

**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**

THIRD SUPPLEMENTARY RESPONDING MOTION RECORD

Returnable September 22, 2026

TEPLITSKY LLP

Barristers
70 Bond Street
Suite 200
Toronto ON M5B 1X3

Jonathan Kulathungam (42049N)
jkulathungam@teplitskyllp.com
Tel : (416) 365-9320
Fax: (416) 365-0695

Lawyers for the Respondents

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Court File No. CL-26-00000255-0000

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COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

THIRD SUPPLEMENTARY AFFIDAVIT

I, Reza Esfahany, City of Richmond Hill, in the Province of Ontario, **MAKE OATH**

AND SAY:

1. I am the President of Zonix Homes Inc. and Zonix Dudley Inc. (hereinafter referred collectively and individually as “Zonix”), and, as such, have knowledge of the matters contained in this Affidavit.

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2. This affidavit is a third supplementary affidavit. The first affidavit is dated July 3, 2026 (“**First Affidavit**”). I provided additional information in my supplementary affidavit sworn August 11, 2026 (“**Second Affidavit**”) and in my Second Supplementary Affidavit sworn August 20, 2026 (“**Third Affidavit**”). This affidavit being the third supplementary affidavit is to provide an additional update as to the status of matters.
3. All defined terms hereinafter are as set out in my prior affidavits and in particular, the First Affidavit.

Financing

4. As set out in my prior affidavits, after over a year of marketing the Subject Property, an agreement of purchase and sale (“**APS**”) was entered into, and the Purchaser exercised their rights under the APS to extend the due diligence period (“**DD Condition**”). The due diligence period expired on August 19, 2026 (“**Condition Date**”). The DD Condition has been waived. A copy of the waiver is attached as Exhibit B to my Third Affidavit.
5. What remains is the financing condition which was to expire on September 19, 2026 (“**Financing Condition**”).
6. The Purchaser has advised that they needed a short extension of the Financing Condition.
7. Understandably, we did not want to give the extension. However, after several discussions and the Purchaser explaining why they needed the extension of the Financing Condition, we reluctantly agreed to enter into an Amending Agreement on certain terms.

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8. Attached hereto and marked as **Exhibit "A"** to this my affidavit is a true copy of the Amending Agreement pursuant to which:
 - (a) The funds available on closing are now increased by \$600,000.00. This will benefit all of the secured creditors in that there will be additional \$600,000.00 to disperse to all of the secured creditors.
 - (b) The deposit is increased by an additional \$100,000.00. The deposit has been received. Attached hereto and marked as **Exhibit "B"** to this my affidavit is a true copy of a cheque wherein the \$100,000.00 deposit is provided to our real estate lawyers, Owens Wright LLP.
9. As a condition and a term of the Amending Agreement, the Purchaser is to provide:
 - (a) A supporting letter or email from the City of Markham regarding the new plan received by the Purchaser.
 - (b) A letter from the Buyer addressed to Vector Financial explaining the reason for the financing extension.
10. Attached hereto and marked as **Exhibit "C"** to this my affidavit is a true copy of the letter from the City Councillor confirming the City's strong support to the development plan. Attached hereto and marked as **Exhibit "D"** to this my affidavit is a true copy of the letter explaining the need for the extension.
11. The Financing Condition date has now been extended to October 8, 2026.

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12. As set out in the letter from the Purchaser, the reason for the extension of the Financing Condition is *“due to the fact that the final engineering and architectural plans will be completed in 10 days, and the Operator Agreement will be submitted next week.”*
13. As set out in the prior affidavits, the Purchaser is pursuing the development of a long term care facility.
14. The Purchaser has also confirmed that the transaction is to close on November 9, 2026.
15. I appreciate the fact that it is not in all parties' interests that the Financing Condition Date has been extended but, I do want to highlight the fact that:
 - (a) There is an additional deposit of \$100,000.00;
 - (b) There is an additional \$600,000.00 available on closing to disperse to all of the interested parties including the Secured Creditors.
16. Also, we need to keep in mind that this entire process has taken time and we are getting very close to the “finish line”. The Purchaser has confirmed that they intend to close on November 9, 2026. They have provided this by way of writing.
17. As set out in my prior affidavits:
 - (a) The Region and Province are very favourable to the construction of the long term care facility which is being pursued by the Purchaser.
 - (b) Title is to be taken by a not for profit corporation.

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- (c) Architectural drawings and plans have been completed. We were provided copies of same but given the confidential business nature of these items, they have not been filed as an exhibit but will be available to the court for review and inspection if so required.
- (d) The Purchaser is continuing to work with chartered banks for financing and we have been repeatedly advised by the Purchaser that “*everything looks promising*”. The reason for the extension is set out in the letter addressed to Vector.
- (e) We were authorized by the Purchaser to speak to the architect they had retained being ICON Architects Inc. I met with the founder and president, Mr. Eslami. As stated by him, which I verily believed:

1. ICON Architects Inc. were retained now nearly 3 months;
2. They have been actively pursuing the development contemplated by the Purchaser;
3. ICON Architects Inc. have been retained as an architect, planner and project managers;
4. Several meetings have already taken place with the Mayor and City staff who are all very positive and supportive;
5. Meetings have already taken place with the Ministry of Health who are also Verner supportive;
6. Updated site plans and revised designs have been prepared and submitted.

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Short Fall

18. Cameron Stephens has raised the issue of a potential short fall in the funds available to be dispersed to them. There is no concern that Vector Financial Services Inc. which has the mortgage in first position, will be paid out in full.
19. Cameron Stephens previously held the first mortgage which was then paid out leaving a balance of approximately \$4 million dollars. In other words, Cameron Stephens has already received its principle plus a significant portion of the interest and other fees.
20. With the additional \$600,000.00 available to be dispersed on closing, if there is any shortfall, same will be nominal. The shortfall will be based on any additional charges and legal fees that are being levied by Cameron Stephens and Vector Financial.
21. In any event, Cameron Stephens has personal guarantees and has already commenced an action as it relates to the personal guarantors. Attached hereto and marked as **Exhibit "E"** to this my affidavit is a true copy of the Statement of Claim.
22. I swear this affidavit for the within motion and for no wrongful or improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

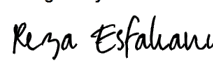
Signed by:



Commissioner for Taking Affidavits
(or as may be)

JONATHAN KULATHUNGAM

Signed by:



CA811651F802450...

(Signature of deponent)

REZA ESFAHANY

This is Exhibit “A” referred to in the Affidavit of Reza Esfahany sworn by Reza Esfahany of the City of Richmond Hill, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

87D104891AA444A...

Commissioner for Taking Affidavits (or as may be)

JONATHAN KULATHUNGAM



Amendment to Agreement of Purchase and Sale - Commercial

Form 570

for use in the Province of Ontario

BETWEEN:

BUYER: DE SHAN FOUNDATION INC.

AND

SELLER: ZONIX HOMES INC ZONIX DUDLEY INC

RE: Agreement of Purchase and Sale - Commercial (Agreement) between the Seller and Buyer, dated the 27 day of April, 2026,

concerning the property known as 36-48 Steeles Ave E, And 37-49 Highland Park Blvd Thornhill

..... L3T 1A2 And L3T1B4 ON as more particularly described in the aforementioned Agreement.

The Buyer and Seller herein agree to the following amendment(s) to the aforementioned Agreement:

Delete

Credit and Fees

The Seller shall provide the Buyer with a closing credit of CDN \$1,200,000.00 toward legal fees and transaction costs.

For greater certainty, the credit of CDN \$1,200,000.00 referenced in this Agreement is an internal price adjustment only and shall not give rise to any obligation on the part of the Buyer to pay any amount in excess of the Purchase Price.

FINANCIAL CONDITION

Following waiver of the due diligence condition, this Agreement shall be conditional for an additional thirty (30) days for the sole benefit of the Buyer to complete its financial, funding and approval review. If the Buyer does not waive this condition in writing within such thirty (30) day period, this Agreement shall be null and void, and the Deposit shall be returned to the Buyer, without deduction or set-off, except as otherwise expressly provided herein.

Insert:

1. Extension of Condition Date. The parties agree that the relevant financing condition date under the Agreement of Purchase and Sale (the "APS") is hereby extended to October 8, 2026 (the "Extended Date"), time being of the essence.
2. Credit & Fees Amended. The parties agree that the following provision in the Agreement of Purchase and Sale (the "APS") is deleted in its entirety and replaced with the following: "The Seller shall provide the Buyer with a closing credit of CDN \$600,000.00 toward legal fees and transaction costs. For greater certainty, the credit of CDN \$600,000.00 referenced in this APS is an internal price adjustment only and shall not give rise to any obligation on the part of the Buyer to pay any amount in excess of the Purchase Price."
3. Additional Deposit. Within one (1) Business Day (being within 24 hours, excluding non-Business Days) following the date this amendment is fully executed by both parties, the Buyer shall deliver to the Seller's solicitor, in trust, an additional deposit in the amount of CDN \$100,000.00 (the "Additional Deposit"), by certified cheque, bank draft, wire transfer payable to the Seller's lawyer. The Additional Deposit shall form part of the Deposit under the APS and shall be dealt with in accordance with the APS.
4. Buyer Deliverables; Condition Precedent to Extension. The extension in Section 1 is conditional upon the Buyer delivering to the Seller, by no later than 5:00 pm on September 18, 2026 (the "Deliverables Deadline"), the following, in each case in form and substance satisfactory to the Seller, acting reasonably: (a) the supporting letter or email from the City of Markham regarding the new plan received by the purchaser in September 2026; and (b) a letter from the Buyer addressed to Vector Financial explaining the reason for the financial extension (together, the "Buyer Deliverables").
5. Failure of Condition; Consequences. If the condition in Section 4 is not satisfied or waived by the Deliverables Deadline, then the extension in Section 1 shall be null and void and of no force or effect, and the APS/offer shall thereupon become null and void, and the deposit shall be returned to the Buyer in full without deduction.
6. Benefit and Waiver. The condition in Section 4 is for the sole benefit of the Seller and may be waived, in whole or in part, by the Seller by written notice to the Buyer delivered on or before the Deliverables Deadline.
7. Ratification. Except as expressly amended by this Amendment, the APS remains unamended and in full force and effect, and is hereby ratified and confirmed by the parties in all respects.
8. Conflict. If there is any conflict or inconsistency between the terms of this Amendment and the APS, the terms of this Amendment shall govern to the extent of such conflict or inconsistency.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Buyer until 11:00
 (Seller/Buyer) (a.m./p.m.) **X**
 on the 17 day of September, 2026, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.
 Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

.....
 (Witness) (Buyer/Seller/Authorized Signing Officer) (Seal) 9/17/2026 (Date)

 (Witness) (Buyer/Seller/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

.....
 (Witness) Ali Reza Jafari (Sep 17, 2026 15:11:44 ADT) 09/17/2026 (Seal) (Date)
 (Buyer/Seller/Authorized Signing Officer)

 (Witness) Reza Esfahany 09/17/2026 (Seal) (Date)
 (Buyer/Seller/Authorized Signing Officer) Reza Esfahany (Sep 17, 2026 14:10:07 EDT)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

.....
 (Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at this 09/17/2026
 (a.m./p.m.)

Reza Esfahany Ali Reza Jafari (Sep 17, 2026 15:11:44 ADT)
 Reza Esfahany (Sep 17, 2026 14:10:07 EDT) (Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

Ali Reza Jafari (Sep 17, 2026 15:11:44 ADT) 09/17/2026 (Date)
 (Seller)
 Reza Esfahany 09/17/2026 (Date)
 (Seller) Reza Esfahany (Sep 17, 2026 14:10:07 EDT)

Address for Service
 (Tel. No.)

Seller's Lawyer Owens Wright LLP

Address

Email ADaneshvar@owenswright.com

(416) 486-9800 (Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

..... (Date)
 (Buyer)
 (Date)
 (Buyer)

Address for Service
 (Tel. No.)

Buyer's Lawyer LAW OFFICE OF JOSEPH MALMAZADA

Address

Email josephmalmazada@hotmail.com

(905) 922-2881 (Tel. No.) (Fax. No.)

This is Exhibit “B” referred to in the Affidavit of Reza Esfahany sworn by Reza Esfahany of the City of Richmond Hill, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

87D104891AA444A...

Commissioner for Taking Affidavits (or as may be)

JONATHAN KULATHUNGAM

10358 (0521)

THIS DOCUMENT IS PRINTED ON WATERMARKED PAPER. SEE BACK FOR INSTRUCTIONS.

The Toronto-Dominion Bank

13542319

550 Highway 7 East Unit 55 Richmond Hill ON L4B 3Z4

Purchaser YONGQUAN SUN

DATE 2026-09-17
YYYYMMDD

Transit-Serial No. 868-13542319

Pay to the
Order of OWENS WRIGHT LLP, IN TRUST

\$ ****100,000.00

ONE HUNDRED THOUSAND**00/100

Canadian Dollars

Authorized signature required for amounts over CAD \$5,000.00

Re

The Toronto-Dominion Bank
Toronto, Ontario
Canada M5K 1A2

Authorized Officer

Countersigned

Number

OUTSIDE CANADA NEGOTIABLE BY CORRESPONDENTS AT THEIR BUYING RATE FOR DEMAND DRAFTS ON CANADA

Transaction Record
Customer Copy

11:12:22 AM

September 18, 2026
Branch Transit: 0459
Operator: 026
Business Date: September 18, 2026
Card Number: No Card
Authentication: Manual
Deposit
Account:
1 Cheque(s):
Total Deposit:

0443 1xxx-071
\$100,000.00
\$100,000.00

Thank you for banking with
Bank of Montreal

This is Exhibit “C” referred to in the Affidavit of Reza Esfahany sworn by Reza Esfahany of the City of Richmond Hill, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

87D104891AA444A...

Commissioner for Taking Affidavits (or as may be)

JONATHAN KULATHUNGAM



Andrew Keyes
Ward 5 Councillor

August 26, 2026

Mr. Emmanuel Assouline
6505 Trans Canada Route #630
Saint-Laurent, Quebec H4T 1S3

Dear Emmanuel,

I am writing to express my strong support for the proposed seniors' assisted living and long-term care facility at 36 Steeles Avenue East in Thornhill, Markham.

I firmly believe our seniors deserve greater access to high-quality care options in their own community. As Markham continues to age, projects like this are urgently needed.

I have met with you on numerous occasions and have carefully reviewed the preliminary concept plans. I am impressed by the thoughtful design and the clear commitment to creating a facility that prioritizes dignity, safety, and quality of life for residents.

This is a worthwhile and timely project. I fully support your efforts to bring it forward and encourage you and your investors to continue advancing it with confidence.

Thank you for your dedication to improving seniors' care in our community.

Sincerely,

A handwritten signature in blue ink that reads 'A Keyes'.

Andrew Keyes
Councillor, Ward 5
City of Markham

This is Exhibit “D” referred to in the Affidavit of Reza Esfahany sworn by Reza Esfahany of the City of Richmond Hill, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

87D104891AA444A...

Commissioner for Taking Affidavits (or as may be)

JONATHAN KULATHUNGAM

Re: Agreement of Purchase and Sale between Buyer **De Shan Foundation** and Seller **Zonix Homes Inc. and Zonix Dudley Inc.** concerning the property known as 36-48 Steeles Ave. E. And 37-49 Highland Park Blvd. Thornhill, ON L3T 1A2 and L3T 1B4.

Mr. Sean Parsa,

In partnership with Ontario Ministry of Long-Term Care, we are constructing a long term care facility to lodge 923 patients. You have already received a letter from the city of Markham confirming their enthusiasm and commitment to this project. I, Emmanuel Assouline, the liaison agent representing the buyer, De Shan Foundation Inc., confirm that the Amendment to the Agreement of Purchase and Sale-Commercial has extended the deadline/condition date under the Agreement of Purchase and Sale to October 8th 2026 and the transfer via the notary will be done and finalized the latest November 9,2026.

All the other conditions of the amendment have been met, and the transfer date will be respected. The request for an extension is due to the fact that the final engineering and architectural plans will be completed in ten days, and the operator agreement will be submitted next week.

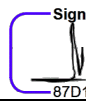
If my memory serves me, we have dealt with Vector Financial, in the past, through one of their Montreal partners.

I will be available for any additional information you require.

E. Assouline B.Arch, MBA
Cell: 514-667-9751



This is Exhibit “E” referred to in the Affidavit of Reza Esfahany sworn by Reza Esfahany of the City of Richmond Hill, in the Regional Municipality of York, before me at the City of Toronto, in the Province of Ontario, on September 21, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

87D104891AA444A...

Commissioner for Taking Affidavits (or as may be)

JONATHAN KULATHUNGAM



Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

(Court Seal)

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Plaintiff

and

REZA ESFAHANY, JAVAD ABDOLHOSSEINI KALKHORANI,
ALI REZA BOSAGHZADEH, ALI REZA JAFARI, MAHVASH KHAJEHZADEH,
and MARYAM ESMAEILZADEH

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANT(S)

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service in this court office, **WITHIN TWENTY DAYS** after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

-2-

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date _____ Issued by _____
Local Registrar

Address of court office: Superior Court of Justice
393 University Avenue, 10th Floor
Toronto, Ontario
M5G 1E6

TO: REZA ESFAHANY
23 Seguin St.,
Richmond Hill ON
L4E 1L8

Defendant

AND TO: JAVAD ABDOLHOSSEINI KALKHORANI
60 Steeles Avenue East
Markham, Ontario
L3T 1A2

Defendant

AND TO: ALI REZA BOSAGHZADEH
74 Grandview Avenue Markham, Ontario
L3T 1H4
-and-
128 Woodward Avenue Markham, Ontario
L3T 1E9

Defendant

AND TO ALI REZA JAFARI
7905 Bayview Avenue
Suite 615
Markham, Ontario
L3T 7N3

Defendant

-3-

AND TO MAHVASH KHAJEHZADEH
74 Grandview Avenue
Markham, Ontario
L3T 1H4

128 Woodward Avenue
Markham, Ontario
L3T 1E9

Defendant

AND TO MARYAM ESMAEILZADEH
7905 Bayview Avenue
Suite 615
Markham, Ontario
L3T 7N3

Defendant

-4-

CLAIM

1. The Plaintiff claims as against the Defendants Ali Reza Bosaghzadeh, Ali Reza Jafari, Reza Esfahany and Javad Abdolhosseini Kalkhorani (the “**Guarantors**”):

- (a) Judgment in the amount of \$3,370,803.00 pursuant to their personal Guarantees;
- (b) In the alternative, damages for breach of contract and fraudulent misrepresentation in the amount of \$3,370,803.00;
- (c) Prejudgment and post-judgment interest on all amounts claimed from April 30, 2026 to the date of Judgment and thereafter to the date of payment at the rate of 15% per annum, calculated annually and compounded monthly, or, in the alternative, pursuant to Sections 128 and 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;

2. The Plaintiff claims as against, Ali Reza Bosaghzadeh and Mahvash Khajehzadeh:

- (a) A Certificate of Pending Litigation as against the properties municipally known as 74 Grandview Avenue, Markham, Ontario, (“**Grandview Property**”) and 128 Woodward Avenue in Markham, Ontario (“**Woodward Property**”) and as legally described in Schedule “A” hereto;
- (b) A Declaration that the Transfer of Grandview registered July 23, 2025, as Instrument YR3818997 in the Land Registry Office for York Region (No. 65) (the “**Grandview Transfer**”), constitutes a fraudulent conveyance and is null and void;

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- (c) A Declaration that the Transfer of Woodward registered July 23, 2025, as Instrument YR3819000 in the Land Registry Office for York Region (No. 65) (the “**Woodward Transfer**”), constitutes a fraudulent conveyance and is null and void; and
 - (d) An Order deleting the Grandview Transfer and the Woodward Transfer from title to the respective properties and restoring title to the name of Ali Reza Bosaghzadeh.
- 3. The Plaintiff claims as against, Ali Reza Jafari and Maryam Esmaeilzadeh for:
 - (a) A Certificate of Pending Litigation as against the property municipally known as 7905 Bayview Avenue, Suite 615 Markham, Ontario (“**Bayview Property**”), and as legally described in Schedule “A” hereto; and
 - (b) A Declaration that the Transfer of the Bayview Property dated May 7, 2025, and registered as Instrument YR3792674 in the Land Registry Office for York Region (No. 65) (the “**Bayview Transfer**”), constitutes a fraudulent conveyance and is null and void; and
 - (c) An Order deleting the Bayview Transfer and restoring title to the name of Ali Reza Jafari.
- 4. The Plaintiff claims as against all Defendants for:
 - (a) Punitive and exemplary damages in the amount of \$250,000.00
 - (b) the costs of this proceeding, plus all applicable taxes on a full indemnity basis; and
 - (c) such further and other Relief as to this Honourable Court may seem just.

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THE PARTIES

5. The Plaintiff, Cameron Stephens Mortgage Capital Ltd. is a corporation acting, amongst other things, as a private lender.

6. The Defendants are all individuals, resident in Ontario.

7. The Defendants, Ali Reza Bosaghzadeh, Ali Reza Jafari, Reza Esfahany and Javad Abdolhosseini Kalkhorani are personal guarantors pursuant of a loan facility of twenty-four million dollars (\$24,000,000.00) granted by the Plaintiff in favour of Zonix Homes Inc. and Zonix Dudley Inc. (collectively the “**Zonix Companies**” or the “**Borrowers**”) in or about February 2024 (the “**Loan**”). The Loan was intended to refinance existing debt and acquire additional property for a proposed development project consisting of a 40-storey residential tower on top of a 6-storey podium (the “**Project**”).

8. The Defendants Mahvash Khajehzadeh and Maryam Esmaeilzadeh, not personally guarantors themselves, are spouses of the Guarantors who knowingly received property under conditions meant solely to evade enforcement against the Guarantors relating to their guarantees of the loan facility.

9. More particularly, the Defendants, Ali Reza Jafari and Maryam Esmaeilzadeh are spouses of one another.

10. The Defendants, Ali Reza Bosaghzadeh and Mahvash Khajehzadeh are spouses of one another.

11. The Defendant, Reza Esfahany is the spouse of a non-party, Zahra Yaghoubi.

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THE LOAN FACILITY

12. Pursuant to the terms of a Letter Agreement dated February 15, 2024, (the “**Loan Agreement**”) the Plaintiff provided a loan facility to the Zonix Companies for twenty-four million dollars (\$24,000,000.00) (the “**Loan**”). The Loan was intended to refinance existing debt and acquire additional property for a proposed development project consisting of a 40-storey residential tower on top of a 6-storey podium (the “**Project**”).

13. In addition to the security registered against the Project, the Defendant Guarantors executed a Guarantee and Postponement of Claim dated March 21, 2024 (the “**Guarantee**”) pursuant to which they unconditionally guaranteed repayment of the indebtedness of the Zonix Companies to the Plaintiff.

14. The loan facility fell into default on or about April 1st, 2025, when the Borrowers failed to pay the balance outstanding at maturity.

15. Various enforcement steps were undertaken by the Plaintiff, following which the parties entered into a Forbearance Agreement dated May 22, 2025 (the “**Forbearance Agreement**”).

16. The Forbearance Agreement extended the deadline for payment of the Loan until June 13, 2025 (the “**Forbearance Termination Date**”).

17. The Forbearance Termination was subsequently extended to April 30, 2026 (the “**Extended Forbearance Termination Date**”) by an Accommodation Agreement dated July 14, 2025 (the “**Accommodation Agreement**”).

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18. The Accommodation Agreement provided for a partial pay down of the Loan, through fresh financing advanced by Vector Financial Services Limited (“**Vector**”). In connection with the Vector Financing, a Subordination and Standstill Agreement was also executed in July 24, 2025 pursuant to which the Plaintiff agreed to subordinate its security to Vector and to refrain from any enforcement steps against the Borrowers until the expiry of 90 days following written notice of default (the “**Standstill**”).

19. Following receipt of the Vector funds, the principal balance owing under the Loan was reduced to \$3,370,803.00 (the “**Residual Principal Balance**”) and an interest reserve was provided to pay the interest on the Residual Principal Balance until the Extended Forbearance Termination Date.

20. The provisions of the Forbearance Agreement provided that the Borrowers and the Guarantors (collectively the “**Obligors**”) “shall not encumber, sell, transfer, convey, lease, or otherwise dispose of any of their respective assets or property without the prior written consent of the Lender”. The Obligors were also required to forthwith provide written notice of the occurrence of an Event of Default. A breach of any obligation, promise, covenant, term or condition of the Forbearance Agreement or the Loan Documents was expressly stated to be an Event of Default.

21. The Loan Agreement required the Obligors to provide such financial and supporting information as the Lender may request from time to time. Additionally, it provided that it was an event of default if “there occurs or is reasonably likely to occur, in the sole discretion of the Lender, a change that has or could be reasonably expected to have a material adverse effect on ...(ii) the financial or other condition of any Borrower or Guarantor or their ability to observe and perform any of their respective covenants and obligations hereunder”.

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22. In or about September of 2025, the Plaintiff became aware of various transactions by the Guarantors, which constituted breaches of the Loan Agreement and the Forbearance Agreement.

23. More particularly, the Defendants conveyed some of their personal property to their spouses for no real consideration in an obvious attempt to defeat, hinder or delay the Plaintiff's or other creditor's ability to collect upon their obligations.

24. Particulars of the impugned transactions are enumerated at paragraphs 2 and 3 herein (the "**Fraudulent Conveyances**"). The properties conveyed were specifically included in Net Worth Statements provided to the Plaintiff at the time of the Loan and relied upon in support of the value of the Guarantee.

25. In addition to the Fraudulent Conveyances, the Defendant Reza Esfahani transferred the property known municipally as 2 Country Heights Drive, Richmond Hill on September 12, 2025. While it appears to be to a purchaser for value, the sale of the asset still constitutes a default under the Loan Agreement and the Forbearance Agreement. The Transfer was prepared and registered by Sean Parsa ("**Parsa**"), the Managing Partner and General Counsel for the Zonix Companies. Parsa participated in the negotiation and drafting of the terms of the Forbearance Agreement and was aware at the time of the registration that the transfer constituted a breach thereof.

26. Furthermore, despite having conveyed 2 Country Heights Drive, which was the Defendant Reza Esfahani's principal residence, the Plaintiff is unaware of the proceeds of sale being invested in a replacement property in the name of said Defendant and is concerned that the proceeds which represented the equity in this property that was subject to the Guarantee have now been utilized to acquire a new residence in a name other than said Defendant.

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27. The Plaintiff has an interest in the lands that were improperly dealt with as the properties were understood to form part of the added security provided by the personal guarantors when entering into the loan facility and all accompanying agreements.

28. On that basis, the Plaintiff, pleads and states that it ought to be granted Certificates of Pending Litigation as against the properties inappropriately encumbered or conveyed to others so that further transfers or encumbrances can be avoided while the Plaintiff seeks orders reversing the fraudulent conveyances and restoring the status quo that had been established under the debt agreements with the Plaintiff.

29. The Plaintiff further seeks to enforce its basic guarantor rights as against the Defendants and seeks full repayment of the indebtedness which the guarantors all assumed personal liability for in addition to the corporations against whom the Plaintiff will also be enforcing.

30. The Plaintiff pleads and relies upon, *inter alia*, the following statutes and any amendments or regulations thereto:

(a) *Fraudulent Conveyances Act*, R.S.O. 1990, c. F.29

(b) *Bankruptcy and Insolvency Act* (R.S.C., 1985, c. B-3)

31. Further, the Defendants' fraudulent conduct justifies an award of punitive damages.

32. The Plaintiff asks that this claim be allowed with costs on a substantial indemnity basis as a result of the fraudulent conduct.

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November 14, 2025

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Lawyers for the Plaintiff

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SCHEDULE "A"

PIN 03020 - 0397 LT *Interest/Estate* Fee Simple

Description LT 350 PL 2446 MARKHAM ;

Address 74 GRANDVIEW AVE MARKHAM

And

PIN 03020 - 0314 LT *Interest/Estate* Fee Simple

Description PCL 7-1 SEC M835; LT 7 PL M835 ; S/T LB51230, LB51503 MARKHAM

Address 128 WOODWARD AVENUE MARKHAM

And

PIN 29328 - 0131 LT *Interest/Estate* Fee Simple

Description UNIT 15, LEVEL 6, YORK REGION CONDOMINIUM PLAN NO. 798 ; PT LT 6 CON 2 (FORMERLY TWP MARKHAM), PTS 1, 5, 7, 11, 12 & 14 65R14780, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT756138 ; MARKHAM

Address 615 SUITE 7905 BAYVIEW AVENUE MARKHAM

Together with

PIN 29328 - 0359 LT *Interest/Estate* Fee Simple

Description UNIT 91, LEVEL A, YORK REGION CONDOMINIUM PLAN NO. 798 ; PT LT 6 CON 2 (FORMERLY TWP MARKHAM), PTS 1, 5, 7, 11, 12 & 14 65R14780, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT756138 ; MARKHAM

Address MARKHAM

CAMERON STEPHENS MORTGAGE
CAPITAL LTD.

Plaintiff

and

REZA ESFAHANY, et al.
Defendants

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

STATEMENT OF CLAIM

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Lawyers for the Plaintiff

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CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Applicant

-and- ZONIX HOMES INC., ZONIX DUDLEY INC. et al.
Respondents

Court File No. CL-26-00000255-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
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Court File No. CL-26-00000255-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
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