



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

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

DATE: October 15, 2026

NO. ON LIST: 3

TITLE OF PROCEEDING: CAMERON STEPHENS MORTGAGE CAPITAL LTD. v. ZONIX HOMES INC.,; ZONIX DUDLEY INC.; DENIX CORPORATION; PEJVAK GROUP LTD.; DEZ BUILDING INC.; LIFELONG SUPPORT CORPORATION; PRO VOLO INC.; PARADISE CO. INC.; ELEVO CONSULTING GROUP INC.; DIBA PREMIER GROUP INC.; HANNAH PREMIER GROUP INC.; FARNA CORPORATION; BEVERNIK LTD.

BEFORE: JUSTICE Jana Steele

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Yupei (Summer) Xia Wendy Greenspoon-Soer	Applicant	sxia@garfinkle.com wgreenspoon@garfinkle.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Jonathan Kulathungam	Respondents and Guarantors Reza Esgahany, Javad Abdolhosseini Kalkhorani, Ali Reza Jafari, Ali Reza Boaghzadeh	jkulathungam@teplitskyllp.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Jeremy Bornstein	Vector Financial Services Ltd. Olympia Trust Company	jbornstein@cassels.com

Jeffrey Berger	Proposed Receiver – TDB	jberger@tdbadvisory.ca
Bryan A. Tannenbaum	Restructuring	btannenbaum@tbdadvisory.ca
Dominique Michaud	Counsel to Proposed Receiver	dmichaud@robapp.com

ENDORSEMENT OF JUSTICE STEELE:

[1] Cameron Stephens brings an application for the appointment of TDB as receiver of:

- a. The Real Property;
- b. All of the assets of Zonix Homes Inc. and Zonix Dudley Inc. acquired for, or used in relation to a business carried on by the Nominees;
- c. All of the beneficial interests of the Non-Borrower Beneficial Owners and the Nominees in the Real Property; and
- d. In respect of para. 1(a)-(c), all proceeds thereof.

[2] The Vector Creditors (as defined in the applicant's factum) support the receivership application.

[3] The Receivership Application is unopposed by the Respondents. For greater certainty, and to address the concerns raised by counsel for the Respondents with respect to the impact of the receivership on the Non-Borrower Beneficial Owners, the Court confirms that, as it relates to the Non-Borrower Beneficial Owners, the Receivership Appointment Order applies solely to the beneficial interests of the Non-Borrower Beneficial Owners in the Real Property. Capitalized terms not otherwise defined in this Endorsement shall have the meanings attributed to them in the Receivership Appointment Order, unless otherwise indicated.

[4] The only issue before me is whether to appoint the receiver.

[5] The test for the appointment of a receiver under s. 243 of the *BIA* or s. 101 of the *CJA* is whether it is just or convenient.

[6] In determining whether it is just or convenient to appoint a receiver the court must have regard to all of the circumstances of the case particularly the nature of the property and the rights and interests of all parties in relation to the property: see *Bank of Nova Scotia v Freure Village of Clair Creek*, [1996] OJ No 5088 at para 10. While the appointment of a receiver is generally an extraordinary equitable remedy, where the rights of the secured creditor include, pursuant to the terms of its security, the right to seek the appointment of a receiver, the burden on the applicant is lessened: see *Elleway Acquisitions Ltd. v. Cruise Professionals Ltd.*, 2013 ONSC 6866 at para 27.

[7] As summarized by Justice Osborne (as he then was) in *Canadian Equipment Finance and Leasing Inc. v. The Hypoint Company Limited*, 2022 ONSC 6186 at para 25, a number of factors have historically been taken into

account in the determination of whether it is appropriate to appoint a receiver. The factors are not a checklist, but rather a collection of considerations to be viewed holistically, they 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.

[8] In this case, it is just and convenient to appoint a receiver for the reasons set out at para. 63 of the applicant's factum.

[9] There were three prior adjournments in this matter because the respondents had entered into the APS (as defined in the applicant's factum); however, the transaction still remains conditional. The respondents are now not opposing the receivership application.

[10] The aggregate indebtedness owing to the lenders is approximately \$30.1 million, with interest continuing to accrue.

[11] The Nominees are in default of their obligations under the CS Loan and the Vector Loan (each as defined in the applicant's factum). The CS GSA and Forbearance Agreement (each as defined in the applicant's factum) provide Cameron Stephens with the right to appoint a receiver.

[12] Both Cameron Stephens and the Vector Creditors have each delivered a demand for repayment, and a 244 BIA Notice. The notice period under the 244 BIA Notices has since elapsed.

[13] TDB is qualified to act as receiver and has consented to do so.

[14] With respect to the form of requested order, I am satisfied that the terms of the proposed receivership order are appropriate and consistent with the Model Order of the Commercial List.

[15] Accordingly, I grant the receivership order in the form signed by me today with immediate effect.

Date: Oct 15, 2026

A handwritten signature in blue ink, appearing to read "J. Steele", is written over a horizontal line.

Justice J. Steele