



SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

ENDORSEMENT

COURT FILE NO.: CV-24-00717669-00CL
BK-24-00208718-OT31
BK-24-03056681-0032

DATE: November 21, 2024

NO. ON LIST: 5, 6, 7

TITLE OF PROCEEDING: THE LION'S SHARE GROUP INC. et al
& SUITOR et al

BEFORE: JUSTICE OSBORNE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Jennifer Stam	Counsel for The Fuller Landau Group, in its capacity as Receiver	jennifer.stam@nortonrosefulbright.com
Lauren Archibald		lauren.archibald@nortonrosefulbright.com
Shaun Parsons	Representative Counsel of the Noteholders	sparsons@airdberlis.com
Mark van Zandvoort		mvanzandvoort@airdberlis.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Pratik Batta	Counsel for Kristopher Chandroo	pratik@paynelaw.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Tanya A. Pagliaroli	Counsel for the Debtor, Dylan Suitor	tanya@taplaw.ca
Fred Tayer	Counsel for the Interim Receiver, TDB Restructuring Limited	fred@fredtayar.com

Gary Abrahamson	The Fuller Landau Group, in its capacity as Receiver	gabrahamson@fullerllp.com
-----------------	--	--

ENDORSEMENT OF JUSTICE OSBORNE:

[1] This Endorsement is made in each of the above-noted proceedings.

[2] Three motions were returnable before the Court today:

- a. the motion of Representative Counsel in the receivership proceeding for discharge, an assignment of certain claims, and approval of fees and disbursements of the Receiver and its counsel, and Representative Counsel and interim receipts and disbursements of the Receiver;
- b. the motion of the Receiver in respect of equitable mortgage relief; and
- c. the motion of the Interim Receiver in Mr. Suitor's bankruptcy proceeding for approval of activities and fees as well as a payment protocol relating to Mr. Suitor and his companies.

[3] The Motion in respect of equitable mortgage relief is the subject of settlement discussions among the affected parties which, it is hoped and anticipated, will result in a settlement of that motion, with the result that an adjournment is requested today to allow a brief opportunity for those settlements to be completed. That is appropriate, and the motion is adjourned *sine die*. If necessary, the Receiver can schedule the return of the motion through the Commercial List office.

[4] None of the relief sought on the motions proceeding today is opposed by any party. Defined terms in this Endorsement have the meaning given to them in the motion materials unless otherwise stated.

[5] With respect to the motion of Representative Counsel, I am satisfied that the requested relief should be granted.

[6] The Representatives have been engaged in discussions with the Receiver with respect to certain claims against certain of the LS Borrowers. Additionally, the Representatives have raised concerns with the Receiver about the improper use of funds advanced by Lion's Share to the Debtors in the CCAA proceedings of certain LS Borrowers (the Balboa Entities), which were funds originally advanced to Lions Share by Noteholders, and then used to service interest payments to other secured and unsecured noteholders of the Balboa Entities.

[7] The Representatives are of the view that Lion's Share has a claim against other lenders to the Balboa Entities for the repayment of interest received from the funds advanced under the LS Promissory Notes issued by the Balboa Entities.

[8] The Receiver lacks the financial resources to pursue all of these claims with the result that it is appropriate that they be preserved and advanced through the mechanics set out in the draft order, authorizing the Assignee to have carriage of the proceedings in its own name and at its own expense and risk, on notice to all affected parties and according to the terms in the draft order.

[9] At this point, Representative Counsel can be discharged as there is no longer a compelling need for counsel to represent the Noteholders as a class. Noteholders have been advised of this by a notice and an upcoming townhall. It follows that Representative Counsel can be and should be discharged so that professional fees and expenses can be minimized.

[10] I am further satisfied that the fees and expenses of the Receiver, its counsel, and Representative Counsel are reasonable, appropriate, and consistent with the respective mandates given in the original appointment orders. They are approved, as are the interim disbursements and receipts of the Receiver as of November 1, 2024.

[11] With respect to the motion of the Interim Receiver in the bankruptcy proceeding, I am satisfied that that relief should be granted also.

[12] The activities of the Interim Receiver as described in the First Report are appropriate and consistent with the mandate given to that court officer in the original appointment order. They are approved.

[13] The proposed protocol for payments by the Respondent, Mr. Sutor, or his companies is appropriate and will facilitate oversight and supervision in respect of those proposed payments, to the benefit of creditors and all stakeholders. It is approved.

[14] Finally, I am satisfied that the proposed terms for the sharing of information by the Interim Receiver derived from the execution of its mandate with the Court-appointed Receiver of The Lion's Share and with the Court-appointed Monitor of the Balboa Group, are appropriate in the circumstances of these proceedings.

[15] Both orders to go in the form I have signed today. The orders are effective immediately without the necessity of issuing and entering.

Olson, J.