



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00730993-00CL

DATE: June 23, 2026

NO. ON LIST: 2

TITLE OF PROCEEDING: HILLMOUNT CAPITAL MORTGAGE HOLDINGS INC. v. CBJ –
FORT ERIE HILLS INC. et al.

BEFORE: JUSTICE J. DIETRICH

PARTICIPANT INFORMATION

Moving Party:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---|--|
| Rushi Chakrabarti | TBD Restructuring Limited (Appointed Receiver) | rchakrabarti@tgf.ca |
| Bryan A. Tannenbaum | | btannenbaum@tdbadvisory.ca |

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 |
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ENDORSEMENT OF JUSTICE J. DIETRICH:

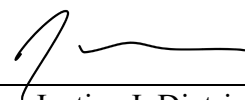
- [1] TDB Restructuring Limited in its capacity as the court-appointed receiver (the “**Receiver**”) of all property of the CBJ – Fort Erie Hills Inc. (the “**Debtor**”) seeks two orders.
- [2] First, an order (the “**Claim Procedure Order**”) is sought, approving a process for the identification and resolution of claims against the Debtor. Second, an order (the “**Ancillary Order**”) is sought, approving the Second Report of the Receiver dated June 11, 2026, the actions of the Receiver described therein and

approves the fees and disbursements of the Receiver and the Receiver's legal counsel as set out in affidavits attached to the Second Report.

- [3] There is no opposition to the relief sought by the Receiver. Defined terms used but not otherwise defined herein have the meaning set out in the Factum of the Receiver filed for use on this motion.
- [4] The Receiver was appointed pursuant to an order of this Court on December 19, 2024 (the “**Appointment Order**”). The Receiver is currently holding \$6,777,223 from the proceeds of the sale of the Debtor's property. The Receiver has determined that there are no other secured or priority claims to these proceeds and, accordingly, a claims process is appropriate to identify and determine all claims against the Debtor to permit the Receiver to make a distribution from the remaining proceeds and wind up this receivership proceeding.
- [5] Accordingly, the Receiver has developed the Claims Procedure Order to establish a claims process that will identify and determine all claims against the Debtor, to permit the Receiver to make a distribution from the proceeds of the Transaction and wind up this receivership proceeding. The proposed Claims Process requires each person asserting a claim against the Debtor to file a proof of claim, together with supporting documentation, on or before 5:00 p.m. (Toronto time) on August 24, 2026 (the “**Claims Bar Date**”). Following submission of claims, the proposed Claims Process provides a process for the Receiver to review and accept, revise or disallow claims submitted. Claimants may also dispute such determination.
- [6] Courts have routinely approved claims processes in the context of receiverships under the BIA and the CJA: see for example: the Claims Adjudication Process Order of Chief Justice Morawetz dated January 26, 2024 in the Receivership Proceeding of *Bridging Finance Inc., et al*; Creditor Claims Procedure Order of Justice Hainey dated June 30, 2017 in the Receivership Proceeding of *Crystal Wealth Management System Limited et al*; the Claims Procedure Order of Justice Conway dated October 6, 2017 in the Receivership Proceeding of *Paramount Equity Financial Corporation et al*; and the Claims Procedure Order of Justice Osborne dated June 24, 2024 in the Receivership Proceeding of *Antibe Therapeutics Inc.*
- [7] As set out in *Laurentian University of Sudbury*, 2021 ONSC 3885 at paras 30-31 [**Laurentian**], claims procedure orders should be both flexible and expeditious, to achieve the remedial objectives of the statutes under which the proceedings were commenced and to ensure that stakeholders are treated as fairly as the circumstances permit. As well, the order must be drafted carefully to ensure that it is fair and reasonable to all stakeholders, including those who may be directly impacted by the acceptance of other claims: see *Laurentian* at apar 32.
- [8] I am satisfied that the proposed Claims Process should be approved. It is a fair, open and transparent method to enable the Receiver to call on claims from potential creditors so they can be identified and settled in an orderly manner. It establishes a clear and efficient process for providing notice to known and potential creditors, requires creditors to advance their claims within a defined time period, permits the Receiver to review and determine claims in an orderly manner, and provides a fair mechanism for the resolution of disputed claims, including recourse to the Court where necessary.
- [9] The request to approve the Second Report is not unusual and there are good policy and practical reasons for doing so: see *Laurentian University of Sudbury*, 2022 ONSC 2927 at paras. 13-14, citing *Target Canada Co. (Re)*, 2015 ONSC 7574 at paras. 2, 12, 22. The observations in those cases while made in the context of a *Companies' Creditors Arrangement Act* proceeding apply to the activities of a court appointed receiver: see *Hanfeng Evergreen Inc (Re)*, 2017 ONSC 7161 at para 15.

- [10] No opposition to the approval of the Second Report has been raised and the approval of the Second Report is appropriate in the circumstances as the Receiver has acted reasonably and in good faith. The draft order provided contains the typical language that only the Receiver is entitled to rely on the approval.
- [11] The Receiver also seeks approval of the fees and disbursements of itself and its legal counsel. In this respect, as the Court of Appeal for Ontario held in *Bank of Nova Scotia v Diemer* 2014 ONCA 851 at paras 33 and 45, this Court does not undertake a line-by-line analysis of the invoices. Rather, the guiding principles on fee approvals of this nature are whether the fees are fair, reasonable, and proportionate given the value of the property and liabilities as well as the complexity of the proceeding. In considering these guiding principles, the fees of the Receiver and its counsel are appropriate and are approved.

Date: June 23, 2026



Justice J. Dietrich