

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

B E T W E E N:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

and

ZONIX HOMES INC., ZONIX DUDLEY INC., DENIX CORPORATION,
PEJVAK GROUP LTD., DEZ BUILDING INC., LIFELONG SUPPORT
CORPORATION, PARADISE CO. INC., ELEVO CONSULTING GROUP
INC., DIBA PREMIER GROUP INC., HANNAH PREMIER GROUP INC.,
PRO VOLO INC., FARNA CORPORATION, and BEVERNIK LTD.

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**

**AIDE MEMOIRE OF THE APPLICANT, CAMERON STEPHENS MORTGAGE
CAPITAL LTD.
(Receivership Application Returnable October 15, 2026)**

1. This Aide Memoire is filed by the Applicant, Cameron Stephens Mortgage Capital Ltd. (“**Cameron Stephens**”), in support of its application for the appointment of a receiver over the Property of the Respondents, returnable October 15, 2026.
2. All defined terms hereinafter are as set out in Cameron Stephens’ Application Record dated June 18, 2026.
3. Cameron Stephens adopts and relies upon the position advanced by Vector Financial Services Limited and Olympia Trust Company (collectively, the “**Vector Creditors**”) in their Aide Memoire dated October 10, 2026, and submits that it is now just and convenient for this Court to appoint a receiver.

4. Cameron Stephens further relies on its Supplementary Motion Record dated September 21, 2026, in support of the Application. In particular, the net sale proceeds are insufficient to fully repay the indebtedness owing to Cameron Stephens and the Vector Creditors (collectively, the “**Lenders**”).

5. As set out in paragraph 24 of the Supplementary Affidavit of Yupei (Summer) Xia sworn September 21, 2026, if the APS closes on November 9, 2026, the aggregate indebtedness owing to the Lenders will be approximately \$30.2 million.¹ While the purchase price under the APS is \$30.4 million, the net sale proceeds available to the Lenders will be materially reduced by outstanding property taxes, legal fees, and other costs payable on closing. In particular, there are approximately \$120,000.00 in outstanding property taxes and Cameron Stephens has incurred approximately \$160,000.00 in enforcement-related legal fees, resulting in a known deficiency of at least \$80,000.00. This calculation does not include the legal fees incurred by the Vector Creditors, the fees and disbursements of the proposed Receiver, or any additional costs that may accrue prior to closing. Accordingly, the actual shortfall is expected to be significantly greater.

6. Since the Respondents’ default under the loan facilities, Cameron Stephens has repeatedly requested evidence demonstrating how any anticipated shortfall would be funded in the event the APS closes. Despite those requests, the Respondents have failed to provide any evidence that they have the ability or means to satisfy the anticipated deficiency. A copy of Cameron Stephens’ counsel’s most recent correspondence dated October 8, 2026, is attached as **Schedule “A”**.

7. In light of the existing shortfall and the additional costs that remain to be quantified, there is a substantial risk that the Lenders will suffer a loss even if the APS ultimately closes. The

¹ Supplementary Motion Record of Cameron Stephens dated September 21, 2026, Tab 1, Supplementary Affidavit of Yupei (Summer) Xia sworn September 21, 2026, at para 24, Exhibit “K”.

anticipated deficiency will continue to increase the longer closing is delayed as legal fees, interest, and other enforcement costs continue to accrue.

8. At the hearing before Justice Dietrich on September 22, 2026, counsel for the Respondents expressly agreed that if the financing condition under the APS was not waived, then, unless the Lenders agreed otherwise, no further adjournment requests would be made, and the receivership application would proceed unopposed. The Respondents further agreed that no amendments would be made to the APS without the consent of the Lenders.² A copy of Justice Dietrich's endorsement dated September 22, 2026, is attached as **Schedule "B"**.

9. The financing condition was not waived by October 9, 2026. In addition, the Lenders did not consent to any further extension of the financing condition deadline or any amendment to the APS. Accordingly, the circumstances contemplated by Justice Dietrich's September 22, 2026 endorsement have occurred, and the Respondents have previously agreed that the Receivership Application should proceed unopposed.

10. Even assuming the APS ultimately closes on November 9, 2026, there remains no evidence that the Purchaser has obtained the necessary financing or that the transaction is capable of closing within the proposed timeframe. The Purchaser's request for a further extension of the financing condition on the final day available for waiver raises serious concerns regarding both the certainty and viability of the transaction. As the Vector Creditors note, there is a real risk that further delays will increase the existing shortfall to the Lenders.

11. The Respondents have now had several months and three adjournments to complete a refinancing or sale transaction sufficient to satisfy the secured indebtedness. No payments have

² The Endorsement of Justice Dietrich dated September 22, 2026 at para 7.

been made to Cameron Stephens during that period, interest continues to accrue, and the anticipated shortfall continues to grow.

12. In the circumstances, the continued delay of these proceedings serves only to increase the risk of prejudice to the Lenders without any corresponding benefit. Any efforts by the Purchaser to complete the transaction can be undertaken under the supervision of a court-appointed receiver.

13. For all of the foregoing reasons, and for the reasons set out in the Aide Memoire of the Vector Creditors dated October 10, 2026, Cameron Stephens respectfully submits that it is now just and convenient to appoint a receiver over the Property of the Respondents and requests that the Proposed Receiver be appointed.

All of which is respectfully submitted.

October 13, 2026



Wendy Greenspoon-Soer

Garfinkle Biderman LLP

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Lawyers for the Applicant,
Cameron Stephens Mortgage Capital
Ltd.

SCHEDULE “A”

RE: Zonix Homes Inc., Zonix Dudley Inc. et al. ats Cameron Stephens Mortgage Capital Ltd. (File 34512)

From Wendy Greenspoon <wgreenspoon@GARFINKLE.com>

Date Thu 10/8/2026 5:54 PM

To Kathy Ples <kples@teplitskyllp.com>; Summer Xia <sxia@garfinkle.com>; Bornstein, Jeremy <jbornstein@cassels.com>

Cc Jonathan Kulathungam <jkulathungam@teplitskyllp.com>

Jonathan,

This summary is quite disturbing. It seems to suggest that your client used the rent to pay overhead instead of property taxes or mortgage payments.

Who are the consultants? Who is the property management company? Please provide back up documentation.

It suggests interest was paid to my client this year. That is not accurate.

Those are just a few of my initial comments.

I do note that you still have not provided any accounting with respect to the anticipated net proceeds of sale so we can determine the amounts that would be available to pay the mortgagees. You have also failed to provide any proposal as to how that shortfall would be covered. Suggesting we can pursue the guarantors is not sufficient. If your client cannot pay my client out, it cannot close so I repeat the request I have made multiple times for answers on this issue.

Wendy



Wendy H. Greenspoon-Soer

Partner

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From: Kathy Ples <kples@teplitskyllp.com>

Sent: October 8, 2026 2:48 PM

To: Wendy Greenspoon <wgreenspoon@GARFINKLE.com>; Summer Xia <sxia@garfinkle.com>; Bornstein, Jeremy <jbornstein@cassels.com>

Cc: Jonathan Kulathungam <jkulathungam@teplitskyllp.com>

Subject: Zonix Homes Inc., Zonix Dudley Inc. et al. ats Cameron Stephens Mortgage Capital Ltd. (File 34512)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

October 8, 2026

Our File Number: 34512

SENT BY EMAIL TO:

wgreenspoon@garfinkle.com
sxia@garfinkle.com

Ms. Wendy Greenspoon-Soer
Ms. Yupei (Summer) Xia
Garfinkle, Biderman LLP
Barristers & Solicitors
1 Adelaide Street East
Suite 801
Toronto ON M5C 2V9

SENT BY EMAIL TO:

jbornstein@cassels.com

Jeremy Bornstein
Cassels Brock & Blackwell LLP
Suite 3200, Bay Adelaide Centre
40 Temperance street
Toronto, Ontario

Dear Counsel:

Re: Zonix Homes Inc., Zonix Dudley Inc. et al. ats Cameron Stephens Mortgage Capital Ltd.

As it relates to calculating the net sale proceeds, my client advises the following:

1. There is no H.S.T. payable given that the properties are residential and as such, H.S.T. is not a factor.
2. As it relates to the property taxes, there are 14 properties. As of September 1, 2026, the property taxes outstanding is \$118,493.26.
3. All insurance premiums have been paid and the insurance remains intact.
4. Lastly, attached is an Excel spreadsheet showing the monies received from January 1st to September 30th, 2026 by both Zonix Homes and Zonis Dudley together with expenses that have been incurred.

If you have any questions or concerns, please do not hesitate to contact the undersigned.

Yours very truly,
TEPLITSKY LLP

Per:

Jonathan Kulathungam
Jonathan Kulathungam

JK/kp

Kathy Ples

Legal Assistant to Jonathan Kulathungam

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SCHEDULE “B”



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000255-0000

DATE: September 22, 2026

NO. ON LIST: 1

TITLE OF PROCEEDING: CAMERON STEPHENS MORTGAGE CAPITAL LTD

. v. ZONIX HOMES INC. et al.

BEFORE: JUSTICE J. Dietrich

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Yupei (Summer) Xia Wendy Greenspoon-Soer	Cameron Stephens Mortgage Capital Ltd.	sxia@garfinkle.com wgreenspoon@garfinkle.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Jonathan Kulathungam	Zonix Homes Inc.,	jkulathungam@teplitskyllp.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Jeremy Borenstein	Counsel for Vector Financial	jborenstein@cassels.com
Bryan A. Tannenbaum Jefferey Berger	TDB Restructuring Limited – Proposed Receiver	btannenbaum@tdbadvisory.ca jberger@tdbadvisory.ca

ENDORSEMENT OF JUSTICE J. DIETRICH:

- [1] Cameron Stephens Mortgage Capital Ltd. (“**Cameron Stephens**”) seeks an order appointing TDB Restructuring Limited as receiver of the property of the Respondents including certain real property. The real property is currently vacant land and land holding residential homes in Markham, Ontario. It is intended for development.
- [2] The relief was first before Justice Black on June 10, 2026, at which time it was set to be heard in August. The relief was last before the Court on August 21, 2026. At that time Koehnen J. adjourned the matter until today to determine whether the financing condition in a proposed sale agreement had been waived. The financing condition was scheduled to expire on September 19, 2026.
- [3] On September 18, 2026, at the request of the purchaser under the sale agreement, a further amendment was entered into by the Respondents that extended the financing condition until October 8, 2026, provided for an additional deposit of \$100,000, an increase in the purchase price of \$600,000 and also required the purchaser provide a letter of support from the City of Markham and a letter explaining the requested extension of the financing condition. Closing is scheduled for November 9, 2026.
- [4] Given the status of the sale agreement the Respondents request an adjournment of the hearing until October 15, 2026.
- [5] Counsel to the Cameron Stephens and Vector Financial Services and Olympia Trust Company (the “**Vector Creditors**”) opposed the adjournment request on the basis that time has already been provided and it is not clear this is the last adjournment request. They raise concerns about disclosure of information regarding the status of the sale and financing condition as well as concerns that the proceeds of sale may not be sufficient to pay out both Cameron Stephens and the Vector Creditors.
- [6] I am prepared to provide one further short adjournment. Given the status of the property as vacant land, I am satisfied that the prejudice to the secured creditors in the delay is minimal as compared to the prejudice to the Respondents in providing one more opportunity for the transaction to go forward.
- [7] However, as agreed to by counsel to the Respondents today, if the financing condition is not waived, unless Cameron Stephens and the Vector Creditors agree otherwise, no further adjournment requests will be made by the Respondents and the receivership application will proceed unopposed. As well, as agreed to by the Respondents, no amendments to the sale agreement will be made without the consent of Cameron Stephens and the Vector Creditors.
- [8] As well, in the interim, the Respondents have agreed to provide:
 - (a) real time delivery of all correspondence from the purchaser and all documents regarding the financing status;
 - (b) confirmation that intended use and environmental conditions have been also been waived;

- (c) a full accounting of the rental income from the property for the last year;
 - (d) a calculation of the anticipated net proceeds of sale (including confirmation of outstanding municipal taxes and HST); and
 - (e) in the event purchaser breaches the sale agreements such that the Respondents are entitled to retain the deposit, the Respondent has agreed to deliver those funds to the Vector Creditors.
- [9] Further materials, including status update from the Respondents to be delivered no later than October 10, 2026.
- [10] On the above terms, the hearing is adjourned until **October 15, 2026 at 12:00 noon for 30 minutes.**
- [11] All material is to be uploaded to Case Center no later than October 13, 2026.

Date: Sep 22, 2026



Justice J. Dietrich

CAMERON STEPHENS MORTGAGE
CAPITAL LTD.
Applicant

and

ZONIX HOMES INC., et al.
Respondents

Court File No. CL-26-00000255-0000

ONTARIO
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ACT, R.S.O. 1990, c. C.43, AS AMENDED

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Lawyers for the Applicant,

File Number: 6243-830