



ONTARIO SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

**COUNSEL/ENDORSEMENT SLIP**

COURT FILE NO.: CV-24-00725570-00CL DATE: MARCH 24, 2026  
NO. ON LIST: 1

TITLE OF PROCEEDING: MELVYN EISEN, TRUSTEE v. WOODINGTON ESTATES INC.;  
GOLDY METALS HOLDINGS INC.; SILVIO CONSTRUCTION CO.  
LTD.; TURF CARE PRODUCTS CANADA LIMITED; 1000736785  
ONTARIO LIMITED

BEFORE: W.D. BLACK J.

**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party:**

Name of Person Appearing	Name of Party	Contact Info
Danish Afroz	Melvyn Eisen, Trustee	dafroz@chaitons.com

**For Defendant, Respondent, Responding Party:**

Name of Person Appearing	Name of Party	Contact Info
Bryan Gelman Adam Zeldin	Receiver of Woodington Estates Inc. (Albert Gelman Inc.)	bgelman@albertgelman.com azeldin@albertgelman.com
Thomas Andrew Friedland	Goldy Metals Holdings Inc.	tfriedland@goodmans.ca
N/A	Silvio Construction Co. Ltd.	N/A
N/A	Turf Care Products Canada Limited	N/A
David Ullman	1000736785 Ontario Limited	dullmann@blaney.com
Jared Brown Pavle Masic (Observer)	John Chetti	jbrown@brownlaw.ca pmasic@rickettsharris.com

**For Other, Self-Represented:**

Name of Person Appearing	Name of Party	Contact Info
Mary Peterson Justin Kanji	Counsel to the Purchaser, Purposeful Group Ltd.	mpaterson@osler.com jkanji@osler.com
Shaun Parsons Samantha Hans Steve Graff	Counsel to Albert Gelman Inc.	sparsons@airdberlis.com shans@airdberlis.com sgraff@airdberlis.com

**ENDORSEMENT****Overview**

- [1] This was a motion by AGI in its capacity as Receiver and Sales Officer (in this endorsement I will use these and other terms as defined in the parties' materials and in my previous endorsements in this matter) seeking an order:
- (a) Approving the Third Report, Fourth Report and Supplementary Fourth Report of the Receiver/Sales Officer;
  - (b) Increasing the Receiver's borrowing limit and the corresponding Receiver's Borrowing Charge from \$250,000 to \$500,000;
  - (c) Increasing the Sales Officer's borrowing limit and the corresponding Sales Officer's Borrowing Charge from \$500,000 to \$1,000,000;
  - (d) Increasing the Sales Officer's Charge and the Receiver's Charge from the aggregate amount of \$650,000 to the aggregate amount of \$1,500,000;
  - (e) Approving the First Amendment of the APA, *nunc pro tunc* effective as at March 13, 2026;
  - (f) Notwithstanding the Sales Officer Appointment Order, approving the entering into of the Management Agreement granting the Purchaser operational management control of the Golf Club as contemplated by the First Amendment;
  - (g) Authorizing the Sales Officer to execute the Management Agreement and any and all necessary documentation ancillary thereto;
  - (h) Granting provisional execution of the Draft Order; and
  - (i) Costs.
- [2] There are related issues, including a question concerning fees payable to 785's counsel, in respect of which the Receiver/Sales Officer seeks the court's direction.

## Relevant Background

- [3] The background against which this motion arises and the current circumstances in which the particular relief is sought include both contentious and uncontentious facts.
- [4] Woodington Estates is the registered and beneficial owner of the Real Property, on which a 36-hole golf course and approximately 32,000 square foot clubhouse facility and supporting infrastructure known as the “Woodington Lake Golf Club” is situated and operating as a golf club business.
- [5] The Golf Club was owned and operated by Woodington Management beginning in or around January of 2019 until a purported transfer (the “Purported Transfer” or “Alleged Assignment”) to 785 in early December of 2023. There is controversy about this Purported Transfer; the Receiver/Sales Officer has been requesting/demanding documentary proof that the transfer occurred, has not received such proof, and raises concerns about the validity and true intention of the Purported Transfer.
- [6] The late Joseph Chetti was the sole director of Woodington Estates and its sole owner. Mr. Chetti passed away in September of 2025. In the months leading up to Mr. Joseph Chetti’s death, and since that time, other members of his family, and in particular his wife Frances Chetti and their son, John Chetti, have managed the operations of the Golf Club (since July 2025 under the supervision of the Sales Officer).
- [7] It appears uncontentious that Mr. Joseph Chetti, through his company Rockland, acquired the Golf Club pursuant to the Golf Club Business APS, which, although initially dated December 22, 2017 ultimately closed on January 11, 2019. On that same date, Rockland assigned the Golf Club Business APS to Woodington Management.
- [8] Prior to the Alleged Assignment of the Golf Club from Woodington Management to 785, the second-ranking secured creditor Goldy, through its counsel, initiated power of sale proceedings for the sale of the Golf Course Lands. Goldy arranged for the Golf Course Lands to be listed for sale on December 29, 2023.
- [9] In response and opposition to the receivership application in 2024, Mr. Joseph Chetti swore an affidavit dated September 9, 2024 in which he deposed that, since December 12, 2023 – about two months after the commencement of the Goldy Power of Sale Proceedings and about two weeks before the Golf Course Lands were listed for sale thereunder – the Golf Club had been owned and operated by 785.
- [10] The Receiver/Sales Officer reports that neither Melvyn Eisen, as trustee and first-ranking secured creditor holding security against the assets of Woodington Management, nor Turf Care Financial Ltd. another secured creditor with security against those Woodington Management assets, was made aware of the Alleged Assignment.

## Controversy Concerning Alleged Assignment

- [11] The Receiver/Sales Officer has consistently raised, in these proceedings, the question of whether the Alleged Assignment actually took place, and, if so, if it gives rise to a fraudulent preference or challengeable transfer under value.
- [12] The Receiver/Sales Officer also understands that 785’s bank account was opened in February of 2025. Prior to this, the Golf Club business was transacting day-to-day operations through another bank account held at the Toronto-Dominion Bank in the name of Woodington Management.

- [13] In response to its numerous requests made to the Debtors, to Mr. Joseph Chetti and to 785, for documentation or additional information in relation to the Alleged Assignment, the Receiver/Sales Officer advises that it has not received a response.
- [14] In response to my direct inquiries, during argument of this motion, about the Alleged Assignment and the lack of information provided in response to the Receiver/Sales Officer's multiple requests, counsel for 785 pointed to a series of emails from the Receiver/Sales Officer to Mr. Joseph Chetti, in which, in a list of information sought, there is no particular emphasis on the missing information concerning the Alleged Assignment. Counsel suggested that the absence of a specific inquiry in those emails about the Alleged Assignment shows that it was not a genuine concern, and is in fact an "irrelevant red herring."
- [15] I disagree. I note that at least two of those emails (on February 4, 2025 and April 24, 2025) ask for a copy of any transfer/conveyance of assets agreement(s) between WMI and 785 in respect of the transfer/conveyance of any golf club assets, and ask for other details relative to transfers between WMI and 785. While this is not a direct request for documents confirming the Alleged Assignment per se, it is clearly in relation to that purported transfer. There is no basis or reason to doubt the Receiver/Sales Officer's attestation that it asked for the documentation confirming the Alleged Assignment, verbally and in writing, on multiple occasions, and that its ongoing requests have been ignored.

### **Outstanding Tax Obligations**

- [16] In addition, as mentioned in at least one of my previous endorsements in this matter, the Receiver/Sales Officer has determined that 785 has not filed any GST/HST returns, corporate tax returns or payroll remittances since the entity was incorporated in 2023. Rather, payroll source deductions for the Golf Club's employees are applied to the CRA payroll account (and CRA business number) of Woodington Management.
- [17] Moreover, the Receiver/Sales Officer advises that, to its knowledge, Woodington Management owes the CRA (excluding penalties and interest which continue to accrue): approximately \$605,000 for unremitted payroll source deductions; and approximately \$1.3 million for HST.
- [18] When I asked 785's counsel about these outstanding tax obligations, his answer was to note that these are not outstanding obligations of 785, and, somewhat flippantly I thought, that in any event "many if not most businesses prioritize other expenses ahead of tax obligations" (or words to that effect).
- [19] I did not find this answer particularly responsive, nor at all reassuring. It reflects at best a concerningly cavalier attitude to fiscal management, and at worst evidence of ongoing mismanagement.

### **Concerns about Misappropriation of Funds**

- [20] The Receiver/Sales Officer goes further, alleging that it has unearthed evidence of misappropriation of funds by members of the Chetti family from 785's coffers. It is clear that these allegations are contested, and I need not determine them for current purposes (and could not do so on this record) but leaving aside whether or not there has been actual misappropriation of 785 funds, the circumstances and timing of the purported transfer of the Golf Club business from Woodington Management to 785, and the lackadaisical response concerning serious and mounting outstanding tax arrears are sufficient to create concerns about 785's conduct in relation to the underlying business, and factor into my determinations of contested matters discussed below.

[21] Notwithstanding these observations, 785 maintains that its operation of the Golf Club business has been reasonable or even stellar, and that its alleged default on then current payables in the context of the appointment of the Sales Officer (in July of 2025), was “a contested default” in respect of payments that “may or may not have been owing” to Turf Care. However, those assertions, in my view, intended to suggest that 785’s management has been (more or less) exemplary, and overlooks the fundamental concerns set out above.

### **Recent Procedural History**

[22] The recent procedural history of this matter relevant to the matters at hand commences with my endorsement of February 10, 2026 granting an AVO dated February 4, 2026 approving the APS with Progressive Golf (which was dated January 14, 2026) and the Transaction. It is important to note that the Receiver/Sales Officer sought, and its proposed order for the February 4, 2026 hearing included, a clause providing for provisional execution. However, that issue was not reached or argued on February 4, and so, although I initially signed a form of order including that clause I later confirmed, when this was brought to my attention by counsel, that the clause – having not yet been argued owing to a lack of time on February 4 – was to be removed from the AVO *nunc pro tunc*.

[23] Mr. John Chetti, and 785, subsequently appealed the February 4, 2026 order, serving a notice of appeal on February 20, 2026 (a copy of which was provided to me).

[24] On February 23, 2026, I released a further endorsement, in relation to argument I heard on February 19, 2026, granting a Distribution and Ancillary Order authorizing the Receiver/Sales Officer to make a distribution to Eisen from the net proceeds of the Transaction (and various other relief, including approval of the Receiver/Sales Officer’s activities and conduct, its reports, and the fees and disbursements of the Receiver/Sales Officer and its counsel, and approving the Interim SRD).

[25] I am advised that 785 has also appealed this February 23, 2026 decision.

[26] As a result of the appeal of the February 4, 2026 AVO, the Transaction did not close by March 13, 2026, identified in the APA as the Outside Date for closing.

### **The First Amendment and the Management Agreement**

[27] Accordingly, the Receiver/Sales Officer and the Purchaser have negotiated the First Amendment to extend the Outside Date in order to preserve the Transaction while the AVO Appeal, or a motion or motions in relation thereto, are being argued.

[28] In addition, given that the 2026 golf season is approaching, the Receiver/Sales Officer reports that it has been actively engaging with the Purchaser, with the involvement of Ms. Chetti and certain Woodington Management employees, to facilitate an orderly transition of the business and the closing of the Transaction. In one of my endorsements, I specifically encouraged this collaboration.

[29] However, given the fact that the appeal of the AVO precludes the closing of the Transaction, the Receiver/Sales Officer has necessarily revisited the options in the circumstances. It has negotiated the Management Agreement with the Purchaser to preserve the Purchaser’s interest in the Golf Club business.

- [30] The Receiver/Sales Officer maintains that if the Transaction is considerably delayed, the Transaction will likely never close, the Purchaser and APA resulting from a rigorous and robust sale process will likely be lost, and untold time and resources will have been wasted.
- [31] In my view, there is considerable merit in those submissions. As set out in my February 10 endorsement in particular, it is clear that the Sale Process was robust and wide-ranging, and resulted in considerable interest and a number of credible bids. As I also found, it was also clear that the Purchaser's bid was the most attractive of the numerous offers received.
- [32] The Receiver/Sale Officer asserts that a stay resulting not only in considerable delay but also in the likely loss of the Purchaser is in fact what the respondents have set out to cause by way of their appeals.
- [33] Counsel for 785 and for John Chetti do not deny that this was and is their goal. They submit that a new Sale Process, starting from scratch, is actually desirable in the circumstances, and, if their appeals achieve this result they welcome it.
- [34] I am told that there is a motion pending in the near term at the Court of Appeal for Ontario in which the Receiver/Sales Officer will seek to quash the appeal (and the related appeal proceedings which have apparently been commenced, as a hedge in case leave is required, in the Divisional court).

### **Provisional Execution**

- [35] To the extent that the appeal proceedings continue, there is a heated debate between these parties as to whether or not there should be provisional execution in the circumstances, to the extent of allowing for the proposed Management Agreement for which approval is sought in this motion. The Receiver/Sales Officer characterizes the Management Agreement as giving the Purchaser a role in the management of the Golf Club with a view to protecting its putative interest. The Receiver/Sales Officer points out that it intends to continue to involve Ms. Chetti in decision-making discussions, and that it will continue to play a supervisory role in that process.
- [36] The Receiver/Sales Officer points first, on the issue as to whether or not provisional execution ought to be available here, to section 195 of the BIA, which provides:
- “Except to the extent that an order of judgement appealed from is subject to provisional execution notwithstanding any appeal therefrom, all proceedings under an order or judgment appealed from shall be stayed until the appeal is disposed of, but the Court of Appeal or a judge thereof may vary or cancel the stay or the order for provisional execution if it appears that the appeal is not being prosecuted diligently, or for such other reason as the Court of Appeal or a judge thereof may deem proper.”
- [37] The Receiver/Sales Officer acknowledges that, while the court undoubtedly has the jurisdiction to make an order for provisional execution, that jurisdiction ought to be “exercised sparingly and with caution, given the normal operation of a notice of appeal” (*Century Services Inc. v. Brooklin Concrete Products Inc.*, [2005] O.J. No. 1246).
- [38] The Receiver/Sales Officer maintains that “Here, there are extraordinary and exceptional circumstances warranting that this Court should grant provisional execution of the narrow relief sought in the Order.”

- [39] In that regard, the Receiver/Sales Officer notes that since the approval of the Transaction, each order of this court has been appealed.
- [40] It says that the Management Agreement and the First Amendment were negotiated to prevent the Transaction from lapsing and being lost due to the delays resulting from these appeals (and in particular the AVO Appeal).
- [41] It emphasizes that the Golf Club operates as a seasonal business, and that it is critical to prepare the golf course (and related facilities) to be ready for operation at the earliest possible date to maximize revenues.
- [42] The Purchaser, as set out in an affidavit from Ryan Dewey, the co-founder and Managing Partner of Purposeful Golf, has serious concerns about the current management of the Golf Club, and points to certain decisions taken by current management as likely costing the Golf Club in the range of \$150,000 - \$200,000.
- [43] The Receiver/Sales Officer argues that provisional execution in the form of the Management Agreement and the First Amendment are interim measures effective only until the resolution of the AVO Appeal, and allow for the Transaction to potentially be saved, and for the value in the Golf Club to be preserved pending the disposition of appeal proceedings.
- [44] 785 (supported in its arguments by Mr. John Chetti) argues that the Receiver/Sales Officer's attempt to have the court impose the Management Agreement represents an attempt to rewrite the understanding, animating the order appointing the Sales Officer in July of 2025, that the Sales Officer would have a limited oversight mandate, and that management would stay with 785. It argues that the proposed change, in the form of the Management Agreement, would offend the "building blocks" principle promulgated by Morawetz CJC in *Re Target*, in which His Honour emphasized the importance, in the CCAA context, of "binding agreements supported by binding orders" (*Target Canada Co. (Re)*, 2016 ONSC 316).
- [45] 785 argues that at law, the approval of this court of the sale to Purposeful Golf, and the issuance of a vesting order, are stayed by the unambiguous effect of section 195 of the BIA.
- [46] It emphasizes that the AVO is not subject to provisional execution, and that therefore the stay is in place and the AVO is of no effect. Given that the outcome of the appeal is uncertain (and unknowable at this time) 785 asserts that the Purchaser's interest is merely a contingent interest.
- [47] It urges that since there is no approved sale at present, the court cannot make decisions as if there were, and that to do so would be to purport to take jurisdiction away from the Court of Appeal, which this court cannot do.
- [48] On the topic of provisional execution, 785 argues that the Receiver/Sales Officer's time to seek provisional execution has passed. It relies on the decision of the Court of Appeal for Ontario in *Peahill Capital Inc. v. 1000093910 Ontario Inc.*, 2024 ONCA 584, wherein the court said:

“[23] 255 submits the motion judge erred in granting provisional enforcement of his order approving the Refinance Transaction. We agree with its submission. This was not an appropriate case for the motion judge to grant provisional enforcement of the Order. There was nothing extraordinary or exceptional about the circumstances of the case: in order to save its interest in the property, a debtor engaged in a last-minute scramble to secure financing; there had been no history of delay by the successful bidder, 255, who was eager

to complete the sale process; and the only “deadline” that emerged after the Receiver filed its AVO motion was the artificial one created by the Debtor as part of its 11th hour financing scramble. As well, it was not appropriate from the motion judge to grant provisional enforcement after 255 had filed notice of appeal from his July 4 order. In those circumstances, the motion judge should not have interfered with the ordinary-course automatic stay and lift stay provisions contained in the BIA s. 195. Our court operates its motions list on a virtually open basis, so a party is able to obtain a quick attendance to seek a lift-stay order, if the circumstances warrant.”

- [49] I accept that generally speaking it is not appropriate to seek (or for this court to grant) provisional execution in the context of a matter where, as here, an appeal is outstanding.
- [50] However, in that regard I note, as set out above and as specifically provided in my endorsement of February 23, 2026, the issue of provisional execution was set to be argued on February 4, 2026, and specifically sought by the Receiver/Sales Officer at that time, but was not reached that day (one of a handful of items that were not argued because time did not permit).
- [51] It seems unfair, in those circumstances, to insist as 785 does that the Receiver/Sales Officer is now precluded from arguing for provisional execution when it tried to do so earlier in the proceedings, well before the appeal was commenced, only to be shut out through no fault of its own by the limited time available.
- [52] I am prepared to consider the argument regarding provisional execution as if it was being made before the appeal commenced, since that was clearly the intention, and since that intention is objectively verifiable based on the agenda for the hearing on February 4, and based on my confirmation in a subsequent endorsement that the issue would have been argued that day but for the expiration of the time available without that item being reached.
- [53] So, considering the issue anew, the question is whether there are “extraordinary” or “exceptional” circumstances in this case warranting provisional execution (in the form and to the extent of the Management Agreement and the First Amendment.

### **Conclusion re Provisional Execution: Order Granted**

- [54] While I appreciate that provisional execution is to be granted sparingly, I find that it is appropriate to allow it in this case.
- [55] What makes the circumstances exceptional here is a combination of factors.
- [56] As noted above, the approved Transaction, and the identification of the Purchaser and negotiation of the APA were the result of a lengthy and wide-ranging marketing and sale effort, involving substantial expenditures of time and money. While that is not an uncommon feature of receivership sales processes, it does compel the court to consider, as part of the equation, the waste that would result if the proposed Transaction is lost.
- [57] In addition, as set out above, I have considerable concerns about the revelations regarding 785’s management of the Golf Club business. Even leaving aside the Receiver/Sales Officer’s observations about potential misappropriation of funds by members of the Chetti family using 785’s accounts as a vehicle to that end, there remains the troubling failure by 785 to provide proof that the Alleged Assignment

to it of the Golf Club business actually occurred (and the related questions as to the purpose for that purported transfer) and the equally troubling failure by 785 (or Woodington Management, or both) to remit taxes owing to CRA, and 785's ostensible lack of concern about the mounting tax debt.

- [58] I find that it would be unsound simply to leave 785 "to it", in charge of managing the Golf Club operations, under the cloud of those concerns and where there is evidence from Purposeful Golf that 785's mismanagement is causing substantial and avoidable losses.
- [59] There are in my view good reasons to preserve the Purposeful Golf Transaction, or at least to allow for that possibility, by allowing Purposeful Golf's access and input into the ongoing management of the business pending the outcome of the appeal(s).
- [60] As such, I am granting the aspects of the order sought today approving the Management Agreement and the First Amendment, and authorizing the Receiver/Sales Officer to execute the Management Agreement and any related and necessary documentation ancillary thereto.
- [61] Many of the other aspects of the proposed relief on this motion are less contentious or at least straightforward.

#### **Increased Borrowing Limits and Charges Unopposed**

- [62] 785 supports the increases in the borrowing limits and borrowing charges, and in fact no party opposes those increases. While there are likely to be differences of opinion as to the best and most appropriate uses of the increased funds, there appears to be a consensus that those funds are required, and so I grant that relief as well.

#### **Approval of Receiver/Sales Officer's Conduct, Activities and Reports**

- [63] As will be evident, both in this endorsement and in previous ones, it is my view, contrary to the submissions of 785 and Mr. John Chetti, that in fact the Receiver/Sales Officer has performed appropriately in a very challenging environment. I have been assisted by the Receiver/Sales Officer's input and recommendations throughout this matter. While varying degrees of criticism have been levelled against the Receiver/Sales Officer at various points, I find that the Receiver/Sales Officer has in fact appropriately discharged its role as an officer of the court here. I find no evidence to support the allegations by 785 and Mr. John Chetti that the Receiver/Sales Officer has been biased or has unfairly advocated against 785 and/or Mr. John Chetti's positions.
- [64] In that regard, I am approving, as requested, the Third Report, the Fourth Report, and the Supplementary Fourth Report.

#### **785's Counsel's Accounts**

- [65] That leaves the question of payment of the accounts of counsel for 785.
- [66] It is evident that, based on the order appointing the Sales Officer in July of 2025, and based on the pattern established thereby and thereafter, counsel for 785 reasonably expected that his accounts would be paid, and indeed, until recently that was the case.

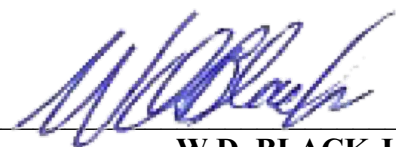
- [67] When the Receiver/Sales Officer developed its concerns, outlined above, as to 785's conduct in managing the Golf Club business, it also paused in its payment of 785's counsel's accounts.
- [68] Before me today, counsel for the Receiver/Sales Officer went further, asserting that counsel for 785 ought to have been more prudent in protecting its accounts to ensure payment.
- [69] In my view, this is not an acceptable "about-face."
- [70] As noted in my previous endorsement(s) counsel for 785 has done a creditable job of raising reasonable and significant issues for the court's consideration, and it is not appropriate to pull out the rug from under counsel's feet at this stage by suspending payment of his accounts.
- [71] Subject only to those accounts being demonstrably reasonable as the matter progresses, I direct that they should be paid.

#### **No Costs**

- [72] On the list of relief sought by the Receiver/Sales Officer today was a request for costs.
- [73] However, no party made submissions on that score, and no party appears to have filed a costs outline, and so it appears that no costs are in fact being pursued at this time.

#### **Observations re Conduct of Counsel**

- [74] Lastly, I cannot help but observe that the argument became quite heated at times during this motion, leading senior counsel, surprisingly given their experience and pedigree, to lapse to the level of ad hominem comments about counsel opposite.
- [75] While I understand and appreciate that this matter has been fast-moving and pressurized, I remind counsel to ensure that they are maintaining proper courtroom decorum, and staying true to the "three Cs" of the commercial list.
- [76] The counsel involved in this matter are well-experienced and adept, and as leaders of the bar the expectation is for them to continue to set an appropriate example and to adhere scrupulously to expected standards of conduct.
- [77] I trust that their conduct will hereafter reflect those ideals.



W.D. BLACK J.

**DATE: March 24, 2026**