



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00720929-00CL

DATE: November 28, 2025

NO. ON LIST: 3

TITLE OF PROCEEDING: FIRST SOURCE FINANCIAL MANAGEMENT INC. v. BLOCK 80 HOLDINGS INC. et al
BEFORE: JUSTICE CAVANAGH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Ryan Shah	Counsel for the Applicant	ryan.shah@paliareroland.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Dom Michaud	Court-Appointed Counsel for Receiver, TDB Restructuring Limited	dmichaud@robapp.com
Arif Dhanani	TDB Restructuring - Receiver and Proposed Trustee -	adhanani@tdbadvisory.ca

ENDORSEMENT OF JUSTICE CAVANAGH:

[1] On July 8, 2024, TDB Restructuring Limited was appointed receiver of the real property municipally known as Block 80, Bellisle Heights, 61 Thompsons Road, Penetanguishene, Ontario (the "Real Property") on the application of First Source Financial Management Inc. (the "Lender"), the first mortgagee of the Real Property.

[2] The Real Property is owned by Block 80 Holdings Inc. (the "Borrower").

[3] On October 15, 2025, the Court approved the sale (the "Transaction") of the Real Property to Penetang Shores Inc. ("PSI," an Ontario corporation owned by First Source).

[4] Shortly before the Transaction was scheduled to close on November 14, 2025, the Receiver and Lender became aware that a deemed trust claim (the "Deemed Trust") by Canada Revenue Agency ("CRA") against the Borrower may rank in priority to the Lender's mortgage charge against the Real Property.

[5] First Source and PSI were not prepared to close the Transaction as a result of this significant unforeseen potential liability and the parties agreed to an extension of the closing date for the Transaction.

[6] As a result, the Lender commenced this motion seeking the following relief: (a) an Order granting leave to the Receiver to file an assignment in bankruptcy on behalf of the Borrower; and (b) an Order amending the Receivership Order (as defined below) such that the Receiver is appointed receiver of all the assets and undertakings of the Borrower.

[7] Such relief will enable the Receiver to assign the Borrower into bankruptcy, reverse the priority of the Deemed Trust and the Lender's mortgage charge and facilitate the closing of the Transaction for the benefit of the Borrower's stakeholders.

[8] I am satisfied that the requested orders should be made. The Lender also seeks an order amending the Approval and Vesting Order of Dietrich J. dated October 15, 2025, which is granted.

[9] Orders to issue in forms of Orders signed by me today.
