

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

B E T W E E N:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

-and-

**2011836 ONTARIO CORP., JEFFERSON PROPERTIES LIMITED PARTNERSHIP,
1000162801 ONTARIO CORP., AMERICAN CORPORATION
and 1000199992 ONTARIO CORP.**

Respondents

IN THE MATTER OF AN 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

FACTUM OF THE RECEIVER (MOTION RETURNABLE MAY 21, 2026)

May 17, 2026

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TO: Service List

PART I. OVERVIEW

1. In this motion, Albert Gelman Inc. (“**AGI**”), the receiver and manager (in such capacity, the “**Receiver**”) of 2011836 Ontario Corp. (“**201**”) and Jefferson Properties Limited Partnership (“**JPLP**” and, together with 201, the “**Debtors**”) seeks the following relief in connection with the residential condominium units (the “**Units**”) that are the Debtors’ primary asset, among other things:

- (a) An amended and restated approval and vesting order (the “**AVO**”) in respect of the Revised Unit 305 Agreement (as defined below); and
- (b) An order amending the existing language in the Appointment Order (as defined below), authorizing the Receiver to sell Units without specific approval of the Court, to enable the Receiver to effectively offer purchase price rebates to purchasers to take advantage of harmonized sales tax (“**HST**”) exemptions for the sale of new homes proposed by the Government of Ontario.

2. The Receiver recommends that the Court make orders granting this relief which will, in the Receiver’s view, facilitate the efficient sale of the Units and be accretive to the estates of the Debtors.

3. Additionally, the Receiver requests and recommends that the Court grant the following ancillary relief:

- (a) An Order approving the Eleventh Report of the Receiver, dated May 15, 2026 (the “**Eleventh Report**”) and the Receiver’s conduct and activities described therein;

- (b) An Order validating service of the Receiver's materials in connection with this Motion, generally, and, in particular, with respect to Fanshey Wang ("**Fanseay**");
 - (c) An Order abridging the time for service of the Receiver's materials in connection with this Motion such that this Motion is properly returnable on May 21, 2026;
 - (d) An Order sealing the Confidential Appendices to the Eleventh Report; and
 - (e) An Order approving the fees and disbursements of the Receiver and its counsel, as set out in the Eleventh Report.
4. Capitalized terms not otherwise defined herein adopt the definition given to them in the Eleventh Report.

PART II. FACTS

A. Background

5. On December 21, 2023, Justice Cavanagh made an order (the "**Appointment Order**") appointing AGI as Receiver of the Debtors.¹ JPLP is a limited partnership established for the purpose of constructing the 96-Unit condominium Project located at real property municipally known as 39, 53 and 67 Jefferson Side Road, Richmond Hill, Ontario (the "**Real Property**").²

¹ Appointment Order, Appendix A to the Eleventh Report of the Receiver dated May 15, 2026 ("**Eleventh Report**"), Motion Record of the Receiver, May 15, 2026 ("**RMR**"), Tab 3, p. 63.

² Eleventh Report at para. 1, RMR, Tab 3, p. 41.

6. The Project is substantially complete and the Receiver is presently engaged in marketing the Units for sale.³

B. Revised Unit 305 Agreement

7. On June 3, 2021, JPLP entered into an agreement (the “**Unit 305 Agreement**”) to sell Stacked Unit 305 (“**Unit 305**”) to Salman Khawar Khawaja (the “**Purchaser**”).⁴

8. On March 28, 2025, the Receiver obtained an occupancy permit for Unit 305 and sought to complete the Unit 305 Agreement with the Purchaser. The Purchaser initially disputed his obligation to take occupancy of Unit 305, however, on October 1, 2025, the Receiver and the Purchaser resolved this dispute by entering an amending agreement to the Unit 305 Agreement that recognized the Purchaser’s obligation to take occupancy of Unit 305 and complete the Unit 305 Agreement.⁵

9. On October 3, 2025, the Purchaser took occupancy of Unit 305.⁶

10. On January 28, 2026, the Court granted an approval and vesting order in respect of the Unit 305 Agreement.⁷

11. The closing date for the Unit 305 Agreement was set for May 8, 2026. The Purchaser failed to complete the transaction on this date, despite the Receiver being ready, willing and able to do so. This led to negotiations between the Purchaser and the

³ Eleventh Report at para. 9, RMR, Tab 3, p. 44.

⁴ Eleventh Report at para. 13, RMR, Tab 3, p. 44.

⁵ Eleventh Report at para. 15, RMR, Tab 3, p. 44.

⁶ Eleventh Report at para. 16, RMR, Tab 3, p. 45.

⁷ Approval and Vesting Order of Justice Conway, January 28, 2026, Appendix C to the Eleventh Report, RMR, Tab 3, p. 173.

Receiver which culminated in an amending agreement (the “**May 2026 Amendment**”) in respect of the Unit 305 Agreement executed on May 12, 2026 which, among other things:

- (a) Reduced the purchase price of Unit 305 Agreement; and
- (b) Provided the Receiver with the Purchaser’s consent to judgment in an amount reflecting damages that would be owed to the Receiver if the Purchaser defaulted under the Unit 305 Agreement, prior to its amendment through the May 2026 Amendment, which consent the Receiver can rely on if the Purchaser defaults under the Unit 305 Agreement, as amended by the May 2026 Amendment.⁸

12. As amended by the May 2026 Amendment, the Unit 305 Agreement is hereinafter referred to as the “**Revised Unit 305 Agreement.**”

C. Amendment to Appointment Order and HST schedules

13. On December 19, 2025, Justice J. Dietrich granted an order (the “**PTAO**”) that, among other things, amended the Appointment Order to enable the Receiver to sell Units without specific Court approval where:

- (a) The purchase price under the agreement to purchase the Unit exceeds the Unit’s Target Price as set out in the Target Price List that has been filed confidentially with the Court; and
- (b) Where the agreement of purchase and sale is substantially in the form of one of two template agreements of purchase and sale approved by the

⁸ Eleventh Report at para. 18, RMR, Tab 3, p. 45.

PTAO, subject to such minor deviations as the Receiver deems appropriate.⁹

14. Where a Unit sale transaction satisfies these two conditions, it is a “Permitted Transaction” under the Appointment Order (as amended by the PTAO).

15. On March 25, 2026, the Government of Ontario announced that it would be extending the existing provincial exemption of HST that applies to first-time home buyers to all homebuyers – not just first-time homebuyers.¹⁰

16. The Receiver’s real estate agent in connection with the sale of the Units, Homelife, has advised the Receiver that, following the announcement of this proposed policy change, a significant number of vendors of new homes in Richmond Hill, Ontario (where the Units are located) have been deducting the HST portion of the purchase price from their new home listings.¹¹

17. To compete with these other new home listings, the Receiver recommends that the Court approve schedules (the “**HST Schedules**”) for use in connection with Template APSs.¹² Pursuant to the HST Schedules:

- (a) Assuming the HST exemption for new homes goes into effect prior to closing, the purchaser does not pay HST to the Receiver in respect of their agreement to purchase the Unit;

⁹ See Permitted Transaction Authorization Order of Justice J. Dietrich, December 19, 2025 at para. 6, Appendix F to the Eleventh Report, RMR, Tab 3, p. 206.

¹⁰ Eleventh Report at para. 28, RMR, Tab 3, p. 49.

¹¹ Eleventh Report at para. 29, RMR, Tab 3, p. 49.

¹² Eleventh Report at para. 30, RMR, Tab 3, p. 49.

- (b) In this case, the Receiver is still required to remit the HST that *would have* been payable by the purchaser in respect of the Unit, however, the purchaser agrees to assign the HST rebate to which they would be entitled in respect of the Unit purchase to the Receiver (fully offsetting the Receiver's obligation to remit HST for the transaction); and
- (c) Assuming the HST exemption for new homes does not go into effect prior to closing, the purchaser would be required to pay HST to the Receiver in the normal course.¹³

18. Because this mechanism would alter the total consideration payable by a purchaser for a Unit at closing by removing the HST component, the Receiver recommends that the language governing the qualification of a Unit sale transaction as a Permitted Transaction be further amended to remove HST from both (1) the quantum of net consideration payable for a Unit and (2) a Unit's Target Price, for purposes of assessing whether a Unit sale transaction satisfies that Unit's Target Price.¹⁴

19. In particular, the Receiver proposes that paragraph 3(k) of the Appointment Order be amended such that a Unit can be sold without specific Court approval provided that the total consideration payable by the purchaser(s) for the Unit under an agreement of purchase and sale, net of HST, is not less than $\frac{1}{1.13}$ of the Target Price for that Unit.

20. In the normal course, $\frac{1}{1.13}$ of the consideration payable for a Unit's would be ultimately payable to the Receiver, with the balance being required to be remitted to the

¹³ Eleventh Report at para. 31, RMR, Tab 3, p. 49-50.

¹⁴ Eleventh Report at para. 32, RMR, Tab 3, p. 50.

Canada Revenue Agency (the “**CRA**”) as HST. This means that removal of HST from the meaning of the consideration payable for a Unit, while simultaneously providing that an agreement to purchase a Unit can be a Permitted Transaction by providing for consideration that is $\frac{1}{1.13}$ of that Unit’s Target Price, would be revenue neutral. With these changes made, the consideration ultimately payable to the Receiver, net of HST, in respect of Unit sales at a Unit’s minimum price under the PTAO, would remain the same.¹⁵

21. The benefit of this amendment to the Appointment Order is that it would enable the Receiver to sell Units with a lower face value purchase price, making the Units more competitive and appealing to prospective homebuyers (notwithstanding that, as noted above, the consideration ultimately payable to the Receiver, net of HST, would remain the same).¹⁶

22. The only downside of this change would be if a purchaser fails to assign their HST rebate to the Receiver (or if CRA declines to provide the purchaser such a rebate). In this case, the HST Schedules provide that the purchaser indemnifies the Receiver in connection with the same. The Receiver has considered this drawback and is of the view that it is nevertheless appropriate to provide the Receiver with the authority to incorporate the HST Schedules into purchase agreements, where the Receiver deems it appropriate, in its business judgment.¹⁷

23. The Receiver can mitigate the foregoing risk by requiring that prospective purchasers that wish to take advantage of this prospective HST exemption provide the

¹⁵ Eleventh Report at para. 34, RMR, Tab 3, p. 52.

¹⁶ Eleventh Report at para. 35, RMR, Tab 3, p. 52.

¹⁷ Eleventh Report at para. 36, RMR, Tab 3, p. 52.

Receiver with reasonable proof that they are eligible for the same. On the other hand, if the Receiver is unable to offer this HST exemption to purchasers, the Receiver is concerned that it may not be able to market the Units in a competitive manner, to the detriment of the Debtors' stakeholders.¹⁸

24. Accordingly, the Receiver recommends that the Court amend the Appointment Order in accordance with the Receiver's proposed language and authorize the Receiver to use the HST Schedules as part of Template APSs in connection with Permitted Transactions.

PART III. STATEMENT OF ISSUES

25. This Motion raises the following issues:

- (a) Whether Fanshay should be denied standing to object to the Receiver's motion (if he seeks to do so);
- (b) Whether this Court should approve the Transaction and grant the amended and restated AVO in respect of the same;
- (c) Whether this Court should amend paragraph 3(k) of the Appointment Order in accordance with the Receiver's recommendation;
- (d) Whether this Court should abridge the time for service of the Receiver's Motion Materials and validate the service of same;

¹⁸ Eleventh Report at para. 37, RMR, Tab 3, p. 53.

- (e) Whether this Court should make an Order sealing the Confidential Appendices to the Eleventh Report; and
- (f) Whether this Court should approve the Receiver's activities and fees as set out in the Eleventh Report, as well as the fees of its counsel.

26. The Receiver submits that these issues should all be answered in the affirmative.

PART IV. LAW

A. Fanseday should be denied standing to oppose the Receiver's motion

27. If Fanseday (the principal of the Debtors) seeks to oppose the Receiver's motion (as Fanseday frequently has), Fanseday should be denied standing because he is presently in default of his obligation to pay outstanding cost orders made against him.

28. Fanseday is presently subject to four cost orders in favour of the Receiver,¹⁹ including two on a substantial indemnity basis. Where, as here, there has been non-compliance with an order of the court (including a cost order), the court should be alive to the possibility that its process is being abused. In such a circumstance, the Court has the jurisdiction to deny a party standing in a proceeding.²⁰

29. This Court has specifically found that Fanseday has a history of re-litigating matters already decided by the Court.²¹ When considered in conjunction with the fact that

¹⁹ See *Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp.*, [2026 ONCA 77](#) at [para. 32](#) [**"201Co"**]; *Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp.*, CV-23-00710795-00CL, Endorsement of Justice Conway, March 9, 2026 at para. 10, Book of Authorities of the Receiver ("**BOA**"), Tab 2, p. 18; *Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp.*, CV-23-00710795-00CL, Endorsement of Justice Conway, April 7, 2026, BOA, Tab 3, p. 22; *Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp.*, CV-23-00710795-00CL, Order of Justice Black, May 15, 2026, BOA, Tab 5, p. 28.

²⁰ *Re Proex Logistics*, [2025 ONSC 51](#) paras. 46-47, aff'd, [2025 ONCA 832](#).

²¹ *201Co* at [para. 30\(b\)](#).

Fanseay has failed to pay the cost orders against him (while simultaneously continuing to engage in motions and appeals that generate mounting legal fees for the Receiver), it is clear that Fanseay has demonstrated that he does not intend to be bound by orders made by this Court.

30. As Justice Black recently characterized Fanseay's conduct, Fanseay is refusing to "take no for an answer."²² This is a blatant disregard for this Court's authority and an abuse of this Court's processes.

31. While self-represented litigants like Fanseay are entitled to some accommodation to ensure a fair hearing, once orders are made, a failure to enforce orders against self-represented parties is unfair to other parties and undermines respect for the administration of justice.²³

32. This Court should stop its processes from being abused by denying Fanseay standing to participate in this Motion, if he seeks to oppose the relief sought by the Receiver.

B. The Court should approve the Transactions and grant the amended and restated AVO

33. The factors to be considered by this Court in its assessment of the approval of an asset sale by a receiver are well established. A Court should consider:

²² *Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp. et al.*, CV-23-00710795-00CL, Endorsement of Justice Black, May 15, 2026 at para. 11, BOA, Tab 4, p. 26.

²³ *Baradaran v. Tarion Corp.*, [2015 ONSC 7892](#) at [para. 16](#).

- (a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
- (b) the interests of all parties;
- (c) the efficacy and integrity of the process by which offers are obtained; and
- (d) whether there has been unfairness in the working out of the process.²⁴

34. Having regard to the foregoing, the Receiver submits and recommends that this Court should approve the Revised Unit 305 Agreement in order to give effect to the Transactions contemplated thereby. In particular, the Receiver notes the following:²⁵

- (a) The purchase price of Stacked Unit 305 under the Revised Unit 305 Agreement exceeds the Receiver's estimate of the current market value of this Unit. As a result, it is preferable that the Receiver complete the Transaction under the terms of the Revised Unit 305 Agreement rather than seek to obtain and enforce an order of damages against the Purchaser (having regard to the legal costs and collection risks associated with the same and given that the Purchaser currently resides in Stacked Unit 305);
- (b) The Receiver has minimized the risk of further default by the Purchaser by obtaining a consent to judgment from the Purchaser which can be relied upon by the Receiver to facilitate enforcement if the Purchaser does fail to close the Transaction;

²⁴ *Royal Bank v. Soundair Corp.*, [1991 CanLII 2727 \(ONCA\)](#) at [para. 16](#) [*"Soundair"*].

²⁵ Eleventh Report at para. 23(b)-(e), RMR, Tab 3, pp. 46-48.

- (c) Cameron Stephens, the first secured creditor of the Debtors, supports the Revised Unit 305 Agreement; and
- (d) In all the circumstances, the Revised Unit 305 Agreement is a commercially reasonable transaction and the Receiver is of the view that the Receiver's completion of the Revised Unit 305 Agreement would be accretive to the estate of the Debtors and beneficial to their stakeholders.

35. A sales process in the context of a receivership is not to be held to a standard of perfection. Rather, a receiver will be found to be making appropriate efforts to get the price if the receiver carefully considers the available information and uses its expertise to determine how best to maximize value in the particular circumstances. This reasoning should apply with particular force where a receiver is dealing with an unusual asset (96 separate residential units) as it is here.²⁶

36. Additionally, a Court ought only interfere with a receiver's recommendation concerning the sale of a debtor's assets in exceptional circumstances. As the Ontario Court of Appeal agreed with and adopted in *Soundair*:

If the court were to reject the recommendation of the Receiver in any but the most exceptional circumstances, it would materially diminish and weaken the role and function of the Receiver both in the perception of receivers and in the perception of any others who might have occasion to deal with them. It would lead to the conclusion that the decision of the Receiver was of little weight and that the real decision was always made upon the motion for approval. That would be a

²⁶ *National Trust Co v 1117387 Ontario Inc*, [2010 ONCA 340](#) at [paras. 44](#) and [50](#).

consequence susceptible of immensely damaging results to the disposition of assets by court-appointed receivers.²⁷

37. In the present case, there are no exceptional circumstances which would warrant a rejection of the Receiver's recommendation. The Receiver has considered the costs and benefits of enforcing the original Unit 305 Agreement (with the attendant legal costs, litigation risk and collections risk) versus agreeing to the Revised Unit 305 Agreement to facilitate closing of the Transaction.

38. Such an exercise of business judgment is owed significant deference by this Court,²⁸ especially where, as here, the amount ultimately at issue is relatively small.

C. This Court should amend paragraph 3(k) of the Appointment Order in accordance with the Receiver's recommendation

39. As set out in the Eleventh Report, the Receiver recommends that the Court amend the Receiver's existing authorization to sell Units such that this mechanism no longer takes into account HST in determining whether a transaction's purchase price meets a Unit's Target Price.

40. This will enable the Receiver to take advantage of the proposed HST exemption for new homes and offer prospective purchasers a more competitive purchase price for the Units (in a manner that will ultimately be revenue neutral for the estate of the Debtors).

41. Such a recommendation, which ultimately reflects an exercise of the Receiver's business judgment, is owed significant deference by the Court.²⁹

²⁷ *Soundair* at [para. 21](#).

²⁸ *Ravelston Corp. (Re)*, [2005 CanLII 63802](#) (ON CA) at [para. 40](#) [*"Ravelston"*].

²⁹ *Ravelston* at [para. 40](#)

D. This Court should approve the Sealing Order in respect of the Confidential Appendices

42. The Receiver requests that this Court grant a sealing order in respect of the Confidential Appendices to this Eleventh Report.

43. These Confidential Appendices consist of the unredacted copies of the documents that contain the financial terms of the Revised Unit 305 Agreement.

44. Sealing these documents is necessary to ensure that the Receiver can maximize the value of this Unit for the benefit of all stakeholders.³⁰

45. In *Sierra Club*, the Supreme Court of Canada held that courts should exercise their discretion to grant sealing orders where (i) the order is necessary to prevent a serious risk to an important interest, including a commercial interest; and (ii) the salutary effects of the order outweigh its deleterious effects.³¹

46. In *Sherman Estate v. Donovan*, the Supreme Court of Canada held that a party requesting that a court exercise its discretion in a way that limits the 'open court' presumption must establish that: (i) the openness poses a risk to an important interest to the public; (ii) the request sought is necessary to prevent the risk to the identified interest as reasonable alternative measures will not prevent said risk; and (iii) the benefits of the request outweigh the negatives as a matter of proportionality.³²

³⁰ *GE Canada Real Estate Financing Business Property Company v. 1262354 Ontario Inc.*, [2014 ONSC 1173](#) at [paras 32-34](#).

³¹ *Sierra Club of Canada v Canada (Minister of Finance)*, [2002 SCC 41](#) at [para 53](#).

³² *Sherman Estate v Donovan*, [2021 SCC 25](#) at [para 38](#).

47. In the insolvency context, when assets are contemplated to be sold pursuant to a court process, it is common to seal bids and other commercially sensitive material, such as sale price and details of competing offers, in the event that a further listing is required should the contemplated proposed transaction not close.³³

48. In this case, the Confidential Appendices contains information relevant to the Receiver's estimation of the fair market value and pricing strategy of Unit 305, including Unit 305's Target Price. If any of this pricing information was made public, it would compromise the Receiver's ability to obtain the best price for Unit 305 (if the Revised Unit 305 Agreement does not close and the Receiver must re-market the Unit) because it would, in effect, permit a potential purchaser to know the "minimum price" for which the Receiver would be able to efficiently re-sell Unit 305.

49. As a result, the Receiver is of the view that an order sealing these documents will permit the Receiver to maximize the sale proceeds of the Units and is in the best interests of the Debtors' stakeholders.

50. The Receiver submits that there is no other reasonable way to preserve and ensure the viability and integrity of the Sales Process and that the benefits of the protective order outweigh any deleterious impact on the "open court" principle.

51. The proposed sealing order embodies the principle of proportionality. The Receiver is only seeking a sealing order for a limited time: until the Project is complete and all of

³³ *Romspen Investment Corporation v Hargate Properties Inc.*, [2012 ABQB 412](#) at [paras 2](#), [11](#) and [13](#).

the Units are sold. After that time, these documents will become part of the public court record.

E. The Court should abridge the time for service of the Receiver's motion materials and validate the service of same

52. Service of the Receiver's motion materials did not strictly comply with the *Rules of Civil Procedure* (the "**Rules**"), which requires seven days' notice of a motion.³⁴

53. However, Rule 3.02(1) provides the Court with discretion to abridge any time prescribed by the *Rules* and Rule 1.04(1) provides that the *Rules* shall be "liberally construed to secure the just, most expeditious and least expensive determination of every civil proceedings on its merits."³⁵

54. Rule 16.08 provides that, where a document has been served in a manner other than one authorized by the *Rules*, the Court can make an order validating service of a document where it is satisfied that the document came to the notice of the person to be served.³⁶

55. In this case, the Court should exercise its discretion under these Rules to validate the service of the Receiver's materials and abridge the required length of notice for the following reasons:

- (a) **No substantial prejudice:** the Court has considered motions made on short notice (and proceeded as if that motion had been delivered in a timely way) where the Court found that there was no substantial prejudice to other

³⁴ *Rules of Civil Procedure*, [R.R.O. 1990, Reg. 194](#), r. [37.07\(6\)](#) [**"Rules"**].

³⁵ *Rules*, rr. [1.04\(1\)](#), [3.02\(1\)](#).

³⁶ *Rules*, r. [16.08](#).

parties.³⁷ This motion is largely procedural and clarificatory in nature. The purchase price of Stacked Unit 305 under the Revised Unit 305 Agreement is higher than the Unit's Target Price (which has *already* been approved by the Court) and the requested amendments to the Appointment Order will not, in substance, affect the prices at which the Receiver is authorized to complete Unit sale transactions without Court approval; and

(b) **Urgency and importance of relief sought:** the requested relief is critical to ensure that the Receiver can efficiently realize upon the assets of the Debtors for the benefit of their stakeholders, in accordance with the objectives of the *Bankruptcy and Insolvency Act* ("**BIA**):

(i) Delay in approving the Revised Unit 305 Agreement (which in turn would delay the closing date of the Transaction) exposes the Receiver, and the Debtors' stakeholders, to the risk that the Purchaser's approval for financing to complete the Transaction will be withdrawn or expire; and

(ii) The Receiver is concerned that, any delay in its ability to complete Unit sale agreements that include the HST Schedule, will undermine the Receiver's ability to market the Units competitively for sale during the spring and summer season. Given that it is presently contemplated that Cameron Stephens will suffer a shortfall on

³⁷ *Quizno's Canada Restaurant Corporation v. 1450987 Ontario Corp.*, [2009 CanLII 20708 \(ON SC\)](#) at [paras. 33-36](#).

amounts owing to it in this matter, any such delay likely serves to generate irrecoverable interest burn on this debt.

56. Accordingly, proceeding in this Motion as if the Receiver's materials had been delivered in a timely way is consistent with the purpose of the *Rules* and the *BIA*. The Court should exercise its discretion to regularize the service of the Receiver's motion materials.

F. The Court should approve the Eleventh Report, the Receiver's conduct and fees and the fees of the Receiver's counsel

57. The Court should approve:

- (a) The Eleventh Report;
- (b) The activities of the Receiver set out in Eleventh Report; and
- (c) The fees and disbursements of the Receiver and its counsel set out in the Eleventh Report.³⁸

58. The Court has the jurisdiction to review and approve the activities of a court-appointed officer in an insolvency proceeding as set out in the officer's reports and will approve them where they are reasonable and appropriate in the circumstances.³⁹

³⁸ See *Bank of Nova Scotia v Diemer*, [2014 ONCA 851](#) at [paras 33-35](#) for a description of the factors that Courts will consider in determining whether a court-appointed officer's accounts are fair and reasonable.

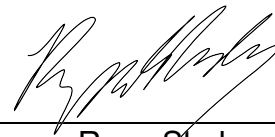
³⁹ *Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp. et al.*, 2024 ONSC 3507 at paras. 48, 52, 57, BOA, Tab 1, pp. 10-11 citing *Target Canada Co. Re*, [2015 ONSC 7574](#) at [paras 2, 12](#); *Triple-I Capital Partners Limited v 12411300 Canada Inc.*, [2023 ONSC 3400](#) at [para 66](#); *Ravelston* at [para 40](#).

59. In this case, the Eleventh Report details activities undertaken and fees incurred by the Receiver and its counsel. These activities were undertaken for the benefit of the stakeholders of the Debtors and, accordingly, this Court should approve them.

PART IV – ORDER REQUESTED

60. The Receiver requests that this Court grant the relief sought by the Receiver in the draft orders included in the Receiver’s Motion Record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 17th day of May, 2025.



Ryan Shah

SCHEDULE "A" – AUTHORITIES CITED

Bank of Nova Scotia v Diemer, [2014 ONCA 851](#)

Cameron Stephens Mortgage Capital Ltd. v 2011836 Ontario Corp. et al., 2024 ONSC 3507

Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp., [2026 ONCA 77](#)

Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp., CV-23-00710795-00CL, Endorsement of Justice Conway, March 9, 2026

Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp., CV-23-00710795-00CL, Endorsement of Justice Conway, April 7, 2026

Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp., CV-23-00710795-00CL, Order of Justice Black, May 15, 2026

Cameron Stephens Mortgage Capital Ltd. v. 2011836 Ontario Corp. et al., CV-23-00710795-00CL, Endorsement of Justice Black, May 15, 2026

GE Canada Real Estate Financing Business Property Company v. 1262354 Ontario Inc., [2014 ONSC 1173](#)

National Trust Co v 1117387 Ontario Inc., [2010 ONCA 340](#)

Quizno's Canada Restaurant Corporation v. 1450987 Ontario Corp., [2009 CanLII 20708 \(ON SC\)](#)

Ravelston Corp. (Re), [2005 CanLII 63802](#) (ON CA)

Re Proex Logistics, [2025 ONSC 51](#)

Re Proex Logistics, [2025 ONCA 832](#)

Romspen Investment Corporation v Hargate Properties Inc., [2012 ABQB 412](#)

Royal Bank v. Soundair Corp., [1991 CanLII 2727](#) (ON CA)

Sherman Estate v Donovan, [2021 SCC 25](#)

Sierra Club of Canada v Canada (Minister of Finance), [2002 SCC 41](#)

Target Canada Co. Re, [2015 ONSC 7574](#)

Triple-I Capital Partners Limited v 12411300 Canada Inc., [2023 ONSC 3400](#)

I, Ryan Shah, lawyer for the Receiver, certify that I am satisfied as to the authenticity of the above noted authorities on this 17th day of May, 2025:



SCHEDULE “B” – EXCERPTS OF STATUTES AND REGULATIONS CITED

Rules of Civil Procedure, R.R.O. 1990, Reg. 194,

General Principle

1.04 (1) These rules shall be liberally construed to secure the just, most expeditious and least expensive determination of every civil proceeding on its merits.

General Powers of Court

3.02 (1) Subject to subrule (3), the court may by order extend or abridge any time prescribed by these rules or an order, on such terms as are just.

(2) A motion for an order extending time may be made before or after the expiration of the time prescribed.

Times in Appeals

(3) An order under subrule (1) extending or abridging a time prescribed by these rules and relating to an appeal to an appellate court may be made only by a judge of the appellate court.

Validating Service

16.08 Where a document has been served in a manner other than one authorized by these rules or an order, the court may make an order validating the service where the court is satisfied that,

- (a) the document came to the notice of the person to be served; or
- (b) the document was served in such a manner that it would have come to the notice of the person to be served, except for the person’s own attempts to evade service.

Minimum Notice Period

37.07 (6) Where a motion is made on notice, the notice of motion shall be served at least seven days before the date on which the motion is to be heard.

**CAMERON STEPHENS MORTGAGE
CAPITAL LTD.**

Applicant

and **2011836 ONTARIO CORP., et al.**

Respondents

Court File No. CV-23-00710795-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
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**
Proceeding commenced at Toronto

**FACTUM OF THE RECEIVER (MOTION
RETURNABLE MAY 21, 2026)**

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