



Court File No.: CV-25-00740748-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	FRIDAY, THE 24TH
	)	
JUSTICE STEELE	)	DAY OF JULY, 2026

BETWEEN:

**FIRST SOURCE FINANCIAL MANAGEMENT INC. and FIRST SOURCE
MORTGAGE CORPORATION**

Applicants

-and-

**HAMMER & NAILS DEVELOPMENTS LTD. (MAPLE STREET) and HAMMER &
NAILS DEVELOPMENTS LTD. (BECKWITH STREET)**

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

ORDER
(Ancillary Relief)

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 7 Maple Avenue North, Smiths Falls, Ontario (the “**Maple Property**”) and 161 Beckwith Street North, Smiths Falls, Ontario (the “**Beckwith Property**”), which are owned by Hammer & Nails Developments Ltd. (Maple Street) (“**Maple Street**”) and Hammer & Nails Developments Ltd. (Beckwith Street) (“**Beckwith Street**” and together with Maple Street, the “**Debtors**”) respectively, for an Order, *inter alia*, (i) approving the First Report of the Receiver dated July 17, 2026 (the “**First Report**”), and the Receiver’s activities and conduct as set out

therein; (ii) approving the fees and disbursements of the Receiver and its legal counsel, along with the Receiver's interim statement of receipts and disbursements as set out in the First Report; (iii) sealing Confidential Appendices "1" and "2" contained within the First Report (together, the "**Confidential Appendices**"), and (iv) approving the Proposed Interim Distribution of Proceeds and the Allocation Methodology, as defined in the First Report, was heard this day via Zoom videoconference.

ON READING the Motion Record of the Receiver dated July 17, 2026, the First Report, the Factum of the Receiver dated July 22, 2026, 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 Affidavit of Amanda Marciano sworn July 17, 2026 and the Affidavit of Jessica Bugden sworn July 22, 2026, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Receiver's Notice of Motion dated July 17, 2026 (the "**NOM**") and related motion material filed in support of that NOM, including the Receiver's Motion Record dated July 17, 2026, is hereby abridged and validated, so that this Motion is properly returnable today and further service thereof is hereby dispensed with.

APPROVAL OF FIRST REPORT AND RECEIVER'S ACTIVITIES AND CONDUCT

2. **THIS COURT ORDERS** that the 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 FEES, DISBURSEMENTS AND INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel as set out in the First Report are hereby approved.

4. **THIS COURT ORDERS** that the Receiver's interim statement of receipts and disbursements for the period from May 16, 2025 to July 15, 2026, as set out in the First Report, is hereby approved.

SEALING

5. **THIS COURT ORDERS** that the Confidential Appendices are hereby sealed until the earlier of:

- (a) the closing of the transaction contemplated by an agreement of purchase and sale executed June 9, 2026 for the sale of Purchased Assets (as defined therein), including the Beckwith Property, to Jingjing Gao and Jianquan Yang or their permitted assignee or as they may direct (the "**Transaction**"); or
- (b) upon further order of this Court.

INTERIM DISTRIBUTION AND ALLOCATION METHODOLOGY

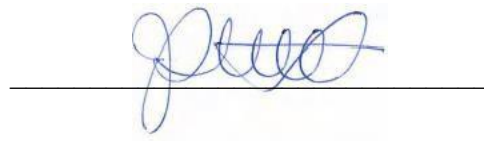
6. **THIS COURT ORDERS** that following the closing of the Transaction, the Receiver is hereby authorized and directed to make the Proposed Interim Distribution of Proceeds as defined and set out in the First Report.

7. **THIS COURT ORDERS** that the Allocation Methodology, as defined and described in the First Report, is hereby approved, and the Receiver is authorized and directed to distribute the

cash receipts allocated to the Beckwith Property to Caisse Desjardins Ontario Credit Union Inc. in accordance with the Allocation Methodology, calculated to the closing date of the Transaction.

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.

A handwritten signature in blue ink is positioned above a horizontal line. The signature is stylized and appears to be a cursive representation of a name, possibly "J. Stueck".

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

**HAMMER & NAILS
DEVELOPMENTS LTD. (MAPLE
STREET) et al.**

Applicants

Respondents

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ONTARIO
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(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER

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