

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

B E T W E E N:

**RPN FINANCE CORP., PETER JEEWAN, 2742695 ONTARIO INC.,
ROBERT PAULS, and JOSEPH BERLJAWSKY**

Applicants

and

**NORMANDY 293 MAPLEHURST INC., NORMANDY 295
MAPLEHURST INC., 288 SHEPPARD INC., 2646214 ONTARIO LTD. and
NAWAR MAHFOOTH**

Respondents

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

FACTUM OF THE APPLICANT
(Application Returnable January 6, 2026)

December 29, 2025

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TO: **SERVICE LIST**

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PART I – OVERVIEW¹

1. This factum is filed by RPN Finance Corp., Peter Jeewan, 2742695 Ontario Inc., Robert Pauls, and Joseph Berljawsky (collectively, the “**Applicants**”) in support of their application for an order (the “**Receivership Order**”) appointing TDB Restructuring Limited (“**TDB**”) as receiver (in such capacity, the “**Receiver**”)-
 - (a) of the property, assets, and undertaking of Normandy 293 Maplehurst Inc., Normandy 295 Maplehurst Inc., 288 Sheppard Inc., and 2646214 Ontario Ltd. (the “**Corporate Debtors**”), acquired for, or used in relation to a business carried on by the Corporate Debtors, including the real properties mentioned at **Schedule-A** (together with 287 Maplehurst Avenue, Toronto the “**Real Property**”, and collectively, the “**Property**”)²; and
 - (b) over lands and premises municipally known as 287 Maplehurst Avenue, Toronto of Nawar Mahfooth (the “**Individual Debtor**”).
2. A court-appointed receivership is just, convenient and appropriate in the circumstances for, *inter alia*, the following reasons:
 - (a) The Mortgages are admittedly in default and remain unpaid despite formal demands. The Respondents continue to be indebted to the Applicants in the amount in excess of \$14 million, plus accruing interest and costs;
 - (b) The Respondents have failed to pay property taxes for several years; and
 - (c) It will provide the Receiver with the tools necessary to sell the mixed-use Property in an open and transparent Court-supervised manner for the benefit of all of the

¹ All capitalized terms not otherwise defined shall have the meaning ascribed to them in the Notice of Application.

² Application Record of the Applicant, Tab 2, Affidavit of Mayer Michalowicz sworn November 11, 2025 (the “**Michalowicz Affidavit**”), at para. 2.

Respondents' stakeholders and with the power to obtain a vesting order that would enable the Receiver to transfer title to the Property free and clear of all claims and encumbrances.

PART II - FACTS

The Parties and the Property

3. RPN Finance Corp. and 2742695 Ontario Inc. (the “**Corporate Creditors**”) are Ontario corporations governed by the *Ontario Business Corporations Act* and have their registered offices in the province of Ontario. Peter Jeewan, Robert Pauls, and Joseph Berljawsky (the “**Individual Creditors**”) are individuals ordinarily residing in the province of Ontario.
4. The Corporate Debtors are Ontario corporations governed by the *Ontario Business Corporations Act* and have their registered offices located in the Greater Toronto Area, in the province of Ontario.³
5. The Individual Debtor, Nawar Mahfooth, is an individual ordinarily residing in the province of Ontario. The Corporate Debtors and the Individual Debtor are related entities and are collectively referred to as the Respondents.
6. The Respondents' Property consists primarily of the Real Property, consisting of mixed-use multi-tenanted buildings. They include commercial and residential spaces, such as, among other things, residential units, retail stores, and restaurants.
7. The Real Property has been leased out to numerous commercial and residential tenants.

³ Michalowicz Affidavit at paras. 7 and 8.

The Loan and Security

8. At different times, the Applicants and/or their predecessors extended loans to the Respondents which were secured by, among other things, a Charge/Mortgage of Land registered on title to the Property.
9. The Mortgages were subsequently amended and transferred/ assigned. Enclosed herewith as **Schedule “A”** is a chart detailing the Mortgages.

Other Creditors

10. Title searches in respect of the Property disclose charges in favour of AARTI Real Estate Enterprises Inc. and Mayuri Ventures Inc. in the cumulative principal amount of \$4.21 million, which were registered behind the Mortgages.⁴
11. Title searches in respect of the Property disclose the following charges, which were registered ahead the Mortgages:
 - (a) 280 Sheppard Avenue East - 1842716 Ontario Inc.
 - (b) 294 Sheppard Avenue East & 288 Sheppard Avenue East- Addison Wealth Management Inc.
 - (c) 287 Maplehurst Avenue- The Bank of Nova Scotia⁵
12. A search of the Personal Property Security Registration system (Ontario) discloses one registration against 288 Sheppard Inc. in favour of Vector Financial Services Limited.⁶

Default and Demand

13. By June 2025, the Respondents defaulted under the Mortgages by, among other things:
 - (a) failing to repay the Mortgages upon their maturity; and

⁴ Michalowicz Affidavit at para. 22.

⁵ *ibid*

⁶ Michalowicz Affidavit at paras. 23 to 24.

(b) failing to pay municipal taxes in connection with the Property.⁷

14. By letters dated June 27, 2025, and October 30, 2025, counsel to the Applicants, made formal written demand for payment of the amounts owing under the Mortgages and delivered a notice of intention to enforce security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (“BIA”).⁸

15. Despite demand for payment, no payment was received and the defaults continue without being remedied.⁹

Continued Defaults

16. The Respondents have not paid property taxes in over several years.

17. Despite continuing to collect rents and revenues from the tenants, the Respondents have made no payments to the Applicants and have allowed the Property to fall further into disrepair, exacerbating the risk to the Applicant’s security.¹⁰

PART III - ISSUE

18. The sole issue on this application is whether it is just and convenient for the Court to appoint a receiver.

PART IV – LAW AND ARGUMENT

Test for the Appointment of a Receiver

19. Pursuant to section 243 of the BIA and section 101 of the *Courts of Justice Act* (Ontario), the Court has the power to appoint a receiver where it is “just or convenient” to do so.¹¹

⁷ Michalowicz Affidavit at paras. 25 and 29.

⁸ Michalowicz Affidavit at para. 26.

⁹ Michalowicz Affidavit at para. 27.

¹⁰ Michalowicz Affidavit at paras. 28.

¹¹ [Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3](#), as amended, ss. 243(1); [Courts of Justice Act, R.S.O. 1990, c C.43](#), as amended, ss. 101(1).

20. In determining whether it is “just or convenient” to appoint a receiver, numerous factors have been historically taken into account. These factors include:

- (a) whether irreparable harm might be caused if no order is made, although as stated above, it is not essential for a creditor to establish irreparable harm if a receiver is not appointed where the appointment is authorized by the security documentation;
- (b) the risk to the security holder taking into consideration the size of the debtor’s equity in the assets and the need for protection or safeguarding of assets while litigation takes place;
- (c) the nature of the property;
- (d) the apprehended or actual waste of the debtor’s assets;
- (e) the preservation and protection of the property pending judicial resolution;
- (f) the balance of convenience to the parties;
- (g) the fact that the creditor has a right to appointment under the loan documentation;
- (h) the enforcement of rights under a security instrument where the security-holder encounters or expects to encounter difficulties with the debtor;
- (i) the principle that the appointment of a receiver should be granted cautiously;
- (j) the consideration of whether a court appointment is necessary to enable the receiver to carry out its duties efficiently;
- (k) the effect of the order upon the parties;
- (l) the conduct of the parties;
- (m) the length of time that a receiver may be in place;
- (n) the cost to the parties;
- (o) the likelihood of maximizing return to the parties; and

(p) the goal of facilitating the duties of the receiver.¹²

21. The above referenced factors are not a checklist, but should be viewed holistically to determine whether, in all circumstances, the appointment of a receiver is just or convenient.¹³

22. The absence of a contractual right to appoint a receiver is not determinative. Justice Osborne, citing *2607087 Ontario Limited v. 2654993 Ontario Ltd. et al.* and *Kingsett Mortgage Corp. v. Mapleview Developments Ltd. et al.*, noted that while the applicant's burden is lessened where the security agreement expressly permits the appointment of a receiver, the lack of such a contractual right is not dispositive.¹⁴

23. The appointment of a receiver becomes even less extraordinary when dealing with a default under a mortgage.¹⁵

24. It is not essential that the moving party establish, prior to the appointment of a receiver that it will suffer irreparable harm or that the situation is urgent. However, where the evidence, respecting the conduct of the debtor suggests that a creditor's attempts to privately enforce its security will otherwise fail, a court-appointed receiver may be warranted.¹⁶

It is Just and Convenient to Appoint the Receiver

25. A court-appointed receivership is just, convenient and appropriate in the circumstances as:

(a) the Respondents have defaulted under the Mortgages, which matured a long time ago, and remain unpaid despite formal demand; the BIA notice period has long

¹² *Canadian Equipment Finance and Leasing Inc v The Hypoint Company Limited*, 2022 ONSC 6186 (Ont. S. C. J. [Com. List] [“*Hypoint*”] at para. 25; see also, *Aggregated Investments Inc. et. al. v. Pace Group Holding Inc. et. al.*, 2025 ONSC 2695 (Ont. S. C. J. [Com. List] [“*Aggregated*”] at para. 24

¹³ *Ibid.*, *Aggregated* at para. 25.

¹⁴ *2607087 Ontario Limited v 2654993 Ontario Ltd et al.*, 2024 ONSC 4595 at para 10; *Kingsett Mortgage Corp v Mapleview Developments Ltd* 2024 ONSC 1983 at para 22 (ONSC).

¹⁵ *BCIMC Construction Fund Corporation et al v The Clover on Yonge Inc.*, 2020 ONSC 1953 at paras 43-44.

¹⁶ *Supra Note 18, Hypoint* at para. 26.

expired;

- (b) the Respondents are indebted to the Applicants in the amount in excess of \$14 million, plus accruing interest and costs;
- (c) the Respondents have failed to pay property taxes for several years;
- (d) the Respondents continue to collect rents and revenues from the Property, but have not remitted any payments to the Applicants or paid property taxes;
- (e) given the lack of equity in the Property, it will be impossible to sell the Property without the benefit of the powers granted to the Receiver under the Receivership Order and the power to obtain a vesting order;
- (f) the value of the Property has plummeted and the lack of viability of the Respondents' business is evidenced from the fact that every loan is in default; and
- (g) a court-supervised process is necessary to ensure transparency and maximize value for all stakeholders.

26. The appointment of the proposed Receiver is necessary in order to enable the Receiver to, among other things:

- (a) investigate the existing leases and tenancies;
- (b) evaluate the need for any remedial steps to be taken;
- (c) take steps to ensure that no party interferes with the sale process;
- (d) market the Property for sale in an open and transparent manner for the benefit of all of the Respondents' stakeholders and with the power to obtain a vesting order that would enable the Receiver to transfer title to the Property free and clear of all claims; and
- (e) if deemed to be necessary by the Receiver, take possession of the Property and

collect rents.

27. TDB has consented to its proposed appointment as Receiver.

PART V – RELIEF SOUGHT

28. For the reasons set out above, the Applicants respectfully submit that this Court should grant an Order appointing TDB as Receiver as prayed for in the application.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 29th day of December 2025.

I certify the authenticity of every authority cited in this factum.



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SCHEDULE "A"

REAL PROPERTIES

S. No.	Property	Owners	Applicant Creditor	Other Creditors
1.	293 Maplehurst Avenue, Toronto, ON M2N 3C5	Normandy 293 Maplehurst Inc.	RPN Finance Corp. and Peter Jeewan	AARTI Real Estate Enterprises Inc. and Mayuri Ventures Inc.
2.	295 Maplehurst Avenue North York, ON M2N 3C5	Normandy 295 Maplehurst Inc.	RPN Finance Corp. and 2742695 Ontario Inc.	AARTI Real Estate Enterprises Inc. and Mayuri Ventures Inc.
3.	280 Sheppard Avenue East, North York, ON M2N 3B1	2646214 Ontario Ltd.	RPN Finance Corp. and 2742695 Ontario Inc., and Robert Pauls	1842716 Ontario Inc. and AARTI Real Estate Enterprises Inc. and Mayuri Ventures Inc.
4.	288 Sheppard Avenue East, North York, ON M2N 3B1	288 Sheppard Inc.	Robert Pauls	AARTI Real Estate Enterprises Inc. and Mayuri Ventures Inc.
5.	294 Sheppard Avenue East, North York, ON M2N 3B1	288 Sheppard Inc.	Robert Pauls	AARTI Real Estate Enterprises Inc. and Mayuri Ventures Inc.
6.	287 Maplehurst Avenue, Toronto ON M2N 3C5	Nawar Mahfooth	Joseph Berljawsky	The Bank of Nova Scotia and AARTI Real Estate Enterprises Inc. and Mayuri Ventures Inc.

**SCHEDULE “B”
AUTHORITIES**

Tab	Title	Pinpoints
Case law		
1	<u><i>Canadian Equipment Finance and Leasing Inc v The Hypoint Company Limited</i>, 2022 ONSC 6186 (Ont. S. C.J. [Com. List])</u>	24 to 26
2.	<u><i>Aggregated Investments Inc. et. al. v. Pace Group Holding Inc. et .al.</i>, 2025 ONSC 2695 (Ont. S. C. J. [Com. List])</u>	24
3.	<u><i>2607087 Ontario Limited v 2654993 Ontario Ltd et al</i>, 2024 ONSC 4595 (Ont. S.C.J. [Com. List])</u>	10
4.	<u><i>Kingsett Mortgage Corp v Mapleview Developments Ltd</i>, 2024 ONSC 1983 at para 22 (Ont. S. C. J. [Com. List])</u>	22
5.	<u><i>BCIMC Construction Fund Corporation et al v The Clover on Yonge Inc</i>, 2020 ONSC 1953 (Ont. S. C. J. [Com. List])</u>	43-44

**SCHEDULE “C”
TEXT OF STATUTES, REGULATIONS & BY-LAWS**

Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended

PART XI

Secured Creditors and Receivers

Court may appoint receiver

243 (1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

- (a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
- (b) exercise any control that the court considers advisable over that property and over the insolvent person’s or bankrupt’s business; or
- (c) take any other action that the court considers advisable.

Courts of Justice Act, R.S.O. 1990, c C.43, as amended

Injunctions and receivers

101 (1) In the Superior Court of Justice, an interlocutory injunction or mandatory order may be granted or a receiver or receiver and manager may be appointed by an interlocutory order, where it appears to a judge of the court to be just or convenient to do so. R.S.O. 1990, c. C.43, s. 101 (1); 1994, c. 12, s. 40; 1996, c. 25, s. 9 (17).

RPN FINANCE CORP. et al.
Applicants

-and-

NORMANDY 293 MAPLEHURST INC. et al.
Respondents

Court File No. CL-25-00753591-0000

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PROCEEDING COMMENCED AT
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