

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

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

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

MOTION RECORD

November 21, 2024

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

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Lawyers for the Respondent

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Brittini Tee
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Email: btee@goodmans.ca

Lawyers for Goldy Metals Holdings Inc.

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

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TAB 1

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

B E T W E E N:

MELVYN EISEN, TRUSTEE

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- and -

WOODINGTON ESTATES INC.

Respondent

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

NOTICE OF MOTION

THE APPLICANT will make a motion to a judge of the Ontario Superior Court of Justice (the “**Court**”) on Wednesday, November 27, 2024, at 9:45 am, or as soon after that time as the motion can be heard, via Zoom at Toronto, Ontario.

THE PROPOSED METHOD OF HEARING:

- In writing under subrule 37.12.1 (1) because it is on consent;
- In writing as an opposed motion under subrule 37.12.1 (4);
- In person;
- By telephone conference;
- By Video Conference.

THE MOTION IS FOR:

1. an order appointing Albert Gelman Inc. as receiver (the “**Receiver**”) over all of the assets, undertaking and property of Woodington Estates Inc. (“**Woodington**”) including the real property owned by Woodington known municipally as 7110 4th Line, Tottenham, Ontario (the “**Golf Course Lands**”).
2. such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. The Applicant commenced a receivership application originally returnable August 28, 2024.
2. Melvyn Eisen (“**Eisen**”) and Goldy Metals Holdings Inc. (“**Goldy Metals**”) (together, the “**Lenders**”), and Windsor Private Capital Limited Partnership, Windsor II Limited Partnership and Woodington entered into a letter agreement dated October 8, 2024, whereby the receivership application was adjourned on terms and conditions set out therein (the “**Letter Agreement**”).
3. Pursuant to paragraph 1 of the Letter Agreement, Woodington was to provide to the Lenders post-dated cheques for the monthly interest payments commencing on October 15, 2024 (for the payment otherwise due on October 1, 2024) up to the payment due on February 1, 2025 and further provided that if the post-dated cheques could not be cashed by the Lenders, Woodington was to advise the Lenders and Woodington would have three business days after the payment due date to make the monthly interest payment by way of certified funds.
4. Eisen deposited his October 15, 2024 cheque but the cheque was returned due to insufficient funds.

5. Despite numerous requests, the October 15, 2024 cheque was never replaced and no further payments were made.
6. Goldy Metals received its October 15, 2024 payment by way of certified funds but no further payments were made.
7. In accordance with paragraph 1 of the Letter Agreement, as a result of the non-payment of the monthly interest payments, Woodington has consented to the appointment of a receiver over Woodington's assets, undertakings and properties including the Golf Course Lands.
8. Rule 37.12.1 of the *Rules of Civil Procedure* (Ontario).
9. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

1. The Affidavit of Melvyn Eisen sworn November 21, 2024.
2. The Supplemental Affidavit of Kenneth Gold sworn November 20, 2024.
3. Such further and other material as counsel may advise and this Honourable Court may permit.

November 21, 2024

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5000 Yonge Street, 10th Floor
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Brittini Tee
Tel: (416) 849-6954
Email: btee@goodmans.ca

Lawyers for Goldy Metals Holdings Inc.

MELVYN EISEN, TRUSTEE
Applicant

-and-

WOODINGTON ESTATES INC.
Respondent

Court File No. CV-24-00725570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Harvey Chaiton (LSO No. 21592F)

Tel: (416) 218-1129

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Danish Afroz (LSO No. 65786B)

Tel (416) 218-1147

Email: dafroz@chaitons.com

Lawyers for the Applicant

TAB 2

**ONTARIO
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(COMMERCIAL LIST)**

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AFFIDAVIT OF MELVYN EISEN
(sworn November 21, 2024)

I, **MELVYN EISEN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a private lender and the applicant in these proceedings, carrying on the business of mortgage lending on behalf of investors by way of syndicated loans in which I act as trustee for the lenders.
2. Pursuant to a letter agreement dated October 8, 2024, among myself (the “**Lender**”), Windsor Private Capital Limited Partnership, Windsor II Limited Partnership, Woodington Estates Inc. (“**Woodington**”) and Goldy Metals Holdings Inc., the receivership application was adjourned

on the terms and conditions set out therein (the “**Letter Agreement**”). Attached hereto and marked as **Exhibit “A”** is a true copy of the Letter Agreement.

3. Pursuant to paragraph 1 of the Letter Agreement, Woodington was to provide to the Lender the following:

(a) cheques for the monthly interest payment in the amount of \$108,946.00, which payments were to commence October 15, 2024 (for the payment otherwise due on October 1, 2024), and thereafter the monthly interest payments were to be made on the first day of each month;

(b) post-dated cheques for each monthly interest payment up to and including the payment due on February 1, 2025.

4. The Letter Agreement provided that if the post-dated cheques cannot be cashed by the Lender, Woodington shall so advise the Lender and Woodington will have three business days after the payment due date to make the monthly interest payment by way of certified funds, failing which the consent to receivership will become effective.

5. On October 15, 2024, I received the post-dated cheques referred to in paragraph 4 above. The first payment of October 15, 2024 was deposited but was returned due to insufficient funds.

6. Since October 18, 2024, on almost a daily basis, I sent text messages and emails to Joseph Chetti of Woodington with respect to the NSF cheque and demanded it be replaced.

7. I spoke with Joseph Chetti and he agreed to replace the payment and make all further payments by way of wire transfer which he failed to do. Accordingly, I have received no payments from Joseph Chetti under the Letter Agreement.

8. In accordance with paragraph 1 of the Letter Agreement, as a result of the non-payment of the monthly interest payment, Woodington has consented to the appointment of a receiver over Woodington's assets, undertakings and properties.

SWORN BEFORE ^{ME} ~~ME~~ over videoconference on this ^{21st} ~~19th~~ day of November, 2024. The affiant was located in the City of Toronto and the commissioner was located in the City of Vaughan, both in the Province of Ontario. This affidavit was commissioned remotely in accordance O. Reg. 431/20, Administering Oath or Declaration Remotely



Commissioner for Taking Affidavits
(or as may be)

**Antonette DePinto, a Commissioner, etc.,
Province of Ontario, for Chalkons LLP,
Barristers and Solicitors.
Expires November 28, 2026.**

DocuSigned by:
Melvyn Eisen
F8C31BA67F01418

MELVYN EISEN

**THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF MELVYN EISEN
SWORN BEFORE ME THIS 21st
DAY OF NOVEMBER, 2024**

Antoinette DePinto

A Commissioner etc.



Blaney McMurtry LLP | Lawyers
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David T. Ullmann
Partner
D: 416-596-4289 E: dullmann@blaney.com

October 8, 2024

WITHOUT PREJUDICE

DELIVERED BY EMAIL TO harvey@chaitons.com AND tfriedland@goodmans.ca

Mr. Harvey Chaiton
Chaitons LLP
5000 Yonge St
North York, ON M2N 7E9

Mr. Tom Friedland
Goodmans LLP
333 Bay St. #3400
Toronto ON M5H 2S7

Dear Messrs Chaiton and Friedland,

Re: Adjournment Agreement (the “Agreement”) between Melvyn Eisen (“Eisen”), Goldy Metals Holdings Inc. (“Goldy”) (together, the “Lenders”) and Woodington Estates Inc. (“Woodington”)

As you are aware, on August 14, 2024, Eisen commenced an Application in the Superior Court of Ontario (Commercial List) bearing court file number CV-24-00725570-00CL (the “**Application**”) to appoint a receiver over, *inter alia*, Woodington and the property municipally known as 7110, 4th Line, Tottenham, Ontario (the “**Property**”). On August 30, 2024, Goldy delivered responding materials supporting the Application. On September 9, 2024, Woodington delivered responding materials contesting the Application.

We confirm that Woodington and the Lenders have arrived at an agreement to adjourn the Application to allow Woodington further time to pursue refinancing and sale options as further described herein, and on the terms set out herein.

We are authorized to deliver this letter to you on behalf of Woodington. When executed by each of you on behalf of your respective clients, this letter will constitute a binding and enforceable agreement among our clients in accordance with its terms.

The Lenders are aware that Joseph Chetti, the principal of Woodington, is arranging for the sale of other properties under his control to meet Woodington’s obligations under the

security granted to the Lenders, for which an Agreement of Purchase and Sale has been executed with Torca Tottenham Corp. (the “**Torca Transaction**”). The details of the Torca Transaction and its relation to the matter and security at hand are described more fully in Woodington’s Responding Application materials, in the Affidavit of Joseph Chetti sworn September 9, 2024 (“**Chetti Affidavit**”). The proceeds of the Torca Transaction are anticipated to be sufficient to repay all debts on the Torca Lands and the debts owing to the Lenders under the loans associated with charges bearing instrument numbers SC1568887 and SC1615589.

All parties acknowledge and confirm their respective agreement with, and that they shall comply with each of the following:

1. **Monthly Interest Payments:** As of September 17, 2024, the monthly interest payment owing by Woodington to Eisen is in the amount of \$108,946.00 and the monthly interest payment owing by Woodington to Goldy is \$55,386.49 (together, the “**Monthly Interest Payments**”). Woodington shall commence making the Monthly Interest Payments to the Lenders on October 15, 2024 (for the amount otherwise due on October 1, 2024) and thereafter, the Monthly Interest Payments shall be made on the first day of each month during the Agreement Period. Woodington shall deliver post-dated cheques for each Monthly Interest Payment, up to and including the payment due on February 1, 2025, in this regard, to the Lenders. If the post-dated cheques cannot be cashed by the Lenders, Woodington shall so advise the Lenders and Woodington will have three business days after the payment due date to make the Monthly Interest Payment by way of certified funds, failing which the Consent to Receivership (as defined below) will become effective.
2. **Payments pursuant to completion of Torca Transaction:**
 - a. Currently, the Torca Transaction is expected to close on November 29, 2024 (the “**Closing Date**”), but the closing of the transaction may, in accordance with the existing terms of the Torca Transaction, be extended to as late as February 28, 2025 (the “**Outside Closing Date**”). Woodington agrees that the Outside Closing Date shall not be extended without the Lenders’ prior written consent, which may be withheld at their discretion.
 - b. Upon the closing of the Torca Transaction, the net sale proceeds following payment of all arm’s length mortgages on the properties subject to the Torca Transaction and all reasonable costs of the sale, shall be distributed to:

- i. repay in full the indebtedness owing as of that date on the Eisen Loan, other than as otherwise set out herein, in accordance with the Payout Statements (as defined below);
 - ii. repay in full the indebtedness owing as of that date on the Goldy Loan, in accordance with the Payout Statements; and
 - iii. repay the outstanding construction lien registered to Silvio Construction Co. Ltd. and unpaid property taxes on the Property.
- c. To this effect, Mr. Chetti shall execute irrevocable Directions re. Funds to his real estate solicitors, directing payment of the applicable net sale proceeds of the Torca Transaction:
 - i. intended for the repayment in full of the amounts owing under the Eisen Loan, in accordance with the Payout Statements, to Windsor Private Capital Limited Partnership ("**Windsor**"); and
 - ii. intended for the repayment in full of the amounts owing under the Goldy Loan, in accordance with the Payout Statements, to Goldy.
- d. Windsor shall have the discretion to apply the funds received to either the outstanding amount owing on the Eisen Loan, or to the outstanding amount owing on a loan made by Melvyn Eisen to Totten Investments Inc. and 5021647 Ontario Inc. (together, "**Totten**"), in the principal amount of \$16,320,000 and secured by instrument number SC1683545 on the property municipally known as 6863 Fifth Line, Tottenham, Ontario (the "**Coventry Loan**"), as of the closing date of the Torca Transaction. For greater clarity, any funds applied to repayment of the Coventry Loan shall not reduce any amounts outstanding on the Eisen Loan.
- e. All net sale proceeds following the payments listed in paragraph 2(b) shall also be directed to Windsor, who shall have the discretion to apply these funds to amounts owing on either the Coventry Loan or amounts owing on the Eisen Loan.
- f. The collateral charge registered against the Property and bearing instrument number SC1916092 shall remain unaffected by this Agreement.

3. **Consent to Receivership:**

- a. So long as the Torca Transaction is pending, and Woodington is making the Monthly Interest Payments to the Lenders, Woodington does not consent to the appointment of a receiver over Woodington, its assets, undertakings and/or properties.

- b. Notwithstanding the previous sentence, Woodington consents to the appointment of a receiver on a date which is the earlier of: (a) one week following the closing date of the Torca Transaction, if the Lenders have not been repaid in full by that date in accordance with the Payout Statements; or (b) the Outside Closing Date, if the Lenders have not been repaid in full by that date in accordance with the Payout Statements.
- c. Upon the execution and delivery of this agreement, Woodington will execute and deliver to Eisen the form of Consent to Receivership appended to this letter as Schedule "A", to be held in escrow by Eisen. Woodington agrees to not, in any way, directly or indirectly, oppose, interfere or delay with granting or implementation of the receivership order.
- d. If Woodington repays the Lenders in full, in accordance with the Payout Statements, on or before the Outside Closing Date, Woodington's Consent to Receivership will become immediately null and void.
- e. For greater clarity, in the event that the Torca Transaction does not close by the Outside Closing Date or the Lenders have not been repaid in full, in accordance with the Payout Statements, by the Outside Closing Date, the Consent to Receivership shall be effective as of February 28, 2025.
- f. For greater clarity, if:
 - i. pursuant to paragraphs 2(d) and 2(e), Windsor receives and elects to apply the funds from the Torca Transaction to repayment of the Coventry Loan, and as such amounts on the Eisen Loan are still outstanding as of the Outside Closing Date; and
 - ii. the Goldy Loan has been repaid in full, in accordance with the Payout Statements,

the Consent to Receivership shall be null and void, and no steps shall be taken by Eisen towards appointing a Receiver over Woodington, its assets, undertakings and/or property until at least June 28, 2025.

4. **Role in a Receivership:** Should a receiver be appointed, any such court-approved and issued order appointing a receiver shall specify that Mr. Chetti and his representatives will be given a consultative role in the development of the marketing and sale of the Property only. The Receiver shall, prior to commencing

any sale process, seek an order of the Court describing and authorizing the sale process and identifying Mr. Chetti's consultative role in it. For greater certainty, Mr. Chetti will not have a veto over, or otherwise control the actions of, the receiver in its conduct of the sale process or otherwise.

5. **Payout Statements:** The Lenders have each provided two payout statements for their respective loans, secured by the Security, one calculated to November 29, 2024 and one calculated to February 28, 2025 (the "**Payout Statements**"), copies of all of which are appended to this letter as Schedule "B", and according to which the Monthly Interest Payments have been calculated. Woodington confirms the accuracy of the Payout Statements and will promptly provide the Lenders with executed Directions re. Funds, to be used at the time the Torca Transaction closes, which shall be held in escrow and which will direct the closing funds to each of the Lenders in the relevant amounts of the Payout Statements. Any earlier payout of either or both loans hereafter will use these same amounts, adjusted to deduct the necessary per diem interest.

The Direction shall be acknowledged by the lawyers acting for the seller in connection with the Torca Transaction who shall agree to be bound by and comply with the Direction. The lawyers are also to immediately advise the Lenders if they no longer act for the seller for any reason. The termination of their retainer as lawyers for the seller, without the prior knowledge and consent of the Lenders, not to be unreasonably withheld, shall also be an event of default triggering the right to use the Consent to Receivership.

6. **Disclosure:** If the Torca Transaction does not close by November 29, 2024, Woodington will provide unredacted copies of the Torca Transaction documents to the Lenders by November 30, 2024. Mr. Chetti will also provide a written explanation, on or before December 2, 2024, as to why the transaction has not closed and the details of any alternative plans that are being considered to repay the Lenders.
7. **Pending Application:** The parties will not proceed with conducting cross-examinations, filing any reply materials, or any further steps under the Application, or take any further enforcement steps under the Application pending the return of the hearing at the Case Conference (as defined below). The hearing of the Application, currently scheduled for October 10, 2024, shall be adjourned on consent to a case conference to be held during the week of December 2, 2024 (the "**Case Conference**"), at which point the parties will report on the status of the Torca Transaction and other matters discussed under the Application and this Agreement. If Eisen determines to proceed with the receivership application,

absent the occurrence of an event which activates the Consent to Receivership, the Case Conference will not result in the appointment of a receiver. If the Lenders determine a receivership is appropriate and Woodington disagrees, the parties will set a schedule at this Case Conference for the exchange of updated materials, if necessary, and a date for the receivership hearing. This shall not prejudice the rights of the Lenders to rely on the Consent to Receivership if they have not been repaid in full, in accordance with the Payout Statements, by the Outside Closing Date.

8. **Costs:** The Lenders' costs for this proceeding will be added to the debt under their respective security agreements, to the extent such agreements provide for same.

Please confirm your acceptance, on behalf of your clients, of the above-noted Agreement by executing a duplicate copy of this letter on or before October 8, 2024.

Yours truly,
Blaney McMurtry LLP



David T. Ullmann
DTU/AS/ab

We have reviewed the foregoing and agree to its terms on behalf of our clients:



Blaney McMurtry LLP as solicitors for
Woodington Estates Inc.



Chaitons LLP as solicitors for Melvyn Eisen, Windsor Private
Capital Limited Partnership & Windsor II Limited Partnership



Goodmans LLP as solicitors for Goldy Metals
Holdings Inc.

SCHEDULE "A" – CONSENT TO APPOINTMENT OF RECEIVER

CONSENT TO APPOINTMENT OF RECEIVER

1. Woodington Estates Inc. ("**Woodington**") hereby consents to the appointment of a receiver by Melvyn Eisen, Trustee ("**Eisen**"), Goldy Metals Holdings Inc. ("**Goldy**") (together, the "**Lenders**") over Woodington's assets, undertakings and properties, with respect to the Application bearing Court File No. CV-24-00725570-00CL, pursuant to the terms of the Adjournment Agreement dated October 8, 2024 (the "**Adjournment Agreement**").

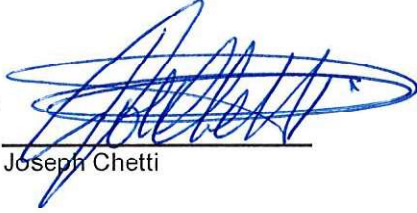
2. If Woodington fully repays the total amount of indebtedness to both Lenders in connection with the subject security, in accordance with the Payout Statements (as defined in the Adjournment Agreement), before or on February 28, 2025, this Consent to Receivership will immediately become null and void.

3. All defined terms herein are to be interpreted as consistent with the Adjournment Agreement dated October 8, 2024 and the Affidavit of Joseph Chetti, sworn September 9, 2024.

DATED at Toronto this 8th day of October, 2024.

WOODINGTON ESTATES INC.

Per:



Joseph Chetti

Authorized Signing Officer

SCHEDULE "B" – PAYOUT STATEMENTS

From: [Antoinette De Pinto](#)
To: [David T. Ullmann](#); [Anisha Samat](#)
Cc: [Harvey G. Chaiton](#)
Subject: Woodington
Date: Tuesday, October 8, 2024 3:37:28 PM
Attachments: [image001.png](#)
[thinkprint_1ce891d4-e7bd-492c-a24c-11a2636f5650.png](#)

Good afternoon,

Below please find payout statements.

| As of Nov. 29, 2024 | |
|---|------------------------|
| Principal | \$10,750,000.00 |
| Interest | \$1,351,201.13 |
| Chaitons legal + HST (Aug 2024 payment) | \$52,889.35 |
| Mel's legal fees \$15,000 + HST | \$16,950.00 |
| Renewal Fee - Tom Sheppard (\$115,000.00 + HST) | \$129,950.00 |
| Total | \$12,300,990.48 |
| Per diem | \$3,707.15 |
| | |
| As of Feb. 28, 2025 | |
| Principal | \$10,750,000.00 |
| Interest | \$1,683,003.34 |
| Chaitons legal + HST (Aug 2024 payment) | \$52,889.35 |
| Mel's legal fees \$15,000 + HST | \$16,950.00 |
| Renewal Fee - Tom Sheppard (\$115,000.00 + HST) | \$129,950.00 |
| Total | \$12,632,792.69 |
| Per diem | \$3,807.14 |



Antoinette De Pinto | [Law Clerk/Assistant to Harvey Chaiton & Laura Culleton](#)
 T: 416.218.1762 E: Antoinet@chaitons.com
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MORTGAGE STATEMENT OF ARREARS

GOLDY METALS HOLDINGS INC.
 2nd mortgage loan to
WOODINGTON ESTATES INC.
 7110 4th Line, Tottenham, Ontario

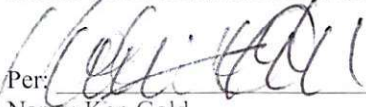
As of November 29, 2024

| | | |
|--|-------------|-------------------------|
| Principal | | \$5,500,000.00 |
| TOTAL DUE, as of June 5, 2024, statement | | \$5,878,581.15 |
| Interest accrued from June 5 to November 29, 2024 | | \$320,623.17 |
| Legal fees due Schwartz & Schwartz (from June 5 to September 16, 2024, inclusive of HST) | | \$25,480.23 |
| Legal fees due Goodmans LLP (to August 31, 2024, inclusive of HST) | | \$132,443.72 |
| Estimated legal fees due Schwartz & Schwartz (from September 16, 2024 to November 29, 2024, including HST) and Goodmans LLP (from August 31, 2024 to November 29, 2024, including HST) | | \$100,000.00 |
| Interest Payment - October 1, 2024 (payable October 15, 2024) | \$55,386.49 | |
| Interest Payment - November 1, 2024 | \$55,386.49 | |
| TOTAL DUE | | \$6,346,355.29** |

** The direction to pay will specify this amount, but the parties agree to further adjust this amount (up or down) on payout, depending on the actual legal fees due Schwartz & Schwartz and Goodmans LLP, including HST, to November 29, 2024.

DATED the 24th day of September, 2024.

GOLDY METALS HOLDINGS INC.

Per: 

Name: Ken Gold

Title: President

I have authority to bind the Corporation

E. & O. E.

MORTGAGE STATEMENT OF ARREARS

GOLDY METALS HOLDINGS INC.
 2nd mortgage loan to
WOODINGTON ESTATES INC.
 on 7110 4th Line, Tottenham, Ontario

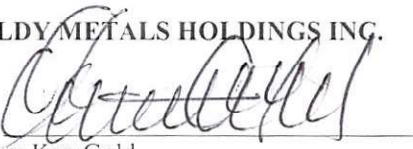
As of February 28, 2025

| | | |
|--|-------------|-------------------------|
| Principal | | \$5,500,000.00 |
| TOTAL DUE, as of June 5, 2024, statement | | \$5,878,581.15 |
| Interest accrued from June 5, 2024 to February 28, 2025 | | \$492,191.80 |
| Legal fees due Schwartz & Schwartz (from June 5 to September 16, 2024, inclusive of HST) | | \$25,480.23 |
| Legal fees due Goodmans LLP (to August 31, 2024, inclusive of HST) | | \$132,443.72 |
| Estimated legal fees due Schwartz & Schwartz (from September 16, 2024 to February 28, 2025, including HST) and Goodmans LLP (from August 31, 2024 to February 28, 2025, including HST) | | \$125,000.00 |
| Interest Payment - October 1, 2024 (payable October 15, 2024) | \$55,386.49 | |
| Interest Payment - November 1, 2024 | \$55,386.49 | |
| Interest Payment - December 1, 2024 | \$55,386.49 | |
| Interest Payment - January 1, 2025 | \$55,386.49 | |
| Interest Payment - February 1, 2025 | \$55,386.49 | |
| TOTAL DUE – February 28, 2025 | | \$6,376,764.45** |

** The direction to pay will specify this amount, but the parties agree to further adjust this amount (up or down) on payout, depending on the actual legal fees due Schwartz & Schwartz and Goodmans LLP, including HST, to February 28, 2025.

DATED the 24th day of September, 2024.

GOLDY METALS HOLDINGS INC.

Per: 

Name: Ken Gold

Title: President

I have authority to bind the Corporation

E. & O. E.

MELVYN EISEN, TRUSTEE
Applicant

-and-

WOODINGTON ESTATES INC.
Respondent

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

AFFIDAVIT OF MELVYN EISEN
(sworn November 21, 2024)

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

Harvey Chaiton (LSO No. 21592F)
Tel: (416) 218-1129
Email: harvey@chaitons.com

Danish Afroz (LSO No. 65786B)
Tel: (416) 218-1137
E-mail: dafroz@chaitons.com

Lawyers for the Applicant

TAB 3

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

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

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

**SUPPLEMENTAL AFFIDAVIT OF KENNETH GOLD
(Sworn November 20, 2024)**

I, Kenneth Gold, of the City of Toronto, in the Province of Ontario, MAKE OATH

AND SAY AS FOLLOWS:

A. INTRODUCTION AND OVERVIEW

1. I am President of Goldy Metals Holdings Inc. (“**Goldy**”). As such, I have personal knowledge of the matters addressed in this affidavit. To the extent that information has been provided to me by others, I have specified the source of that information. In each case, I believe the information to be true.

2. I swear this supplemental affidavit in support of the motion brought by the Applicant, Mel Eisen, to appoint a Receiver on consent over the assets, undertakings and properties of the Respondent, Woodington Estates Inc. (“**Woodington**”). This supplemental affidavit

should be read in conjunction with the affidavit I affirmed on August 30, 2024, a copy of which is attached hereto (without exhibits) as Exhibit “A” (the “**First Gold Affidavit**”). Capitalized terms not defined herein should have the meaning ascribed to them in the First Gold Affidavit.

B. THE RECEIVERSHIP APPLICATION

3. The details of Goldy’s relationship with Woodington and the Applicant are outlined in full in paragraphs 3-17 of the First Gold Affidavit. For the purposes of this affidavit, a high-level summary of this relationship has been provided below.
4. Pursuant to a Commitment Letter dated July 24, 2019, Goldy loaned Woodington \$5.5 million (the “**Goldy Loan**”). The Goldy Loan is secured by, among other things, a charge/mortgage in favour of Goldy in the principal amount of \$5.5 million, which is registered on title to the Golf Course Lands (the “**Second Mortgage**”), in second priority to a mortgage registered by the Applicant (the “**First Mortgage**”).
5. Woodington has been in default of the Goldy Loan since approximately June 2023. Since the Goldy Loan went into default, Goldy made multiple attempts to recover the amounts owed to it under the Goldy Loan, but these efforts were unsuccessful.
6. On August 9, 2024, the Applicant commenced an application to appoint a Receiver over the Golf Course Lands and the business and assets of Woodington Lake Golf Club (the “**Receivership Application**”). Given Woodington’s continuing default in respect of the Goldy Loan, Goldy supported the relief sought in the Receivership Application.

C. THE ADJOURNMENT AGREEMENT

7. The Receivership Application was originally scheduled to be heard on October 10, 2024.
8. However, on October 8, 2024, the parties executed a letter agreement pursuant to which the parties agreed to adjourn the Receivership Application to allow Woodington further time to pursue certain refinancing and sale options (the “**Adjournment Agreement**”). A copy of the Adjournment Agreement is attached hereto as Exhibit “**B**”.
9. Appended as Schedule “A” to the Adjournment Agreement is a consent to receivership executed by Woodington (the “**Consent to Receivership**”). The Adjournment Agreement stipulates that the Consent to Receivership becomes effective if Woodington fails to fulfill certain terms, including failing to repay the Applicant and Goldy in full by February 28, 2024, or failing to make certain monthly interest payments (the “**Monthly Interest Payments**”), as described below.
10. With respect to the Monthly Interest Payments, the Adjournment Agreement stipulates that:
 - (a) Woodington would pay the Monthly Interest Payments to the Applicant and Goldy in the amounts of \$108,946.00 and \$55,386.49, respectively;
 - (b) Woodington would commence making the Monthly Interest Payments to the Applicant and Goldy on October 15, 2024 (for the amount otherwise due on October 1, 2024) and thereafter, the Monthly Interest Payments would be made on the first day of each month during the agreement period;

- (c) Woodington would deliver post-dated cheques for each Monthly Interest Payment, up to and including the payment due on February 1, 2025;
- (d) If the post-dated cheques could not be cashed by Goldy and the Applicant, Woodington would have three business days after the payment due date to make the Monthly Interest Payment by way of certified funds; and,
- (e) If Woodington failed to provide the certified funds for the Monthly Interest Payments within three business days, then the executed Consent to Receivership would become effective.

D. WOODINGTON FAILS TO MAKE THE MONTHLY INTEREST PAYMENTS

(i) Woodington is late paying the October Monthly Interest Payment

- 11. As described above, the October Monthly Interest Payment was due on October 15, 2024.
- 12. Despite this, I was not provided with a copy of the post-dated cheque for the October Monthly Interest until October 16, 2024. At that time, I was advised by Barry Kerbel (an intermediary between Woodington and me) that the post-dated cheque for the October Monthly Interest Payment should not be deposited until October 18, 2024, or it would be returned NSF.
- 13. In good faith, I complied with the request to wait until October 18, 2024, to cash the post-dated cheque for the October Monthly Interest Payment. Nonetheless, the cheque was returned NSF.
- 14. As such, my counsel wrote to Woodington's counsel on October 22, 2024 to demand that certified funds sufficient to pay the October Monthly Interest Payment be delivered to

Goldy by close of business on October 25, 2024, failing which the Consent to Receivership would become effective, as stipulated in the Adjournment Agreement. A copy of this correspondence is attached hereto as Exhibit “C”.

15. On October 23, 2024, Mr. Kerbel provided me with a certified cheque on behalf of Woodington in respect of the October Monthly Interest Payment. I successfully deposited this certified cheque on October 24, 2024.

(ii) Woodington fails to pay the November Monthly Interest Payment

16. Shortly after I successfully deposited the certified cheque for the October Monthly Interest Payment, Mr. Kerbel advised me that the post-dated cheque provided to me for the November Monthly Interest Payment due on November 1, 2024 would also be returned as NSF.
17. On October 25, 2024, my counsel emailed Woodington’s counsel to confirm whether Mr. Kerbel’s comments were correct, and to advise that if the November Monthly Interest Payment was not paid by November 6, 2024 (being three business days following the due date), the Consent to Receivership would become effective, as stipulated in the Adjournment Agreement. A copy of this correspondence is attached hereto as Exhibit “D”.
18. No response was ever provided to this email. As such, on October 30, 2024, my counsel followed-up to confirm the status of the November Monthly Interest Payment. A copy of this correspondence is attached hereto as Exhibit “E”.

19. Again, no response to my counsel's inquiries was provided. Accordingly, I attempted to deposit the post-dated cheque provided for the November Monthly Interest Payment. On November 8, 2024, I was advised by my bank that the cheque was returned as NSF.
20. On November 10, 2024, my counsel again wrote to Woodington's counsel and demanded payment of the November Monthly Interest Payment by close of business on November 13, 2024 (being three business days following the day that the November cheque was returned as NSF), failing which the Consent to Receivership would become effective. A copy of this correspondence is attached hereto as Exhibit "F".
21. My counsel followed-up on his correspondence on November 15, 2024, but no response was ever provided. A copy of this correspondence is attached hereto as Exhibit "G".
22. Woodington has repeatedly failed to make the Monthly Interest Payments in accordance with the timelines stipulated in the Adjournment Agreement. Further, despite multiple indulgences, Woodington has failed to cure its default by providing certified funds within three business days, or at all.
23. Accordingly, pursuant to the terms of the Adjournment Agreement, the Consent to Receivership is now effective.

SWORN by Kenneth Gold at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)



Kenneth Gold

Brittni Tee
LSO: 85001P

TAB A

This is **Exhibit "A"** referred to in the
Affidavit of Kenneth Gold
sworn remotely before me this
20th day of November, 2024

A handwritten signature in blue ink, appearing to read "Kristin Lee".

A Commissioner for Taking Affidavits, etc.

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

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

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

AFFIDAVIT OF KENNETH GOLD

(Sworn August 30, 2024)

I, Kenneth Gold, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:

INTRODUCTION AND OVERVIEW

1. I am President of Goldy Metals Holdings Inc. (“**Goldy**”). As such, I have personal knowledge of the matters addressed in this affidavit. To the extent that information has been provided to me by others, I have specified the source of that information. In each case, I believe the information to be true.
2. I swear this affidavit in support of the application brought by Melvyn Eisen (the “**Applicant**”) to appoint Albert Gelman Inc. as receiver over the assets, undertaking and

property of Woodington Estates Inc. (the “**Debtor**”) including the real property owned by the Debtor known municipally as 7110 4th Line, Tottenham, Ontario (the “**Golf Course Lands**”) and the business and assets of Woodington Lake Golf Club (the “**Golf Club**”) operating on the Golf Course Lands.

THE GOLDY LOAN AND SECURITY

3. The Debtor is the registered owner of the Golf Course Lands, which houses the Golf Club, a thirty-six hole golf facility. The Debtor’s sole director and officer is Joseph Chetti (“**Chetti**”). The corporate structure and ownership of the Debtor, the Golf Course Lands and the Golf Club is explained in greater detail at paragraphs 4-12 of the Affidavit of Melvyn Eisen dated August 7, 2024 (the “**Eisen Affidavit**”).
4. Goldy Metals Holdings Inc. (as defined above, “**Goldy**”) is a corporation incorporated pursuant to the laws of the Province of Ontario. Goldy is a holding company for various private investments including loans and mortgages.
5. Pursuant to a Commitment Letter dated July 24, 2019, Goldy made a loan to the Debtor in the principal amount of \$5.5 million (the “**Goldy Loan**”). A copy of the commitment letter related to the Goldy Loan is attached hereto as Exhibit “**A**”.
6. The term of the Goldy Loan was for one year. The maturity date under the Loan was August 12, 2020 (the “**Maturity Date**”). The interest rate under the Goldy Loan was 11% per annum, calculated monthly, and the monthly payments were interest only until the Maturity Date.

7. At the time Goldy entered into the Goldy Loan, Goldy was aware that the Golf Course Lands were subject to a first mortgage registered by the Applicant (the **“First Mortgage”**).
8. In this context, the Debtor’s obligations with respect to the Goldy Loan are secured by, among other things (collectively, the **“Security”**):
 - (a) a charge/mortgage in favour of Goldy in the principal amount of \$5.5 million registered on title to the Golf Course Lands (the **“Second Mortgage”**). The Second Mortgage, which bears registration number SC1615589, was registered against the Golf Course Lands on August 12, 2019, and in second priority to the First Mortgage. A copy of the Charge and additional Charge terms are attached hereto as Exhibits **“B”** and **“C”**.
 - (b) An assignment of rents, which was registered on title to the Golf Course Lands on August 12, 2019 as instrument SC1615590 (the **“Assignment of Rents”**). A copy of the Assignment of Rents as well as the instrument statement are attached hereto as Exhibits **“D”** and **“E”**;
 - (c) A General Security Agreement over all contracts, chattels, fixtures and leasehold improvements located at or upon or relating to the Golf Course Lands (the **“GSA”**). A copy of the GSA is attached hereto as Exhibit **“F”**.
9. Standard Charge Terms No. 200033 (the **“Standard Charge Terms”**) are incorporated by reference into the Second Mortgage. A copy of the Standard Charge Terms as well as an acknowledgment of the terms are attached hereto as Exhibits **“G”** and **“H”**.

10. In addition, Chetti personally guaranteed the payment of all amounts owing by the Debtor under the Second Mortgage, plus interest accruing thereon at the applicable rate under the Second Mortgage from the date of demand for payment and all costs and expenses incurred by Goldy in enforcing upon the guarantee (the **“Guarantee”**). A copy of the Guarantee is attached hereto as Exhibit **“T”**.

DEBTOR’S DEFAULT AND GOLDY’S DEMAND

11. The Goldy Loan was not repaid in full on the Maturity Date. After the Goldy Loan matured, the Debtor continued to make monthly interest payments on the Goldy Loan and, as such, I determined that I did not need to demand repayment of the Goldy Loan at that time.
12. The Debtor continued to make these monthly interest payments on the Goldy Loan during the period from August 2020 until in or around June 2023. However, in or about June 2023, the Debtor defaulted by ceasing to make such payments.
13. Accordingly, on June 27, 2023, Goldy’s counsel sent a letter to Chetti advising that the term of the Goldy Loan would not be further extended and demanding full repayment of the loan on August 12, 2023. A copy of this letter is attached hereto as Exhibit **“J”**.
14. The Debtor failed to cure its default in the following weeks. As such, on August 9, 2023, Goldy delivered to the Debtor a Notice of Sale (the **“Notice of Sale”**). The Notice of Sale stated that Goldy would sell the Property pursuant to the provisions of the First Mortgage unless the total amount then owing (\$5,601,652.09, including accrued and accruing unpaid interest, fees and costs) was paid on or before September 18, 2023. A copy of the Notice of Sale is attached hereto as Exhibit **“K”**.

15. Following the issuance of the Notice of Sale, Chetti contacted me to try and negotiate a further forbearance until October 31, 2023. In exchange for this forbearance, Chetti offered to make the interest payments on the Goldy Loan that the Debtor had originally failed to pay for July and August, as well as the September and October interest payments, in addition to payment of a small fee.
16. I advised Chetti that in order to accept these payments, I would require agreement to certain terms. On August 24, 2023, my counsel outlined these terms in an email to Chetti's counsel. Among other things, these terms required Chetti to acknowledge that the payment for interest up to August 12, 2023 was without prejudice to the enforcement rights under the Notice of Sale. Chetti's counsel accepted these terms by way of email dated August 30, 2023. A copy of this email is attached hereto as Exhibit "L".
17. The Debtor made the agreed upon forbearance payments, but then did not make any interest payments for November and December. As such, Goldy arranged for the Golf Course Lands to be listed for sale on December 29, 2023.

THE PROPOSED SALE

18. In or around January 2024, 1000682864 Ontario Inc. ("**864**") made an offer to purchase the Golf Course Lands for \$21,250,000 pursuant to the Notice of Sale. 864 is an Ontario corporation controlled by Chetti, who is the corporation's sole director. A corporate profile report of 864 is attached hereto as Exhibit "**M**".
19. Pursuant to the Notice of Sale, Goldy accepted 864's offer to purchase the Golf Course Lands (the "**Proposed Sale**"). The Agreement of Purchase and Sale is attached hereto as Exhibit "**N**".

20. The Proposed Sale was initially scheduled to close on January 15, 2024. However, 864 was unable to secure the funds to close by the scheduled date. Accordingly, Goldy granted 864 an indulgence and agreed to extend the closing of the transaction until February 16, 2024. A copy of the extension letter and the related amendment to the Agreement of Purchase and Sale are attached hereto as Exhibits “O” and “P”.
21. Despite the fact that Goldy was willing and able to close on February 16, 2024, 864 failed again to assemble the funds to close the Proposed Sale.
22. As part of the Proposed Sale, 864’s lawyer held a \$1,250,000 deposit in trust for Goldy. After the transaction failed to close, Goldy was paid \$250,000 of this deposit, which it applied to pay outstanding legal fees and to reduce the accrued and unpaid interest on the Goldy Loan. However, to the best of my knowledge, Chetti wrongfully directed 864’s lawyer to pay \$750,000 of the remaining deposit funds to reduce the amount outstanding under the First Mortgage and to pay the remaining \$250,000 to himself or an affiliated entity. Accordingly, Goldy never received the remaining \$1,000,000 of the \$1,250,000 deposit to which it was entitled under the Proposed Sale.
23. After the second failed attempt to close and the improper diversion of the deposit funds owed to Goldy, no further attempts were made to extend the closing of the Proposed Sale and the transaction fell apart.

EVENTS SINCE DISSOLUTION OF SALE TRANSACTION

24. In the spring following the failure of the Proposed Sale, Goldy made multiple demands for payment to the Debtor. Although the Debtor repeatedly assured Goldy that payment would be made forthwith, no payments were made.
25. In early April 2024, Goldy arranged to have the Golf Course Lands re-listed for sale pursuant to the Notice of Sale.
26. The Debtor's pattern of broken promises continued throughout the late spring and summer. On May 16, 2024, Chetti executed a forbearance agreement on behalf of both 864 and the Debtor in which Chetti agreed to make a without prejudice payment of \$1,000,000 to Goldy by May 17, 2024 in exchange for Goldy's agreement to refrain from taking steps to sell the Golf Course Lands or otherwise enforce its security until June 14, 2024. A copy of the Forbearance Agreement is attached hereto as Exhibit "Q".
27. However, contrary to the terms of the Forbearance Agreement, the Debtor did not make any payment on May 17, 2024. After missing this deadline, the Debtor verbally promised to make the payment of \$1,000,000 to Goldy by various dates, including by May 22 and May 27, 2024. Again, the Debtor failed to pay.
28. On June 5, 2024, Goldy's litigation counsel, Goodmans LLP ("Goodmans") sent a letter to the Debtor demanding payment of the outstanding amounts owed by the Debtor. At that time, the Debtor's total indebtedness was \$5,878,581.15, including unpaid interest, fees and costs. A copy of this letter and the attached Mortgage Arrears Statement are attached hereto as Exhibit "R".

29. The Debtor did not make any payment in response to Goldy's counsel's demand letter.
30. Throughout the summer, the Debtor advised Goldy that it was in the process of negotiating a potential refinancing transaction with respect to the Golf Course Lands which would enable the Debtor to pay out both the First Mortgage and the Second Mortgage. On or about June 14, 2024 Barry Kerbel, a real estate broker acting as an intermediary between Goldy and Chetti, provided Goldy with a copy of the non-binding letter of intent with respect to this proposed transaction dated June 10, 2024. A copy of this letter of intent is attached as Exhibit "V" to the Eisen Affidavit.
31. In or around June 18, 2024, Mr. Kerbel informed Goldy that Golflinks Holdings Ltd. had offered to purchase the Golf Course Lands for \$15,000,000. Goldy did not accept this offer, as Mr. Kerbel advised that this price was significantly less than the value of the Golf Course Lands, and, in any event, this amount would not pay out all of the registered mortgages against the property.
32. In or around that time, in order to induce Goldy to refrain from taking steps to sell the Golf Course Lands or otherwise enforce its security while the purported refinancing transaction was arranged, the Debtor agreed to provide Chetti's personal residence as additional security for the Goldy Loan in exchange for the execution of another Forbearance Agreement.
33. As such, Goldy's counsel drafted and provided various legal documentation to Chetti's lawyer and Chetti's wife's lawyer at the end of June, 2024. These documents included a forbearance agreement, a limited recourse guarantee, mortgage charge documentation, an acknowledgement and direction, and a certificate of independent legal advice for Chetti's

wife. However, after Goldy incurred the cost of preparing these documents, Chetti and his wife refused to sign them. A copy of the Forbearance Agreement is attached hereto as Exhibit “S”.

34. Following his refusal to execute the Forbearance Agreement, Chetti made a further effort to induce Goldy to avoid taking enforcement steps by making a verbal offer to make payment of \$400,000 for an additional forbearance agreement. Throughout this time, Chetti continued to assure Goldy that additional refinancing proposals were forthcoming.
35. On August 14, 2024, Mr. Kerbel provided an updated version of the letter of intent dated July 26, 2024 with respect to the proposed refinancing transaction to Goldy. A copy of the updated letter of intent is attached hereto as Exhibit “T”.
36. That same day, Goldy was served with the Applicant’s Receivership Application. Since that time, the Debtor has not provided Goldy with any additional updates about the purported refinancing transaction or any other transaction that would result in Goldy receiving payment for its loan.
37. No further steps have been taken with respect to the Goldy Loan, which remains in default as of the date of this affidavit.


JUST AND CONVENIENT TO APPOINT A RECEIVER

38. Goldy supports the Applicant's application to appoint a receiver and believes that it is just and convenient to do so.
39. The Goldy Loan matured on August 12, 2020 and was not repaid upon maturity. Although the Debtor made monthly interest payments in the period from August 2020 to June 2023,

it has failed to make any payments of any kind since October 2023 (other than the payment of \$250,000 described in paragraph 22).

40. The Debtor has made repeated promises to Goldy regarding repayment of the Goldy Loan, but these promises remain unfulfilled.
41. Goldy has been provided with no evidence that the Debtor has arranged financing to repay the Second Mortgage.
42. In the circumstances, it is just and convenient to appoint a receiver. The appointment of a receiver will provide transparency and oversight to allow for an orderly realization of the Golf Course Lands and the Golf Club operations for the benefit of all creditors and other stakeholders.
43. I make this affidavit in support of the appointment of the receiver and for no other improper purpose.

SWORN by Kenneth Gold at the City of Toronto, in the Province of Ontario, before me on August 30, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)

Brittnei Tee
LSO: 85001P



Kenneth Gold

TAB B

This is **Exhibit “B”** referred to in the Affidavit

of Kenneth Gold

sworn remotely before me this

20th day of November, 2024

A handwritten signature in blue ink, appearing to read "Kristina Lee". The signature is written in a cursive style with a horizontal line extending from the end.

A Commissioner for Taking Affidavits, etc.

David T. Ullmann
Partner
D: 416-596-4289 E: dullmann@blaney.com

October 8, 2024

WITHOUT PREJUDICE

DELIVERED BY EMAIL TO harvey@chaitons.com AND tfriedland@goodmans.ca

Mr. Harvey Chaiton
Chaitons LLP
5000 Yonge St
North York, ON M2N 7E9

Mr. Tom Friedland
Goodmans LLP
333 Bay St. #3400
Toronto ON M5H 2S7

Dear Messrs Chaiton and Friedland,

Re: Adjournment Agreement (the “Agreement”) between Melvyn Eisen (“Eisen”), Goldy Metals Holdings Inc. (“Goldy”) (together, the “Lenders”) and Woodington Estates Inc. (“Woodington”)

As you are aware, on August 14, 2024, Eisen commenced an Application in the Superior Court of Ontario (Commercial List) bearing court file number CV-24-00725570-00CL (the “**Application**”) to appoint a receiver over, *inter alia*, Woodington and the property municipally known as 7110, 4th Line, Tottenham, Ontario (the “**Property**”). On August 30, 2024, Goldy delivered responding materials supporting the Application. On September 9, 2024, Woodington delivered responding materials contesting the Application.

We confirm that Woodington and the Lenders have arrived at an agreement to adjourn the Application to allow Woodington further time to pursue refinancing and sale options as further described herein, and on the terms set out herein.

We are authorized to deliver this letter to you on behalf of Woodington. When executed by each of you on behalf of your respective clients, this letter will constitute a binding and enforceable agreement among our clients in accordance with its terms.

The Lenders are aware that Joseph Chetti, the principal of Woodington, is arranging for the sale of other properties under his control to meet Woodington’s obligations under the

security granted to the Lenders, for which an Agreement of Purchase and Sale has been executed with Torca Tottenham Corp. (the “**Torca Transaction**”). The details of the Torca Transaction and its relation to the matter and security at hand are described more fully in Woodington’s Responding Application materials, in the Affidavit of Joseph Chetti sworn September 9, 2024 (“**Chetti Affidavit**”). The proceeds of the Torca Transaction are anticipated to be sufficient to repay all debts on the Torca Lands and the debts owing to the Lenders under the loans associated with charges bearing instrument numbers SC1568887 and SC1615589.

All parties acknowledge and confirm their respective agreement with, and that they shall comply with each of the following:

1. **Monthly Interest Payments:** As of September 17, 2024, the monthly interest payment owing by Woodington to Eisen is in the amount of \$108,946.00 and the monthly interest payment owing by Woodington to Goldy is \$55,386.49 (together, the “**Monthly Interest Payments**”). Woodington shall commence making the Monthly Interest Payments to the Lenders on October 15, 2024 (for the amount otherwise due on October 1, 2024) and thereafter, the Monthly Interest Payments shall be made on the first day of each month during the Agreement Period. Woodington shall deliver post-dated cheques for each Monthly Interest Payment, up to and including the payment due on February 1, 2025, in this regard, to the Lenders. If the post-dated cheques cannot be cashed by the Lenders, Woodington shall so advise the Lenders and Woodington will have three business days after the payment due date to make the Monthly Interest Payment by way of certified funds, failing which the Consent to Receivership (as defined below) will become effective.
2. **Payments pursuant to completion of Torca Transaction:**
 - a. Currently, the Torca Transaction is expected to close on November 29, 2024 (the “**Closing Date**”), but the closing of the transaction may, in accordance with the existing terms of the Torca Transaction, be extended to as late as February 28, 2025 (the “**Outside Closing Date**”). Woodington agrees that the Outside Closing Date shall not be extended without the Lenders’ prior written consent, which may be withheld at their discretion.
 - b. Upon the closing of the Torca Transaction, the net sale proceeds following payment of all arm’s length mortgages on the properties subject to the Torca Transaction and all reasonable costs of the sale, shall be distributed to:

- i. repay in full the indebtedness owing as of that date on the Eisen Loan, other than as otherwise set out herein, in accordance with the Payout Statements (as defined below);
 - ii. repay in full the indebtedness owing as of that date on the Goldy Loan, in accordance with the Payout Statements; and
 - iii. repay the outstanding construction lien registered to Silvio Construction Co. Ltd. and unpaid property taxes on the Property.
- c. To this effect, Mr. Chetti shall execute irrevocable Directions re. Funds to his real estate solicitors, directing payment of the applicable net sale proceeds of the Torca Transaction:
 - i. intended for the repayment in full of the amounts owing under the Eisen Loan, in accordance with the Payout Statements, to Windsor Private Capital Limited Partnership ("**Windsor**"); and
 - ii. intended for the repayment in full of the amounts owing under the Goldy Loan, in accordance with the Payout Statements, to Goldy.
- d. Windsor shall have the discretion to apply the funds received to either the outstanding amount owing on the Eisen Loan, or to the outstanding amount owing on a loan made by Melvyn Eisen to Totten Investments Inc. and 5021647 Ontario Inc. (together, "**Totten**"), in the principal amount of \$16,320,000 and secured by instrument number SC1683545 on the property municipally known as 6863 Fifth Line, Tottenham, Ontario (the "**Coventry Loan**"), as of the closing date of the Torca Transaction. For greater clarity, any funds applied to repayment of the Coventry Loan shall not reduce any amounts outstanding on the Eisen Loan.
- e. All net sale proceeds following the payments listed in paragraph 2(b) shall also be directed to Windsor, who shall have the discretion to apply these funds to amounts owing on either the Coventry Loan or amounts owing on the Eisen Loan.
- f. The collateral charge registered against the Property and bearing instrument number SC1916092 shall remain unaffected by this Agreement.

3. **Consent to Receivership:**

- a. So long as the Torca Transaction is pending, and Woodington is making the Monthly Interest Payments to the Lenders, Woodington does not consent to the appointment of a receiver over Woodington, its assets, undertakings and/or properties.

- b. Notwithstanding the previous sentence, Woodington consents to the appointment of a receiver on a date which is the earlier of: (a) one week following the closing date of the Torca Transaction, if the Lenders have not been repaid in full by that date in accordance with the Payout Statements; or (b) the Outside Closing Date, if the Lenders have not been repaid in full by that date in accordance with the Payout Statements.
- c. Upon the execution and delivery of this agreement, Woodington will execute and deliver to Eisen the form of Consent to Receivership appended to this letter as Schedule "A", to be held in escrow by Eisen. Woodington agrees to not, in any way, directly or indirectly, oppose, interfere or delay with granting or implementation of the receivership order.
- d. If Woodington repays the Lenders in full, in accordance with the Payout Statements, on or before the Outside Closing Date, Woodington's Consent to Receivership will become immediately null and void.
- e. For greater clarity, in the event that the Torca Transaction does not close by the Outside Closing Date or the Lenders have not been repaid in full, in accordance with the Payout Statements, by the Outside Closing Date, the Consent to Receivership shall be effective as of February 28, 2025.
- f. For greater clarity, if:
 - i. pursuant to paragraphs 2(d) and 2(e), Windsor receives and elects to apply the funds from the Torca Transaction to repayment of the Coventry Loan, and as such amounts on the Eisen Loan are still outstanding as of the Outside Closing Date; and
 - ii. the Goldy Loan has been repaid in full, in accordance with the Payout Statements,

the Consent to Receivership shall be null and void, and no steps shall be taken by Eisen towards appointing a Receiver over Woodington, its assets, undertakings and/or property until at least June 28, 2025.

4. **Role in a Receivership:** Should a receiver be appointed, any such court-approved and issued order appointing a receiver shall specify that Mr. Chetti and his representatives will be given a consultative role in the development of the marketing and sale of the Property only. The Receiver shall, prior to commencing

any sale process, seek an order of the Court describing and authorizing the sale process and identifying Mr. Chetti's consultative role in it. For greater certainty, Mr. Chetti will not have a veto over, or otherwise control the actions of, the receiver in its conduct of the sale process or otherwise.

5. **Payout Statements:** The Lenders have each provided two payout statements for their respective loans, secured by the Security, one calculated to November 29, 2024 and one calculated to February 28, 2025 (the "**Payout Statements**"), copies of all of which are appended to this letter as Schedule "B", and according to which the Monthly Interest Payments have been calculated. Woodington confirms the accuracy of the Payout Statements and will promptly provide the Lenders with executed Directions re. Funds, to be used at the time the Torca Transaction closes, which shall be held in escrow and which will direct the closing funds to each of the Lenders in the relevant amounts of the Payout Statements. Any earlier payout of either or both loans hereafter will use these same amounts, adjusted to deduct the necessary per diem interest.

The Direction shall be acknowledged by the lawyers acting for the seller in connection with the Torca Transaction who shall agree to be bound by and comply with the Direction. The lawyers are also to immediately advise the Lenders if they no longer act for the seller for any reason. The termination of their retainer as lawyers for the seller, without the prior knowledge and consent of the Lenders, not to be unreasonably withheld, shall also be an event of default triggering the right to use the Consent to Receivership.

6. **Disclosure:** If the Torca Transaction does not close by November 29, 2024, Woodington will provide unredacted copies of the Torca Transaction documents to the Lenders by November 30, 2024. Mr. Chetti will also provide a written explanation, on or before December 2, 2024, as to why the transaction has not closed and the details of any alternative plans that are being considered to repay the Lenders.
7. **Pending Application:** The parties will not proceed with conducting cross-examinations, filing any reply materials, or any further steps under the Application, or take any further enforcement steps under the Application pending the return of the hearing at the Case Conference (as defined below). The hearing of the Application, currently scheduled for October 10, 2024, shall be adjourned on consent to a case conference to be held during the week of December 2, 2024 (the "**Case Conference**"), at which point the parties will report on the status of the Torca Transaction and other matters discussed under the Application and this Agreement. If Eisen determines to proceed with the receivership application,

absent the occurrence of an event which activates the Consent to Receivership, the Case Conference will not result in the appointment of a receiver. If the Lenders determine a receivership is appropriate and Woodington disagrees, the parties will set a schedule at this Case Conference for the exchange of updated materials, if necessary, and a date for the receivership hearing. This shall not prejudice the rights of the Lenders to rely on the Consent to Receivership if they have not been repaid in full, in accordance with the Payout Statements, by the Outside Closing Date.

8. **Costs:** The Lenders' costs for this proceeding will be added to the debt under their respective security agreements, to the extent such agreements provide for same.

Please confirm your acceptance, on behalf of your clients, of the above-noted Agreement by executing a duplicate copy of this letter on or before October 8, 2024.

Yours truly,
Blaney McMurtry LLP

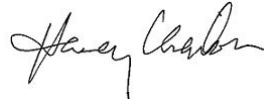


David T. Ullmann
DTU/AS/ab

We have reviewed the foregoing and agree to its terms on behalf of our clients:



Blaney McMurtry LLP as solicitors for
Woodington Estates Inc.



Chaitons LLP as solicitors for Melvyn Eisen, Windsor Private
Capital Limited Partnership & Windsor II Limited Partnership



Goodmans LLP as solicitors for Goldy Metals
Holdings Inc.

SCHEDULE "A" – CONSENT TO APPOINTMENT OF RECEIVER

CONSENT TO APPOINTMENT OF RECEIVER

1. Woodington Estates Inc. ("**Woodington**") hereby consents to the appointment of a receiver by Melvyn Eisen, Trustee ("**Eisen**"), Goldy Metals Holdings Inc. ("**Goldy**") (together, the "**Lenders**") over Woodington's assets, undertakings and properties, with respect to the Application bearing Court File No. CV-24-00725570-00CL, pursuant to the terms of the Adjournment Agreement dated October 8, 2024 (the "**Adjournment Agreement**").

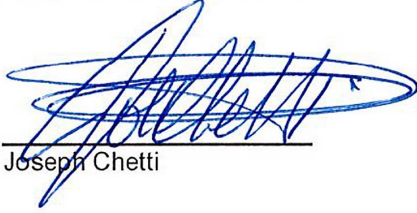
2. If Woodington fully repays the total amount of indebtedness to both Lenders in connection with the subject security, in accordance with the Payout Statements (as defined in the Adjournment Agreement), before or on February 28, 2025, this Consent to Receivership will immediately become null and void.

3. All defined terms herein are to be interpreted as consistent with the Adjournment Agreement dated October 8, 2024 and the Affidavit of Joseph Chetti, sworn September 9, 2024.

DATED at Toronto this 8th day of October, 2024.

WOODINGTON ESTATES INC.

Per:



Joseph Chetti

Authorized Signing Officer

SCHEDULE "B" – PAYOUT STATEMENTS

From: [Antoinette De Pinto](#)
To: [David T. Ullmann](#); [Anisha Samat](#)
Cc: [Harvey G. Chaiton](#)
Subject: Woodington
Date: Tuesday, October 8, 2024 3:37:28 PM
Attachments: [image001.png](#)
[thinkprint_1ce891d4-e7bd-492c-a24c-11a2636f5650.png](#)

Good afternoon,

Below please find payout statements.

| As of Nov. 29, 2024 | |
|---|------------------------|
| Principal | \$10,750,000.00 |
| Interest | \$1,351,201.13 |
| Chaitons legal + HST (Aug 2024 payment) | \$52,889.35 |
| Mel's legal fees \$15,000 + HST | \$16,950.00 |
| Renewal Fee - Tom Sheppard (\$115,000.00 + HST) | \$129,950.00 |
| Total | \$12,300,990.48 |
| Per diem | \$3,707.15 |
| | |
| As of Feb. 28, 2025 | |
| Principal | \$10,750,000.00 |
| Interest | \$1,683,003.34 |
| Chaitons legal + HST (Aug 2024 payment) | \$52,889.35 |
| Mel's legal fees \$15,000 + HST | \$16,950.00 |
| Renewal Fee - Tom Sheppard (\$115,000.00 + HST) | \$129,950.00 |
| Total | \$12,632,792.69 |
| Per diem | \$3,807.14 |



Antoinette De Pinto | [Law Clerk/Assistant to Harvey Chaiton & Laura Culleton](#)
T: 416.218.1762 E: Antoinet@chaitons.com
5000 Yonge St, 10th Floor, Toronto, ON, M2N 7E9
chaitons.com

Note: This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

Ce courrier électronique est confidentiel et protégé. L'expéditeur ne renonce pas aux droits et obligations qui s'y rapportent. Toute diffusion, utilisation ou copie de ce message ou des renseignements qu'il contient par une personne autre que le (les) destinataire(s) désigné(s) est interdite. Si vous recevez ce courrier électronique par erreur, veuillez m'en aviser immédiatement, par retour de courrier électronique ou par un autre moyen.



Please consider the environment before printing this email

MORTGAGE STATEMENT OF ARREARS

GOLDY METALS HOLDINGS INC.
2nd mortgage loan to
WOODINGTON ESTATES INC.
7110 4th Line, Tottenham, Ontario

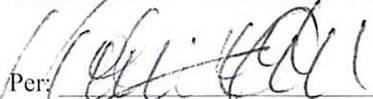
As of November 29, 2024

| | | |
|--|-------------|-------------------------|
| Principal | | \$5,500,000.00 |
| TOTAL DUE, as of June 5, 2024, statement | | \$5,878,581.15 |
| Interest accrued from June 5 to November 29, 2024 | | \$320,623.17 |
| Legal fees due Schwartz & Schwartz (from June 5 to September 16, 2024, inclusive of HST) | | \$25,480.23 |
| Legal fees due Goodmans LLP (to August 31, 2024, inclusive of HST) | | \$132,443.72 |
| Estimated legal fees due Schwartz & Schwartz (from September 16, 2024 to November 29, 2024, including HST) and Goodmans LLP (from August 31, 2024 to November 29, 2024, including HST) | | \$100,000.00 |
| Interest Payment - October 1, 2024 (payable October 15, 2024) | \$55,386.49 | |
| Interest Payment - November 1, 2024 | \$55,386.49 | |
| TOTAL DUE | | \$6,346,355.29** |

** The direction to pay will specify this amount, but the parties agree to further adjust this amount (up or down) on payout, depending on the actual legal fees due Schwartz & Schwartz and Goodmans LLP, including HST, to November 29, 2024.

DATED the 24th day of September, 2024.

GOLDY METALS HOLDINGS INC.

Per: 

Name: Ken Gold

Title: President

I have authority to bind the Corporation

E. & O. E.

MORTGAGE STATEMENT OF ARREARS

GOLDY METALS HOLDINGS INC.
2nd mortgage loan to
WOODINGTON ESTATES INC.
on 7110 4th Line, Tottenham, Ontario

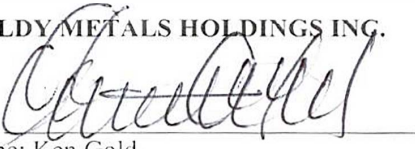
As of February 28, 2025

| | | |
|--|-------------|-------------------------|
| Principal | | \$5,500,000.00 |
| TOTAL DUE. as of June 5, 2024, statement | | \$5,878,581.15 |
| Interest accrued from June 5, 2024 to February 28, 2025 | | \$492,191.80 |
| Legal fees due Schwartz & Schwartz (from June 5 to September 16, 2024, inclusive of HST) | | \$25,480.23 |
| Legal fees due Goodmans LLP (to August 31, 2024, inclusive of HST) | | \$132,443.72 |
| Estimated legal fees due Schwartz & Schwartz (from September 16, 2024 to February 28, 2025, including HST) and Goodmans LLP (from August 31, 2024 to February 28, 2025, including HST) | | \$125,000.00 |
| Interest Payment - October 1, 2024 (payable October 15, 2024) | \$55,386.49 | |
| Interest Payment - November 1, 2024 | \$55,386.49 | |
| Interest Payment - December 1, 2024 | \$55,386.49 | |
| Interest Payment - January 1, 2025 | \$55,386.49 | |
| Interest Payment - February 1, 2025 | \$55,386.49 | |
| TOTAL DUE – February 28, 2025 | | \$6,376,764.45** |

** The direction to pay will specify this amount, but the parties agree to further adjust this amount (up or down) on payout, depending on the actual legal fees due Schwartz & Schwartz and Goodmans LLP, including HST, to February 28, 2025.

DATED the 24th day of September, 2024.

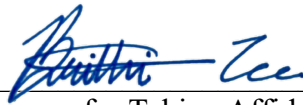
GOLDY METALS HOLDINGS INC.

Per: 
Name: Ken Gold
Title: President
I have authority to bind the Corporation

E. & O. E.

TAB C

This is **Exhibit “C”** referred to in the Affidavit
of Kenneth Gold
sworn remotely before me this
20th day of November, 2024

A handwritten signature in blue ink, appearing to read "Britta Lee", is written above a horizontal line.

A Commissioner for Taking Affidavits, etc.

From: [Friedland, Tom](#)
To: [Anisha Samat](#); [David T. Ullmann](#)
Cc: [Mona Shadid](#); [Harvey G. Chaiton](#); [Latham, Joe](#); [Tee, Brittni](#)
Subject: RE: Without Prejudice - Execution Copy - Adjournment Agreement
Date: Tuesday, October 22, 2024 4:10:00 PM
Attachments: [image001.png](#)

Thanks for these drafts, Anisha. We will review and provide any comments tomorrow.

David / Anisha - of more immediate concern is that we learned today that the cheque for the Monthly Interest Payment due to my client on Tuesday, October 15, which was delivered to Ken Gold on Wednesday evening, October 16 (with a request to not deposit the cheque until Friday, October 18), was returned as NSF.

Accordingly, please ensure that the Monthly Interest Payment that was due to my client on October 15, in the amount of \$55,386.49, is made by way of certified funds delivered to my client by the close of business on Friday, October 25, 2024, failing which the Consent to Receivership will become effective, pursuant to paragraph 1 of the Adjournment Agreement.

I do not know whether this NSF issue also affects Harvey's client, but if it does, then that payment will also need to be made by way of certified funds this week.

Kind regards,

Tom Friedland
Goodmans LLP
416-597-4218

From: Anisha Samat <ASamat@blaney.com>
Sent: Tuesday, October 22, 2024 10:24 AM
To: Friedland, Tom <tfriedland@goodmans.ca>; Harvey G. Chaiton <Harvey@chaitons.com>
Cc: Tee, Brittni <btee@goodmans.ca>; Latham, Joe <jlatham@goodmans.ca>; David T. Ullmann <DUllmann@blaney.com>; Mona Shadid <MShadid@blaney.com>
Subject: RE: Without Prejudice - Execution Copy - Adjournment Agreement

Good morning Tom, Harvey,

Please find attached our draft Acknowledgment and Direction re. Funds for your review and comments re. form and content. Once finalized we will have them executed.

Thank you,

Anisha Samat
Associate
asamat@blaney.com
 416-593-3924

From: Friedland, Tom <tfriedland@goodmans.ca>
Sent: Tuesday, October 15, 2024 11:42 AM

To: David T. Ullmann <DUllmann@blaney.com>; Anisha Samat <ASamat@blaney.com>
Cc: Harvey G. Chaiton <Harvey@chaitons.com>; Tee, Brittini <btee@goodmans.ca>; Latham, Joe <jlatham@goodmans.ca>
Subject: RE: Without Prejudice - Execution Copy - Adjournment Agreement

Hello David and Anisha – hope all is well.

As you know, the first Monthly Interest Payments are due today. However, my client has not yet received the cheques that are required to be delivered pursuant to para. 1 of the Adjournment Agreement. Can you please advise as to the status of those cheques? (I imagine that Harvey is also interested in the status of the cheques for his client.)

Further to our exchange below, can you also please advise as to the status of:

- a. the irrevocable Directions required pursuant to paras. 2(c) and 5 of the Adjournment Agreement; and
- b. the acknowledgment from the lawyers acting for the seller in the Torca Transaction that they have agreed to be bound by and comply with the Directions, pursuant to para. 5 of the Adjournment Agreement?

Thanks and kind regards,

Tom Friedland
Goodmans LLP
416-597-4218

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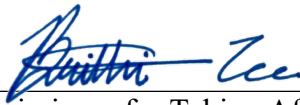
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[REDACTED]

[REDACTED]

TAB D

This is **Exhibit “D”** referred to in the Affidavit
of Kenneth Gold
sworn remotely before me this
20th day of November, 2024

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

A Commissioner for Taking Affidavits, etc.

From: [Friedland, Tom](#)
To: [Anisha Samat](#); [David T. Ullmann](#)
Cc: [Mona Shadid](#); [Harvey G. Chaiton](#); [Latham, Joe](#); [Tee, Brittni](#)
Subject: RE: Without Prejudice - Execution Copy - Adjournment Agreement
Date: Friday, October 25, 2024 11:37:00 AM
Attachments: [image001.png](#)

Hello David and Anisha,

By way of update, Ken Gold was provided with a certified cheque for the October 15 Monthly Interest Payment on Wednesday by Barry Kerbel. That cheque was successfully deposited yesterday. Unfortunately, Mr. Kerbel also advised Mr. Gold, apparently on instructions from Mr. Chetti, to not try to cash the post-dated cheque that was previously provided for the November Monthly Interest Payment next Friday because it would be returned as NSF.

Please confirm whether Mr. Kerbel's advice is correct. If it is correct, then please ensure that the Monthly Interest Payment that is due to my client on November 1, in the amount of \$55,386.49, is made by way of certified funds delivered to my client by the close of business on Wednesday, November 6, 2024 (being three business days following the due date), failing which the Consent to Receivership will become immediately effective, pursuant to paragraph 1 of the Adjournment Agreement. In any event, I need to pass on my client's significant disappointment that Mr. Chetti is not abiding by the spirit of the Adjournment Agreement and is instead creating more hassle and expense for all parties.

Finally, I confirm that the documents provided by Anisha on Tuesday are satisfactory to my client, subject to the following:

- the Acknowledgement should attach the Direction as a Schedule (and should specifically refer to the Direction as being attached)
- the title of the Acknowledgement should be "Acknowledgement re: Direction"

If Harvey has any comments on these documents, then we may want to provide our further input. Else, please have these documents executed and delivered as soon as possible.

I look forward to hearing from you about the November Monthly Interest Payment right away.

Kind regards,

Tom Friedland
Goodmans LLP
416-597-4218

From: Friedland, Tom
Sent: Tuesday, October 22, 2024 4:10 PM
To: Anisha Samat <ASamat@blaney.com>; David T. Ullmann <DUllmann@blaney.com>

Cc: Mona Shadid <MShadid@blaney.com>; Harvey G. Chaiton <Harvey@chaitons.com>; Latham, Joe <jlatham@goodmans.ca>; Tee, Brittini <btee@goodmans.ca>

Subject: RE: Without Prejudice - Execution Copy - Adjournment Agreement

Thanks for these drafts, Anisha. We will review and provide any comments tomorrow.

David / Anisha - of more immediate concern is that we learned today that the cheque for the Monthly Interest Payment due to my client on Tuesday, October 15, which was delivered to Ken Gold on Wednesday evening, October 16 (with a request to not deposit the cheque until Friday, October 18), was returned as NSF.

Accordingly, please ensure that the Monthly Interest Payment that was due to my client on October 15, in the amount of \$55,386.49, is made by way of certified funds delivered to my client by the close of business on Friday, October 25, 2024, failing which the Consent to Receivership will become effective, pursuant to paragraph 1 of the Adjournment Agreement.

I do not know whether this NSF issue also affects Harvey's client, but if it does, then that payment will also need to be made by way of certified funds this week.

Kind regards,

Tom Friedland
Goodmans LLP
416-597-4218

From: Anisha Samat <ASamat@blaney.com>

Sent: Tuesday, October 22, 2024 10:24 AM

To: Friedland, Tom <tfriedland@goodmans.ca>; Harvey G. Chaiton <Harvey@chaitons.com>

Cc: Tee, Brittini <btee@goodmans.ca>; Latham, Joe <jlatham@goodmans.ca>; David T. Ullmann <DUllmann@blaney.com>; Mona Shadid <MShadid@blaney.com>

Subject: RE: Without Prejudice - Execution Copy - Adjournment Agreement

Good morning Tom, Harvey,

Please find attached our draft Acknowledgment and Direction re. Funds for your review and comments re. form and content. Once finalized we will have them executed.

Thank you,

Anisha Samat
Associate

asamat@blaney.com

☐ 416-593-3924

From: Friedland, Tom <tfriedland@goodmans.ca>

Sent: Tuesday, October 15, 2024 11:42 AM

To: David T. Ullmann <DUllmann@blaney.com>; Anisha Samat <ASamat@blaney.com>

Cc: Harvey G. Chaiton <Harvey@chaitons.com>; Tee, Brittnei <btee@goodmans.ca>; Latham, Joe <jlatham@goodmans.ca>

Subject: RE: Without Prejudice - Execution Copy - Adjournment Agreement

Hello David and Anisha – hope all is well.

As you know, the first Monthly Interest Payments are due today. However, my client has not yet received the cheques that are required to be delivered pursuant to para. 1 of the Adjournment Agreement. Can you please advise as to the status of those cheques? (I imagine that Harvey is also interested in the status of the cheques for his client.)

Further to our exchange below, can you also please advise as to the status of:

- a. the irrevocable Directions required pursuant to paras. 2(c) and 5 of the Adjournment Agreement; and
- b. the acknowledgment from the lawyers acting for the seller in the Torca Transaction that they have agreed to be bound by and comply with the Directions, pursuant to para. 5 of the Adjournment Agreement?

Thanks and kind regards,

Tom Friedland
Goodmans LLP
416-597-4218

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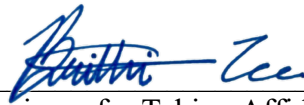
[REDACTED]

[REDACTED]

[REDACTED]

T A B L E

This is **Exhibit “E”** referred to in the Affidavit
of Kenneth Gold
sworn remotely before me this
20th day of November, 2024

A handwritten signature in blue ink, appearing to read "Britta Lee", is written above a horizontal line.

A Commissioner for Taking Affidavits, etc.

From: [Friedland, Tom](#)
To: [David T. Ullmann](#)
Cc: [Harvey G. Chaiton](#); [Latham, Joe](#); [Danish Afroz](#)
Subject: RE: Woodington
Date: Wednesday, October 30, 2024 9:57:00 AM
Attachments: [RE Without Prejudice - Execution Copy - Adjournment Agreement.msg](#)

David – while you are checking on whether Harvey’s client was paid its October 15 Monthly Interest Payment, please also check on the status of the November 1 payments and then respond to my e-mail of last Friday (copy attached).

Thanks and kind regards,

Tom Friedland
Goodmans LLP
416-597-4218

From: Harvey G. Chaiton <Harvey@chaitons.com>
Sent: Wednesday, October 30, 2024 9:15 AM
To: David T. Ullmann <DUllmann@blaney.com>
Cc: Friedland, Tom <tfriedland@goodmans.ca>; Latham, Joe <jlatham@goodmans.ca>; Danish Afroz <DAfroz@chaitons.com>
Subject: Re: Woodington

Go ahead and check, but my info is current to this morning
Sent from my iPhone

Harvey G. Chaiton | Partner
Chaitons LLP | T: 416.218.1129

On Oct 30, 2024, at 9:12 AM, David T. Ullmann <DUllmann@blaney.com> wrote:

CAUTION: [External]

Harvey. That seems unlikely to me. I'm going to check on my end but as far as I know the payments were made to both lenders last week. I understand the payment may have come by way of certified funds and may have come from the real estate broker. I believe that's what happened with Tom's client. Maybe your client, or one of your two clients, is unaware of that and did not realize payment had been made? In any event, I'm following up with my client.

David

Sent from my Bell Samsung device over Canada's largest network.

From: Harvey G. Chaiton <Harvey@chaitons.com>
Sent: Wednesday, October 30, 2024 9:00:00 a.m.
To: David T. Ullmann <DULLmann@blaney.com>
Cc: Tom Friedland <tfriedland@goodmans.ca>; Joe Latham <jlatham@goodmans.ca>;
Danish Afroz <DAfroz@chaitons.com>
Subject: Woodington

GM David

I returned from holiday last night and have been advised that your client failed to make the October 15 payment. I am instructed to use the consent to obtain appointment of the receiver and will be seeking the earliest available date.

Sent from my iPhone

Harvey G. Chaiton
Partner

Direct Tel: 416.218.1129

Email: Harvey@chaitons.com

5000 Yonge St, 10th Floor, Toronto,
Ontario, Canada, M2N 7E9

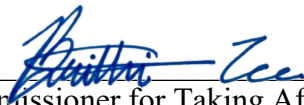
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TAB F

This is **Exhibit “F”** referred to in the Affidavit
of Kenneth Gold
sworn remotely before me this
20th day of November, 2024



A Commissioner for Taking Affidavits, etc.

From: [Friedland, Tom](#)
To: [David T. Ullmann](#)
Cc: [Harvey Chaiton](#); [Latham, Joe](#); [Tee, Brittni](#)
Subject: FW: Woodington
Date: Sunday, November 10, 2024 6:13:00 PM
Attachments: [RE Without Prejudice - Execution Copy - Adjournment Agreement.msg](#)

Hello David,

As you know, you did not respond to my e-mail of October 25 (attached) or my e-mail of October 30 (below).

As you likely also know, notwithstanding my e-mails, your client failed to deliver the November 1 Monthly Interest Payment in certified funds by Wednesday, November 6 (or at all). As a consequence, Ken Gold proceeded to deposit the November 1 post-dated cheque with his bank; not surprisingly, he was told on Friday, November 8 that the cheque was returned as NSF. In the circumstances, and despite my client's view that your client has already defaulted in making its November 1 Monthly Interest Payment pursuant to the terms of the Adjournment Agreement, my client is prepared to extend the deadline for receiving the November 1 Monthly Interest Payment one final time, until three business days from last Friday (the date that the cheque was returned NSF).

Accordingly, if payment in the amount of \$55,386.49 in certified funds is not received by my client prior to the close of business on Wednesday, November 13, then the Consent to Receivership will become immediately effective, pursuant to paragraph 1 of the Adjournment Agreement.

Further, you received my comments on the draft Direction and the draft Acknowledgment on October 25 (see attached), but your client has still not provided these documents in final form, as required by the Adjournment Agreement. Please advise.

Finally, I have to re-iterate my client's further disappointment in, and ongoing frustration with, your client, who continues to simply not abide by his promises.

Kind regards,
Tom Friedland
Goodmans LLP
416-597-4218

From: Friedland, Tom
Sent: October 30, 2024 09:58
To: David T. Ullmann <DUllmann@blaney.com>
Cc: Harvey G. Chaiton <Harvey@chaitons.com>; Latham, Joe <jlatham@goodmans.ca>; Danish Afroz <DAfroz@chaitons.com>
Subject: RE: Woodington

David – while you are checking on whether Harvey's client was paid its October 15 Monthly Interest

Payment, please also check on the status of the November 1 payments and then respond to my e-mail of last Friday (copy attached).

Thanks and kind regards,

Tom Friedland
Goodmans LLP
416-597-4218

From: Harvey G. Chaiton <Harvey@chaitons.com>
Sent: Wednesday, October 30, 2024 9:15 AM
To: David T. Ullmann <DUllmann@blaney.com>
Cc: Friedland, Tom <tfriedland@goodmans.ca>; Latham, Joe <jlatham@goodmans.ca>; Danish Afroz <DAfroz@chaitons.com>
Subject: Re: Woodington

Go ahead and check, but my info is current to this morning
Sent from my iPhone

Harvey G. Chaiton | Partner
Chaitons LLP | T: 416.218.1129

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Partner

Direct Tel: 416.218.1129

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TAB G

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of Kenneth Gold

sworn remotely before me this

20th day of November, 2024

A handwritten signature in blue ink, appearing to read "Kristina Lee".

A Commissioner for Taking Affidavits, etc.

From: [Friedland, Tom](#)
To: [David T. Ullmann](#)
Cc: [Harvey G. Chaiton](#); [Latham, Joe](#); [Tee, Brittni](#)
Subject: FW: Woodington
Date: Friday, November 15, 2024 4:44:00 PM
Attachments: [RE Without Prejudice - Execution Copy - Adjournment Agreement.msg](#)

Hello David,

As you know, you did not respond to my e-mail, below.

As you likely also know, your client did not deliver certified funds to cover the November 1 Monthly Interest Payment cheque that was returned NSF, in the amount of \$55,386.49, to my client by close of business on Wednesday, November 13 (or at all).

Accordingly, the Consent to Receivership is now effective, pursuant to paragraph 1 of the Adjournment Agreement, and we will be supporting the consent receivership appointment at the attendance on November 27.

Kind regards,

Tom Friedland
Goodmans LLP
416-597-4218

From: Friedland, Tom
Sent: November 10, 2024 18:14
To: David T. Ullmann <DUllmann@blaney.com>
Cc: Harvey Chaiton <harvey@chaitons.com>; Latham, Joe <jlatham@goodmans.ca>; Tee, Brittni <btee@goodmans.ca>
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Harvey G. Chaiton

Partner

Direct Tel: 416.218.1129

Email: Harvey@chaitons.com

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MELVYN EISEN, TRUSTEE
Applicant

- and - **WOODINGTON ESTATES INC.**
Respondent

Court File No: CV-24-00725570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

SUPPLEMENTAL AFFIDAVIT OF KENNETH GOLD

GOODMANS LLP

Barristers & Solicitors
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Tom Friedland LSO No. 31848L

tfriedland@goodmans.ca

Tel: 416.597.4218

L. Joseph Latham LSO No. 32326A

jlatham@goodmans.ca

Tel: 416.597.4211

Brittini Tee LSO No. 85001P

btee@goodmans.ca

Tel: 416.849.6954

Lawyers for Goldy Metals Holdings Inc.

TAB 4



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-725570-00CL

DATE: OCTOBER 10, 2024

NO. ON LIST: 1

TITLE OF PROCEEDING: EISEN (Trustee) v. WOODINGTON ET AL

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Applicant:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|-----------------------|---------------------|
| DANISH AFROZ | MELVYN EISEN, TRUSTEE | dafroz@chaitons.com |
| | | |
| | | |
| | | |

For Respondent(s):

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|----------------------------|------------------------|
| DAVID ULLMANN | WOODINGTON ESTATES INC. | dullmann@blaney.com |
| TOM FRIEDLAND | GOLDY METALS HOLDINGS INC. | tfriedland@goodmans.ca |
| | | |
| | | |

For Other, Self-Represented:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---------------|--------------|
| | | |
| | | |
| | | |
| | | |

ENDORSEMENT OF JUSTICE KIMMEL:

- [1] The parties have reached a settlement.
- [2] On consent, this application is adjourned to a 30 minute case conference commencing at 10:00 a.m. on December 6, 2024.
- [3] If the settlement has been implemented by then, the application will no longer be proceeding and the court will be advised of such. If the settlement has not yet been implemented by then, the parties may seek further directions, including a hearing date and a new timetable for the completion of any remaining pre-hearing steps if the application is proceeding. If there remains a possibility that the settlement can still be implemented, the court may schedule a further case conference date rather than a hearing, in the discretion of the presiding judge on December 6, 2024.
- [4] In the event of a default under the settlement by the respondent prior to December 6, 2024, there is a consent to a receivership order that the other parties may seek to act upon earlier if there is urgency and an earlier date can be obtained, in which event the parties shall advise the Commercial List Scheduling Office that the December 6, 2024 hearing date can be vacated.

A handwritten signature in black ink that reads "Kimmel J." in a cursive, slightly stylized font.

KIMMEL J.

TAB 5

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE) WEDNESDAY, THE 27TH
)
JUSTICE BLACK) DAY OF NOVEMBER, 2024
)

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Albert Gelman Inc. as receiver (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Woodington Estates Inc. (the "**Respondent**") acquired for, or used in relation to a business carried on by the Respondent, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Melvyn Eisen sworn August 7, 2024 and the Exhibits thereto, and the affidavit of Melvyn Eisen sworn November 6, 2024 and the Exhibits thereto, and on reading the consent of Albert Gelman Inc. to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is property returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Albert Gelman Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Respondent acquired for, or used in relation to a business carried on by the Respondent, including, without limitation, the real property municipally known as 7110 4th Line, Tottenham, Ontario and described in Schedule "A" hereto (the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Respondent, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Respondent;
- (d) to engage brokers, consultants, appraisers, agents (including real estate agents), experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Respondent or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Respondent and to exercise all remedies of the Respondent in collecting such monies, including, without limitation, to enforce any security held by the Respondent;
- (g) to settle, extend or compromise any indebtedness owing to the Respondent;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Respondent, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Respondent, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate, with Joseph Chetti, the principal of the Respondent, and his representatives having a consultative role in the development of the marketing and sale of the Property only;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Respondent;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondent, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for the Property and any property owned or leased by the Respondent;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Respondent may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Respondent, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Respondent, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondent, and any computer programs, computer tapes, computer disks, or other

data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE RESPONDENT OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Respondent or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Respondent or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Respondent, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Respondent to carry on any business which the Respondent is not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondent in respect of or related to the Property, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Respondent in respect of or related to the Property or statutory or regulatory mandates for the

supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent in respect of or related to the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Respondent's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Respondent or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Respondent shall remain the employees of the Respondent until such time as the Receiver, on the Respondent's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Respondent, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may

consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a

Case Website shall be established in accordance with the Protocol with the following URL:
<https://www.albertgelman.com/corporate-solutions/other-engagements/>

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Respondent's creditors or other interested parties at their respective addresses as last shown on the records of the Respondent and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

27. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Respondent's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondent.

30. **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.

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. **THIS COURT ORDERS** that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Respondent's estate with such priority and at such time as this Court may determine.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

34. **THIS COURT ORDERS** that this order is effective from the date it is made, and it is enforceable without any need for entry and filing, provided that any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be.

SCHEDULE "A"

THE PROPERTY

PIN: 58170-0498 LT

Legal Description: PT LTS 1, 2 & 3 CON 4 AS IN RO1284373 EXCEPT PT 1 51R31629
TECUMSETH; S/TRO318906; NEW TECUMSETH

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties Woodington Estates Inc. acquired for, or used in relation to a business carried on by the Respondent, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 2024 (the "**Order**") made in an action having Court file number CV-24-00725570-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2024.

Albert Gelman Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

MELVYN EISEN, TRUSTEE

-and-

WOODINGTON ESTATES INC.

Applicant

Respondent

Court File No. CV-24-00725570-00CL

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

RECEIVERSHIP ORDER

CHAITONS LLP

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Lawyers for the Applicant

TAB 6

Revised: January 21, 2014
~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No. — CV-24-00725570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

~~COMMERCIAL LIST~~

THE HONOURABLE) ~~WEEKDAY~~WEDNESDAY, THE #27TH
JUSTICE — BLACK) DAY OF ~~MONTH~~NOVEMBER,
20YR2024

~~PLAINTIFF[†]~~

~~Plaintiff~~

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and —

~~DEFENDANT~~

~~Defendant~~

WOODINGTON ESTATES INC.

Respondent

~~† The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

ORDER
(appointing Receiver)

THIS ~~MOTION~~APPLICATION made by the Plaintiff² Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing ~~[RECEIVER'S NAME]~~Albert Gelman Inc. as receiver ~~[and manager]~~ (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~Woodington Estates Inc. (the "~~Debtor~~Respondent") acquired for, or used in relation to a business carried on by the ~~Debtor~~Respondent, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~Melvyn Eisen sworn ~~[DATE]~~August 7, 2024 and the Exhibits thereto, and ~~on hearing the submissions of counsel for [NAMES], no one appearing for [NAME] although duly served as appears from~~ the affidavit of ~~service of [NAME]~~Melvyn Eisen sworn ~~[DATE]~~November 6, 2024 and the Exhibits thereto, and on reading the consent of ~~[RECEIVER'S NAME]~~Albert Gelman Inc. to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion Application and the Motion Application Record is hereby abridged and validated³ so that this ~~motion application~~ is ~~properly~~property returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~Albert Gelman Inc. is hereby appointed Receiver, without

² ~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

³ ~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

security, of all of the assets, undertakings and properties of the ~~Debtor~~Respondent acquired for, or used in relation to a business carried on by the ~~Debtor~~Respondent, including ~~all proceeds thereof~~, without limitation, the real property municipally known as 7110 4th Line, Tottenham, Ontario and described in Schedule "A" hereto (the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the ~~Debtor~~Respondent, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the ~~Debtor~~Respondent;
- (d) to engage brokers, consultants, appraisers, agents (including real estate agents), experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Respondent or any part or parts thereof;

- (f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Respondent and to exercise all remedies of the ~~Debtor~~Respondent in collecting such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Respondent;
- (g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Respondent;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the ~~Debtor~~Respondent, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~Respondent, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate, with Joseph Chetti, the principal of the Respondent, and his representatives having a consultative role in the development of the marketing and sale of the Property only;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

~~⁴ This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

- (i) without the approval of this Court in respect of any transaction not exceeding \$~~_____~~250,000 provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~1,000,000; and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, ~~for~~ section 31 of the Ontario *Mortgages Act*, as the case may be,⁵ shall not be required, ~~and in each case the Ontario Bulk Sales Act shall not apply.~~

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the ~~Debtor~~Respondent;

~~⁵ If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the ~~Debtor~~Respondent, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for the Property and any property owned or leased by the ~~Debtor~~Respondent;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Respondent may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the ~~Debtor~~Respondent, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the ~~Debtor~~Respondent, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the ~~Debtor~~Respondent, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto,

provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE ~~Debtor~~RESPONDENT OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the ~~Debtor~~Respondent or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the ~~Debtor~~Respondent or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the ~~Debtor~~Respondent, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the ~~Debtor~~Respondent to carry on any business which the ~~Debtor~~Respondent is not lawfully entitled to carry on, (ii) exempt the Receiver or the ~~Debtor~~Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the ~~Debtor~~Respondent in respect of or related to the Property, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the ~~Debtor~~Respondent in respect of or related to the Property or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the ~~Debtor~~Respondent in respect of or related to the Property are hereby restrained until further Order of this Court from

discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the ~~Debtor~~Respondent's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the ~~Debtor~~Respondent or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the ~~Debtor~~Respondent shall remain the employees of the ~~Debtor~~Respondent until such time as the Receiver, on the ~~Debtor~~Respondent's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal

information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the ~~Debtor~~Respondent, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

⁶~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$~~_____~~250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "AB" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service ~~Protocool~~Guide of the Commercial List (the "**~~Protocool~~Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the ~~Protocool~~Guide (which can be found on the

Commercial List website at
<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the ~~Protocol~~Guide, service of documents in accordance with the ~~Protocol~~Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: ~~@~~https://www.albertgelman.com/corporate-solutions/other-engagements/

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Debtor~~Respondent's creditors or other interested parties at their respective addresses as last shown on the records of the ~~Debtor~~Respondent and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

27. THIS COURT ORDERS that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Respondent's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

GENERAL

28. ~~27.~~ **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. ~~28.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the ~~Debtor~~Respondent.

30. ~~29.~~ **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.

31. ~~30.~~ **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. ~~31.~~ **THIS COURT ORDERS** that the ~~Plaintiff~~Applicant shall have its costs of this ~~motion~~application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff~~Applicant's security or, if not so provided by the ~~Plaintiff~~Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the ~~Debtor~~Respondent's estate with such priority and at such time as this Court may determine.

33. ~~32.~~ **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

34. THIS COURT ORDERS that this order is effective from the date it is made, and it is enforceable without any need for entry and filing, provided that any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be.

DOCSTOR: 17717428

SCHEDULE "A"

THE PROPERTY

PIN: 58170-0498 LT

Legal Description: PT LTS 1, 2 & 3 CON 4 AS IN RO1284373 EXCEPT PT 1 51R31629
TECUMSETH; S/TRO318906; NEW TECUMSETH

SCHEDULE "AB"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ Albert Gelman Inc., the receiver (the "Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ Woodington Estates Inc. acquired for, or used in relation to a business carried on by the ~~Debtor~~ Respondent, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, ~~20~~ 2024 (the "Order") made in an action having Court file number ~~—CV-24-00725570-00CL—~~ _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, ~~20~~2024.

~~[RECEIVER'S NAME]~~ Albert Gelman Inc.,
solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

MELVYN EISEN, TRUSTEE

-and-

WOODINGTON ESTATES INC.

Applicant

Respondent

Court File No. CV-24-00725570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

RECEIVERSHIP ORDER

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Lawyers for the Applicant

Document comparison by Workshare Compare on Thursday, November 21, 2024 12:07:48 PM

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| Document 2 ID | file://C:\Users\Antoinet\OneDrive - Chaitons LLP\Desktop\Draft Receivership Order(11649716.3).doc |
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| Style changes | 0 |
| Format changes | 0 |
| Total changes | 270 |

MELVYN EISEN, TRUSTEE
Applicant

-and-

WOODINGTON ESTATES INC.
Respondent

Court File No. CV-24-00725570-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO

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