







TDB Restructuring Limited
Licensed Insolvency Trustee

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IN THE MATTER OF THE RECEIVERSHIP OF
BLOCK 8o, BELLISLE HEIGHTS, 61 THOMPSONS RD. WEST
PENETANGUISHENE, ONTARIO

SECOND REPORT OF THE RECEIVER

JANUARY 7, 2026

Court File No. CV-24-00720929-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

BLOCK 8o HOLDINGS INC and ANDRE SHERMAN

Respondents

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1.0 INTRODUCTION

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on July 8, 2024 (the “**Appointment Order**”), TDB Restructuring Limited (“**TDB**”) was appointed receiver (the “**Receiver**”), without security, of the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the “**Penetanguishene Property**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. On October 3, 2025, the Receiver served its first report to the Court dated October 3, 2025 (the “**First Report**”) and sought, amongst other things, an approval and vesting order (the “**AVO**”) in favour of Penetang Shores Inc. (“**PSI**”), the purchaser of the Penetanguishene Property. PSI is a subsidiary of First Source Financial Management Inc. (“**First Source**”), the secured lender and first mortgagee of the Penetanguishene Property. The AVO was granted by the Court on October 15, 2025 (the “**AVO Order**”). A copy of the First Report, without appendices, and the AVO Order are attached hereto, respectively, as **Appendix “B”** and **Appendix “C”**.
3. Shortly after the granting of the AVO Order, it came to the Receiver’s attention that Canada Revenue Agency had asserted a deemed trust claim (the “**Deemed Trust Claim**”) in respect of the assets of Block 80 Holdings Inc. (the “**Debtor**”) under the *Excise Tax Act* in the approximate amount of \$600,000. The Deemed Trust Claim was forwarded to First Source, who was advised that the claim may rank in priority to First Source’s security.
4. Notwithstanding that the transaction with PSI was scheduled to close on November 14, 2025, First Source and PSI were not prepared to close the transaction as a result of this unforeseen liability. Accordingly, the Receiver and PSI agreed to extend the closing date of the transaction to the business day following the completion of an assignment in bankruptcy of the Debtor.
5. First Source served a motion record on November 17, 2025, the return date for which was November 28, 2025, seeking the following relief:
 - (a) an amendment to paragraph 4 of the AVO (the “**Amended AVO Order**”);

- (b) an amendment to the Appointment Order such that the Receiver is appointed as receiver of the Debtor as opposed to just the Penetanguishene Property (the “**Amended Appointment Order**”); and
 - (c) an order granting leave to the Receiver to file an assignment in bankruptcy on behalf of the Debtor (the “**Bankruptcy Order**”).
- 6. On November 28, 2025, the Court granted the Amended AVO Order, the Amended Appointment Order and the Bankruptcy Order, copies of which are attached hereto, respectively, as **Appendix “D”**, **Appendix “E”** and **Appendix “F”**.
- 7. On November 28, 2025, the Receiver filed an assignment in bankruptcy on behalf of the Debtor and on December 1, 2025, the Office of the Superintendent of Bankruptcy issued a certificate of appointment naming TDB as trustee in bankruptcy of the Debtor (the “**Certificate of Appointment**”), subject to affirmation of same at the first meeting of creditors. A copy of the Certificate of Appointment is attached hereto as **Appendix “G”**.
- 8. The Receiver retained the firm of Paliare Roland Rosenberg Rothstein LLP (“**Paliare Roland**”) as the Receiver’s legal counsel and the firm of Robins Appleby LLP (“**Robins Appleby**”) as the Receiver’s real estate counsel. On the basis that Paliare Roland is also retained by First Source Financial Management Inc. (“**First Source**”), the applicant in these proceedings, in the event of any conflict, Robins Appleby has agreed to act as the Receiver’s independent legal counsel.
- 9. 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/block-80>.

1.1 Purpose of Report

- 10. The purpose of this second report to Court (the “**Second Report**”) is to provide the Court with:
 - (a) an update on the sale and closing of the Penetanguishene Property;

- (b) an update on the activities of the Receiver since the First Report, including the Receiver's remaining duties to complete the receivership administration (the "**Remaining Duties**");
- (c) a summary of the Receiver's cash receipts and disbursements in respect of the Penetanguishene Property for the period July 8, 2024 to January 5, 2026 (the "**R&D**"); and
- (d) the Receiver's request that the Court grant orders:
 - i. approving the Second Report and the activities of the Receiver set out herein;
 - iii. approving the fees and disbursements of the Receiver and of the Receiver's counsel and the estimated costs to complete the receivership administration;
 - iv. authorizing and directing the Receiver to make a distribution of any funds remaining in its possession to First Source, after payment of all professional fees and costs related to the receivership administration;
 - v. discharging the Receiver upon the filing of a certificate with the Court confirming that the Remaining Duties (defined below) have been completed (the "**Discharge Certificate**"), and authorizing the Receiver to complete certain administrative matters following the discharge of the Receiver; and
 - vi. directing that TDB, in its capacity as former Receiver (i) pay to First Source any funds the Receiver receives following the date of the order made in connection with the Receiver's discharge, provided that the amounts paid do not exceed the Debtors' indebtedness to First Source or (ii) apply to the Court for further direction if the Receiver is of the view that the direction of the Court is required.

1.2 Terms of Reference

11. In preparing the Second 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 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.
12. Unless otherwise stated, all dollar amounts contained in the Second Report are expressed in Canadian dollars.

2.0 PENETANGUISHENE PROPERTY

13. Subsequent to the bankruptcy of the Debtor, the sale of the Penetanguishene Property successfully closed on December 1, 2025. A copy of the Receiver’s Certificate setting out that the transaction has been completed to the satisfaction of the Receiver is attached hereto as **Appendix “H”**.

3.0 RECEIVER’S ACTIVITIES

14. A summary of the Receiver’s activities since its First Report is set out below:
 - (a) finalize and assemble the First Report and send same to counsel for service;
 - (b) liaising with the property manager to prepare, finalize and release a report to MPAC for property assessment purposes;
 - (c) updating the Receiver’s website for documents served in accordance with the Court’s e-Service Protocol;

- (d) reconciling the property manager's rent receipts and disbursements for October and November 2025;
- (e) preparing and sending to First Source copies of all contracts and relevant emails in connection with the Penetanguishene Property;
- (f) liaising with the property manager and First Source to ensure property management services are transitioned and post-closing rent collections are paid to PSI;
- (g) reviewing and approving applications for rental of vacant units forwarded by the property manager;
- (h) attending in Court to obtain the AVO;
- (i) reviewing and signing off on closing documents, in escrow, including, among other things, the statement of adjustments, undertaking to adjust, assignment and assumption of leases, assignment and assumption of contracts and direction re funds;
- (j) reviewing draft motion record and orders in connection with the bankruptcy of the Debtor;
- (k) attending in Court to obtain the Amended AVO, Amended Appointment Order and Bankruptcy Order;
- (l) closing the sale of the Penetanguishene Property, including reviewing documentation received from Robins Appleby regarding disbursements made on closing, including payment of property tax arrears and sales commissions, accounting for same and paying all outstanding professional fees;
- (m) facilitating the transfer of utility accounts to PSI and paying all remaining utilities subsequent to closing of the sale of the Penetanguishe Property;
- (n) finalizing insurance matters, making all outstanding payments and cancelling the Receiver's insurance after closing of the sale of the Penetanguishene Property;

- (o) liaising with First Source and Georgian Bay Contracting Services (“**GBCS**”) regarding remaining construction work outstanding and payment of invoices to GBCS for completed work; and
- (p) making an interim distribution to First Source.

4.0 INTERIM AND PROPOSED FINAL DISTRIBUTION

4.1 Interim Distribution

15. As set out in the First Report, in order to pay for various priority charges and outstanding obligations of the Receiver (the “**Outstanding Charges and Obligations**”), the Penetanguishene APA contemplated payment by the PSI to the Receiver an amount sufficient to extinguish the Outstanding Charges and Obligations. After the closing of the Penetanguishene Property, the Receiver has made the following distributions:

- (a) payment to the Town of Penetanguishene for all outstanding property taxes owing on the Penetanguishene Property, including all further interest or fees at the time of closing;
- (b) all remaining unpaid fees and disbursements of the Receiver and its counsel relating to the Penetanguishene Property;
- (c) payment to Cushman & Wakefield of the commissions owed to it upon the successful closing of the Penetanguishene Property in the event of a credit bid;
- (d) payment to GBCS for the construction extras incurred by it in completing the post-receivership Initial Work and Additional Work in connection with the Penetanguishene Property. GBCS’ final invoice for completion of the Additional Work has yet to be rendered and is unpaid on the basis that the Additional Work has not yet been completed; and
- (e) on the basis that the amount of the payment to the Receiver by the PSI was more than sufficient to cover all of the Outstanding Charges and Obligations and that First Source has a first ranking charge on the Penetanguishene

Property, the Receiver made an interim distribution to First Source in the amount of \$100,000 at First Source's request.

4.2 Proposed Final Distribution

16. As set out below, the Receiver currently has \$189,400 remaining in its trust account. The Receiver proposes to distribute the remaining funds in its account as follows:

- (a) any and all remaining unpaid fees and disbursements of the Receiver and its counsel;
- (b) GBCS' final invoice for completion of the Additional Work. On January 5, 2026, the Receiver contacted GBCS regarding completion of the Additional Work. GBCS advised that as a result of the inclement weather being experienced in Penetanguishene, the work has not yet been completed and there is no current estimate of timing for completion of same. If the Additional Work has not been completed as at the time of making the final distribution, the Receiver intends to holdback and pay GBCS the remaining amount under its contract of \$31,032.74, inclusive of HST, once the Additional Work is completed. On January 6, 2026, the Receiver spoke with First Source about holding back funds for the remaining payment owed to GBCS upon completion of the Additional Work and First Source indicated that it had no issues with same; and
- (c) distribute to First Source any remaining funds in the Receiver's trust account after filing with the Court the Receiver's Discharge Certificate.

5.0 DISCHARGE OF THE RECEIVER

17. The only remaining duties of the Receiver are: (i) to prepare the Final Statement of Receiver pursuant to section 246(3) of the *Bankruptcy and Insolvency Act*, which will be prepared and filed with the Office of the Superintendent of Bankruptcy after the Receiver distributes the remaining funds in its trust account; (ii) make the distributions set out above; and (iii) close its trust account.
18. The Receiver's administration is substantially complete. The Receiver is presently seeking an order discharging TDB from the powers, duties and obligations attendant

to its appointment as Receiver upon the filing of the Discharge Certificate, with the proviso that TDB may perform such incidental duties as may be required by it as Receiver to complete its obligations pursuant to its appointment as Receiver.

6.0 RECEIPTS AND DISBURSEMENTS

19. The R&D for the period from July 8, 2024 to January 5, 2026 sets out cash receipts of \$1,861,059, including advances made by the First Source totaling \$500,000 pursuant to the Receiver's Certificates against the Penetanguishene Property and an additional \$250,000 advanced by First Source for completion of the Additional Work and payment of professional fee arrears, and cash disbursements of \$1,671,658, resulting in an excess of receipts over disbursements of \$189,400. A copy of the R&D is attached hereto as **Appendix "I"**.

7.0 PROFESSIONAL FEES

20. The Appointment Order provides that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver were granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements. The Receiver's Charge is a first charge on the Properties in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
21. The fees and disbursements of the Receiver for the period from May 1, 2024 to September 30, 2025 and the Receiver's legal counsel for the period from October 24, 2024 to September 30, 2025 were approved pursuant to an order of the Court dated October 15, 2025 (the "**Administration Order**"). A copy of the Administration Order is attached hereto as **Appendix "J"**.
22. The total fees of the Receiver for the period from October 1, 2025 to December 31, 2025 were \$34,745.50 in fees, plus disbursements of \$0, plus HST of \$4,516.92, for a total amount of \$39,262.42 (the "**Receiver's Invoices**"). The Receiver estimates that its fees and disbursements for the period January 1, 2026 to completion of the receivership administration will be up to \$10,000 plus HST of \$1,300 for a total of

\$11,300.00 (the “**Provision**”). The Receiver is therefore requesting approval of its fees and disbursements in the amount of \$50,562.42, inclusive of HST, representing the Receiver’s Invoices plus the Provision (collectively, the “**Receiver’s Accounts**”). A copy of the Receiver’s Invoices, together with a summary of same, the total billable hours charged per account, and the average hourly rate charged per account, is set out in the Affidavit of Arif Dhanani sworn on January 6, 2026 and attached as **Appendix “K”** to this report.

23. The accounts of the Receiver’s real estate and independent legal counsel, Robins Appleby, for the period from September 30, 2025 up to December 31, 2025 were \$41,392.00 in fees, plus disbursements of \$686.44, plus applicable taxes of \$5,419.83, for a total of \$47,498.27 (the “**Robins Appleby Invoices**”). Robins Appleby estimates that its fees and disbursements for the period January 1, 2026 to completion of the receivership administration will be up to \$20,000 plus HST of \$2,600 for a total of \$22,600 (the “**RA Provision**”). Robins Appleby is therefore requesting approval of its fees and disbursements in the amount of \$70,098.27, inclusive of HST, which represents the Robins Appleby Invoices plus the RA Provision. A copy of the Robins Appleby Invoices, together with a summary of the accounts, the total billable hours charged per account, and the average hourly rate charged per account, is set out in the Affidavit of Dominique Michaud sworn on January 7, 2026 and attached as **Appendix “L”** to this report.

8.0 RECEIVER’S REQUEST OF THE COURT

24. Based on the foregoing, the Receiver respectfully requests that the Court grant the orders described in paragraph 10(d) above.

All of which is respectfully submitted to this Court as of this 7th day of January, 2026.

TDB RESTRUCTURING LIMITED, solely in its capacity as Receiver of the property municipally known as Block 80, Bellisle Heights, 61 Thompsons Road West, Penetanguishene, Ontario and not in its personal or corporate capacity

Per:



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

APPENDIX A

Court File No. CV-24-00720929-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 8TH
)	
JUSTICE BLACK	)	DAY OF JULY, 2024

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing TDB Restructuring Limited as receiver and manager (in such capacities, the "Receiver") without security, over the lands and premises described in Appendix "A" hereto (the "Real Property"), owned by Block 80 Holdings Inc. (the "Debtor"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Kunj Patel affirmed June 7, 2024, the consent of the parties and on hearing the submissions of counsel for the Applicant and the other parties listed on the counsel slip, no one else appearing although duly served as appears from the Lawyer's Certificates of Service of Ryan Shah, dated June 4 and 10, 2024, and on reading the consent of TDB Restructuring Limited to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, TDB Restructuring Limited is hereby appointed Receiver, without security, of the Real Property including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security

personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required, and in each case the Ontario Bulk Sales Act shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case 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 (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies

thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant

landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor in relation to the Property or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor in relation to the Property or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor in relation to the Property, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower

the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such

other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other

contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that

the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed

and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule

17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://tdbadvisory.ca/insolvency-case/block-80/>'.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to

give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



JUSTICE W. D. BLACK

Appendix “A”

PIN 58405-0667, Block 80, Plan 51M887, Penetanguishene

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that TDB Restructuring Limited, the receiver (the "Receiver") of the property municipally known as Block 80, Bellisle Heights, 61 Thompsons Road, Penetanguishene, Ontario (the "Property") owned by Block 80 Holdings Inc. (the "Debtor") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 8th day of July, 2024 (the "Order") made in an action having Court file number CV-24-00720929-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$500,000 which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the

right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

TDB Restructuring Limited, solely in its
capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

Court File No. CV-24-00720929-00CL

FIRST SOURCE FINANCIAL MANAGEMENT INC.
Applicant

-and-

BLOCK 80 HOLDINGS INC. et al.
Respondents

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

**ORDER
(APPOINTING RECEIVER)**

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Lawyers for the Applicant


APPENDIX B




TDB Restructuring Limited
Licensed Insolvency Trustee

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tdbadvisory.ca

IN THE MATTER OF THE RECEIVERSHIP OF
BLOCK 8o, BELLISLE HEIGHTS, 61 THOMPSONS RD. WEST
PENETANGUISHENE, ONTARIO

FIRST REPORT OF THE RECEIVER

OCTOBER 3, 2025

Court File No. CV-24-00720929-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

BLOCK 8o HOLDINGS INC and ANDRE SHERMAN

Respondents

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1.0 INTRODUCTION

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on July 8, 2024 (the “**Appointment Order**”), TDB Restructuring Limited (“**TDB**”) was appointed receiver (the “**Receiver**”), without security, of the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the “**Penetanguishene Property**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. The Receiver retained the firm of Paliare Roland Rosenberg Rothstein LLP (“**Paliare Roland**”) as the Receiver’s legal counsel and the firm of Robins Appleby LLP (“**Robins Appleby**”) as the Receiver’s real estate counsel. On the basis that Paliare Roland is also retained by First Source Financial Management Inc. (“**First Source**”), the applicant in these proceedings, in the event of any conflict, Robins Appleby has agreed to act as the Receiver’s independent legal counsel.
3. 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/block-80>.

1.1 Purpose of Report

4. The purpose of this first report to Court (the “**First Report**”) is to provide the Court with:
 - (a) a brief background leading up to the receivership proceedings;
 - (b) information about the Receiver’s activities since the date of its appointment to the date of this First Report;
 - (c) reporting on the results of the Receiver’s efforts to market and sell the Penetanguishene Property;

- (d) support for the relief sought by the Receiver, namely the request for an approval and vesting order in favour of Penetang Shores Inc. (“**PSI**”) for the sale of the Penetanguishene Property;
- (e) an unredacted copy of the executed Agreement of Purchase and Sale for the Penetanguishene Property dated July 30, 2025 (the “**Penetanguishene APA**”). A sealing order is sought for the unredacted Penetanguishene APA submitted by PSI;
- (e) information relating to the Receiver’s Borrowings Charge (defined below) and the Receiver’s rationale for recommending an increase in the Borrowing Limit (as defined below) to \$750,000;
- (f) information relating to the secured creditors in respect of the Penetanguishene Property and the legal opinion obtained by the Receiver in respect of First Source’s security;
- (f) a summary of the Receiver’s cash receipts and disbursements in respect of the Penetanguishene Property for the period July 8, 2024 to September 30, 2025 (the “**R&D**”); and
- (g) the Receiver’s request that the Court grant orders:
 - i. approving the First Report and the activities of the Receiver set out herein;
 - ii. approving the transaction (the “**Penetanguishene Transaction**”) detailed in the Penetanguishene APA and vesting all of the Receiver’s and Block 80 Holdings Inc. (the “**Debtor**”) and Andre Sherman’s (together with the Debtor, the “**Debtors**”) right, title and interest in the Penetanguishene Property in PSI upon the closing of the Penetanguishene Transaction;
 - iii. sealing Confidential Appendix 1;
 - iv. approving the R&D;

- iii. approving the proposed Interim Distribution (as defined below) from the proceeds of sale of the Penetanguishene Property;
- iii. approving the fees and disbursements of the Receiver and of the Receiver's counsel and the estimated costs to complete the receivership administration;
- iv. authorizing and directing the Receiver to make a distribution of any funds remaining in its possession to First Source, after payment of all professional fees and costs related to the receivership administration;
- v. discharging the Receiver upon the filing of a certificate with the Court confirming that the Remaining Duties (defined below) have been completed (the "**Discharge Certificate**"), and authorizing the Receiver to complete certain administrative matters following the discharge of the Receiver; and
- vi. directing that TDB, in its capacity as former Receiver (i) pay to First Source any funds the Receiver receives following the date of the Order made in connection with the Receiver's discharge, provided that the amounts paid do not exceed the Debtors' indebtedness to First Source or (ii) apply to the Court for further direction if the Receiver is of the view that the direction of the Court is required.

1.2 Terms of Reference

- 5. In preparing the First 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 First 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.

6. Unless otherwise stated, all dollar amounts contained in the First Report are expressed in Canadian dollars.

2.0 BACKGROUND

9. The Appointment Order was granted by Justice Black on July 8, 2024 pursuant to an application made by First Source.
10. Details of the events leading up to the appointment of the Receiver are set out in the Application Record of First Source dated June 10, 2024 (the “**Application Record**”) and the affidavit of Kunj Patel affirmed on June 7, 2024 (the “**Patel Affidavit**”). The Application Record, including the Patel Affidavit therein, are posted on the Receiver’s website at <https://tdbadvisory.ca/insolvency-case/block-80/>.

3.0 RECEIVER’S ACTIVITIES

11. A summary of the Receiver’s activities in relation to the receivership administration is set out below:

3.1 Administrative

- (a) prepare for and attend in Court with respect to the receivership hearing;
- (b) create case webpage on the Receiver’s website in accordance with the e-Service Protocol;
- (c) open the Receiver’s trust account;
- (d) complete and issue the Receiver’s S. 245/246 notice and statement;
- (e) arrange for insurance over the Penetanguishene Property; and

- (f) attend to calls and meetings with First Source to provide property-related updates, including the Receiver's sales process for same and construction.

3.2 Property

- (g) prepare and finalize an information request listing and send same to the Debtors for information on the Penetanguishene Property;
- (h) review materials in respect of the property received from First Source and the Debtors;
- (i) contact Renaissance Property Management ("**RPM**"), the property manager of the Penetanguishene Property, to advise of the receivership proceedings and retain same to manage the property;
- (j) liaise with RPM regarding bills to be paid, repairs, maintenance and other on-site issues to be addressed;
- (k) contact the tenants of the Penetanguishene Property to advise of the Receiver's appointment and request that they continue to pay rent to RPM, as property manager;
- (l) contact Georgian Bay Construction Services Inc. ("**GBCS**") to ascertain the status of the Penetanguishene Property and obtain an estimate to complete same in accordance with the site plan approved by the Town of Penetanguishene (the "**Town**");
- (m) finalize contract with and engage GBCS to complete the construction and related work in connection with phase 1 of the Penetanguishene Property;
- (n) communicate with the Town regarding the Receiver's appointment, outstanding property taxes and water bills;
- (o) contact the various utility and submetering suppliers to inform them of the receivership and open new accounts in the name of the Receiver;

- (p) executing contracts for various supplier services, including snow removal and coin operated laundry machines;
- (q) contact and continue to communicate with the Town's Fire Department regarding compliance order issued, obtain extension and do all things necessary to effect compliance with such order; and
- (r) engage Cushman & Wakefield ULC ("**C&W**") as sales agent for the sale of the Penetanguishene Property.

3.3 Property Taxes

- 12. Robins Appleby obtained a property tax certificate from the Town dated August 13, 2025 (the "**Tax Certificate**"). The Tax Certificate sets out that:
 - (a) as at August 13, 2025, a total of \$235,406.36 is owed to the Town for property taxes;
 - (b) penalty and interest of \$2,537.79 will be applied to the outstanding property tax balance on September 1, 2025, if payment is not received by August 31, 2025; and
 - (c) deferred development charges of \$48,498 plus accrued interest is due annually on September 29th from 2025 to 2028.
- 13. The Receiver estimates that the property taxes outstanding, including the deferred development charges, on closing of the Penetanguishene Property will be approximately \$310,000, which the Receiver intends on paying from the proceeds of sale of the Penetanguishene Property.

4.0 MARKETING AND SALES PROCESS

- 14. The Receiver engaged in a sales process for the Penetanguishene Property as described below.

4.1 Sales process

15. The Receiver invited three commercial real estate brokers to submit proposals for the marketing and sale of the Penetanguishene Property, including C&W.
16. The Receiver received listing proposals from all three brokerages and ultimately selected C&W, with the concurrence of First Source. On October 22, 2024, the Receiver entered into an MLS listing agreement with C&W.
17. After discussion with C&W, the Receiver set an offer deadline date of February 5, 2025 (the “**Bid Deadline**”) as C&W indicated that the period between October 23, 2024 and February 5, 2025 was sufficient time to appropriately market the Penetanguishene Property, taking into account the holiday season.

4.2 Marketing efforts

18. C&W launched a marketing campaign for the Penetanguishene Property on October 28, 2024.
19. The Receiver, after discussing same with Robins Appleby, provided C&W with a form of agreement of purchase and sale (the “**APS**”) and confidentiality agreement (the “**Confidentiality Agreement**”). The APS was to be uploaded to the online data room maintained by C&W and the Confidentiality Agreement was to be sent to C&W’s distribution list of parties that may be interested in the Penetanguishene Property. The purpose of the on-line data room was to facilitate purchaser due diligence.
20. A summary of marketing activities undertaken by C&W is set out below:
 - (a) e-mails were sent to C&W’s distribution list of approximately 6,100 parties, which emails included a marketing package and the Confidentiality Agreement. The distribution list targeted investors, builders and developers as well as the real estate brokerage community;
 - (b) the Penetanguishene Property was listed on MLS at an asking price of \$6.7 million, as recommended by C&W;

- (c) advertisements were placed in the Globe and Mail on December 3, 2024 and on December 5, 2024 and recurring advertisements were posted in the Insolvency Insider and LinkedIn;
 - (d) a for-sale sign was posted on the property;
 - (e) targeted solicitation calls were made to developers and prospective purchasers; and
 - (f) as set out above, an electronic data room was set up to provide access to confidential information pertaining to the Penetanguishene Property to parties which had executed a confidentiality agreement.
21. Throughout the marketing process, C&W provided the Receiver with detailed summaries of the marketing activities undertaken by C&W, including the names of prospective purchasers.

4.3 Offers received

22. C&W received fourteen (14) signed Confidentiality Agreements by prospective purchasers or brokers, all of whom were given access to the electronic data room.
23. As of the Bid Deadline, C&W had received no offers for the Penetanguishene Property. Subsequent to the Bid Deadline, C&W continued to market the Penetanguishene Property with a view to furthering interest from certain parties that had expressed an interest in purchasing the Penetanguishene Property and with the concurrence of First Source, the asking price was reduced to \$6.2 million.
24. Ultimately, no acceptable offers were received and on August 19, 2025, the Receiver and PSI executed the Penetanguishene APA. PSI is an entity owned by First Source, and the Penetanguishene Transaction is structured as a credit bid in respect of First Source's first mortgage on the Penetanguishene Property. A redacted copy of the Penetanguishene APA (redacted only to conceal the financial terms of the offer) is attached hereto as **Appendix "B"**. An unredacted copy of the Penetanguishene APA will be filed with the Court as **Confidential Appendix "1"**, under seal.

4.4 The agreement of purchase and sale

25. Salient terms of the Penetanguishene APA and matters relating thereto include:

- (a) the purchased assets include the Penetanguishene Property;
- (b) the purchase price is defined in the Penetanguishene APA;
- (c) the Penetanguishene APA is conditional on Court approval and the issuance of an order vesting title to the Penetanguishene Property in the PSI free and clear of claims and encumbrances, other than those specifically itemized in the Penetanguishene APA (the “AVO”);
- (d) PSI is buying the Penetanguishene Property on an “as is, where is” basis; and
- (e) closing of the sale provided for in the Penetanguishene APA is scheduled to occur thirty (30) days immediately following the date on which the AVO is granted, but no later than December 15, 2025 or such other date as the Receiver and the PSI may mutually agree upon.

4.5 Penetanguishene Property sale approval

26. The Receiver believes that the marketing process undertaken by C&W and the Receiver was appropriate considering the nature of the Penetanguishene Property. The Sale Process allowed for sufficient exposure to market for the Penetanguishene Property, for the following reasons, among others:

- (a) notice of the sale was sent to more than 6,000 parties;
- (b) the Penetanguishene Property was listed for sale on MLS;
- (c) the property was exposed to the market on MLS thereafter for a period of more than 14 weeks; and
- (d) subsequent to the Bid Deadline, the Penetanguishene Property remained unsold and continued to be marketed by C&W. No other potential purchasers, other than PSI, provided the Receiver with acceptable offers for the sale of the Penetanguishene Property.

27. Accordingly, based on the above, the Receiver is of the view that the market was widely canvassed and given the length of time on the market, it is unlikely that exposing the Penetanguishene Property to the market for additional time will result in a superior transaction than the one contemplated by the Penetanguishene APA.
28. The Receiver recommends the approval of the Penetanguishene APA and granting of the AVO by the Court on the basis that this is the sole condition of the Penetanguishene Transaction. The Penetanguishene APA contemplates the usual mechanism requiring the Receiver to deliver to PSI a Certificate of the Receiver, which will certify that all of the conditions in the Penetanguishene APA have been satisfied or waived and the balance of the purchase price has been paid in full by the PSI.

5.0 SEALING

29. The Receiver respectfully requests that the Court seal Confidential Appendix 1, being the unredacted copy of the Penetanguishene APA. The Receiver believes that the financial details contained in the Penetanguishene APA should be kept confidential until the completion of sale efforts with respect to the Penetanguishene Property.
30. The inclusion in the public record of the unredacted copy of the Penetanguishene APA (which discloses the financial terms of the Penetanguishene Transaction) would be prejudicial to, among other things, the integrity of sales process and any additional marketing efforts that may be needed for the Penetanguishene Property if the Penetanguishene Transaction fails to close for any reason.
31. The sealing order sought is limited in time and will automatically expire upon the closing of the transaction contemplated in the Penetanguishene APA or further order of the Court. This will ensure that the financial terms of the Penetanguishene APA remain confidential until all sale efforts are completed. This is necessary and sufficient to reasonably protect the legitimate stakeholder interests in the circumstances.

32. A full copy of the Penetanguishene APA is being publicly filed as Appendix “B” to this report, with the purchase price and deposit amounts redacted. As a result, the sealing order’s effect on the completeness of the public record, if any, will be minimal.

6.0 RECEIVER’S BORROWINGS

33. Pursuant to paragraph 21 of the Appointment Order, the Receiver was empowered to borrow up to \$500,000 (the “**Borrowing Limit**”) at any time for the purpose of funding the exercise of the Receiver’s powers and duties. The Appointment Order charged the Penetanguishene Property with a priority charge (the “**Receiver’s Borrowings Charge**”) subject only to the Receiver’s Charge (defined below) and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
34. To date, the Receiver has borrowed and has issued Receiver’s certificates (the “**Receiver’s Certificates**”) totaling \$500,000 against the Penetanguishene Property.
35. The full amount of the Receiver’s borrowing was used to fund and pay for the contract entered into with GBCS to complete construction in respect of the first phase of the Penetanguishene Property (the “**Initial Work**”). GBCS advised that there were certain “extras” that were required over and above the contract price to complete the Initial Work. On the basis that the net rent, after payment of monthly expenses in relation to the operation, repairs and maintenance of the Penetanguishene Property were not sufficient to pay for the cost of the extras incurred by GBCS, the Receiver advised GBCS that it would need to wait to be paid from the proceeds of sale of the Penetanguishene Property. This is discussed further below.
36. The Receiver was informed in mid-April 2025 that:
- (a) the Town required certain further site works to be completed (the “**Additional Work**”) in order to address ongoing complaints from homeowners located at the rear of the Penetanguishene Property; and

- (b) if the Additional Work was not carried out voluntarily by the Receiver and completed by June 1, 2025, the Town would use the securities it currently held to complete the work itself.
37. The Receiver believed that if the Town was to complete the Additional Work, it would likely be at a significantly higher cost than if completed by the Receiver through GBCS. The Receiver discussed this with First Source and advised that proceeding to complete the Additional Work was in the best interest of the site and stakeholders and would help minimize overall costs.
38. First Source agreed to advance to the Receiver an additional \$250,000 to fund:
- (a) \$150,000 in respect of the Additional Work; and
- (b) \$100,000 in connection with significant past due and accruing professional fees
- on the condition that the Receiver seek an increase to the Borrowing Limit on its next attendance in Court.
39. On this basis, the Receiver respectfully requests that the Borrowing Limit be increased to \$750,000 from \$500,000.
40. The Penetanguishene APA contemplates forgiveness of the Receiver's borrowings upon closing of the Penetanguishene Transaction.

7.0 SECURED CREDITORS

7.1 Parcel Register

41. A copy of the parcel register search obtained by Robins Appleby for the Penetanguishene Property dated August 19, 2025 (the "**Penetanguishene Property PIN Report**") is attached hereto as **Appendix "C"**.
42. A summary of the creditor charges registered against the Penetanguishene Property as set out in the Penetanguishene PIN Report is as follows:

[remainder of page left blank intentionally]

Date of Registration	Nature of Registration	Registrant	Amount
2021/04/06	Charge	First Source Financial Management Inc.	\$3,942,000
2023/04/03	Charge	2070409 Ontario Inc.	\$500,000
2024/06/19	Construction Lien	Georgian Bay Contracting Services	\$804,997

43. The Receiver understands that the charge registered by First Source was increased on January 23, 2023 to \$5,310,000 with the consent of the Debtor.

7.1.1 Construction Lien

44. The Receiver understands that GBCS completed certain work for Block 80 Holdings Inc. for which it was not paid, prior to the Receiver's appointment on July 8, 2024.
45. GBCS registered a construction lien against the Penetanguishene Property on June 19, 2024 in order to preserve its lien.
46. The Receiver understands that perfection of any construction lien requires the lien claimant to commence an action and register a certificate of action on title to the property within 90 days of the preservation of its lien. Based on the Receiver's past experience with lien claims and the stay of proceedings set out in the Model Receivership Order, counsel to the lien claimant has either obtained leave of the Court or sought the Receiver's consent to preserve and/or perfect its lien.
47. In the case of GBCS' lien, the Receiver is not aware of any attendance in Court by GBCS to obtain leave to perfect its lien, nor has the Receiver received any request from GBCS or its counsel to consent to the registration of any certificate of action on title to the Penetanguishene Property. Based on the Penetanguishene Property PIN

Report, a certificate of action has not been registered on title by GBCS in accordance with the *Construction Act*. On this basis, the Receiver believes the time for GBCS to perfect its lien has lapsed and the lien has expired and as a result is not valid or enforceable.

48. On August 20, 2025, Robins Appleby wrote to Manis Law, counsel for GBCS, to enquire about the perfection of GBCS' lien. A copy of the correspondence between Robins Appleby, Manis Law and the Receiver is attached hereto as **Appendix "D"**. As at the time of writing this report, the Receiver has received no further correspondence from Manis Law in this regard, including anything refuting the Receiver's position.
49. The Receiver has received an opinion from Robins Appleby dated September 18, 2025 (the "**Lien Opinion**") in connection with the validity and enforceability of GBCS lien, which opinion sets out that the lien has expired and does not constitute a valid encumbrance against the Penetanguishene Property and cannot be enforced under the *Construction Act*. A copy of the Lien Opinion is attached hereto as **Appendix "E"**.

7.2 PPSA

50. As further security, the Debtor granted to First Source a general security agreement by which the Debtor granted security to First Source over its personal property and an assignment of rents in respect of the Penetanguishene Property. A search of the Ontario Personal Property Security Registration system (the "**PPSA Search**") attached to the Patel Affidavit indicates that there are no other registrations against the personal property of the Debtor. A copy of the PPSA Search is attached hereto as **Appendix "F"**.

8.0 LEGAL OPINION ON FIRST SOURCE SECURITY

51. The Receiver has obtained an independent legal opinion (the "**Legal Opinion**") from Robins Appleby LLP which sets out, subject to the assumptions and qualifications contained therein, that:

- (a) First Source's security in respect of the Property of the Debtors is valid and enforceable and has been properly perfected; and
- (b) First Source has a valid and enforceable registered first-ranking charge over the Penetanguishene Property.

A copy of the Legal Opinion is attached hereto as **Appendix "G"**.

- 52. On the basis that the Penetanguishene Transaction contemplates a credit bid scenario and there will be no proceeds of sale from the closing of the Penetanguishene Property, the Receiver has not requested of Robins Appleby LLP that it opine on the validity, enforceability and priority of the second mortgagee's charge against the Penetanguishene Property.

9.0 PROPOSED INTERIM DISTRIBUTION

- 53. In order to pay for various priority charges and outstanding obligations of the Receiver (the "**Outstanding Charges and Obligations**"), the Penetanguishene APA contemplates payment by the Penetanguishene Purchaser to the Receiver an amount sufficient to extinguish the Outstanding Charges and Obligations. The Receiver intends to distribute such amount upon closing the transaction for the Penetanguishene Property in the following order of priority (such scheme of distribution being the "**Interim Distribution**"):
 - (a) payment to the Town for the property taxes owing on the Penetanguishene Property, plus any further interest or fees at the time of closing;
 - (b) pay any remaining unpaid fees and disbursements of the Receiver and its counsel relating to the Penetanguishene Property;
 - (c) repayment of the \$500,000 to First Source in connection with the Receiver's borrowings pursuant to the Receiver's Certificates issued and the additional \$250,000 advanced by First Source to the Receiver for completion of the Additional Work and payment of professional fee arrears;

- (d) payment to C&W of the commissions owed to it upon the successful closing of the Penetanguishene Property in the event of a credit bid;
- (e) payment to GBCS for the construction extras incurred by it in completing the post-receivership Initial Work and Additional work in connection with the Penetanguishene Property; and
- (f) distribute to First Source any remaining funds in the Receiver's trust account after filing with the Court the Receiver's Discharge Certificate.

10.0 DISCHARGE OF THE RECEIVER

54. Upon the closing of the sale of the Penetanguishene Property, the Receiver's remaining duties to complete the receivership administration (the "**Remaining Duties**") include, subject to the Court issuing the order being sought by the Receiver in the within motion:
- (a) making the distributions provided for under the requested order;
 - (b) paying any remaining utility and/or service providers for goods and services rendered and closing the Receiver's accounts with those providers;
 - (c) doing all things necessary to assist PSI with transitioning utility services currently in the Receiver's name to each purchaser, as required;
 - (d) doing all things necessary to assist PSI with transitioning collections of rent from the tenants in residing in the Penetanguishene Property;
 - (e) assisting with the transition of the Receiver's current property manager to PSI, should it require same; and
 - (f) preparing the Final Statement of Receiver pursuant to section 246(3) of the *Bankruptcy and Insolvency Act*.
55. The Receiver's administration is substantially complete. In order to avoid the costs of making a further motion to the Court to obtain the Receiver's discharge, the Receiver is presently seeking an order discharging TDB from the powers, duties and

obligations attendant to its appointment as Receiver upon the filing of the Discharge Certificate, with the proviso that TDB may perform such incidental duties as may be required by it as Receiver to complete its obligations pursuant to its appointment as Receiver including, but not limited to, the Remaining Duties.

11.0 RECEIPTS AND DISBURSEMENTS

56. The R&D for the period from July 8, 2024 to September 30, 2025 sets out cash receipts of \$1,089,642, including advances made by the First Source totaling \$500,000 pursuant to the Receiver's Certificates against the Penetanguishene Property and the additional \$250,000 advanced by First Source for completion of the Additional Work and payment of professional fee arrears, and cash disbursements of \$986,973, resulting in an excess of receipts over disbursements of \$102,670. A copy of the R&D is attached hereto as **Appendix "H"**.

12.0 PROFESSIONAL FEES

57. The Appointment Order provides that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver were granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements. The Receiver's Charge is a first charge on the Properties in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
58. The total fees and disbursements of the Receiver for the period from May 1, 2024 to September 30, 2025 were \$209,074.14 in fees, plus disbursements of \$65.11, plus HST of \$27,188.10, for a total amount of \$236,327.35 (the "**Receiver's Invoices**"). The Receiver estimates that its fees and disbursements for the period October 1, 2025 to completion of the receivership administration will be up to \$50,000 plus HST of \$6,500 for a total of \$56,500 (the "**Provision**"). The Receiver is therefore requesting approval of its fees and disbursements in the amount of \$292,827.35, inclusive of HST, representing the Receiver's Invoices plus the Provision (collectively, the "**Receiver's Accounts**"). A copy of the Receiver's Invoices,

together with a summary of same, the total billable hours charged per account, and the average hourly rate charged per account, is set out in the Affidavit of Arif Dhanani sworn on October 1, 2025 and attached as **Appendix “I”** to this report..


59. The accounts of the Receiver’s real estate and independent legal counsel, Robins Appleby, for the period from October 24, 2024 to September 30, 2025 were \$21,203.50 in fees, plus disbursements of \$355.60, plus applicable taxes of \$2,778.22, for a total of \$24,337.32 (the “**Robins Appleby Invoices**”). Robins Appleby estimates that its fees and disbursements for the period October 1, 2025 to completion of the receivership administration will be up to \$50,000 plus HST of \$6,500 for a total of \$56,500 (the “**RA Provision**”). Robins Appleby is therefore requesting approval of its fees and disbursements in the amount of \$80,837.32, inclusive of HST, which represents the Robins Appleby Invoices plus the RA Provision. A copy of the Robins Appleby Invoices, together with a summary of the accounts, the total billable hours charged per account, and the average hourly rate charged per account, is set out in the Affidavit of Dominique Michaud sworn on October 2, 2025 and attached as **Appendix “J”** to this report.
60. Paliare Roland has advised the Receiver that it will not be submitting a fee affidavit at this time.

13.0 RECEIVER’S REQUEST OF THE COURT

61. Based on the foregoing, the Receiver respectfully requests that the Court grant the orders described in paragraph 4(g) above.

All of which is respectfully submitted to this Court as of this 3rd day of October, 2025.

TDB RESTRUCTURING LIMITED, solely in its capacity as Receiver of the property municipally known as Block 80, Bellisle Heights, 61 Thompsons Road West, Penetanguishene, Ontario and not in its personal or corporate capacity

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

APPENDIX C



Court File No.: CV-24-00720929-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	WEDNESDAY, THE 15TH
)	
JUSTICE J. DIETRICH	)	DAY OF OCTOBER, 2025

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

ORDER
(Approval and Vesting Order)

THIS MOTION, made by TDB Restructuring Limited (“**TDB**”) in its capacity as the Court-appointed Receiver (in such capacity, the "**Receiver**") over the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the “**Property**”), owned by Block 80 Holdings Inc. (the “**Debtor**”), for an Order, *inter alia*, approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Penetang Shores Inc. as purchaser (the “**Purchaser**”), dated July 30, 2025 (the “**Sale Agreement**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Property (as defined in the Sale Agreement), was heard this day via Zoom videoconference.

ON READING the Motion Record of the Receiver dated October 3, 2025, the First Report, containing Confidential Appendix “1” including the Sale Agreement, the Factum of the Receiver dated October 8, 2025, and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavits of Wendy Lee sworn October, 3, 2025 and October 8, 2025, filed.

1. **THIS COURT ORDERS** that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Sale Agreement.

APPROVAL AND VESTING

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Property to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form attached as **Schedule “A”** hereto (the “**Receiver’s Certificate**”), all of Debtor’s right, title, benefit and interest in and to the Property as described in the Sale Agreement and further particularized in “**Schedule B**” hereto shall vest absolutely in the Purchaser, free and clear of and from any and all encumbrances, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts

(whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Black of the Ontario Superior Court of Justice, dated the 8th day of July, 2024; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system and (iii) those claims listed on **Schedule “C”** hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, easements and restrictive covenants listed in **Schedule “D”** hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property.

4. **THIS COURT ORDERS** upon the registration in the Land Registry Office of Simcoe (number 51) of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject Property identified in **Schedule “B”** hereto in fee simple, and is hereby directed to delete and expunge from title to the Property all Claims and Encumbrances as against the Property, with the exception of those listed in **Schedule “D”** hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Property shall stand in the place and stead of the Property, and that from and after the delivery of the Receiver’s Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not

been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of Debtor;

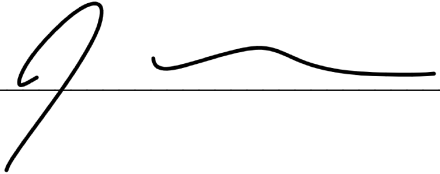
the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Debtor and shall not be void or voidable by creditors of Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this

Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Receiver and its agents in carrying out the terms of this Order.

9. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.



A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a horizontal wavy line, is positioned above a thin horizontal line.

Schedule “A” – Form of Receiver’s Certificate

Court File No.: CV-24-00720925-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (the “**Court**”) dated July 8, 2024, TDB Restructuring Limited (“**TDB**”) was appointed as receiver (the “**Receiver**”) the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the “**Property**”), owned by Block 80 Holdings Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated October 15, 2025, the Court approved the agreement of purchase and sale made as of July 30, 2025 (the “**Sale Agreement**”) between the Receiver and Penetang Shores Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of Debtor’s right, title and interest in and to the Property, which vesting is to be effective with respect to the Property upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Property, (ii) that the

conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Property payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, respectively; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

TDB Restructuring Limited, in its capacity as Court-appointed Receiver the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario, and not in its personal capacity and without personal or corporate liability

Per: _____

Name:

Title:

Schedule “B” – Legal Description of The Penetanguishene Property

PIN 58405-0667 (LT)

Address: Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario

Legal Description: Block 80, Plan 51M887, Penetanguishene

**Schedule “C” – Claims to be Deleted and Expunged from Title to the Property
Bearing PIN**

	Instrument No.	Date	Instrument Type	Amount	Parties From	Parties To
1	SC1768805	2021/04/06	Charge	\$3,942,000	Block 80 Holdings Inc.	First Source Financial Management Inc.
2	SC1768806	2021/04/06	Notice of General Assignment of Rents		Block 80 Holdings Inc.	First Source Financial Management Inc.
3	SC1770203	2021/04/09	Postponement		First Source Financial Management Inc.	The Corporation of the Town of Penetanguishene
4	SC1883937	2022/04/04	Notice		First Source Financial Management Inc.	Block 80 Holdings Inc.
5	SC1958918	2023/01/23	Notice		First Source Financial Management Inc.	Block 80 Holdings Inc.
6	SC1971266	2023/04/03	Charge	\$500,000	Block 80 Holdings Inc.	2070409 Ontario Inc.
7	SC1971267	2023/04/03	Notice of General Assignment of Rents		Block 80 Holdings Inc.	2070409 Ontario Inc.
8	SC2063393	2024/06/19	Construction Lien	\$804,997	Georgian Bay Contracting Services Inc.	

Schedule “D” – Permitted Encumbrances

1. Any registered reservations, restrictions, rights of way, easements or covenants that run with the Lands;
2. Any registered agreements with a municipality or a supplier of utility service including, without limitation, electricity, water, sewage, gas, telephone or cable television or other telecommunication service;
3. All Applicable Laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the lands;
4. Any minor easements for the supply of utility service to the lands or adjacent properties;
5. Encroachments disclosed by any errors or omissions in existing surveys of the lands or neighbouring properties and any title defect, encroachment or breach of a zoning or building by-laws or any other applicable law, by-laws or regulations which might be disclosed by a more up-to-date survey of the land and survey matters generally;
6. The exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
7. The reservations contained in the original grant from the Crown;
8. Liens for taxes if such taxes are not due and payable;
9. Any leases;
10. The Assigned Contracts;
11. The following instruments:
 - (i) Instrument No. SC595670
 - (ii) Instrument No. 51M887
 - (iii) Instrument No. SC1770202

**FIRST SOURCE FINANCIAL - and-
MANAGEMENT INC.**

**BLOCK 80 HOLDINGS INC. AND
ANDRE SHERMAN**

Applicant

Respondents

Court File No.: CV-24-00720929-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSUC No.: 56871V

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Tel: (416) 360-3795

Anisha Samat LSUC No.: 82342Q

Email: asamat@robapp.com
Tel: (416) 360-1901

Lawyers for the Court-Appointed Receiver, TDB
Restructuring Limited

robapp\20332834.1

APPENDIX D

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	FRIDAY, THE 28TH
)	
JUSTICE CAVANAGH	)	DAY OF NOVEMBER, 2025

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

ORDER
(ANCILLARY RELIEF)

THIS MOTION made by the Applicant for an Order, among other things, amending the Approval and Vesting Order of the Honourable Justice J. Dietrich made in the within matter and dated October 15, 2025 (the “**AVO**”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Applicant and on hearing the submissions of counsel for the Applicant and the other parties listed on the counsel slip, no one else appearing although duly served as appears from the Lawyer’s Certificates of Service of Ryan Shah, dated November 17, 2025.

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

AMENDMENT OF APPROVAL AND VESTING ORDER

2. THIS COURT ORDERS that the AVO is hereby amended by deleting paragraph 4 of the AVO in its entirety and replacing it with the following text:

“THIS COURT ORDERS upon the registration in the Land Titles Division of Simcoe (number 51) of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject Property identified in **Schedule “B”** hereto in fee simple, and is hereby directed to:

- (a) delete and expunge from title to the Property all Claims and Encumbrances as against the Property listed in **Schedule “C”**, with the exception of those listed in **Schedule “D”** hereto; and
- (b) vest title to the Property in the Purchaser as herein provided, free and clear of, and without regard to, any relevant writs of executions that may have been filed with the Sheriff as against each and every registered owner of the Property, either before or after the date of this Order.”

GENERAL

3. THIS COURT ORDERS that this Order is effective from the date it is made and it is enforceable without any need for entry and filing, provided that any party may nonetheless submit a formal order for original signing, entry, and filing, as the case may be.

FIRST SOURCE FINANCIAL MANAGEMENT INC.
Applicant

-and-

BLOCK 80 HOLDINGS INC. et al.
Respondents

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

**ORDER
(ANCILLARY RELIEF)**

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

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Toronto, ON M5V 3H1

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ryan.shah@paliareroland.com

Lawyers for the Applicant

APPENDIX E

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	FRIDAY, THE 28TH
)	
JUSTICE CAVANAGH	)	DAY OF NOVEMBER, 2025

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

AMENDED AND RESTATED RECEIVERSHIP ORDER

THIS MOTION made by the Applicant for an Amended and Restated Receivership Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing TDB Restructuring Limited as receiver and manager (in such capacities, the "Receiver") without security, over the property, assets and undertakings of Block 80 Holdings Inc. (the "Debtor"), including the lands and premises described in Appendix "A" hereto (the "Real Property"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Order of Justice Black dated July 8, 2024 appointing the TDB Restructuring Limited as the receiver of the Real Property and the Motion Record of the Applicant and on hearing submission from counsel to the Applicant, the Receiver and the other parties listed on the counsel slip, no one else appearing although duly served as

appears from the Lawyer's Certificates of Service of Ryan Shah, dated November 17, 2025,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, TDB Restructuring Limited is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the

relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act or section 31 of the Ontario Mortgages Act, as the case may be, shall not be required, and in each case the Ontario Bulk Sales Act shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case 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 (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall

provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased

premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the

BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such

other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other

contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that

the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed

and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule

17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://tdbadvisory.ca/insolvency-case/block-80/>'.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to

give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Appendix “A”

PIN 58405-0667, Block 80, Plan 51M887, Penetanguishene

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that TDB Restructuring Limited, the receiver (the "Receiver") of the assets, undertakings and properties Block 80 Holdings Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed, initially, by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 8th day of July, 2024 (the "Initial Order") made in an action having Court file number CV-24-00720929-00CL, as amended and restated by an Order of the Court dated November 28, 2025, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$500,000 which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority

of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

TDB Restructuring Limited, solely in its
capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

FIRST SOURCE FINANCIAL MANAGEMENT INC.
Applicant

-and-

BLOCK 80 HOLDINGS INC. et al.
Respondents

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

AMENDED AND RESTATED RECEIVERSHIP ORDER

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Lawyers for the Applicant

APPENDIX F

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	FRIDAY, THE 28TH
)	
JUSTICE CAVANAGH	)	DAY OF NOVEMBER, 2025

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

ORDER
(AUTHORIZING BANKRUPTCY)

THIS MOTION made by the Applicant for an Order, among other things, authorizing TDB Restructuring Limited in its capacity as receiver (in such capacity, the "**Receiver**") of Block 80 Holdings Inc. (the "**Debtor**"), including the lands and premises described in **Appendix "A"** hereto (and including in TDB Restructuring Limited's capacity as receiver of all of the Debtor's property, assets and undertakings, pursuant to an Amended and Restated Receivership Order made by the Honourable Justice Cavanagh in the within matter on this day), to make an assignment in bankruptcy on behalf of was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Applicant and on hearing the submissions of counsel for the Applicant and the other parties listed on the counsel slip, no one else appearing although duly served as appears from the Lawyer's Certificates of Service of Ryan Shah, dated November 17, 2025,

BANKRUPTCY

1. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to:

- (a) assign the Debtor, or cause the Debtor to be assigned, into bankruptcy (upon such assignment, the **"Bankrupt"**); and
- (b) act as trustee in bankruptcy in respect of the Bankrupt (in such capacity, the **"Trustee"**), take possession and control of the assets of such Bankrupt for the purposes of this Receivership and this Bankruptcy, and to pay the costs of such a bankruptcy from the proceeds of the Receivership, including, without limitation, the fees and disbursements of the Trustee.

GENERAL

2. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

3. THIS COURT HEREBY REQUESTS the aide and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such

assistance to the Trustee and its agents as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

4. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

5. THIS COURT ORDERS that this Order is effective from the date it is made and it is enforceable without any need for entry and filing, provided that any party may nonetheless submit a formal order for original signing, entry, and filing, as the case may be.

Appendix “A”

PIN 58405-0667, Block 80, Plan 51M887, Penetanguishene

FIRST SOURCE FINANCIAL MANAGEMENT INC.
Applicant

-and-

BLOCK 80 HOLDINGS INC. et al.
Respondents

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

**ORDER
(AUTHORIZING BANKRUPTCY)**

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Lawyers for the Applicant

APPENDIX G



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-3305215
Estate No.: 31-3305215

In the Matter of the Bankruptcy of:

Block 80 Holdings Inc.

Debtor

TDB Restructuring Limited

Licensed Insolvency Trustee

Ordinary Administration

Date and time of bankruptcy:	December 01, 2025, 07:30	Security:	\$0.00
Date of trustee appointment:	December 01, 2025		
Meeting of creditors:	December 19, 2025, 11:00 Microsoft Team ID#290 766 224 368 49 passocde#gL3fj2DZ Toronto, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: December 01, 2025, 07:35

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

APPENDIX H

Court File No.: CV-24-00720929-00CL

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

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (the “**Court**”) dated July 8, 2024, TDB Restructuring Limited (“**TDB**”) was appointed as receiver (the “**Receiver**”) the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the “**Property**”), owned by Block 80 Holdings Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated October 15, 2025, the Court approved the agreement of purchase and sale made as of July 30, 2025 (the “**Sale Agreement**”) between the Receiver and Penetang Shores Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of Debtor’s right, title and interest in and to the Property, which vesting is to be effective with respect to the Property upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Property, (ii) that the

conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Property payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, respectively; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at 12:11 p.m. on December 1, 2025.

TDB Restructuring Limited, in its capacity as Court-appointed Receiver the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario, and not in its personal capacity and without personal or corporate liability

Per:

Signed by:

Arif Dhanani

CF90E71A241740D...

Name: Arif Dhanani

Title: Managing Director

**FIRST SOURCE FINANCIAL - and-
MANAGEMENT INC.**

**BLOCK 80 HOLDINGS INC. AND
ANDRE SHERMAN**

Applicant

Respondents

Court File No.: CV-24-00720929-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT

TORONTO**

RECEIVER’S CERTIFICATE

ROBINS APPLEBY LLP
Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V
Email: dmichaud@robapp.com
Tel: (416) 360-3795

Anisha Samat LSO No.: 82342Q
Email: asamat@robapp.com
Tel: (416) 360-1901

Lawyers for the Court-Appointed Receiver, TDB
Restructuring Limited

APPENDIX I

TDB RESTRUCTURING LIMITED
IN THE MATTER OF THE RECEIVERSHIP OF
THE PROPERTY MUNICIPALLY KNOWN AS
61 THOMPSONS ROAD WEST, PENETANGUISHENE, ONTARIO
RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD FROM JULY 8, 2024 TO JANUARY 5, 2026

RECEIPTS

Advance from secured creditor	\$ 750,000
Credit bid advance from secured creditor	688,871
Rental income	416,055
Other income (Coinamatic)	2,315
Interest	3,817
Total receipts	\$ 1,861,059

DISBURSEMENTS

Construction costs	\$ 589,793
Municipal taxes	308,837
Interim distribution to secured creditor	100,000
Repairs, maintenance, janitorial, waste removal, landscaping and snow removal	64,067
Insurance	89,202
Property management fees	42,012
Commissions paid on sale of property	30,000
Utilities (telephone, gas, hydro, water)	13,793
Water heater rental	8,205
Advertising	1,420
Miscellaneous (OSB filing fee, postage, bank charges, Ascend license fee, photocopies)	985
Receiver's fees and costs	225,293
Legal Fees/Disbursements	58,794
Transfer to bankruptcy trustee	1,147
HST/PST paid	138,110
Total disbursements	\$ 1,671,658

EXCESS OF RECEIPTS OVER DISBURSEMENTS

\$ 189,400

APPENDIX J



Court File No.: CV-24-00720929-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	WEDNESDAY, THE 15TH
)	
JUSTICE J. DIETRICH	)	DAY OF OCTOBER, 2025

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

ORDER
(Administration Order)

THIS MOTION, made by TDB Restructuring Limited (“**TDB**”) in its capacity as the Court-appointed receiver (the “**Receiver**”), over the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the “**Property**”), owned by Block 80 Holdings Inc. (the “**Debtor**”), for an Order, *inter alia*, (i) approving the Receiver’s activities, fees, receipts and disbursements, and the fees of its legal counsel, as set out in the First Report of the Receiver dated October 3, 2025 (the “**First Report**”), including the Sale Process as described in the First Report (the “**SISP**”), (ii) sealing Confidential Appendix “1” contained within the First Report (the “**Confidential Appendix**”), (iii) declaring the GBCS Lien (as defined herein) invalid and unenforceable as against the Property, (iv) approving the proposed

distributions as set out in the First Report, (v) increasing the Receiver's Borrowings Charge (as defined herein) from \$500,000.00 to \$750,000.00 and (vi) authorizing the termination of the within receivership proceedings and the discharge and release of the Receiver upon the Receiver filing a Certificate of Completion with the Court, was heard this day by Zoom videoconference.

ON READING the Motion Record of the Receiver dated October 3, 2025, the First Report, containing the Confidential Appendix including the Sale Agreement, the Factum of the Receiver dated October 8, 2025, and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavits of Wendy Lee sworn October, 3, 2025 and October 8, 2025, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Receiver's Notice of Motion dated October 3, 2025 (the "**NOM**") and related motion material filed in support of that NOM, including the Receiver's Motion Record dated October 3, 2025, is hereby abridged and validated, so that this Motion is properly returnable today and hereby dispenses with further service hereof.

APPROVAL OF ACTIVITIES AND RECEIVER'S REPORTS

2. **THIS COURT ORDERS** that First Report and the activities and conduct of the Receiver as described therein are hereby approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

APPROVAL OF RECEIVER'S FEES AND EXPENSES

3. **THIS COURT ORDERS** that the:

- (a) fees and disbursements of the Receiver for the period from May 1, 2024 to September 30, 2025, in the amount of \$236,327.35, are hereby approved; and
- (b) fees and disbursements of the Receiver's legal counsel for the period from October 24, 2024 to September 30, 2025, in the amount of \$24,337.32 are hereby approved.

4. **THIS COURT ORDERS** that the Receiver's statement of Receipts and Disbursements for the period from July 8, 2024 to September 30, 2025, comprising of total receipts of \$1,089,642.00, and cash disbursements of \$986,973.00, resulting in a net cash surplus of \$102,670.00, for that period and attached as Appendix "H" to the First Report, is hereby approved.

GBCS LIEN

5. **THIS COURT ADJUDGES AND DECLARES** that the construction lien registered on title to the Property as Instrument No. SC2063393, in the amount of \$804,997.00, in favour of Georgian Bay Contracting Services (the "**GBCS Lien**"), is invalid and unenforceable against the Property.

SEALING

6. **THIS COURT ORDERS** that the Confidential Appendix is hereby sealed until the earlier of:

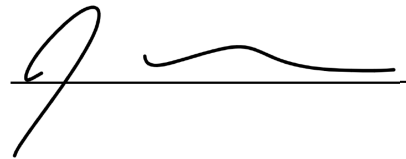
- (a) the closing of the transaction pursuant to the Sale Agreement contained in the Confidential Appendix; or
- (b) upon further order of this Court.

DISTRIBUTION

7. **THIS COURT ORDERS** that the proposed distribution as set out in paragraphs 53(a), 53(b), 53(d) and 53(e) of the First Report, is hereby approved and authorized.

MISCELLANEOUS

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

A handwritten signature in black ink, consisting of a stylized 'J' followed by a horizontal line and a wavy flourish.

**FIRST SOURCE FINANCIAL - and-
MANAGEMENT INC.**

**BLOCK 80 HOLDINGS INC. AND
ANDRE SHERMAN**

Applicant

Respondents

Court File No.: CV-24-00720929-00CL

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

PROCEEDING COMMENCED AT

TORONTO

ADMINISTRATION ORDER

ROBINS APPLEBY LLP

Barristers + Solicitors

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Toronto, ON M5H 1T1

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Tel: (416) 360-1901

Lawyers for the Court-Appointed Receiver, TDB
Restructuring Limited

APPENDIX K

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

BLOCK 80 HOLDINGS INC and ANDRE SHERMAN

Respondents

AFFIDAVIT OF ARIF DHANANI


(Sworn January 6, 2026)

I, **ARIF DHANANI**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Managing Director of TDB Restructuring Limited ("**TDB**") and as such I have personal knowledge of the matters to which I hereinafter depose, save and except those matters based upon information and belief, in which case I have stated the source of such facts, all of which I verily believe to be true. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated July 8, 2024 (the "**Appointment Order**"), TDB Restructuring Limited was appointed receiver (the "**Receiver**"), without security, of the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the "**Penetanguishene Property**"). The Penetanguishene Property is owned by Block 80 Holdings Inc. ("**Block 80**"). A copy of the Appointment Order is attached as Appendix A to the Receiver's second report to the Court (the "**Second Report**").
2. On November 28, 2025, the Appointment Order was amended (the "**Amended Appointment Order**") by the Court to appoint the Receiver over Block 80. A copy of the Amended Appointment Order is attached as Appendix E to the Receiver's Second Report.

3. Attached hereto and marked as **Exhibit "A"** to this my affidavit are copies of invoices issued by the Receiver for fees and disbursements incurred by the Receiver in respect of the receivership proceedings from October 1, 2025 to December 31, 2025 (the "**Period**"). The total fees charged for the Period are \$34,745.50, plus disbursements of \$0 and HST of \$4,516.92 for a total of \$39,262.42. The average hourly rate charged during the Period was \$532.09.
4. The invoices are a fair and accurate description of the services provided and the amounts charged by the Receiver for the Period.
5. As set out in its Second Report, the Receiver is seeking approval of its estimated fees of up to \$10,000.00 plus HST to complete its administration of the receivership.
6. The Receiver is therefore seeking at this time approval of the Court for its fees and disbursements, including HST, set out above of \$39,262.42, plus the Receiver's estimate to complete the administration of the receivership of up to \$11,300.00, including HST, for a total of \$50,562.42.
7. Attached hereto and marked as **Exhibit "B"** is a schedule summarizing the invoices in Exhibit "A", the total billable hours charged, the total fees charged and the average hourly rate charged.
8. I make this affidavit in support of a motion for an Order approving the Receiver's fees and disbursements and for no other or improper purpose.


SWORN BEFORE ME by Arif Dhanani in)
 the City of Toronto in the Province of)
 Ontario on January 6, 2026.)
)
)
)
)
)
)
)


 A Commissioner, etc.


 ARIF DHANANI

Jeffrey Kyle Berger,
 a Commissioner, etc., Province of Ontario,
 for TDB Restructuring Limited.
 Expires April 21, 2026.

**THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF ARIF DHANANI SWORN
BEFORE ME THIS 6TH DAY OF JANUARY, 2026**


A Commissioner, etc.

Jeffrey Kyle Berger,
a Commissioner, etc., Province of Ontario,
for TDB Restructuring Limited.
Expires April 21, 2026.



To TDB Restructuring Limited
Court-Appointed Receiver of the Property Municipally Known as
Block 80, Bellisle Heights, 61 Thompsons Road, Penetanguishene, Ontario
11 King Street West, Suite 700
Toronto, ON M5H 4C7

TDB Restructuring Limited
Licensed Insolvency Trustee

11 King St. W, Suite 700
Toronto, ON M5H 4C7

info@tdbadvisory.ca
416-575-4440
416-915-6228

tdbadvisory.ca

Date November 17, 2025

Client File 2-004
Invoice TDB #15
No. 2511007

For professional services rendered with respect to the appointment of TDB Restructuring Limited as Court-Appointed Receiver of the Property Municipally Known as Block 80, Bellisle Heights, 61 Thompsons Road West, Penetanguishene, Ontario (the "Real Property"), which Real Property is owned by Block 80 Holdings Inc. (the "Debtor") for the period October 1, 2025 to October 31, 2025.

Date	Professional	Description
10/1/2025	Arif Dhanani	Finalize draft of Receiver's First Report and send same to J. Larry of Paliare Roland Rosenberg Rothstein ("Paliare Roland") and D. Michaud of Robins Appleby for comments; finalize fee affidavit and have same sworn by B. Tannenbaum.
10/1/2025	Tanveel Irshad	Call from property manager re clarification on rent collection loss figures.
10/1/2025	Bryan Tannenbaum	Receipt and review of A. Dhanani email attaching draft of First Report to Court.
10/2/2025	Tanveel Irshad	Prepare for and attend call with A. Dhanani re MPAC response letter.
10/2/2025	Arif Dhanani	Call with T. Irshad re reporting required by MPAC in connection with the property; call with D. Michaud re finalization and timing of service of Receiver's report; download and assemble appendices for Receiver's First Report.
10/3/2025	Arif Dhanani	Review of email from A. Samat of Robins Appleby with revised fee affidavit, review fee affidavit and replace same in appendices to court report; review of draft notice of motion received from Robins Appleby and comment on same; email to J. Larry re fee affidavit and review of reply from same; amend report, reorder appendices to report; final review of report, execute same, attach appendices and send to Robins Appleby for service.
10/3/2025	Bryan Tannenbaum	Receipt and review of Non-Confidential Motion Record to service list.
10/5/2025	Arif Dhanani	Review emails between D. Michaud and J. Larry; review Receiver's GL for legal fees paid and respond to J. Larry.
10/5/2025	Tanveel Irshad	Revise income statements for MPAC letter reply; update letter and email to A. Dhanani re same.
10/6/2025	Arif Dhanani	Review of letter drafted by T. Irshad to MPAC and schedules thereto and comment on same; review of legal invoice received from Robins Appleby and send email to J. Hornbostel to set up payment for same.
10/6/2025	Jennifer Hornbostel	Prepare and post payment to Robins Appleby.

Date	Professional	Description
10/6/2025	Tanveel Irshad	Review property manager's income statement and rent roll and compare with its monthly statement; prepare receipts processing form to record property manager's deposit.
10/6/2025	Donna Nishimura	Post Motion Record of the Receiver (Sale Approval and Discharge) and First Report of the Receiver dated October 3, 2025 to the client webpage on the TDB website.
10/7/2025	Jennifer Hornbostel	Post receipt from Renaissance Property Management ("RPM").
10/7/2025	Tanveel Irshad	Review comments on response letter to MPAC and update response package; call with MPAC to obtain its email address to send letter to in light of the postal strike; call and email from Bell representative re credit and cancellation of account.
10/7/2025	Anne Baptiste	Prepare bank reconciliation for September 2025.
10/8/2025	Arif Dhanani	Call with S. Walters of First Source Financial Management Inc. ("First Source") re contracts to be assumed; review of Receiver's files and emails and send email to S. Walters with copies of all contracts and relevant emails relating thereto, including details of quotes obtained for elevator maintenance from December 13, 2025 forward; review final draft of responding letter to MPAC and schedules thereto, finalize same, execute letter and send email to T. Irshad to assemble appendices and email entire document to MPAC; review of draft Notice of Motion, AVO and factum circulated by Robins Appleby and comment thereon.
10/8/2025	Tanveel Irshad	Review two Bell bills and arrange for payment; email Receiver's letter to MPAC.
10/8/2025	Jennifer Hornbostel	Prepare and post payments to Bell.
10/9/2025	Arif Dhanani	Review of email from R. Shah of Paliare Roland to Robins Appleby re attendance at hearing for sale of property; call with S. Walters re contracts and specific questions re same; email to S. Walters with prior schedule of estimated cash required on closing and note on utilities transfer.
10/9/2025	Tanveel Irshad	Review of Alectra Utilities bill and arrange for payment.
10/10/2025	Arif Dhanani	Review of supporting documentation for payment of Alectra Utilities invoice, pay invoice and send payment confirmation to J. Hornbostel to record same in Receiver's GL.
10/10/2025	Jennifer Hornbostel	Prepare and post payment to Alectra.
10/14/2025	Bryan Tannenbaum	Various emails with H. Manis of Manis Law and lien claim withdrawal.
10/15/2025	Arif Dhanani	Attend court hearing for sale approval motion for the property; post-hearing call with D. Michaud and B. Tannenbaum; review of email exchange between court registrar and Robins Appleby re orders to be signed by the Court; review of revised draft orders submitted by Robins Appleby to the Court.
10/15/2025	Bryan Tannenbaum	Attend Court; debrief call with D. Michaud and A. Dhanani.
10/16/2025	Tanveel Irshad	Receipt and review of development charges invoice from the Town of Penetanguishene; email to A. Dhanani re same.
10/16/2025	Arif Dhanani	Review and respond to email from S. Walters re October 15, 2025 court hearing and orders obtained; email to D. Nishimura regarding posting Court orders and endorsement to Receiver's website.
10/16/2025	Bryan Tannenbaum	Receipt and review of Court Orders and Endorsement.
10/17/2025	Arif Dhanani	Review of invoice from FCA re insurance for October 2025; complete supporting documentation for payment of same and send to J. Hornbostel to set up payment on Receiver's on-line banking platform, pay insurance invoice and send payment confirmation to J. Hornbostel to record same in Receiver's GL; review of email from J. Barrow of Georgian Bay Contracting Services ("GBCS")

Date	Professional	Description
		re invoicing and respond thereto, including reviewing first and second contract with GBCS, invoices rendered and payments made.
10/17/2025	Jennifer Hornbostel	Post payment to FCA.
10/20/2025	Arif Dhanani	Review of email from J. Sciamanna of RPM, including attachments thereto, in connection with snow removal and respond thereto; review of further email exchanges between J. Sciamanna and S. Walters re snow removal contract; review of email from J. Barrow with invoice for cost overruns on contract #1 and respond to J. Barrow with questions regarding same; review of email from J. Sciamanna to T&R Grounds Maintenance and respond to J. Sciamanna with questions regarding same; review and respond to email from J. Sciamanna re snow plow contract, including review of 2024-2025 snow removal contract; review of further email from S. Walters and respond thereto; review of email from S. Parkin of RPM re Unit 203; review of email from J. Sciamanna re issues with windows in Units 301, 302 and 305 and rectification of same, approve work to be done; review and respond to email from S. Walters regarding \$250,000 advanced in April 2025.
10/20/2025	Tanveel Irshad	Receipt and review of quote re repair to windows; review of Wyse Meter remittance report, prepare receipts processing form and email to J. Hornbostel re same; review income statement and rent roll and tie to property manager's invoice statement; prepare receipts processing form.
10/20/2025	Donna Nishimura	Post Approval and Vesting Order, Order (Administration) and Endorsement to the client webpage on the TDB website.
10/21/2025	Arif Dhanani	Review of email from T. Irshad to J. Hornbostel re posting in the Receiver's GL the deposit made by RPM in connection with net rents; review and respond to question from J. Barrow regarding payment of cost overruns from initial contract with Receiver; call with S. Walters re transaction, closing and costs to be paid by First Source.
10/21/2025	Jennifer Hornbostel	Post receipts from Coinamatic and RPM.
10/21/2025	Donna Nishimura	Prepare receipts processing form and deposit Coinamatic cheque at the bank.
10/22/2025	Arif Dhanani	Review of GBCS contract #1 and #2 amounts and past payments to GBCS; call with J. Barrow; review and respond to emails with First Source and RPM re elevator service contract, review contract and sign off on same; review invoice for progress payment from J. Barrow, pay same and send payment confirmation to J. Barrow and to J. Hornbostel to record same in Receiver's GL.
10/22/2025	Jennifer Hornbostel	Prepare payment to GBCS.
10/23/2025	Arif Dhanani	Update closing schedule estimating consideration to be paid on closing as requested by S. Walters; email to S. Walters with schedule and notes thereto.
10/23/2025	Tanveel Irshad	Receipt and review of email from property manager re repair for elevator.
10/23/2025	Jennifer Hornbostel	Post payment to GBCS.
10/28/2025	Arif Dhanani	Review of email from S. Parkin re November 2025 statement from property manager; review of invoice received from Robins Appleby and email to J. Hornbostel with request to set up payment for same on-line; review email exchange between J. Sciamanna and the County of Simcoe; review of email from S. Walters to J. Sciamanna re County of Simcoe; review documentation and invoice from the Town of Penetanguishene re water bill, pay bill and send payment confirmation to J. Hornbostel to record in Receiver's GL; pay Robins Appleby legal invoice and send payment confirmation to J. Hornbostel.
10/28/2025	Tanveel Irshad	Receipt and review of water bill from the Town of Penetanguishene and arrange for payment.
10/28/2025	Jennifer Hornbostel	Prepare payments to Robins Appleby and Town of Penetanguishene.

Date	Professional	Description
10/30/2025	Arif Dhanani	Call with S. Walters re retaining wall and closing.
10/30/2025	Tanveel Irshad	Review of property manager's October statement and tie to source invoices; email to property manager re approval of same.
10/31/2025	Tanveel Irshad	Receipt and review of two Bell bills and arrange for payment; review and respond to email from A. Dhanani re utility service providers.
10/31/2025	Arif Dhanani	Follow up email to J. Barrow re status update report, in writing, and pictures of work progress; review of tenant application for Unit 102 received from D. Saunders of RPM and respond to D. Saunders in this regard; email to Robins Appleby re request for listing of purchaser and Receiver's responsibilities on closing of property; review of further email from D. Saunders re tenant prospect and respond thereto; email to S. Walters with considerations re pre and on closing date; corresponding with Robins Appleby re details for account for closing funds to be paid into and closing date; emails to/from J. Barrow re retaining wall, review comments and pictures and forward same to First Source.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	Managing Director	2.00	\$ 750	\$ 1,500.00
Arif N. Dhanani, CPA, CA, CIRP, LIT	Managing Director	17.90	\$ 650	11,635.00
Tanveel Irshad	Senior Associate*	6.30	\$ 375	2,362.50
Anne Baptiste/Jennifer Hornbostel/Donna Nishimura	Estate Administrator	3.70	\$ 195	721.50
Total hours and professional fees		29.90		\$ 16,219.00
HST @ 13%				2,108.47
Total payable				\$ 18,327.47

*Rate change effective October 1, 2025.

GST/HST: 80784 1440 RT0001



To TDB Restructuring Limited
Court-Appointed Receiver of the Property Municipally Known as
Block 80, Bellisle Heights, 61 Thompsons Road, Penetanguishene, Ontario
11 King Street West, Suite 700
Toronto, ON M5H 4C7

TDB Restructuring Limited
Licensed Insolvency Trustee

11 King St. W, Suite 700
Toronto, ON M5H 4C7

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416-575-4440
416-915-6228

tdbadvisory.ca

Date December 15, 2025

Client File 2-004
Invoice TDB #16
No. 2512028

For professional services rendered with respect to the appointment of TDB Restructuring Limited as Court-Appointed Receiver of the Property Municipally Known as Block 80, Bellisle Heights, 61 Thompsons Road West, Penetanguishene, Ontario (the "Real Property"), which Real Property is owned by Block 80 Holdings Inc. (the "Debtor") for the period November 1, 2025 to November 30, 2025.

Date	Professional	Description
11/2/2025	Arif Dhanani	Review of insurance binder received for Block 80 Holdings; review of Receiver's insurance policy; send all to S. Walters of First Source Financial Management Inc., as requested; review and sign off on September 2025 bank reconciliation.
11/3/2025	Arif Dhanani	Call with S. Walters re insurance, utilities and contracts on closing; review and respond to emails from D. Saunders of Renaissance Property Management ("RPM") re prospective tenant; review of email from Robins Appleby re closing date and email to S. Walters in this regard; review of Bell invoices received and supporting documentation for same, pay invoices and send payment confirmations to J. Hornbostel.
11/3/2025	Tanveel Irshad	Emails with A. Dhanani re pre-closing preparation and to close utility accounts; review of email from counsel re details of November rent information.
11/3/2025	Jennifer Hornbostel	Prepare payments to Bell.
11/4/2025	Razma Parwani	Post receipt for Coinamatic.
11/4/2025	Tanveel Irshad	Call with property manager to request November rent details.
11/4/2025	Arif Dhanani	Review of invoice received from Elevator 1 and forward same to RPM with comments; review email from J. Sciamanna of RPM re payment of Elevator 1 invoice; review of email exchange between RPM and Kenney Communications re Butterfly MX subscription payment; review of emails from S. Parkin of RPM re rental of Unit 102 and remaining vacant units.
11/4/2025	Donna Nishimura	Prepare receipts processing form and deposit Coinamatic cheque at the bank.
11/4/2025	Jennifer Hornbostel	Post payments to Bell.
11/5/2025	Arif Dhanani	Review voicemail from Canada Revenue Agency ("CRA") and forward same to T. Irshad with request to call CRA.
11/5/2025	Tanveel Irshad	Receipt and review of email from property manager re deposits and pre-paid rent; respond to A. Dhanani re same; return call from the CRA re examination of input tax credits filed by the Debtor and to clarify that the Receiver is appointed solely over Real Property and not the Debtor entity.

Date	Professional	Description
11/7/2025	Tanveel Irshad	Call from A. Dhanani re transfer of Bell accounts to purchaser; complete transfer of responsibility form for Bell services; email to Bell representative re same; email to property manager to confirm whether she received any correspondence from Bell in respect of the transfer of Bell accounts.
11/7/2025	Arif Dhanani	Call with S. Walters re Bell accounts in connection with closing; call with T. Irshad re same; review of email from K. Lekovsky with tax certificate and request for information and respond thereto.
11/9/2025	Tanveel Irshad	Emails with property manager re transfer of Bell accounts; call with Bell re same; emails with A. Dhanani re November rent roll.
11/10/2025	Arif Dhanani	Review of invoice received from Elevator 1 and forward same to RPM with request to confirm if RPM or the Receiver is to make payment; review of email from Robins Appleby re payment of water and tax arrears and commissions to Cushman & Wakefield and respond thereto; email to Cushman & Wakefield with request for commission statement; review of email from S. Parkin to Bell re completion of transfer of responsibility; review email from L. Kovac of Robins Appleby re statement of adjustments and respond thereto; review and respond to email from S. Walters re final statement of adjustments.
11/10/2025	Anne Baptiste	Prepare bank reconciliation for October 2025.
11/10/2025	Tanveel Irshad	Correspondence with property manager re transfer of Bell accounts.
11/11/2025	Arif Dhanani	Review and respond to email from S. Walters re statement of adjustments; email to L. Kovac of Robins Appleby with request for update on status of statement of adjustments; review draft statement of adjustments from Robins Appleby and comment thereon, review reply from L. Kovac; review of email from S. Walters re status update from J. Barrow of Georgian Bay Contracting Services; email to J. Barrow with request for status update on remaining construction and retaining wall, review reply from J. Barrow and forward same to S. Walters; follow up email to Cushman & Wakefield re commission statement; review of commission statement from Cushman & Wakefield and forward same to Robins Appleby.
11/11/2025	Tanveel Irshad	Receipt and review of emails between Bell and property manager re status of transfer of responsibility.
11/12/2025	Tanveel Irshad	Review and edit Bell transfer of responsibility forms completed by property manager; email to property manager re same.
11/12/2025	Arif Dhanani	Review of email from S. Walters re retaining wall and snow plowing; review of emails from J. Sciamanna re snow plowing; email to J. Barrow regarding retaining wall and ability to expedite completion and state of parking lot re contractor's ability to plow; review of email exchange between S. Parkin and T. Irshad re Bell forms; review of reply from J. Barrow; call with D. Michaud of Robins Appleby and L. Kovac re closing, statement of adjustments, AVO issue, cash to be received on closing and confirm same; review of email from D. Michaud to R. Miller of Chaitons re AVO language change; send statement of adjustments to S. Walters; call with S. Walters re statement of adjustments; review closing documents sent by Robins Appleby and sign off on same; review of invoice from Elevator 1 and forward same to J. Sciamanna; review of email from FCA Insurance Brokers ("FCA") with November invoice for insurance; email to FCA re closing on November 14, 2025 and request clarification on payment of invoice, review response from FCA; complete documentation to pay insurance invoice, pay same and send payment confirmation to J. Hornbostel to record same in Receiver's GL; call with Robins Appleby to confirm Receiver's trust account details; review email from S. Walters with insurance documents, review insurance documents.
11/12/2025	Jennifer Hornbostel	Post payment to FCA.

Date	Professional	Description
11/13/2025	Arif Dhanani	Review of email from Robins Appleby with questions received from Chaitons re rent collections, review monthly income statement provided by RPM, review Receiver's bank account for deposit of net rent by RPM and respond to Robins Appleby with copy of bank statement excerpt showing amount deposited by RPM; review of correspondence from CRA forwarded by T. Irshad, email to Robins Appleby regarding CRA correspondence and request to confirm that CRA's claim is of no effect; call with D. Michaud re CRA HST correspondence.
11/13/2025	Tanveel Irshad	Review and respond to email from A. Dhanani re call from CRA and its claim.
11/14/2025	Arif Dhanani	Review of email from J. Barrow with updated information relating to construction and pictures of retaining wall; forward same to S. Walters; call with L. Kovac and D. Michaud re CRA claim; call with Chaitons and Robins Appleby re CRA claim; call with S. Walters re closing and bankruptcy assignment of corporation.
11/17/2025	Arif Dhanani	Review of emails from R. Shah of Paliare Roland Rosenberg Rothstein LLP ("Paliare Roland") re bankruptcy application and respond to R. Shah re timing of closing; call with Paliare Roland and Robins Appleby re timing of hearing for authorization to assign Debtor into bankruptcy.
11/17/2025	Bryan Tannenbaum	Teams call with D. Michaud, L. Kovac, R. Shah and A. Dhanani re CRA HST deemed trust and getting Court authorization to file an assignment in bankruptcy.
11/19/2025	Bryan Tannenbaum	Receipt of D. Michaud draft email to Chaitons on bankruptcy order application; teams call with Paliare Roland and Robins Appleby re possible HST claim and prescribed security interest priority; telephone call with J. Larry re same; review of Paliare Roland email to Chaitons and review of Chaitons response to proceed with the bankruptcy application.
11/25/2025	Arif Dhanani	Review of rental applications received from D. Saunders for Unit 203 and 204 and approve same.
11/26/2025	Arif Dhanani	Review and approve rental application for Unit 303, subject to responses to comments from property manager.
11/26/2025	Tanveel Irshad	Review of Alectra Utilities and Enbridge Gas bill and arrange for payment; follow up with Bell re transfer of responsibility with purchaser of the Real Property.
11/27/2025	Tanveel Irshad	Review of email from A. Dhanani re closing date; receipt and review of response email from Bell re transfer of responsibility and emails with property manager re same.
11/27/2025	Arif Dhanani	Review of email from T. Irshad re Elevator 1 invoices; review emails and approvals for payment and email to T. Irshad in this regard; call with S. Walters; review of emails with J. Barrow and contract breakdown for amounts paid and unpaid; forward email with contract amounts and amounts owing to J. Barrow and spreadsheet with contract breakdown to S. Walters.
11/28/2025	Tanveel Irshad	Review and tie property manager's statement for November to source invoices; emails with A. Dhanani re same; email to property manager that Receiver approves the statement and invoices; receipt and review of Orders and Endorsement relating to bankruptcy and increasing scope of Receiver's authority over the Debtor entity.
11/28/2025	Arif Dhanani	Review of email from T. Irshad re Elevator 1 invoices; review emails and approvals for payment and email to T. Irshad in this regard; attend in court for hearing for bankruptcy order.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	Managing Director	0.80	\$ 750	\$ 600.00
Arif N. Dhanani, CPA, CA, CIRP, LIT	Managing Director	10.80	\$ 650	7,020.00
Tanveel Irshad	Senior Associate*	4.60	\$ 375	1,725.00
Anne Baptiste/Razma Parwani/Jennifer Hornbostel/Donna Nishimura	Estate Administrator	2.10	\$ 195	409.50
Total hours and professional fees		18.30		\$ 9,754.50
HST @ 13%				1,268.09
Total payable				\$ 11,022.59

*Rate change effective October 1, 2025.

GST/HST: 80784 1440 RT0001



To TDB Restructuring Limited
Court-Appointed Receiver of the Property Municipally Known as
Block 80, Bellisle Heights, 61 Thompsons Road, Penetanguishene, Ontario
11 King Street West, Suite 700
Toronto, ON M5H 4C7

TDB Restructuring Limited
Licensed Insolvency Trustee

11 King St. W, Suite 700
Toronto, ON M5H 4C7

info@tdbadvisory.ca
416-575-4440
416-915-6228

tdbadvisory.ca

Date January 5, 2026

Client File 2-004
Invoice TDB #17
No. 2601001

For professional services rendered with respect to the appointment of TDB Restructuring Limited as Court-Appointed Receiver of Block 80 Holdings Inc. (the "Debtor") for the period December 1, 2025 to December 31, 2025.

Date	Professional	Description
12/1/2025	Jennifer Hornbostel	Prepare payment to Enbridge and Alectra.
12/1/2025	Arif Dhanani	Draft amended preamble to Receiver's webpage and send same to D. Nishimura with Amended and Restated Receivership Order, Ancillary Relief Order and Endorsement of the Court with request to post same; review of email from Robins Appleby with wire confirmation, check Receiver's account for funds, confirm receipt with Robins Appleby and request accounting for same.
12/1/2025	Tanveel Irshad	Review remittance report from Wyse Meter and prepare receipts processing form; review income statement and rent roll and tie to monthly invoice statement provided by property manager; prepare receipts processing form to record monthly property manager deposit.
12/2/2025	Arif Dhanani	Review of sales proceeds summary sent by Robins Appleby; complete documentation for recording of gross sales proceeds and payments therefrom made by Robins Appleby and send same with supporting documentation to J. Hornbostel to record in Receiver's GL; complete documentation for cancellation of insurance coverage over property and send same to FC&A; call with S. Walters of First Source Financial Management Inc. ("First Source") re closing and next steps.
12/2/2025	Jennifer Hornbostel	Post receipts from Robins Appleby, Renaissance Property Management ("RPM") and Wyse Meter.
12/3/2025	Nisan Thurairatnam	Review and approve two cheque requisitions.
12/3/2025	Tanveel Irshad	Review of email from property manager re lien review and forward same to A. Dhanani; review of A. Dhanani's email to property manager re same.
12/3/2025	Arif Dhanani	Review of email from J. Sciamanna of RPM and email to same confirming sender; attempt to access document link sent by J. Sciamanna re lien waiver; review of email from T. Irshad re inability to access document; email to J. Sciamanna with request to send PDF document; review support for and sign accounts payable cheques.
12/5/2025	Razma Parwani	Call Bell for transfer of accounts and confirmation of mailing address change.
12/5/2025	Tanveel Irshad	Review and respond to email from S. Parkin of RPM re status of transfer of Bell services; call with R. Parwani re same and to contact Bell to obtain status of the


Date	Professional	Description
		transfer; call with Bell and R. Parwani re same; review of confirmation of transfer of service emails from Bell.
12/5/2025	Arif Dhanani	Call with S. Walters re Georgian Bay Contracting Services ("GBCS"); call with S. Walters and K. Patel of First Source; email to K. Patel with copy of email sent to S. Walters on November 27, 2025, including spreadsheet with contract breakdowns for GBCS; review of email exchange between T. Irshad and S. Parkin re Bell; review of documentation for transfer of funds for out of pocket disbursements from receivership account to bankruptcy account and transfer same, email to J. Hornbostel with transfer confirmation.
12/8/2025	Arif Dhanani	Call with S. Walters re GBCS and payment of invoice; call with controller for First Source re statement of receipts and disbursements and questions regarding closing; complete documentation for payment of GBCS invoice # 20-1079-9, pay invoice, send copy of invoice and payment confirmation to J. Barrow of GBCS with copy to S. Walters, send all documentation to J. Hornbostel to record same in Receiver's GL; review of documentation for payment of Robins Appleby outstanding invoice, pay invoice and send payment confirmation to J. Hornbostel.
12/8/2025	Jennifer Hornbostel	Prepare and post payment to Robins Appleby and GBCS.
12/9/2025	Arif Dhanani	Reconcile GL; discussion with J. Hornbostel regarding GL and various entries; draft statement of receipts and disbursements to December 8, 2025 as requested by First Source controller.
12/9/2025	Tanveel Irshad	Calls from Canada Revenue Agency ("CRA") re examination of return filed by A. Sherman; review of same; email and discuss same with A. Dhanani.
12/10/2025	Arif Dhanani	Review email from Robins Appleby re court time for Receiver's discharge hearing; review email from D. Michaud of Robins Appleby re status of remaining activities and respond thereto.
12/10/2025	Tanveel Irshad	Call with CRA representative to authorize contact with A. Sherman to provide supporting books and records for HST claimed and to inform them that any HST refunds should be sent to the Receiver.
12/11/2025	Tanveel Irshad	Receipt and review of Application Record of First Source dated November 17, 2025.
12/12/2025	Arif Dhanani	Complete documentation for interim distribution to First Source, set up payment on line, pay same, obtain payment confirmation and email to R. Tabanao with payment confirmation and request to confirm receipt; call with S. Walters re interim distribution.
12/12/2025	Jennifer Hornbostel	Post payment from First Source.
12/15/2025	Arif Dhanani	Reviewing the Receiver's first report and orders of the court in connection with the first report, amended approval and vesting order, amended appointment order and order authorizing the Receiver to assign Block 80 Holdings Inc. into bankruptcy; commence drafting the Receiver's second report to court.
12/15/2025	Tanveel Irshad	Receipt and review of Enbridge Gas bill; discuss transfer of utility bills with A. Dhanani and send email to S. Parkin to confirm all utilities have been transferred.
12/16/2025	Jennifer Hornbostel	Post receipt from Coinamatic.
12/16/2025	Donna Nishimura	Prepare receipts processing form and deposit Coinamatic cheque at the bank.
12/17/2025	Tanveel Irshad	Receipt and review of emails from S. Parkin and A. Dhanani re Wyse Meter deposit and closing date of sale; response email to S. Parkin and A. Dhanani re confirmation of period that Wyse Meter deposit relates to; prepare receipts processing form for Wyse Meter deposit; review and respond to email from S. Parkin re payment of Enbridge Gas bill; arrange for payment of Enbridge Gas bill.

Date	Professional	Description
12/17/2025	Arif Dhanani	Review email from S. Parkin re closing and Wyse Meter, review Receiver's trust account and respond to S. Parkin.
12/18/2025	Anne Baptiste	Prepare bank reconciliation for November 2025.
12/18/2025	Jennifer Hornbostel	Post receipt from Wyse Meter.
12/19/2025	Tanveel Irshad	Receipt and review of emails between A. Dhanani and B. Tannenbaum re potential holdback of funds; receipt and review of Enbridge Gas bill and email to J. Hornbostel re same.
12/19/2025	Arif Dhanani	Review of email from Robins Appleby re property tax payment and credit and respond thereto; forward email from S. Parkin re Enbridge account to B. Tannenbaum with comments; review of email from B. Tannenbaum in response to timing of transfer of various utility accounts.
12/22/2025	Arif Dhanani	Review of Wyse Meter assignment and assumption agreement; email to S. Walters in this regard; sign off on Wyse Meter agreement and send same to S. Walters.
12/22/2025	Jennifer Hornbostel	Prepare payments to Enbridge.
12/23/2025	Razma Parwani	Prepare and send bank reconciliation to A. Dhanani and A. Baptiste to sign.
12/30/2025	Arif Dhanani	Review and reconcile Receiver's trust account to GL; update Receiver's statement of receipts and disbursements; draft sections of Receiver's second report to the court; draft fee affidavit; email to D. Nishimura re timing of draft of December 2025 invoice.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Arif N. Dhanani, CPA, CA, CIRP, LIT	Managing Director	10.50	\$ 650	\$ 6,825.00
Nisan Thurairatnam, CPA	Senior Manager	0.10	\$ 495	49.50
Tanveel Irshad	Senior Associate	3.50	\$ 375	1,312.50
Anne Baptiste/Razma Parwani/Jennifer Hornbostel/Donna Nishimura	Estate Administrator	3.00	\$ 195	585.00
		17.10		\$ 8,772.00
Estimated fees from January 1, 2026 to completion				10,000.00
Total hours and professional fees				\$ 18,772.00
HST @ 13%				2,440.36
Total payable				\$ 21,212.36

**THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF ARIF DHANANI SWORN
BEFORE ME THIS 6TH DAY OF JANUARY, 2026**


A Commissioner, etc.

**Jeffrey Kyle Berger,
a Commissioner, etc., Province of Ontario,
for TDB Restructuring Limited.
Expires April 21, 2026.**

**IN THE MATTER OF THE RECEIVERSHIP OF
BLOCK 80, BELLILE HEIGHTS, 61 THOMPSONS RD. W., PENETANGUISHENE, ON
FOR THE PERIOD FROM OCTOBER 1, 2025 to DECEMBER 31, 2025**

Invoice No.	Billing Period	Total Fees	Disbursements	HST	Total	Hours	Average Hourly Rate
TDB #15	October 1, 2025 to October 31, 2025	\$ 16,219.00	\$ -	\$ 2,108.47	\$ 18,327.47	29.90	\$ 542.44
TDB #16	November 1, 2025 to November 30, 2025	9,754.50	-	1,268.09	11,022.59	18.30	533.03
TDB #17	December 1, 2025 to December 31, 2025	8,772.00	-	1,140.36	9,912.36	17.10	512.98
Subtotal before estimate to completion		\$ 34,745.50	\$ -	\$ 4,516.92	\$ 39,262.42	65.30	\$ 532.09
TDB #17	Estimate to completion	10,000.00	-	1,300.00	11,300.00	-	
	Total	\$ 44,745.50	\$ -	\$ 5,816.92	\$ 50,562.42		

APPENDIX L

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN

Respondents

AFFIDAVIT OF DOMINIQUE MICHAUD

I, **DOMINIQUE MICHAUD** of the City of Toronto, in the Province of Ontario **MAKE OATH AND SAY:**

1. I am a partner of the law firm of Robins Appleby LLP ("**Robins**"), the lawyers for TDB Restructuring Limited (the "**Receiver**"). Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated July 8, 2024 (the "**Appointment Order**"), TDB Restructuring Limited was appointed receiver (the "**Receiver**"), without security, of the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. west, Penetanguishene, Ontario (the "**Penetanguishene Property**"). The Penetanguishene Property is owned by Block 80 Holdings Inc. ("**Block 80**"). A copy of the Appointment Order is attached as Appendix A to the Receiver's second report to the Court (the "**Second Report**").

2. On November 28, 2025, the Appointment Order was amended (the "**Amended Appointment Order**") by the Court to appoint the Receiver over Block 80. A copy of the

Amended Appointment Order is attached as Appendix E to the Receiver's Second Report.

3. This affidavit is made in connection with the Receiver's motion for, *inter alia*, the approval of the fees and disbursements of Robins with respect to legal services rendered as independent counsel to the Receiver's in connection with the receivership from September 30, 2025 up to December 31, 2025 (the "**Billing Period**"). Attached as **Exhibit "A"** is a record of the legal services rendered by Robins to the Receiver and disbursements incurred during this period (the "**Robins Invoice**"). To the best of my knowledge, the Robins Invoice provides a fair and accurate description of the activities undertaken and the services rendered by Robins during this period.

4. Attached as **Exhibit "B"** is a summary of the names, year of call, hourly rates, time expended by the lawyers and other professionals at Robins whose time is reflected in the dockets recorded in Exhibit "A".

5. During the Billing Period, the total fees billed by Robins were \$41,392.00 plus disbursements of \$686.44 and applicable taxes of \$5,419.83 for an aggregate amount of \$47,498.27.

6. As set out in the Receiver's Second Report, Robins is seeking approval of its estimated fees of up to \$20,000.00 plus HST to complete its administration of the receivership.

7. I have reviewed the Robins Invoices and consider the time expended for legal fees charged to be fair and reasonable for the services performed. To the best of my knowledge, the rates charges by Robins are comparable to the rates charged for legal services of a similar nature and complexity by other medium sized firms in the Toronto market.

8. The Receiver is therefore seeking at this time approval of the Court for Robins' fees and

disbursements, including HST, set out above of \$ \$47,498.27, plus Robins' estimate to complete the administration of the receivership of up to \$22,600.00, inclusive of HST, for a total of \$70,098.27.

SWORN remotely by Dominique Michaud
at the City of Toronto, in the Province of
Ontario, before me on the 7th day of January,
2026, in accordance with *O. Reg. 431/20*,
Administering Oath or Declaration
Remotely.



Commissioner for Taking Affidavits
(or as may be)

ANISHA SAMAT



DOMINIQUE MICHAUD

THIS IS **EXHIBIT "A"** REFERRED TO IN
THE AFFIDAVIT OF **DOMINIQUE MICHAUD**
SWORN BEFORE ME ON
THE 7TH DAY OF JANUARY, 2026

A handwritten signature in black ink, appearing to read 'Anisha Samat', written in a cursive style.

Commissioner for Taking Affidavits etc./Notary Public

Anisha Samat

TDB Restructuring Limited
700-11 King Street West
Toronto, ON M5H 4C7

DATE: October 15, 2025
CLIENT No.: 11491
FILE No.: 2400643
INVOICE No.: 189137
H.S.T. No.: 12139 1205 RT0001

Attention: Bryan A. Tannenbaum

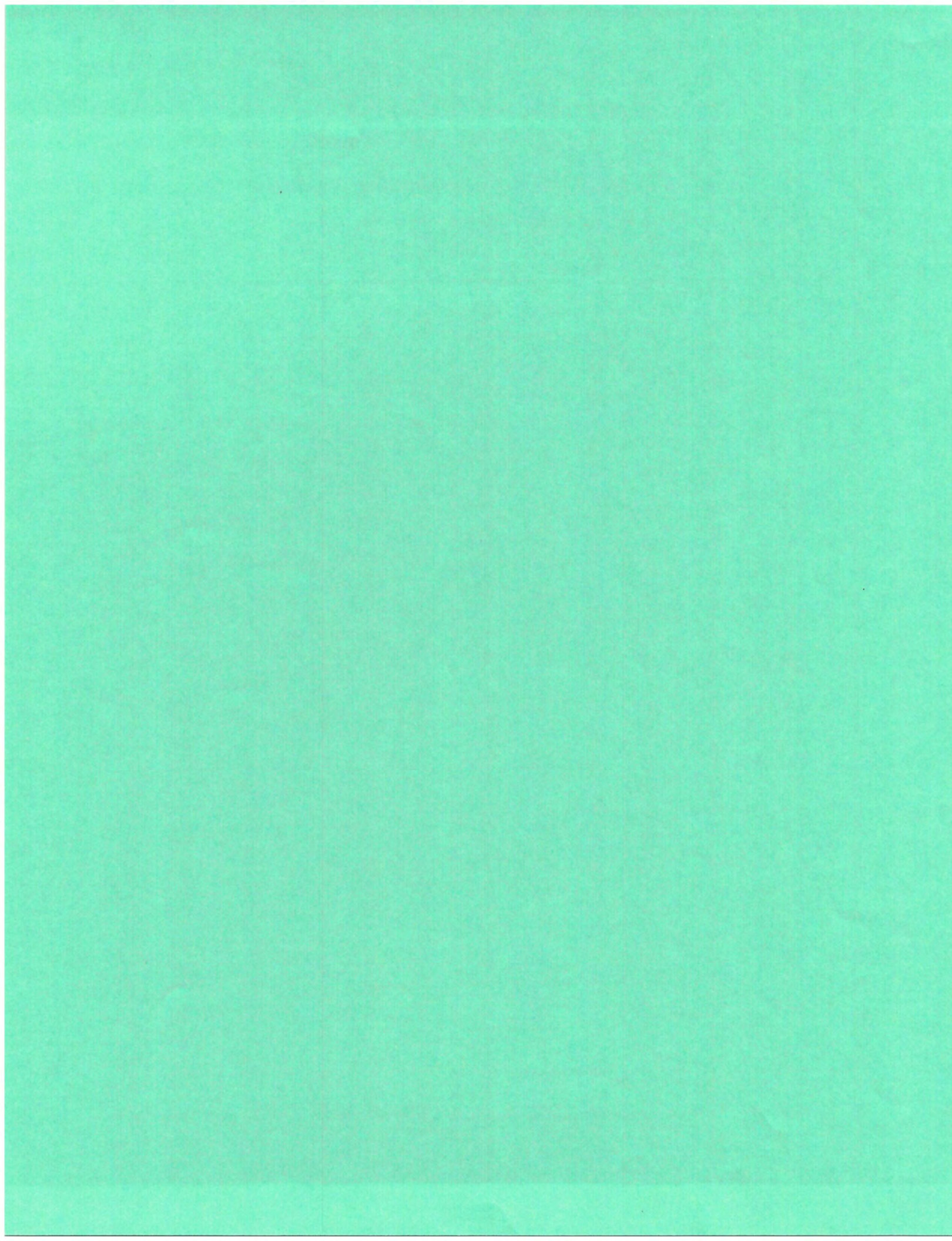
RE: Receivership - PIN 58405-0667, Block 80, Plan 51M887, Penetanguishene	
FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:	
17-Sep-25	Conference between Rachel Cheung and Anisha Samat regarding Security Opinion; pull parcel register and instrument; email from Rachel Cheung to real estate regarding construction lien; assemble schedules for Security Opinion;
30-Sep-25	Continue drafting Notice of Motion and draft Orders;
01-Oct-25	Continue drafting motion materials;
02-Oct-25	Review and revise sale approval motion materials; telephone conference with client regarding fee reserve and lien validity declaration; Continue drafting motion materials; conference between Dominique Michaud and Anisha Samat and revisions to Notice of Motion; review of draft fee affidavit and commissioning of same; correspondence with Receiver and lender's counsel regarding Notice of Motion;
03-Oct-25	Complete sale approval motion materials; Revise and finalize Motion Record; instructions to Wendy Lee from Anisha Samat regarding same; correspondence with Receiver regarding same; conference between Dominique Michaud and Anisha Samat regarding same; continue drafting draft Orders and commence drafting Factum;
06-Oct-25	Revise footnotes and schedules for the Factum of the Receiver; Various emails regarding completion of motion materials;

	Correspondence from Paliare Roland and Receiver regarding fee affidavit; review and finalize Confidential Motion Record; correspondence with court regarding filing Motion Records; instructions to Wendy Lee from Anisha Samat same; continue drafting Factum; conduct legal research regarding s 34 of Construction Act;	
07-Oct-25	Revise footnotes and schedules for the Factum of the Receiver;	
	Review and revise Factum; review and revise draft Orders regarding Approval and Vesting Order and administration matters;	
	Revise and finalize Factum; continue legal research regarding lien validity language; conference between Dominique Michaud and Anisha Samat regarding same; continue drafting Admin and Discharge Order; revisions to same; conference between Dominique Michaud and Anisha Samat regarding same; emails between Receiver, lender's counsel and Anisha Samat regarding same;	
08-Oct-25	Revisions to draft Orders; correspondence to Receiver; instructions to Wendy Lee from Anisha Samat service of Factum;	
	Review email from Arif Dhanani regarding changes to Approval and Vesting Order and Admin and Discharge Order;	
10-Oct-25	Review and finalize draft Orders for hearing on October 15; instructions to Wendy Lee from Anisha Samat regarding same ;	
14-Oct-25	Correspondence from lien claimant counsel, receiver re motion;	
	Prepare for sale approval and discharge motion; telephone conference between Howard Manis and Dominique Michaud regarding lien priority;	
15-Oct-25	Preparation for and attend hearing before Justice Dietrich, revise Case Centre materials, revise draft Orders, meeting between Dominique Michaud and David Taub regarding same; correspondence with court; receipt and review of Endorsement and Orders of Justice Dietrich;	
	Engage file regarding parcel register;	
	OUR FEE	\$19,298.00
	DISBURSEMENTS	
	<i>* Indicates not subject to H.S.T.</i>	
	Notice of Motion/Motion Record	*339.00
	Total Disbursements	\$339.00
	<u>H.S.T. (13%)</u>	

on \$19,298.00 Fees	2,508.74
on \$0.00 Disbursements	0.00
Total H.S.T.	\$2,508.74
TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$22,145.74</u>
ROBINS APPLEBY LLP	
Per: 	
Dominique Michaud	
E. & O.E.	
/WL	

Online bill payment is now available through most major banks. Please use the "Client No." located on this invoice as your online bill payment Account No., save "Robins Appleby LLP" as a "Payee" and proceed to "Pay Bills". If you require assistance, please call our office at 416-868-1080 and a member of the Robins Appleby accounting team would be pleased to help.

Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.



TDB Restructuring Limited
700-11 King Street West
Toronto, ON M5H 4C7

DATE: November 15, 2025
CLIENT No.: 11491
FILE No.: 2400643
INVOICE No.: 189568
H.S.T. No.: 12139 1205 RT0001

Attention: Bryan A. Tannenbaum

RE: Receivership - PIN 58405-0667, Block 80, Plan 51M887, Penetanguishene	
FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:	
16-Oct-25	Email report to regarding status of receivership and completion of credit bid; Emails with respect to issued court orders;
31-Oct-25	Emails with Arif Dhanani with respect to status of transaction;
03-Nov-25	Email correspondence regarding credit bid process; Email correspondence regarding closing arrangements; Correspondence with Arif Dhanani; email with purchaser's solicitors; preparing closing documents; Correspondence between Cheryl Moore and Ladislav Kovac;
04-Nov-25	Prepare closing documents;
07-Nov-25	Email with Arif Dhanani; email with purchaser's counsel;
10-Nov-25	Review of information provided by Arif Dhanani; finalize statement of adjustments and make revisions to closing documents; draft funds summary; Review draft closing documents;


11-Nov-25	<p>Email regarding closing matters;</p> <p>Review of correspondence from Arif Dhanani; finalize statement of adjustments; telephone conference between Chaitons and Kimberly Lexovsky; receipt and review of revisions from Chaitons; revisions to closing documents;</p> <p>Prepare and revise adjustments; correspondence with Arif Dhanani with respect to closing matters; emails between Robert Millar, Cheryl Moore and Ladislav Kovac with respect to Receivership Order and closing matters;</p>
12-Nov-25	<p>Attend to closing matters; telephone conference between Robert Miller and Dominique Michaud regarding the wording of Approval and Vesting Order; various telephone conferences with Receiver regarding post closing matters and discharge of Receiver;</p> <p>Finalize outstanding matters to prepare file for closing; correspondence between purchaser's counsel, Chaitons and Kimberly Lexovsky; correspondence between Arif Dhanani and Kimberly Lexovsky;</p> <p>Finalize statement of adjustments; correspondence between Cheryl Moore and Ladislav Kovac;</p>
13-Nov-25	<p>Review CRA issue; various emails and telephone conferences regarding HST priority issue;</p> <p>Email with Arif Dhanani re. rent information required by Chaitons; reply to purchaser's counsel; preparing required documents for closing date;</p> <p>Correspondence with Arif Dhanani; correspondence between Robert Millar and Ladislav Kovac;</p>
14-Nov-25	<p>Emails regarding HST priority issue and bankruptcy of company;</p> <p>Prepare and participate on conference call regarding HST priority issues; telephone conference between Ryan Shah and Dominique Michaud regarding motion to bankrupt company;</p> <p>Reply to Chaitons from Kimberly Lexovsky;</p> <p>Correspondence between Robert Millar and Ladislav Kovac with respect to HST priority issue; correspondence with Arif Dhanani;</p>

OUR FEE

\$14,677.50

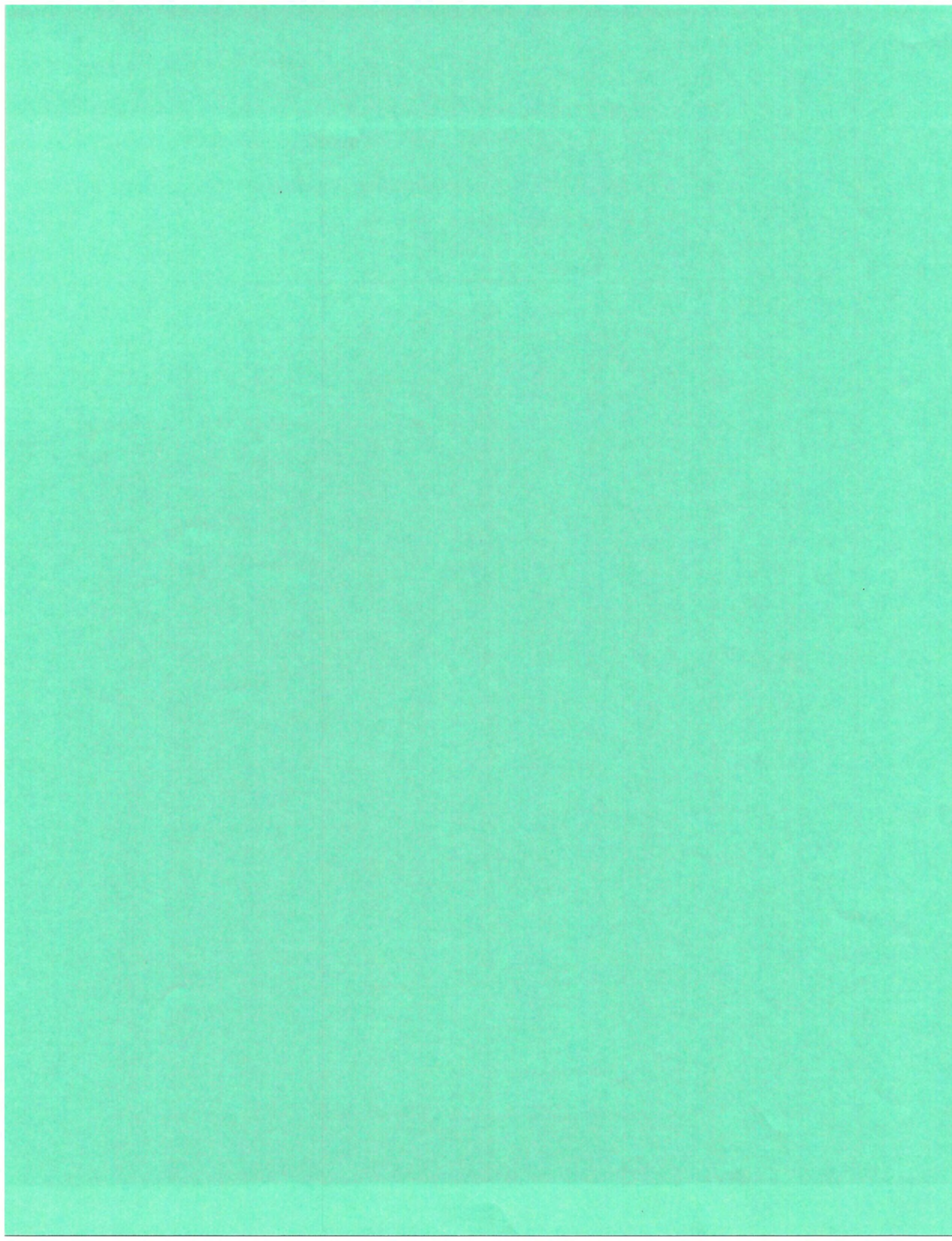
DISBURSEMENTS

** Indicates not subject to H.S.T.*

Delivery	*9.25
Printing	61.35
Photocopies	2.50
Process Server	182.45
Total Disbursements	\$255.55
<u>H.S.T. (13%)</u>	
on \$14,677.50 Fees	1,908.08
on \$246.30 Disbursements	32.02
Total H.S.T.	\$1,940.10
TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$16,873.15</u>
ROBINS APPLEBY LLP	
Per: 	
Dominique Michaud	
E. & O.E.	
/WL	

Online bill payment is now available through most major banks. Please use the "Client No." located on this invoice as your online bill payment Account No., save "Robins Appleby LLP" as a "Payee" and proceed to "Pay Bills". If you require assistance, please call our office at 416-868-1080 and a member of the Robins Appleby accounting team would be pleased to help.

Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.



TDB Restructuring Limited
700-11 King Street West
Toronto, ON M5H 4C7

DATE: December 31, 2025
CLIENT No.: 11491
FILE No.: 2400643
INVOICE No.: 190091
H.S.T. No.: 12139 1205 RT0001

Attention: Bryan A. Tannenbaum

RE: Receivership - PIN 58405-0667, Block 80, Plan 51M887, Penetanguishene	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
05-Nov-25	Prepare closing documents;
17-Nov-25	Email regarding motion to bankrupt company; review and revise draft order; telephone conference with Ryan Shah regarding motion to bankrupt company and expand receivership; Conference between Dominique Michaud and Anisha Samat regarding Approval and Vesting Order and forthcoming hearing; review of Approval and Vesting Order and emails between Dominique Michaud and Anisha Samat regarding same; receipt and review of Motion Record for First Source; Correspondence with Arif Dhanani; attend conference call; correspondence between Robert Millar and Ladislav Kovac;
18-Nov-25	Telephone conference regarding administrative cost of bankruptcy;
19-Nov-25	Attend conference call; Telephone conference between Ryan Shah and Dominique Michaud regarding prescribed security interests; email to client regarding post closing matters;
25-Nov-25	Review draft Orders; review Factum regarding relief to expand receivership, bankrupt company and amend the Approval and Vesting Order;
27-Nov-25	Conference between Dominique Michaud and Joey Jamil regarding motion; review materials;
28-Nov-25	Prepare and attend motion regarding bankruptcy authorization; telephone conference between Ryan Shah and Dominique Michaud regarding additional language regarding execution;

01-Dec-25	Complete closing of sale;
	Email correspondence regarding status of closing;
	Attend to closing matters;
02-Dec-25	Post-closing correspondence with real estate broker and with Arif Dhanani;
09-Dec-25	Email to Arif Dhanani; instructions to Wendy Lee from Dominique Michaud regarding requisition of a motion date; review Motion Request Form;
10-Dec-25	Email from Arif Dhanani regarding motion on January 14, 2026;
18-Dec-25	Emails with Arif Dhanani with respect to water and tax billings;
19-Dec-25	Reply to tax department regarding credit; review of emails with Arif Dhanani;

OUR FEE

\$7,416.50

DISBURSEMENTS

** Indicates not subject to H.S.T.*

Wire Charges	*28.50
Delivery	*0.00
Computer Search - Teraview	*10.75
Computer Search - Teraview	25.05
Delivery	27.39
Photocopies	0.20
Total Disbursements	\$91.89

H.S.T. (13%)

on \$7,416.50 Fees	964.15
on \$52.64 Disbursements	6.85
Total H.S.T.	\$971.00

TOTAL FEES, DISBURSEMENTS and H.S.T.

\$8,479.39

ROBINS APPLEBY LLP

Per:



Dominique Michaud

E. & O.E.

/WL

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Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

THIS IS **EXHIBIT "B"** REFERRED TO IN
THE AFFIDAVIT OF **DOMINIQUE MICHAUD**
SWORN BEFORE ME ON
THE 7TH DAY OF JANUARY, 2026

A handwritten signature in black ink, appearing to read 'Anisha Samat', is positioned above a horizontal line.

Commissioner for Taking Affidavits etc./Notary Public

Anisha Samat

**Fees and Disbursement Summary of Robins Appleby LLP for the period from September 30,
2025 up to December 31, 2025**

NAME	YEAR OF CALL	HOURLY RATE	TOTAL HOURS	TOTAL FEES BILLS
Dominique Michaud	2009	\$775	20.9	\$16,197.50
Ladislav Kovac	2014	\$670	12.7	\$8,509.00
Joey Jamil	2018	\$475	0.5	\$237.50
Anisha Samat	2021	\$400	26.8	\$10,720.00
Kimberly Lexovsky	Law Clerk	\$400	13.2	\$5,280.00
Rachel Cheung	Law Clerk	\$275	0.8	\$220.00
Lexy Mogil	Articling Student	\$130	0.8	\$228.00
SUBTOTAL FEES:				\$41,392.00
H.S.T. @13%				\$5,380.96
TOTAL FEES:				<u>\$46,772.96</u>

Disbursements	\$686.44
H.S.T. @13% on Taxable Disbursements	\$38.87
TOTAL DISBURSEMENTS:	<u>\$725.31</u>
TOTAL FEES, DISBURSEMENTS & H.ST.	<u>\$47,498.27</u>

**FIRST SOURCE FINANCIAL - and-
MANAGEMENT INC.**

**BLOCK 80 HOLDINGS INC. and
ANDRE SHERMAN**

Applicant

Respondents

Court File No.: CV-24-00720929-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT

TORONTO

AFFIDAVIT OF DOMINIQUE MICHAUD

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V

Email: dmichaud@robapp.com

Tel: (416) 360-3795

Anisha Samat LSO No.: 82342Q

Email: asamat@robapp.com

Tel: (416) 360-1901

Lawyers for the Court-Appointed Receiver, TDB
Restructuring Limited