



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-22-00691528-00CL

DATE: December 21 2022

NO. ON LIST: 4

TITLE OF PROCEEDING: **MARSHALLZEHR GROUP INC. AS ADMINISTRATOR v
12252856 CANADA INC.**

BEFORE JUSTICE: **OSBORNE**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
CHAITON, HARVEY	MARSHALLZEHR GROUP INC. AS ADMINISTRATOR	Harvey@chaitons.com
RAPPOS, SAM	MARSHALLZEHR GROUP INC. AS ADMINISTRATOR	samr@chaitons.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
BAKOS, PATRICK	12252856 CANADA INC.	pb@friedmans.ca
FRIEDMAN, WILLIAM	12252856 CANADA INC.	wf@friedmans.ca
FRANK, DARREN	PRIME DESIGN BUILD CORPORATION	dfrank@cambridgellp.com
MOORE, EVAN	CREDITOR	emoore@moorelawyers.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE OSBORNE:

1. The Applicant makes application for an order appointing RSM as receiver over the property and assets of the Respondent Debtor.
2. Pursuant to a commitment letter dated August 18, 2020, as amended, the Applicant agreed to loan \$18 million to the Debtor to finance the acquisition of real property in Richmond Hill, Ontario, consisting of vacant land upon which the Debtor intended to build a townhouse development.
3. The Debtor has failed to repay the indebtedness as and when due. The loan documents provide for its consent to the appointment of a receiver in the event of default. The Applicant has a first registered charge and the general security agreement. Formal demand has been made and the section 244 BIA notice of intention to enforce security was delivered, both on April 9, 2021.
4. A subsequent forbearance agreement was entered into and discussions have continued between and among the parties.
5. Today, counsel for the parties advised the Court that the parties have entered into a settlement agreement pursuant to which, among other things, the indebtedness will be paid out by January 30, 2023, failing which a receiver will be appointed on consent.
6. Accordingly, the parties wish to adjourn this matter. In the circumstances, this makes good practical sense.
7. The parties further advise that two mechanical matters remain the subject of active discussion between them, and these relate to the calculation of the exact quantum of the amount to be paid out on the agreed date of January 30, including but not limited to the calculation of ramp-up interest rates.
8. Accordingly, and if those two matters cannot be resolved, they or whichever of them which remains outstanding will be determined on motion to be heard on January 24, 2023 commencing at 12 PM. The parties will ensure that this motion is fully briefed well in advance and that an outline of written argument together with authorities to be relied upon is filed by each party.
9. The balance of this Application is adjourned to be spoken to at a 15 minute scheduling appointment on January 31, 2023 at 9:30 AM. The purpose of that appointment is to permit the parties to either advise the Court that the settlement agreement has been performed and the indebtedness repaid such that the proceeding is at an end, or alternatively to advise that the repayment was not made and to seek the appointment of a receiver, on consent.
10. If either or both of the above hearing dates is not required, the parties will immediately advise the Commercial List Office in order that the time can be freed up for other matters.

Osborne, J.