



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000128-0000 DATE: MAY 21, 2026
NO. ON LIST: 3

TITLE OF PROCEEDING: EXTEND FINANCIAL LTD. v. 1896841 ONTARIO LIMITED,
1338940 ONTARIO LIMITED, PATRICK GRAY JOHNSON AND
MARK DAVID JOHNSON

IN THE MATTER OF AN APPLICATION Under Section 243(1) of the
Bankruptcy and Insolvency Act (R.S.C., 1985, c. B-3), and Section 101 of the
Courts of Justice Act, R.S.O. 1990, C. C.43

BEFORE: JUSTICE W.D. BLACK

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

| Name of Person Appearing | Name of Party | Contact Info |
|----------------------------|---------------|---------------------|
| Dominique Michaud, Counsel | Applicant | dmichaud@robapp.com |

For Defendant, Respondent, Responding Party:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---------------|---------------------|
| Daniel Litsos, Counsel | Respondents | dlitsos@manislaw.ca |

For Other, Self-Represented:

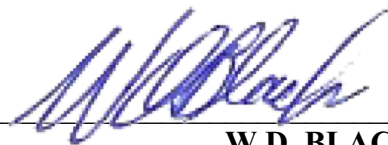
| Name of Person Appearing | Name of Party | Contact Info |
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ENDORSEMENT

[1] The applicant was before me today seeking the appointment of Albert Gelman Inc. as receiver over the Properties municipally known as 950 Dupont Street and 1020 Dupont Street in Toronto. In this endorsement I will use terms as defined in the applicant's materials.

[2] There is recent relevant history that is important context for this application.

- [3] The application arises from ongoing defaults by the respondents under a loan advanced by the applicant in the principal amount of \$18,000,000, which loan is secured by, among other security, first-ranking mortgages security and related security over the Properties.
- [4] On April 22, 2026, the hearing of this application came on before Steele J. Her Honour granted a consent adjournment, in circumstances in which the Respondents represented that they had a deal pending which would provide funds to pay out the applicant.
- [5] Justice Steele confirmed in her endorsement that the adjournment was on certain agreed terms.
- [6] In particular, the respondents agreed to pay the applicant the sum of \$1,100,000 by 5:00 p.m. on May 6, 2026, failing which the applicant would be entitled to attend at the earliest available date to take out the Proposed Receivership Order on consent.
- [7] Based on discussions between the parties (through counsel), the deadline for the May Payment was extended by a week, to May 13, 2026 (on certain additional terms).
- [8] The respondents have failed to make the May Payment, and remain in default.
- [9] Counsel for the respondents advised applicant's counsel last evening, and advised the court today, that there is another deal in the offing, pursuant to which one of the Properties would be sold to a Tenant in that Property for a price of \$20,000,000.
- [10] However, as applicant's counsel pointed out and respondents' counsel acknowledged, the proposed deposit to accompany the proposed agreement of purchase and sale is only \$20,000, which, as counsel observed, seems anomalously low for a purchase of that size.
- [11] Moreover, the respondents have not provided any commitment letter or other proof of financing.
- [12] The applicants, in the circumstances, were not prepared to agree to the adjournment (or stay of the order, if granted) sought by the respondents, and asked that I make the Receivership Order today.
- [13] I am granting the order sought.
- [14] I am concerned about the lack of evidence demonstrating the genuineness of the purportedly pending transaction, particularly given the patience that the applicant has already shown (as reflected in Steele J.'s endorsement arising from the April 22 hearing, and from the willingness of the applicant to extend the deadline for the May Payment by a week).
- [15] Moreover, to the extent that the purchase agreement described by the respondents proves to be real and substantial, it will no doubt be a transaction that the Receiver, once appointed, can consider.
- [16] I have signed the order in the form provided by the applicant.



W.D. BLACK J.

DATE: MAY 21, 2026