolve the fees motion for \$11,000.00 inclusive of HST.

We await your instructions.

Tenechia Williams

Operations Manager, LLB, LLM
Betty's Law Office
2300 Yonge St, #1600
Toronto, ON, M4P 1E4



416-972-9472 ext. 105

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From: Philip Cho <pcho@weirfoulds.com>

Sent: March 6, 2026 11:47 AM

To: Courtney Betty <betty@bettyslaw.com>; Tenechia Williams <tenechia@bettyslaw.com>

Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>

Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

Courtney, following up on this. Thanks.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

WeirFoulds LLP

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From: Philip Cho <pcho@weirfoulds.com>

Sent: March 4, 2026 9:47 PM

To: Courtney Betty <betty@bettyslaw.com>; Tenechia Williams <tenechia@bettyslaw.com>

Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>

Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

Good evening Courtney, I have instructions to settle the fee motion for \$10,000, inclusive of HST, provided that:

1. Your client agrees to the other terms set out in the offer to settle. A revised offer to settle is attached with the updated offer, together with an acceptance form;
2. Your office issues a revised invoice (like last time) showing the fee and HST totalling \$10,000;
3. Your office accepts that the timing for payment will be sometime next week or the week after to process the cheque. Please confirm whether you will arrange for pick up from the Receiver's office like last time (NOTE TDB's offices have moved – now at 65 Queen St. W., Suite 605);

If you are agreeable to this revised offer, please date and return the Acceptance of Offer to us. We look forward to hearing from you.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

WeirFoulds LLP

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From: Courtney Betty <betty@bettyslaw.com>

Sent: March 4, 2026 4:58 PM

To: Philip Cho <pcho@weirfoulds.com>; Tenechia Williams <tenechia@bettyslaw.com>

Cc: mark.siboni@toronto.ca; Betty's Law Office <info@bettyslaw.com>; Bobbie-Jo Brinkman <bbrinkman@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>

Subject: Re: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

[External Message]

Hi Philip,

My proposal for resolution of the fees outstanding is to settle for \$10,000 plus HST. This is more than reasonable.

Thanks

APPENDIX H

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

B E T W E E N:

CITY OF TORONTO

Applicant

- and -

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

Respondent

OFFER TO SETTLE

TDB Restructuring Limited, in its capacity as court-appointed receiver-manager (in such capacity, the “**Receiver**”) of all the assets, undertakings and properties of Harry Sherman Crowe Housing Co-operative Inc. (“**HSC**”) offers to settle the HSC board’s (the “**Board**”) motion for fees returnable on April 14, 2026 (the “**Board Fee Motion**”) on the following terms and conditions:

1. HSC will pay \$11,000, inclusive of disbursements and HST in respect of the fees claimed in the Board Fee Motion, as more particularly set out in the Affidavit of Courtney Betty sworn on February 6, 2026.
2. The Board agrees that from the date of the acceptance of this Offer to Settle:
 - a. the Board and its lawyers will proceed in a manner consistent with the endorsement of the Court dated June 3, 2025, including, without limitation, seeking approval for funding in advance of incurring fees by way of a properly scheduled motion or case conference in which the Board will identify:
 - (i) the specific issue on which it seeks to be heard;
 - (ii) the reason legal representation is necessary; and
 - (iii) the scope and anticipated cost of the proposed work; and,
 - b. the Board and its lawyers will not seek approval for, and are not entitled to, funding of any legal work from HSC or the Receiver unless such prior Court authorization

has been obtained, provided that the Board may personally pay for any such legal services as it may deem appropriate.

3. This Offer to Settle is open for acceptance until March 9, 2026 at 2:00 p.m.

Date: March 5, 2026

WEIRFOULDS LLP

Barristers & Solicitors

66 Wellington Street West, Suite 4100

Toronto-Dominion Centre

P.O. Box 35

Toronto, ON M5K 1B7

Philip Cho (LSO # 45615U)

pcho@weirfoulds.com

Tel: 416-365-1110

Fax: 416-365-1876

Lawyers for the Receiver

CITY OF TORONTO
Applicants

- and -

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.
Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

OFFER TO SETTLE

WEIRFOULDS LLP
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Lawyers for the Receiver

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

B E T W E E N:

CITY OF TORONTO

Applicant

- and -

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

Respondent

ACCEPTANCE OF OFFER

THE BOARD OF DIRECTORS of Harry Sherman Crowe Housing Co-Operative Inc.
("HSC") by its lawyers, Betty's Law Office, accepts your Offer to Settle dated March 5, 2026.

Date: March ___, 2026

BETTY'S LAW OFFICE
2300 Yonge Street, Suite 1600
Toronto, ON M4P 1E4

Courtney Betty (LSO# 28347U)
Tel: 416-972-9472
Email: betty@bettyslaw.com
cc. tenechia@bettyslaw.com

Counsel for the Respondent

TO: WEIRFOULDS LLP
Barristers & Solicitors
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Lawyers for the Receiver

CITY OF TORONTO
Applicants

- and -

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.
Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

ACCEPTANCE OF OFFER

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Tel: 416-365-1110

Fax: 416-365-1876

Lawyers for the Receiver

APPENDIX I

Arif Dhanani

From: Courtney Betty <betty@bettyslaw.com>
Sent: Tuesday, July 21, 2026 2:52 PM
To: Philip Cho; Tenechia Williams
Cc: msiboni@toronto.ca; Fabiola Bassong; Arif Dhanani
Subject: Re: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

External sender

Phillip,

I expecting nothing less from you. This is about a community. It is not about you or your law firm. Your constant attacks against counsel and others have been resisted. I have no intentions of getting into back and forth with you. The Receivership will come to an end no matter how much you constantly try to create barriers. In fact your approach has only energized everyone including myself to ensure Justice is achieved. Raise your concerns with the Court. Justice will prevail before this is all over.

Get [Outlook for Mac](#)

From: Philip Cho <pcho@weirfoulds.com>
Date: Tuesday, July 21, 2026 at 2:27 PM
To: Tenechia Williams <tenechia@bettyslaw.com>, Courtney Betty <betty@bettyslaw.com>
Cc: msiboni@toronto.ca <msiboni@toronto.ca>, Fabiola Bassong <fbassong@weirfoulds.com>, Arif Dhanani <adhanani@tdbadvisory.ca>
Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

Mr. Betty, our participation in providing dates for your motion is not to be taken as a waiver of the terms of the settlement agreement on the last costs request that your client / your office made. This will be raised before Justice Kimmel and the Receiver will be seeking to enforce the terms of the settlement agreement, as well as to address any other issues that may be raised in your Notice of Motion.

Thank you.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

WeirFoulds LLP

66 Wellington Street West, Suite 4100, P.O. Box 35, TD Bank Tower, Toronto, Ontario, Canada. M5K 1B7 | T. 416-365-1110 | F. 416-365-1876 | www.weirfoulds.com

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From: Tenechia Williams <tenechia@bettyslaw.com>
Sent: July 21, 2026 1:48 PM
To: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Cc: Courtney Betty <betty@bettyslaw.com>; Mark Siboni <mark.siboni@toronto.ca>; Philip Cho <pcho@weirfoulds.com>; a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com
Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

[External Message]

Good Day,

Please see the attached Hearing Request Form.

Tenechia Williams

Operations Manager, LLB, LLM
Betty's Law Office
2300 Yonge St, #1600
Toronto, ON, M4P 1E4



416-972-9472 ext. 105
<https://bettyslaw.com>

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From: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Sent: July 20, 2026 3:14 PM
To: Tenechia Williams <tenechia@bettyslaw.com>
Cc: a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com;
a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com
Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

Hello,
September 15, 17 next available

From: Tenechia Williams <tenechia@bettyslaw.com>
Sent: July 20, 2026 1:44 PM
To: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Cc: a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com;
a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com
Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Good Day,

One hour (30mins for Counsel for the Respondent and 30mins for Counsel for the Receiver). The Motion can be set virtually.

Tenechia Williams

Operations Manager, LLB, LLM
Betty's Law Office
2300 Yonge St, #1600
Toronto, ON, M4P 1E4



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From: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Sent: July 17, 2026 4:58 PM
To: Tenechia Williams <tenechia@bettyslaw.com>
Cc: a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com
Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

Hello,
How much time required for the motion ?

From: Tenechia Williams <tenechia@bettyslaw.com>
Sent: July 17, 2026 1:25 PM
To: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Cc: a33abcda24cb46679233191ff232d7de@lawmail.cosmolex.com
Subject: RE: City of Toronto and Harry Sherman Crowe Housing Co-operative Inc. // Court File No. CV-22-00688248-00CL

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Good Morning,

We are counsel to the Respondent with respect to the above-noted matter.

At your earliest opportunity, can you please advise on Justice Kimmel's availability for a Motion. The Respondent would like to bring a motion for legal fees per the Receiver's Motion heard on June 29, 2026. Once confirmation of availability is provided the request form will be provided as per the required process.

We thank you in advance for your all assistance with respect to this matter.

Tenechia Williams

Operations Manager, LLB, LLM
Betty's Law Office
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Toronto, ON, M4P 1E4



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APPENDIX J



TDB Restructuring Limited
Licensed Insolvency Trustee

65 Queen St. West, Suite 605 
Toronto, ON M5H 2M5
info@tdbadvisory.ca 
416-575-4440 
416-915-6228 
tdbadvisory.ca

IN THE MATTER OF THE RECEIVERSHIP OF
HARRY SHERMAN CROWE HOUSING COOPERATIVE INC.

SUPPLEMENT TO THE FOURTH REPORT TO THE COURT OF
TDB RESTRUCTURING LIMITED

MAY 22, 2026

Court File No. CV-22-00688248-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

BETWEEN:

CITY OF TORONTO

Applicant

-and-

HARRY SHERMAN CROWE HOUSING CO-OPERATIVE INC.

Respondent

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1.0 INTRODUCTION

1. By order of the Ontario Superior Court of Justice (the “**Court**”) dated March 14, 2023, RSM Canada Limited was appointed receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Harry Sherman Housing Cooperative Inc. (“**HSC**” or the “**Co-op**”) acquired for, or used in relation to a business carried on by HSC, including all proceeds thereof.
2. On March 1, 2024, the Court granted an order substituting the name TDB Restructuring Limited in place of RSM Canada Limited as Receiver.
3. This report (the “**Supplemental Report**”) is the supplement to the fourth report to the Court of the Receiver dated March 30, 2026 (the “**Fourth Court Report**”) and should be read in conjunction with the Fourth Court Report.
4. Capitalized terms, unless otherwise expressly defined, shall have the meaning set out in the Fourth Court Report.

1.1 Purpose of the Fourth Supplemental Report

5. The purpose of the Supplemental Report is to provide the Court with information in reply to the responding motion record dated May 14, 2026 (the “**Responding Record**”) and clarify certain matters raised in the Responding Record and appendices thereto.

2.0 RESPONSE TO THE RESPONDING RECORD

6. The Receiver’s comments with respect to certain of the issues raised in the Responding Record are set out below. As preliminary comments, the Receiver:
 - a) has not addressed every matter raised in the Responding Record and cannot speak: (i) to events that transpired prior to the Receiver’s appointment; and (ii) for the City of Toronto (the “**City**”); and
 - b) understands that many of the items raised in the Responding Record and appendices thereto have been addressed in the City’s application for the appointment of the Receiver and in prior reports.

2.1 Financial Position and Stability of the Co-op

7. At paragraphs 3, 11, 60 and 61 of the response (the “**Response**”) to the Receiver’s motion record dated March 31, 2026 (the “**Receiver’s Motion Record**”) contained in the Responding Record, various comments have been made in connection with the ability of the board of directors (the “**Board**”) to appropriately manage and govern the financial affairs of the Co-op, the inability of the Receiver to demonstrate the current financial stability of the Co-op and with regard to the statement of receipts and disbursements of the Receiver for the period March 14, 2023 to March 20, 2026 (the “**Receiver’s R&D**”). The Receiver comments as follows:
 - a) attached hereto as **Appendix “A”** is the Notice and Statement of the Receiver pursuant to S. 245/246 of the *Bankruptcy and Insolvency Act* (the “**Notice**”). The Notice sets out over \$1 million of arrears owing to various creditors, including over \$680,000 owed to York University for water, electricity and property taxes, over \$225,000 owed to Sinai Plumbing, \$22,000 owed to H&S Building Supplies and over \$18,000 owed to Enbridge Gas, among others. The Receiver submits that from the date of its appointment forward, all obligations of the Co-op have been paid in the ordinary course of business. This does not include pre-receivership obligations of the Co-op;
 - b) while the Responding Record addresses the excess of receipts over disbursements in the Receiver’s R&D of \$177,377 as an indicator of “financial stability or financial improvement” and sets out that members have allegedly expressed ongoing dissatisfaction with the Receiver and CFDI’s management of the Co-op, the Responding Record fails to consider the expenditures made by the Receiver on repairs and maintenance over the duration of the Receiver’s appointment. Including funding provided by the City of Toronto for capital repairs, the Receiver has spent over \$1.7 million in repairs and maintenance, excluding HST, in connection with the Co-op, which includes structural, building systems, common area and in-suite repairs.
 - c) paragraph 61 confuses the financial position of the Co-op with the excess of receipts and disbursements in the Receiver’s R&D. The financial position of the Co-op is set out in its annual audited financial statements. Copies of the Co-op’s annual audited financial statements for the years ended June 30, 2022 to June

30, 2025 are attached hereto as **Appendix “B”** and a summary of the balance sheets extracted therefrom is set out below.

IN THE MATTER OF THE RECEIVERSHIP OF HARRY SHERMAN CROWE HOUSING COOPERATIVE INC. SUMMARY OF BALANCE SHEETS AS AT JUNE 30, 2022, 2023, 2024 AND 2025 (IN \$000'S)				
	2022	2023	2024	2025
ASSETS				
Current assets	\$ 617	\$ 833	\$ 1,209	\$ 579
Long-term assets	8,192	7,020	5,827	5,488
Total assets	\$ 8,809	\$ 7,853	\$ 7,036	\$ 6,067
LIABILITIES				
Current liabilities	\$ 1,257	\$ 953	\$ 998	\$ 857
Mortgage - current portion	1,171	1,241	1,317	1,396
Long-term liabilities	7,021	5,779	4,894	3,883
Total liabilities	\$ 9,449	\$ 7,973	\$ 7,209	\$ 6,136
Replacement reserve fund	-	-	48	162
Contributed surplus	10	10	10	10
Accumulated deficit	(650)	(130)	(231)	(241)
	\$ 8,809	\$ 7,853	\$ 7,036	\$ 6,067

8. The Receiver notes the following in connection with the balance sheets of the Co-op:
- as at June 30, 2022, the current assets of the Co-op were \$617,000 and current liabilities, excluding the current portion of mortgage payable, were \$1.3 million. As at June 30, 2025, the current assets of the Co-op were \$579,000 and current liabilities, excluding the current portion of the mortgage payable, were \$857,000. This shows a significant improvement in the ratio of current assets to current liabilities;
 - as at June 30, 2022 and 2023, the Co-op’s replacement reserve fund for major capital repairs had been completely used to renovate certain units and the balance was \$0. As at June 30, 2025, the Receiver has established a replacement reserve fund of \$161,560, notwithstanding the level of repairs and maintenance undertaken by the Receiver;
 - the Co-op’s accumulated deficit has reduced from \$650,000 as at June 30, 2022 to \$241,000 as at June 30, 2025, which is a difference of \$409,000;
 - the auditor disclaimed its opinion on the June 30, 2023 financial statements and included a note regarding material uncertainty as to whether the Co-op could continue as a going concern; whereas, the auditor expressed clean opinions on the June 30, 2024 and 2025 financial statements; and

- e) in addition to the improvement in the audited financial statements, all monthly and annual reporting to the City of Toronto has been completed to its satisfaction.
9. The foregoing is directly contrary to the assertion made in the Responding Record regarding the Receiver being unable to demonstrate or support its narrative of operational stabilization. Clearly, while the Co-op continues to experience challenges from a financial perspective, primarily as a result of the extensive repairs and maintenance expenditures required, the Co-op has been and continues to improve its financial position, which takes time considering the level of financial distress the Co-op was in at the time of the Receiver's appointment.
10. Paragraph 61 speaks to a mischaracterization in connection with the deterioration in the financial position of the Co-op and the increase in fees for property management, the Receiver and its counsel being the causes of same. The Responding Record fails to recognize that the increase in these costs is cumulative and not year-over-year. In addition, the previous reports of the Receiver and materials submitted by the City of Toronto (the "**City**") have repeatedly stated that:
- a) the Receiver and its counsel's fees have all been fully funded by the City. There is no financial impact of these fees on the Co-op. The Receiver and its counsel do not pay themselves until their fees have been funded by the City; and
 - b) the City has funded the Receiver and its counsel's fees on the basis that it is the City that initiated the receivership. The Co-op would not be entitled to the additional subsidies that have been funded by the City specifically for the Receiver and its counsel's fees.
11. The Receiver fails to understand why the professional fees are being objected to by the Board, yet again, when it has made it expressly clear that the Co-op is not funding same. The Receiver is not aware of any objections to it and its counsel's fees by the City of Toronto, which is the party funding these fees.

2.2 Attempt to Undermine Receiver in Presentation of Options

2.1 Organizing the Community Meeting

12. On April 16, 2026, the Receiver was advised by CFDI that a member of the Co-op sought access to the community room for the purpose of holding a members' meeting to discuss the Receiver's Motion Record and the court documents. The Receiver communicated with the member, Sharon Richards, to facilitate the holding of the members' meeting.
13. At the time that Ms. Richards corresponded with the Receiver regarding the use of the Community Room and the meeting, and Betty's Law Office, the Co-op's general email (harrysherman@bellnet.ca) and Receiver's counsel were all copied. Ms. Richards did not indicate that she was working together with Mr. Betty to organize the meeting. Mr. Betty did not indicate that he was participating in the meeting.
14. The Receiver facilitated the organization of the meeting by directing CFDI to print copies of materials for use of the meeting. The Receiver did so on the basis of information provided Ms. Richards as to the purpose of the meeting and the proposed agenda for the meeting. Attached hereto as **Appendix "C"** is a copy of the (1) flyer giving notice of the meeting; (2) agenda; and (3) information document (the "**Summary**", and together with the flyer and the agenda, the "**Meeting Materials**") summarizing the Receiver's Motion Record.
15. The agenda provides for meeting that purports to describe the Receiver's Motion in "neutral" and "even-handed" manner. Specifically, the agenda indicates that in relation to the Options, "no recommendation will be made – this segment is designed to inform so that members can form their own views". The agenda also indicates that "a note-taker will record key themes."
16. The Summary provides some critical comments of the receivership process under a section entitled "Red Flags – Critical Issues for Counsel to Investigate". Under this section, a number of issues are critical and cautionary in relation to the Receiver's actions and the relief sought by the Receiver on its motion. The Receiver expects a level of scrutiny by the members. However, the Receiver notes several issues are summarized that are critical of the Board and Mr. Betty, namely that:

- a) The Board may be a legal fiction due to governance and procedural issues;
 - b) Whether Mr. Betty and his firm were ever properly retained;
 - c) Whether Mr. Betty's conduct in the proceeding "suggests a strategy of obstruction without constructive engagement";
 - d) The allegations that indicate serious misconduct by prior Board members; and
 - e) The harm caused by the Board's opposition to allowing the Receiver to approve membership applications.
17. Based on the content of the Summary, it remained the Receiver's understanding that the meeting would be an opportunity for members to openly discuss the role of Mr. Betty and the Board throughout the receivership proceeding. While Ms. Richard's identified references to "counsel" as being Mr. Betty, the Receiver did not understand this to mean that Mr. Betty would be the "counsel" to speak to members at the meeting.

2.2 Conduct of Meeting

18. The Responding Record describes a community organized meeting held on April 30, 2026. Though the Receiver itself did not attend this meeting, the Receiver learned from attendees that Mr. Betty was not only present, via zoom, but that he spoke for a large portion of the meeting, identifying himself as counsel for the members. The Receiver understands that Mr. Betty did not disclose his prior engagement as lawyer for the Board (against which serious allegations regarding its conduct in relation to members' interests have been raised).
19. Based on information obtained from members that attended the meeting, the Receiver has serious concerns regarding the conduct of the meeting and Mr. Betty's participation.
20. The Receiver has assured these members that their identity will be kept confidential by the Receiver as these members have advised that they fear reprisal from certain other members of the Co-op, particularly members of the Board, certain former members of the Board, and their friends and family. The Receiver understands that the reprisal efforts in the past include allegations of verbal abuse, threats to have

members evicted, and even physical vandalism to members' property (such as motor vehicles). The level of intimidation is such that many members keep to themselves and avoid raising any concerns or question conduct as they believe their security of tenure in their member unit would be put in jeopardy. The Receiver is prepared, if the Court requests same, to file a confidential report under a sealing order identifying the members and the nature of their specific evidence.¹

21. For the purpose of this Supplemental Report, whether the allegations of these members can be verified or not is not material. Rather, it is material that the affiants in the Responding Record do not appear to represent the totality of members despite statements to that effect.
22. The information provided to the Receiver by some of these members is of serious concern. The Receiver understands that:
 - a) Mr. Betty told the members that the Receiver (Bryan Tannenbaum) is connected to outside private interests trying to take over the property (such as Maple Leaf Sports and Entertainment and/or Larry Tanenbaum), that the building could be sold and residents displaced, and that residents were at risk of losing their homes. For the sake of clarity, Bryan Tannenbaum has no familial relation to Larry Tanenbaum or any interest in Maple Leaf Sports and Entertainment;
 - b) Mr. Betty told members that the Receiver's "motto" is to take homes away from people and that the Receiver's goal was to take the building as it was worth millions;
 - c) Members were led to believe that once the mortgage is paid off, the property would be owned by the Co-op. This is another misstatement that the Receiver has commented on in a prior report. The Co-op is situate on leased lands, under a lease with York University. The mortgage is a reference to the building mortgage loan advanced to construct the building on leased lands, with mortgage payments flowing through from the Service Manager (the City) pursuant to a mortgage subsidy program under the *Housing Services Act, 2011*. The mortgage

¹ As of the date of this Supplemental Report, the Receiver, through its counsel, has received communications from eleven unique members indicating concern with the conduct of the community meeting and members of the prior Board.

is a mortgage interest in the leasehold interest of the Co-op, not a freehold interest in the lands. As such, when the mortgage has been fully paid out, the Co-op will have an unencumbered tenancy interest in the property under a lease, not an ownership interest;

- d) Members were told that a popular member-led homework club was cancelled because the Receiver, through CFDI, insisted on charging a usage fee for the community room which was no longer affordable. The Receiver and CFDI have made it clear on several occasions that there is no fee for community use of the community room, but only for private events, as per the Co-op's pre-existing policy; and
- e) Members were given inaccurate information about the Co-op's financial position and discretion to use funds received from the City. The Receiver had addressed this issue in a prior Report but this misstatement was repeated again to the members.

23. Members that contacted the Receiver's counsel summarized their concerns as follows:

- a) Meeting concerns – These members have questions as to who organized and influenced the content of the meeting, the accuracy of the information shared with other residents and possible conflicts of interest. These members noted that the active participants in the meeting were Mr. Betty who had been counsel for the prior Board, former Board members (Sharon Richards and Clinton Reid, a non-resident), and other individuals that had past or current involvement in the governance issues leading to the Receiver's appointment;
- b) Misrepresentations and fear mongering – These members identified several statements that appeared inaccurate or simply false that were advanced in the meeting. The statements created fear in the community, mislead residents and inappropriately affects their ability to make informed decisions. These members are concerned that the confusion will undermine the members' trust in the overall integrity of the process;
- c) EIQ Forms – These members expressed concerns around the appropriateness of rallying members to submit EIQ Forms at this stage, particularly in the context of misinformation and fear created during the meeting.

- d) 311 Records – These members noted that the period of review was limited to after the Receiver’s appointment and does not give a fair point of comparison without records prior to the Receivership. These members note that prior to the Receiver’s appointment, the Co-op was already dealing with ongoing maintenance problems, property standards issues and multiple complaints raised to outside organizations.
 - e) Homework club – One of the members was surprised to learn about the homework club issue at the meeting and approached CFDI to complain. This member learned that the information presented at the meeting was not accurate and that CFDI never charged for use of the community room for the homework club. This member learned that the discontinuation of the homework club was a result of the person that ran the homework club losing funding to operate.
 - f) Selection of Mr. Betty – These members noted that Mr. Betty had not been successful in preventing the receivership. These members raised concerns that members were not given any opportunity to consider or decide on the choice of counsel, no general meeting was held for this purpose, and that certain members do not believe that Mr. Betty should continue to represent the Co-op.
 - g) Moving Forward – These members made it clear that the former Board members should not return to lead the Co-op and the members need time to rebuild trust to move forward. These members identified immediate needs as accountability, reconciliation and time for the Co-op to stabilize.
24. As a result, based on the information available to the Receiver, the conduct of the meeting raises two important issues.
- a) First, there is a conflict-of-interest concern that ought to be reviewed by the Court. Mr. Betty previously indicated that he represented the Co-op’s former Board, which engaged in inappropriate conduct that led to the Receivership. Mr. Betty has been involved in these proceedings on behalf of the former Board since the initiation of these proceedings (and initially opposed the appointment of the Receiver). The legal position of that former Board is in conflict with the legal interests of the membership given the findings of the Receiver reported in the Second Report. Mr. Betty cannot at the same time represent the interests of the

former Board and its members, while representing the interest of the membership at large.

- b) Second, the conduct of the meeting, under what appears to be Mr. Betty's guidance, was intended to undermine the Receiver's efforts to engage in the consultation process, which is the very subject of the upcoming motion. Despite the Meeting Materials representing that the information in the Receiver's Motion Record would be presented in a neutral way, as described by certain members, the meeting created a tremendous sense of fear, and sought to rally the members into seeing the only viable option as returning the Co-op to the Board. In the Responding Record, Mr. Betty does not hide from this position as he argues in support of Option 1, and submits that the mere fact that the Receiver has put forward the other options to transition out of Receivership is indicative of the Receiver's malintent. Notwithstanding the conflict issue, Mr. Betty has clearly engaged in conduct intended to undermine the proposed consultation process that the Receiver seeks to approve at the Motion in June. Rather than utilize the generous timetable set by this Court to seek a funding order and engage in any consultative process with the Receiver, Mr. Betty instead chose to thwart the Receiver's consultation process before it had an opportunity to start.
- 25. The Receiver expected that feedback, if any, from the Board would have been with respect to the voting procedures, the logistics for the proposed Town Hall meeting, and the style and approach to the information to ensure that members could receive a fair and fulsome understanding of the Options, and then exercise their voice in respect of the future of the Co-op. In the Receiver's view, given the relief sought on the motion, it is inappropriate to critique the viability and appropriateness of the Options at this stage, particularly in the absence of the Receiver.
 - 26. As a result of Mr. Betty's conduct and that of the other individuals that organized the community meeting, the Receiver will be required take extra steps to dispel the inaccuracies presented by Mr. Betty, including that the residents are at risk of losing their homes or being displaced through this process.

3.0 REPLY TO AFFIDAVIT OF SHARON RICHARDS

27. The Receiver's comments with respect to certain aspects of the supporting affidavit of Sharon Richards' sworn on May 13, 2026 (the "**Richards Affidavit**") are set out below.
28. Paragraph 10 of the Richards Affidavit states "We are ready. We are capable. We are financially stable enough to move forward." Nowhere in Ms. Richards' affidavit does she demonstrate or provide any evidence that she, the current Board or any members of the Co-op have taken any courses or made any effort towards educating themselves on governance or finance and her statement that the Co-op is financially stable directly contradicts the assertion in the Responding Record that the Receiver has not been able to demonstrate the financial stability of the Co-op and that there has been a deterioration in same since the Receiver's appointment.
29. At paragraph 11 of the Richards Affidavit, Ms. Richards refers to a proposed advisory board. There are no details in the Responding Record or the Richards Affidavit of such a board, nor are there any materials throughout the Responding Record in its entirety from any proposed advisory board members confirming that they are willing to serve on such an advisory board.
30. At paragraph 17 of the Richards Affidavit, Ms. Richards' alleges that several professionals participating in the meeting on April 30, 2026 volunteered their assistance and expertise in areas such as housing operations, auditing, governance, finance, redevelopment, cybersecurity, and community programming. None of these professionals have been named and their qualifications in connection with these areas has not been provided.
31. Paragraph 20 of the Richards Affidavit appends a compilation of completed governance candidate packages from residents who expressed interest at the meeting held on April 30, 2026 in becoming directors or participating in a future governance structure for the Co-op. The Receiver submits that it canvassed all of the members of the Co-op regarding their interest in serving on the board of directors prior to writing the Fourth Report and as set out in the Fourth Report, the Receiver only received eight responses. As set out in the Fourth Report, despite the lack of members submitting

forms, the Receiver continues to recommend Options that include a newly elected board, to be put to the members as part of the proposed voting process.

32. At paragraph 31 of the Richards Affidavit, Ms. Richards refers to the lack of responsiveness by the Receiver and CFDI regarding member concerns and attaches various communications from members of the Co-op as examples. The Receiver's responses to the communications attached to Ms. Richards' affidavit are set out below.

3.1 Communication from Barlu Dumbuya

33. At Exhibit S.R.3 of the Richards Affidavit is a communication from Ms. Barlu Dumbuya. The Receiver comments as follows:

- a) as the Court can appreciate, the state of the Co-op at the time of the Receiver's appointment was dire. There were a significant number of matters to address, including, amongst others, communicating with MCAP to facilitate timely mortgage payments and implementing a mechanism to make payments for same, communicating with utilities providers, including York University, to advise them of the receivership proceedings, addressing member concerns about the initiation of the receivership administration, communicating with the Co-op's bank in order to transition the Co-op's bank accounts to the Receiver's on-line banking platform, reviewing, assessing and replacing numerous trades with trades that the Receiver and/or CFDI have worked with before to ensure regular, reliable and cost efficient service, arranging for outstanding reporting to the City of Toronto and the Co-op's audit, all of which were overdue, to be completed;
- b) the premises of the Co-op is an older building with numerous ongoing maintenance and repair issues, which include structural, common area and in-unit issues. As set out in previous reports of the Receiver, many of the buildings' systems, including the boilers, elevators and air handling units had not been maintained regularly and attending to these systems as a matter of safety was a top priority. Funding all required maintenance and repair costs continues and will continue to be an issue without unlimited funds;

- c) after its appointment, on the basis that the Receiver originally started with only \$38,368.30 in the Co-op's operating bank account, it sought emergency operating funding from the City of Toronto and obtained same in June 2023. After receipt of the operating funding in June 2023, the Receiver sought, with CFDI's input, to deal with the most critical items requiring attention in connection with the premises and operations of the Co-op;
- d) The deficiencies set out in Ms. Dumbuya's communication and as stated therein, were a direct result of the contractor engaged by the Board, prior to the Receiver's appointment, not completing work for which it was paid. The Receiver questions why the Board authorized payment to the contractor for completion of Ms. Dumbuya's unit without confirming that all work had been completed. The deficiencies in Ms. Dumbuya's unit were brought to the Receiver's attention at the end of July 2023;
- e) in August 2024, the Receiver sought quotes from various contractors to attend to the work in Ms. Dumbuya's unit, in addition to various other units requiring attention. Contractors were required to attend at the premises, assess the work to be completed and provide quotes. The Receiver received quotes towards the end of August and in September 2023 and deployed various contractors to complete work in the various units on a priority basis; and
- f) the Receiver appreciates that, in the face of numerous competing priorities, the timing for completion of the various deficiencies in Ms. Dumbuya's unit may have been delayed and may have caused her inconvenience; however, the Receiver notes that based on the pictures attached to Ms. Dumbuya's communication, it appears that her unit was one of the units selected for complete renovation by the Board. The unit appears to have brand new counters, kitchen backsplash, flooring paint and cabinets. This is markedly different from certain other units where members have experienced rotting kitchen counters, flooding, insect infestations, mould and other issues. As a result, the Receiver prioritized addressing the conditions in these other more severely neglected units.

3.2 Communication from Adeshola Agbaje-Ojo

34. At Exhibit S.R.4 of the Richards Affidavit is a communication from Ms. Adeshola Agbaje-Ojo. The Receiver comments as follows:

- a) a portion of Ms. Agbaje-Ojo's letter to Mr. Betty, specifically the second-last paragraph of the first page of same, appears to intentionally mislead the Court into believing that her son ("**Toni**") was charged a rental fee of \$250 per use for use of the community room and a \$100 deposit to hold the homework club. This is simply untrue. Attached hereto as **Appendix "D"** is an email chain between the Receiver and CFDI regarding use of the community room for the homework club. Nowhere in this email chain does it indicate that the Receiver or CFDI charged Toni for use of the community room to hold the homework club. In fact, the Receiver requested of CFDI that it clean out the Co-op's library so that Toni could use the library on an ongoing basis to hold the homework club to avoid any insinuations by the membership about the continued pilfering of food donations by certain members, which food is stored in the community room;
- b) the Receiver charged a one-time rental fee of \$150 for rental of the community room and a \$100 deposit for a private New Year's Eve dinner to be held for the parents and children of the homework club. The use of the community room for private events bears a rental fee and damage deposit, which deposit is to be refunded to the renter upon inspection of and confirmation that no damage occurred to the community room during the private event and this policy was in place prior to the Receiver's appointment. A copy of the Receiver's correspondence with CFDI regarding the private event is attached hereto as **Appendix "E"**; and
- c) at paragraph 2 of Ms. Agbaje-Ojo's letter, she states that "He (Toni) independently sought grants and funding to support the initiative and purchased educational resources, including IXL access, so that participating students could receive additional academic practice and enrichment opportunities outside of school hours." It is the Receiver's understanding that the homework club was discontinued on the basis that the funding received by Toni for the homework club was no longer available.

3.3 Communication Exchange between CFDI and Ms. Richards

35. At Exhibit S.R.5 of the Richards Affidavit is a communication between Ms. Richards and CFDI regarding a smart thermostat. The Receiver comments as follows:

- a) while Ms. Richards has attached a portion of the exchange between her and CFDI regarding the issues experienced with the smart thermostat in her unit, which she herself installed, she has not attached the full exchange. Attached hereto as **Appendix “F”** is the full exchange with Ms. Richards regarding the matter;
- b) in Ms. Richards’ email of March 7, 2026, she states “I do not accept the assertion that it (the smart thermostat) is inherently incompatible with the furnace system. Furthermore, I did not receive sufficient detailed evidence or explanation from your office to substantiate the claim that the thermostat is causing, or will cause, damage to the furnace or result in operational issues.” On the basis that Ms. Richards required sufficient detailed evidence to substantiate the claim that the thermostat was causing issues, the Receiver obtained a signed letter from Senior Technician at Diversatech Mechanical Ltd. (“**Diversatech**”), a well-known and established HVAC trade. A copy of Diversatech’s letter, which was both emailed to and provided in hard copy to Ms. Richards, forms part of Exhibit E;
- c) the Receiver notes that in CFDI’s March 25, 2026 email, CFDI provides Ms. Richards with the option of keeping a smart thermostat in her home, with the caveat that she would be responsible for any malfunction of the furnace, or replacing same with a standard thermostat. In the event that a standard thermostat was installed, the Co-op would be responsible for furnace issues; and
- d) to the Receiver’s knowledge, Ms. Richards has failed, to date, to notify CFDI of which option she prefers. The Receiver assumes that Ms. Richards continues to use the smart thermostat and that the cost of future issues with the furnace in her unit will be borne by her.

36. Ms. Richards refers to the state of disrepair of the deck of townhouse 35 and provides pictures of same. On May 12, 2026, CFDI brought to the attention of the Receiver the state of disrepair of the decks of townhouses 30, 35 and 37 and provided pictures and quotes for repair of same. On that same day, the Receiver approved the quotes for the repair of the decks for townhouses 35 and 37 and on May 14, 2026, the Receiver

approved the quote for the repair of the deck for townhouse 30. Attached hereto as **Appendix “G”** is an email exchange between CFDI and the contractor engaged to repair the decks with the requisite approvals.

4.0 REPLY TO AFFIDAVIT OF SAREEDA NUR

37. Much of what is contained in Ms. Nur’s affidavit has been responded to previously in this report and the Receiver does not intend to repeat same.
38. With respect to paragraph 8 of Ms. Nur’s affidavit which refers to copies of certain Freedom of Information Act materials and copies of complaints from residents, which are attached thereto as Exhibit S.N.1, the Receiver submits that this issue has been raised in the supporting affidavit of Ms. Rosell Kerr sworn June 6, 2025 (the “**Kerr Affidavit**”) and the Receiver has responded to the complaints in the Receiver’s third supplement to its second report dated June 11, 2025 (the “**Third Supplement to the Second Report**”). A copy of the Kerr Affidavit is attached hereto as **Appendix “H”** and a copy of the Third Supplement to the Second Report, without appendices, is attached hereto as **Appendix “I”**.

5.0 CONCLUSION

39. Based on the foregoing, the Receiver respectfully requests that the Court grant the orders requested in the Fourth Court Report.

All of which is respectfully submitted to this Court as of this 22nd day of May 2026.

TDB RESTRUCTURING LIMITED, solely in its capacity
as Receiver and Manager of Harry Sherman Crowe Housing
Cooperative Inc. and not in its personal or corporate capacity

Per: 
Arif Dhanani, CPA, CA, CIRP, LIT
Managing Director

APPENDIX K

Transcript

Courtney Betty

I flew in.

Courtney Betty

I intended to be here.

Courtney Betty

I was out of the country and came to be here today.

Courtney Betty

My flight was delayed.

Courtney Betty

I wasn't able to make it.

Courtney Betty

So I apologize first of all for not being there in person.

Courtney Betty

At the end of the day, you've heard so many things.

Courtney Betty

So all I can tell you is what's factually correct.

Courtney Betty

There's been an attempt to mischaracterize members of your board.

Courtney Betty

One of them was a lady called Rosell Kerr, your chair, who fought until she died for each of you.

Courtney Betty

Despite the misalignment of her character, she was attacked and used as a scapegoat to try and put us where we are today.

Courtney Betty

So I want to recognize Rosell because without her, I would not be here.

Courtney Betty

Part of my fight is because of the energy that Rosell brought and the commitment to this community.

Courtney Betty

I also want to go a little bit more historical.

Courtney Betty

We have and thank you very much for reading the land tribute today.

Courtney Betty

It's very special for me.

Courtney Betty

You heard mentioned that this is the territory of the Mississauga New Credit.

Courtney Betty

I actually had an opportunity to represent the Mississauga New Credit.

Courtney Betty

And it was something that I cherish.

Courtney Betty

But I see a lot of similarities here.

Courtney Betty

The Mississauga New Credit, they don't own this land.

Courtney Betty

Their land was taken away from them.

Courtney Betty

And this is why I'm fighting this battle here, so that your land, so that your co-op does not take it away from you.

Courtney Betty

That's the reason.

Courtney Betty

It's not for money, first of all.

Courtney Betty

We're in court right now.

Courtney Betty

This has been an incredible legal battle that's been going on for three years now.

Courtney Betty

The court has authorized millions of dollars.

Courtney Betty

Go and look at the report.

Courtney Betty

Millions of dollars to support this battle against us, the legal team.

Courtney Betty

Hundreds of thousands of dollars have been paid to the lawyers on the other side.

Courtney Betty

I know that at the last meeting, there were statements made, well, we don't know who's representing you.

Courtney Betty

We don't know who you represent.

Courtney Betty

Completely false.

Courtney Betty

We've been here every step of the way.

Courtney Betty

And the reason we're still here is because we see a tremendous injustice.

Courtney Betty

There's a proposal before the court right now

Courtney Betty

After millions of dollars, and bear in mind why I suddenly started this, the idea was to create financial stability and management for all of you.

Courtney Betty

This is your property.

Courtney Betty

And I want you to really understand that.

Courtney Betty

You're not just a tenant, you're an owner in a cooperative.

Courtney Betty

At the end of the day, what's at stake is that you have the possibility of losing everything.

Courtney Betty

Don't take my word for it.

Courtney Betty

Go to the website, look at the documents, look at the proposals that's being presented.

Courtney Betty

If you look at the last, there's four proposals.

Courtney Betty

If you look at number two, number three, number four, your property will be taken over in some shape form.

Clinton Reid

Yeah, it's on your, if you have, sorry Betty, just direct everybody to the agenda, you have the proposal summary in the back.

Sharon Richards

Second to last page and third page.

Sharon Richards

There's four different options.

Sharon Richards

Let Mr. Betty go on.

Clinton Reid

Thank you.

Clinton Reid

Go ahead.

Courtney Betty

And so at the end of it, it's you.

Courtney Betty

I mean, I trust in you.

Courtney Betty

I've been in court and heard a lawyer say that those people cannot manage their affairs.

Courtney Betty

That's not my words.

Courtney Betty

Those are words that were spoken in court that made me very angry.

Courtney Betty

I don't believe that.

Courtney Betty

This cooperative has been around, we have a long history.

Courtney Betty

We've never defaulted on, you've never defaulted on your mortgage.

Courtney Betty

How many people in our society right now can say you never defaulted on your mortgage?

Courtney Betty

When the city took over, you had a term deposit of I think about \$179,000 that was put in there for emergency.

Courtney Betty

So you were desperate, but at the end of the day, between the city

Courtney Betty

And initially RSM.

Courtney Betty

And I think it's important for you to understand who RSM is because you're kind of sitting back here and I drew the analogy with the Mississauga New Credit.

Courtney Betty

RSM happens to be linked to one of the most powerful corporations in this country.

Courtney Betty

Bryan Tannenbaum, you may recognize the name Tanenbaum.

Courtney Betty

His family owns Maple Leafs Sports.

Courtney Betty

They own the hockey team.

Courtney Betty

They own the soccer team.

Courtney Betty

They own the Raptors.

Courtney Betty

That's the battle that you're up against.

Courtney Betty

This is David and Goliath.

Courtney Betty

At the end of the day, all I'm asking from you, we can fight this battle.

Courtney Betty

We're not worried about it.

Courtney Betty

I started my career with the Department of Justice over 30 years ago.

Courtney Betty

I've represented the federal government.

Courtney Betty

I've represented a lot of different situations.

Courtney Betty

I have a strong legal background and my team that we bring to the table.

Courtney Betty

We're not afraid of the battle.

Courtney Betty

The only weakness that we have right now is whether or not you, as Clinton pointed out, is going to come together in unity.

Courtney Betty

It's your voice, it's your unity that's going to decide what's going to happen next.

Courtney Betty

We're at a very critical point in time.

Courtney Betty

On June 29th, June 26th, the court is going to look at these four options that have been presented to you.

Courtney Betty

My belief is that option number one, which means that you decide what your future is, you hold a meeting to elect a board,

Courtney Betty

You create advisory committees within there.

Courtney Betty

I've brought together on the line just individuals who have incredible experience to help you.

Courtney Betty

They're here volunteering.

Courtney Betty

They're taking their evening out because they also see an incredible injustice.

Courtney Betty

We are giving our time to help you.

Courtney Betty

And all I'm asking in return is that we put aside our differences, that's what's killing us right now.

Courtney Betty

The situation that we're in is squarely a result of individual attacks within the co-op.

Courtney Betty

And I said I was going to speak bluntly.

Courtney Betty

So don't think that or be somehow offended.

Courtney Betty

But that has to stop.

Courtney Betty

Because right now you all have a common interest in maintaining your residence and being able to create a situation where your children can also benefit from this residence, where your grandchildren can also benefit from this residence.

Courtney Betty

That's the opportunity that you have right now.

Courtney Betty

So we don't have a lot of time.

Courtney Betty

There's been a lot of suggestions.

Courtney Betty

I've been personally attacked, which I don't take very lightly.

Courtney Betty

We've had residents that have come forward and said, well, oh, Mr. Betty doesn't represent us.

Courtney Betty

Oh, we have this and we've got that and it's all false.

Courtney Betty

I don't like Donald Trump personally, but fake news as we know right now has become very dominant.

Courtney Betty

And you've been subjected to that.

Courtney Betty

But I know that the fact that you're here today means that there is hope.

Courtney Betty

And that's all the reason that I continue to fight.

Courtney Betty

There's no other reason right now that everyone on this call who could be doing something else for their evening is here to fight with you.

Courtney Betty

So that's kind of the broad summary. If we unite, bring forward your concerns that have happened.

Courtney Betty

Don't be afraid.

Courtney Betty

Fear is what builds opportunity.

Courtney Betty

Fear that somehow I'm going to be evicted, somehow I'm not going to get all the things that I need or whatever.

Courtney Betty

That's what's being used against you.

Courtney Betty

If you look at the world, the idea of fear is the biggest weapon.

Courtney Betty

We're here to protect you legally.

Courtney Betty

We're actually here to fight for you.

Courtney Betty

So don't be fearful to speak up.

Courtney Betty

Because what's at stake is that if you don't, and the pathway is number two, number three, or number four, in a couple of years, you're going to have to find another residence.

Courtney Betty

You're going to have to find somewhere to live.

Courtney Betty

Don't take my word for it.

Courtney Betty

If anyone here does anything I say, you can ask me questions, but don't take my word for it.

Courtney Betty

All the documents I believe of what has transpired today is online.

Courtney Betty

Millions of dollars have been awarded so far by the court.

Courtney Betty

Millions of dollars.

Courtney Betty

And the only question that I ask you, are you better off today than you were three years ago?

Courtney Betty

That's the only question that you have to answer.

Courtney Betty

Are you seeing a cleaner cooperative?

Courtney Betty

Are you seeing a more efficient?

Courtney Betty

This room which

Courtney Betty

The goal from Ms. Kerr was this was the room for the community.

Courtney Betty

And I heard Clinton said, I don't know that this is the first time that you're getting access.

Clinton Reid

Yup

Courtney Betty

So when you begin to create separation, when you begin to create division, then you win.

Courtney Betty

And that's what they have.

Courtney Betty

So I'm here to answer all of your questions.

Courtney Betty

We've got a board of advisors that say, Hey, we will stand with you.

Courtney Betty

We will guide you through this process.

Courtney Betty

But we can't do it without your commitment.

Courtney Betty

All right?

Courtney Betty

So I'm here to answer all of your questions.

Courtney Betty

I know that there's probably a lot of doubters here.

Courtney Betty

It's not going to surprise me that there are a lot of people that are going to doubt the things that we say or question the things that we say.

Courtney Betty

I'm a lawyer.

Courtney Betty

Now, Charlotte didn't mention, part of her role, she was an auditor for the Law Society of Upper Canada, which is the body responsible for governing lawyers.

Courtney Betty

I take my legal responsibilities very serious.

Courtney Betty

That's why I've been able to carry this out for over 35 years, fighting these kind of battles.

Courtney Betty

You can go and look at the work that I've done for my community.

Courtney Betty

And this is community work that I'm doing.

Courtney Betty

It's not, oh, the co-op is going to pay me hundreds of thousands of dollars.

Courtney Betty

Do you care for what we deserve?

Courtney Betty

It's not happening.

Courtney Betty

We're here for you tonight.

Courtney Betty

So ask your questions, be brave, don't take anything I say.

Courtney Betty

Let us know what your concerns are and we'll do the best that we can to answer that.

Courtney Betty

Thank you.

Clinton Reid

Okay, give me a second while I try and find another spot for this mic.

Clinton Reid

Maybe right here.

Courtney Betty

Well, Clinton, maybe they'll have to come up and speak at the mic where you are.

Clinton Reid

Yeah, I have a second mic that I'll take to the back for everybody.

Sharon Richards

Okay.

Sharon Richards

So I'm just going to give you a short version of what we're going to understand.

Sharon Richards

I know Courtney said a few things.

Sharon Richards

So when you're on the board, you have a fiduciary duty to your community and you have to follow certain rules and regulations and bylaws and the city subsidizes a lot of us here.

Sharon Richards

When I first moved here, it was 25% of the units, and I know over the years, that is now, there's more subsidy than there is market rent, okay?

Sharon Richards

And so, because if you have an income of \$1,000, and you have 25% being paid to the co-op, which is 250, the city is the one who pays the co-op the other 750.

Sharon Richards

What that means is that no matter what, the cooperative is getting the full amount of rent for each unit, despite you having been a low income person or not, it doesn't matter.

Sharon Richards

So when the city is helping us, you have to provide certain things to them.

Sharon Richards

They want to make sure that you're filing your GST, annual reports are done, and when you request that, when it's mandatory, because they are partners with us, you have to submit it.

Sharon Richards

And I must tell you, what triggered the city was that the information was not being given to them.

Sharon Richards

They then got fed up and went to the courts and they said, Hey, we're investing in this property.

Sharon Richards

We're not getting any answers.

Sharon Richards

What do we do here?

Sharon Richards

We'd like to get involved.

Sharon Richards

We'd like the courts to assign a receiver because we understand that this place is in a deficit, etc., etc.

Sharon Richards

And that's exactly what happened.

Sharon Richards

The courts assigned the receiver.

Sharon Richards

I will give each and every one of you the address, you can go onto the website and look at all the reports, okay, that the receiver has done.

Sharon Richards

And that's exactly what we did.

Sharon Richards

So the motion here that he has set for us that alarmed me and triggered me was the motion is not simply administrative.

Sharon Richards

It is a gateway to a decision that could result in the dissolution of the cooperative model, transfer of the housing project to a third party, or a return of governance to members under carefully controlled conditions.

Sharon Richards

Members of the co-op and the co-op legal counsel must engage immediately, deliberately, and with full awareness of what's at stake.

Sharon Richards

And I want to briefly go over the four options.

Sharon Richards

What's important here is we're going to get a vote, that's not a problem, just like we vote on everything.

Sharon Richards

But it's non-binding which means that although we say you know what we like option one it'll be our council against receivers saying wait a second you're opting for three and four but our members are asking for one and two okay so you will get an opportunity to participate from the receiver but it's very important that we know what all of these options are so you have your

Sharon Richards

You have the summary and if you go to the second to last page you will see that option one if you guys look at it it's a regular election we have a board but their rights have been taken away from them they can't make daily decisions they can't do anything they can hold meetings which if you were at the last meeting I asked the receiver the same thing I thought our board couldn't meet or you know

Sharon Richards

What's going on?

Sharon Richards

Oh no, they can meet, they just can't make decisions, specifically financial ones.

Clinton Reid

Sure, if I can jump in there for a second.

Clinton Reid

Yes, ma'am.

Clinton Reid

And that's as a board, yes.

Clinton Reid

And that's one of the challenges.

Clinton Reid

So the receivership was more around financial receivership.

Clinton Reid

It wasn't governance receivership, meaning that they took control of the finances of the co-op

Clinton Reid

But because we are still a co-op, we are governed by our bylaws.

Clinton Reid

The board that we elected is still our board because they are still governed by our bylaws.

Clinton Reid

And if you, if you, grab me my battery.

Sharon Richards

Carianne, can you bring the forward for me somebody wants

APPENDIX L

Arif Dhanani

From: Philip Cho <pcho@weirfoulds.com>
Sent: Thursday, August 27, 2026 5:58 PM
To: Courtney Betty
Cc: Fabiola Bassong; Arif Dhanani
Subject: RE: Update

External sender

Mr. Betty, is there any update? We are now nearly 30 days past the 30 day timeline ordered by Justice Kimmel.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

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From: Philip Cho <pcho@weirfoulds.com>
Sent: August 17, 2026 11:10 AM
To: Courtney Betty <betty@bettyslaw.com>
Cc: Fabiola Bassong <fbassong@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>
Subject: Re: Update

Mr. Betty, my condolences.

PHILIP CHO | Partner | T. [416-619-6296](tel:416-619-6296) | C. [647-638-7828](tel:647-638-7828) | pcho@weirfoulds.com

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From: Courtney Betty <betty@bettyslaw.com>
Sent: Monday, August 17, 2026 10:55 AM
To: Philip Cho <pcho@weirfoulds.com>
Cc: Fabiola Bassong <fbassong@weirfoulds.com>; Arif Dhanani <adhanani@tdbadvisory.ca>
Subject: Re: Update

[External Message]

Phillip dealing with a death in my family. I will respond.

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From: Philip Cho <pcho@weirfoulds.com>
Date: Friday, August 14, 2026 at 3:34 PM
To: Courtney Betty <betty@bettyslaw.com>
Cc: Fabiola Bassong <fbassong@weirfoulds.com>, Arif Dhanani <adhanani@tdbadvisory.ca>
Subject: RE: Update

Mr. Betty, a week has passed and we have not received any update from you. Please advise.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com



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VACATION ALERT

Please note that as of August 8, 2026, I will be on vacation until August 22, 2026.

From: Courtney Betty <betty@bettyslaw.com>
Sent: August 7, 2026 12:07 PM
To: Philip Cho <pcho@weirfoulds.com>
Subject: Update

[External Message]

Hi Phillip,

Presently I am travelling will provide an update next week.

Thanks

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Philip Cho

From: Philip Cho <pcho@weirfoulds.com>
Sent: August 4, 2026 12:21 PM
To: Courtney Betty; Mark Siboni
Cc: Tenechia Williams; Betty's Law Office
Subject: RE: Advisory Committee- Call For Members

Thank you Courtney. Before I seek instructions regarding the suggestion to extend the time for applications, can you provide the number of applicants received to date? Is there a concern that there are interested members that missed the deadline? On what basis are you coming to that view? We are already past the 30-day ordered by Justice Kimmel by which you are to propose the Advisory Committee to the Receiver. As such, we will want to ensure that there are good reasons for an extension that pushes us further past the 30 days.

Also, you have addressed my first question below (except to clarify, I did not suggest doubling the co-op members), but you have not answered the others. Can you please respond to those questions?

Thanks.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

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From: Courtney Betty <betty@bettyslaw.com>
Sent: August 3, 2026 9:39 PM
To: Philip Cho <pcho@weirfoulds.com>; Cedellar Charles <cedellar@gmail.com>; Mark Siboni <mark.siboni@toronto.ca>
Cc: Tenechia Williams <tenechia@bettyslaw.com>; Betty's Law Office <info@bettyslaw.com>
Subject: Re: Advisory Committee- Call For Members

[External Message]

Thanks Phillip,

Based on our comments we have decided to extend the time for individuals to apply to be part of the committee. I am agreeable with your suggestion to doubling the number of members from the community to 4 from 2. I will provide you with the number of applicants to date. My thought was to extend the deadline to August 10 at 4:00 pm. In the meantime, we will begin to review the applicants to date and put forward a list of candidates.

Let me have your thoughts.

Yours Courtney

From: Philip Cho <pcho@weirfoulds.com>
Date: Friday, July 31, 2026 at 9:22 AM
To: Courtney Betty <betty@bettyslaw.com>
Cc: Tenechia Williams <tenechia@bettyslaw.com>, Betty's Law Office <info@bettyslaw.com>
Subject: RE: Advisory Committee- Call For Members

Yes, the CFDI delivered the document last week on Friday morning. Please respond to my questions below. Thank you.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

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From: Courtney Betty <betty@bettyslaw.com>
Sent: July 31, 2026 8:20 AM
To: Philip Cho <pcho@weirfoulds.com>
Cc: Tenechia Williams <tenechia@bettyslaw.com>; Betty's Law Office <info@bettyslaw.com>
Subject: Re: Advisory Committee- Call For Members

[External Message]

Phillip,

Please confirm that document was circulated to the membership.
Thanks

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From: Philip Cho <pcho@weirfoulds.com>
Date: Thursday, July 30, 2026 at 6:07 PM
To: Courtney Betty <betty@bettyslaw.com>
Cc: Tenechia Williams <tenechia@bettyslaw.com>, Betty's Law Office <info@bettyslaw.com>
Subject: RE: Advisory Committee- Call For Members

Mr. Betty, thank you for sending this. I have removed the others from the email to seek clarification from you.

- The document states on page 2 that "The Committee will be composed of seven members. Five external members and two members from the community. On what basis are you setting the maximum members at 7 and why only 2 community members (which I understand to be Co-op members). The Court Order provides that up to 7 Co-op members may be appointed. Therefore, there could be up to 7 Co-op members and 4 external members, totalling 11 to make the committee an uneven number. But the Receiver is concerned that having only two Co-op members is an insufficient representation of Member stakeholders on the committee.

- The individuals listed (and copied on the email below) are named but there is no information provided about their qualifications and their consent to act on the Advisory Committee. Can you provide that information to the Receiver?
- The document includes the Objectives and Deliverables that the Receiver expressly objected to as inappropriate at this stage. Please explain why this was included.

Regarding the canvassing of Co-op members, tomorrow is the deadline to submit interest. Can you provide the Receiver with the current number of submissions received?

We look forward to hearing from you.

PHILIP CHO | Partner | T. 416-619-6296 | C. 647-638-7828 | pcho@weirfoulds.com

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From: Betty's Law Office <info@bettyslaw.com>

Sent: July 28, 2026 5:43 PM

To: angelac2k2 <angelac2k2@gmail.com>; Clinton Reid <reid@clintonreid.com>; alvincurling@gmail.com; Sharada Narain <shikka1@hotmail.com>; Nicholas Marcus Thompson <nicholas@bcas-srcn.org>

Cc: Courtney Betty <betty@bettyslaw.com>; Philip Cho <pcho@weirfoulds.com>; Tenechia Williams <tenechia@bettyslaw.com>

Subject: Advisory Committee- Call For Members

[External Message]

Good Evening,

Please see the attached document with respect to the Advisory Committee.

Cedellar Samuel

Administrative Assistant

Betty's Law Office

2300 Yonge St, #1600

Toronto, ON, M4P 1E4



416-972-9472

<https://bettyslaw.com>

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