

**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

**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 APPLICANT
(Hearing December 11, 2023)

December 8, 2023

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PART I - OVERVIEW

1. This Application was issued by Cameron Stephens Mortgage Capital Ltd. (“Cameron Stephens”) for an Order under subsection 243(1) of the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) and section 101 of the *Courts of Justice Act* (Ontario) (“**CJA**”) to appoint Albert Gelman Inc. (“**AGI**”), as the Receiver and Manager (in such capacity, the “**Receiver**”), without security, of all present and future property, assets and undertakings, including each of the real properties identified in Schedule “A” to the Notice of Application (collectively, the “**Property**”) of 2011836 Ontario Corp., Jefferson Properties Limited Partnership, 1000162801 Ontario Corp. American Corporation and 1000199992 Ontario Corp. (collectively referred to as the “**Debtors**”).

2. The Application was made returnable on short notice, based on the urgency described in the Affidavit of John David sworn December 6, 2023 (the “David Affidavit”). The urgency only applies to the properties identified as the Jefferson Properties and to the corresponding owners of the Jefferson Properties, namely 2011836 Ontario Corp. and Jefferson Properties Limited Partnership (the “Jefferson Debtors”). The application as it pertains to the remaining Respondents and the remaining properties described in Schedule “A” to the Notice of Application, will be adjourned to a later date to be determined.

PART II – FACTS

3. The Respondent corporation, 2011836 Ontario Corp. (the “**Corporation**”) is the General Partner of the Limited Partnership, Jefferson Properties Limited Partnership (the “**Limited Partnership**”).

4. The Jefferson Debtors are the registered owners of the 2 PINS that comprise the Jefferson Properties. Together, the Jefferson Properties are approximately 2.6 acres, comprised of two adjoining parcels located along the south side of Jefferson Side Road, just west of Yonge Street in Richmond Hill, Ontario. The Jefferson Properties were intended for a development known as

“**Richmond Hill Grace**”, which was to consist of 96 residential units in 9 blocks, being 60 units of stacked townhomes and 36 units of standard townhomes (the “**Project**”).¹

5. The Project received zoning approval, draft plan of subdivision approval and site plan approval and is in mid construction. Significant areas of the Project are exposed to the elements and the Project is not completed. Approximately, 79 of the 96 units have been pre-sold to purchasers.²

THE LOAN AND SECURITY DOCUMENTS

6. The Jefferson Debtors are indebted to Cameron Stephens with respect to the credit facilities made available under the terms of a Letter of Commitment dated February 3rd, 2022, and amended by a Syndication Waiver dated February 18th, 2022, and further amended by Amendment Letters dated October 19th, March 3rd and May 26th, 2023 (the “**Letter of Commitment**”).³

7. The Letter of Commitment provided for a loan facility comprised of a first mortgage Construction Loan in the amount of \$54,878,000.00, and a Letter of Credit Facility in the amount of \$2,700,000.00 (collectively, the “**Loan**”) for the Project.⁴

8. As security for their obligations to Cameron Stephens, the Jefferson Debtors provided the following, including, *inter alia*:

- a. A first ranking Charge/Mortgage registered on the 8th day of March 2022, as Instrument No. YR3391499 for the principal sum of \$69,093,600.00 against the title to the Jefferson Properties (the “**Cameron Stephens Charge**”).⁵

¹ Paragraph 4, John David Affidavit, Application Record, Tab 2 (“**David Affidavit**”)

² Paragraph 5, David Affidavit

³ Exhibit “C” to the David Affidavit

⁴ Exhibit “C” to the David Affidavit

⁵ Exhibit “D” to the David Affidavit

- b. A General Security Agreement dated March 8th, 2022, (the “**GSA**”) which was registered by Cameron Stephens under the *Personal Property Security Act* (“**PPSA**”) on February 28th, 2022⁶; and
- c. A General Assignment of Rents registered on the 8th day of March 2022, (the “**GAR**”) as Instrument No. YR3391500 against the Jefferson Properties.⁷

9. The obligations of the Debtors to Cameron Stephens were also guaranteed by Fangxi (Fansey) Wang (“**Wang**”), the principal of the Debtors, pursuant to a Guarantee dated March 8th, 2022 (the “**Guarantee**”).⁸

OTHER CREDITORS

10. The Jefferson Properties and The Jefferson Debtors are also subject to the following additional security:

- a) a second ranking Charge in favour of WPC GP I Inc. and Windsor Private Capital Limited Partnership (“**WPC**”) in the amount of \$5,000,000.00 registered on July 14, 2023 as Instrument No. YR3573855 (the “**WPC Charge**”).⁹
- b) a third ranking charge in favour of Berkley Insurance Company in the amount of \$10,440,000.00 registered on March 15th, 2022, as Instrument No. YR3394837 (the “**Berkley Charge**”).¹⁰

⁶ Exhibit “E” to the David Affidavit

⁷ Exhibit “F” to the David Affidavit

⁸ Exhibit “G” to the David Affidavit

⁹ Exhibit “L” to the David Affidavit

¹⁰ Exhibit “H” to the David Affidavit

c) a fourth ranking Charge in favour of Dragon Holding Real Estate Fund SPC in the amount of \$11,000,000.00 registered on January 22nd, 2020, as Instrument No. YR3059206 (the “**Dragon Charge**”).¹¹

11. PPSA search results show the following additional creditors:

- (a) The Brick Warehouse LP;
- (b) Berkley Insurance Company; and
- (c) Kubota Canada Ltd.

THE DEFAULT

12. As of September 2023, the Debtors had committed certain events of default in that they had, *inter alia*, allowed several Construction Liens to be registered against the Jefferson Properties (the “**Settled Liens**”).

13. As a result of the Jefferson Debtors’ default, on September 5th, 2023, Cameron Stephens issued demands for payment upon the Jefferson Debtors and the Guarantor, as well as Notices of Intention to Enforce Security (“**NITES**”) and the 10-day notice period under the NITES expired.¹²

14. Notwithstanding the default, the Jefferson Debtors and the Guarantor requested that Cameron Stephens continue to fund the balance of the advances available under the Loan and the Letter of Commitment and that they provide additional fresh financing in the amount of approximately \$21 million to fund the completion of the construction and the anticipated cost overruns (the “**Additional Financing**”).¹³

¹¹ Exhibit “J” to the David Affidavit

¹² Exhibits “N” and “O” to the David Affidavit

¹³ Paragraph 15, David Affidavit

15. In consideration for Cameron Stephens agreeing to, *inter alia*, advance further funds under the Loan and agreeing to forbear enforcement of the Loan until October 31st, 2023, (the “**Forbearance Term**”), Cameron Stephens required additional security, including additional guarantees, which additional security was agreed to by each of the Respondents.

16. Cameron Stephens and each of the Respondents entered into a Forbearance Agreement dated September 28th, 2023, (the “**Forbearance Agreement**”).¹⁴

17. The Forbearance Agreement provided for the following additional security:

- i. A second mortgage in the amount of \$27,500,000.00 against the property known municipally as 2, 6, 8 Bond Crescent and 8, 10, 12, 14, 16 and 18 Bostwick Crescent, Richmond Hill (the “**Bond/Bostwick Security**”), which property was owned by 1000162801 Ontario Corp. and which mortgage was registered as instrument number YR3604584 on October 4th, 2023.
- ii. A second mortgage to be held in escrow in the amount of \$27,500,000.00 against the property known municipally as 6532 and 6544 Winston Churchill Boulevard, Mississauga, which property was owned by 1000199992 Ontario Corp. The Winston Churchill Mortgage was registered on December 6, 2023, as Instrument No. PR4281070 on (the “**Winston Churchill Security**”).
- iii. A third mortgage in the amount of \$3.5 million against the property known as Baby Tar Island near Rockport, Ontario (the “**Baby Tar**”).

¹⁴ Exhibit “P” to the David Affidavit

Island Security”), which property was owned by Amercan Corporation and which security was registered as Instrument No. LE151392, on October 4th, 2023.

- iv. A Guarantee and Postponement of Claim from each of the Additional Guarantors.
- v. General Security Agreements (the “**GSAs**”) executed by Amercan Corporation and by 1000162801 Ontario Corp., which GSAs were registered under the PPSA as Registration Numbers 20230926 1703 1462 7761 and 20230926 1703 1462 7760 respectively.¹⁵

18. The Respondents acknowledged in the Forbearance Agreement that the outstanding indebtedness to Cameron Stephens as at September 28, 2023 was \$40,090,073.55 plus interest, legal costs and other permitted expenses¹⁶. Interest continued to accrue thereafter at the rate of 7.20% per annum. As at December 6, 2023, the Indebtedness was \$48,376,482.12 plus further interest and costs.¹⁷

THE FORBEARANCE AGREEMENT

19. Pursuant to the terms of the Forbearance Agreement, the Lender advanced funds for the Settled Liens and made further advances to cover the account payables till the end of August 2023.

20. The Forbearance Agreement also acknowledged that Cameron Stephens required an independent review and report from a construction management consultant and from a financial consultant regarding the Project, the projected cost to complete the Project, and the financial

¹⁵ Paragraph 18, David Affidavit

¹⁶ Exhibit “P” to the David Affidavit

¹⁷ Exhibit “V” to the David Affidavit

viability of the Project. Cameron Stephens engaged such consultants, *inter alia*, in order to consider the borrower's request for additional funding.¹⁸

21. The Forbearance Agreement also required the signed consent of each of the Respondents to an Order for the appointment of a Receiver over all property, assets and undertakings of the Respondents (the "**Consent Order**") which Consent Order Cameron Stephens was entitled to utilize if Cameron Stephens, acting reasonably, was unsatisfied with the results of the Reports from its consultants and additional financing was not approved to deal with the increased costs to complete.¹⁹

22. Cameron Stephens subsequently considered the borrower's request for additional funding and gave notice on December 1st, 2023, that it will not approve any additional financing based on a number of factors, namely:

- a. ongoing financial information which indicates that the cost overruns are now projected to be \$5,750,000.00 in excess of what was previously suggested;²⁰
- b. the Construction Manager appointed by the Jefferson Debtors has resigned and Wang has appointed his wife, Jessica Wang, to manage the Project despite a lack of experience and qualifications²¹; and
- c. the Project is being mismanaged and the progress of the construction delayed, given Jessica's poor and untimely decisions, including failing to authorise the encapsulation of the building envelope for Block H, in order to winterize it.²²

¹⁸ Exhibit "P" to the David Affidavit

¹⁹ Exhibit "P" to the David Affidavit

²⁰ Exhibits "X", "Y" and "Z" to the David Affidavit

²¹ Exhibit "X" to the David Affidavit

²² Exhibit "X" to the David Affidavit

23. The above factors have contributed to the urgent need to appoint a Receiver to take control of the Jefferson Properties. In addition, as the Consultant's reports and the financial information reveals:

- a. the monthly draw payable to the construction trades is now past due for the month of October in the approximate amount of \$2,400,000.00;²³
- b. there is no financing in place to complete the Project;
- c. the trades are disgruntled by the change in construction management and their cooperation and continued work on the Project will cease in the event they are not paid in a timely manner. This Project has already been halted several times as a result of the registration of liens and changes to the trades and consultants;²⁴
- d. the lender's consultants are satisfied with the current compliment of trades and consultants and have indicated the importance of a smooth transition so that they will continue working on the Project and so that there will not be any significant disruption or delay;²⁵ and
- e. immediate steps need to be taken to protect the Project from winter weather conditions.²⁶

PART III - ISSUES

24. This Application requires a resolution of the following issues:

- (i) Should this Court make an Order pursuant to subsection 243(1) of the BIA and section 101 of the CJA appointing AGI as the Receiver over the Jefferson Debtors?

²³ Exhibits "A" to the Affidavit of Monika Gugu sworn December 8, 2023

²⁴ Exhibit "X" to the David Affidavit

²⁵ Paragraph 25 and Exhibit "X" to the David Affidavit

²⁶ Paragraph 25 and Exhibit "X" to the David Affidavit

(b) Should this Court make an Order pursuant to subsection 243(6) of the BIA granting the Receiver's Charge?

PART IV - LAW AND ARGUMENT

THE TEST FOR THE APPOINTMENT OF A RECEIVER

25. This Court has the power to appoint a Receiver or a Receiver and Manager under subsection 243(1) of the BIA and section 101 of the CJA.²⁷

26. Pursuant to subsection 243(1) of the BIA, the court may appoint a Receiver where it considers it to be just or convenient to do so. Subsection 243(1) provides²⁸:

243(1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

(a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;

(b) exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or

(c) take any other action that the court considers advisable.

27. As a threshold issue, where an appointment is to be made under section 243 of the BIA, the court must be satisfied that either: (i) the insolvent person received ten days' notice under section 244 of the BIA of the moving party's intention to enforce its security; (ii) the insolvent person consented to the appointment of a receiver prior to the expiry of the ten day period; or (iii) it is otherwise appropriate to order the appointment prior to the expiry of the ten day notice period.²⁹

²⁷ *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended [BIA], subsection 243(1), Schedule B to this Factum.; *Court of Justice Acts*, R.S.O. 1990, c. C.43, as amended [CJA], section 101, Schedule B to this Factum

²⁸ BIA, subsection 243(1), Schedule B to this Factum.

²⁹ BIA, sections 243(1.1) and 244, Schedule B to this Factum.

28. Similarly, the test for the appointment of a receiver under section 101 of the CJA is also whether such appointment would be just or convenient. Subsection 101(1) of the CJA provides as follows³⁰:

101(1) In the Superior Court of Justice, an interlocutory injunction or mandatory order may be granted, or a Receiver or Receiver and manager may be appointed by an interlocutory order, where it appears to a judge of the court to be just or convenient to do so.

29. In determining whether it would be just, appropriate or convenient to appoint a receiver, Canadian courts have historically considered a number of factors, including, but not limited to, whether³¹:

- (i) the applicant has the power to appoint a receiver under its security instrument;
- (ii) the security held by the applicant is or may become insufficient to secure the indebtedness;
- (iii) the debtor has broken or otherwise failed to carry out its obligations;
- (iv) an appointment is necessary to protect the security from existing or realistically perceived jeopardy or danger;
- (v) the debtor has failed to account;
- (vi) the applicant will suffer irreparable harm or injury if a receiver is not appointed;
- (vii) there is demonstrated urgency for the appointment of a receiver;
- (viii) the cost to the parties of making the appointment is justified relative to the expected realization to be achieved from the appointment;
- (ix) the balance of convenience favours the appointment; and
- (x) the proposed appointee is capable of carrying out the purpose for which the appointment is sought.

30. In deciding whether to appoint a receiver, the court must have regard to all the circumstances, but in particular to the nature of the property and the rights and interests of all

³⁰ CJA, subsection 101(1), Schedule B to this Factum.

³¹ [*Standard Trust Co. v Pendergrass Holdings Ltd.*](#), 1988 CarswellSask 27 (Sask. Q.B.) at para 10.

parties in relation thereto. Typically, the issues for a court to determine on a receivership application include the following³²:

- (a) the existence of a debt and default;
- (b) the quality of the security; and
- (c) the need for the appointment of a receiver in view of alternate remedies available to the creditor, the nature of the property, the likelihood of maximizing the return to the parties, the costs associated with the appointment, and any need to preserve the property pending realization.

31. Additionally, the fact that the moving party has a right under its security documentation to appoint a receiver is an important factor to be considered. While the appointment of a receiver is generally viewed as an extraordinary remedy, in cases where the security documentation of the moving party provides for a private or court-appointed receiver, the issue is reduced to a consideration of whether it is in the interests of all concerned to have the receiver appointed by the court. This involves an examination of, *inter alia*, (i) the potential cost of the receivership, (ii) the relationship between the debtor and the creditors, (iii) the likelihood of maximizing the return on and preserving the subject property, and (iv) the best way of facilitating the work and duties of the receiver.³³

32. In deciding whether it is just or convenient to appoint a Receiver, the court will consider matters including the preservation and protection of the property and the balance of convenience.³⁴

³² [Bank of Montreal v. Carnival National Leasing Ltd.](#), 2011 CarswellOnt 896 (Ont. S.C.J.) [Carnival Leasing] at para 24.

[Bank of Nova Scotia v. Freure Village on Clair Creek](#), 1996 CarswellOnt 2328 (Ont. Gen. Div. [Commercial List]) [Freure Village] at para 10.

[Central 1 Credit Union v. UM Financial Inc. and UM Capital Inc.](#), 2011 CarswellOnt 11979 (Commercial List) [UM Financial] at para 22.

³³ [Carnival Leasing](#), supra at para 27.

³⁴ [Citibank Canada v. Calgary Auto Centre](#), 1989 CarswellAlta 343 at para 31 (Alta. Q.B.), Applicant's Book of Authorities, Tab 7.

33. It is not necessary for a creditor, whose security documentation provides for the appointment of a receiver, to demonstrate that it will suffer irreparable harm if the appointment of a receiver is not granted by the court.³⁵

34. The appointment of a Receiver is just and convenient in this case. The security is at risk of deteriorating if the Receiver is unable to take control immediately to retain the existing complement of trades and prevent the registration of further liens and to engage further trades to complete the winterization that is needed. There is no prospect of the Debtors obtaining the requisite financing to complete it. Further, the GSA and Standard Charge Terms granted by the Debtors provide Cameron Stephens with the contractual right to appoint a Receiver.³⁶

35. Furthermore, the Respondents each consented to the Order sought, which consent Cameron Stephens relied upon in making further advances under the Loan to pay the Settled Liens. There was valuable consideration given by Cameron Stephens and there is no basis upon which the Court should relieve the Respondents from their contractual agreement.³⁷³⁸

36. A court-appointed Receiver is an officer of the court and acts in a fiduciary capacity with respect to all interested parties.³⁹

THE TERMS OF THE REQUESTED ORDER ARE APPROPRIATE

37. Subsection 243(6) of the BIA provides as follows with respect to granting a Receiver's charge⁴⁰:

(6) If a Receiver is appointed under subsection (1), the court may make any order respecting the payment of fees and disbursements of the Receiver that it considers proper, including one that gives the Receiver a charge, ranking ahead of any or all of the secured creditors, over all or part of the property of the insolvent person or bankrupt in respect of the Receiver's claim for fees or disbursements, but the court may not make the 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.

³⁵ [Carnival Leasing](#), *supra* at para 28.

³⁶ [Swiss Bank Corp \(Canada\) v Odyssey Industries Inc.pdf](#), 1995 CarswellOnt 39 (Ont. Gen. Div. [Commercial List]), 1995 CarswellOnt 39 (Ont. Gen. Div. [Commercial List]) at para 28.

³⁷ Cameron Stephens General Security Agreement, paragraph 11(c), Exhibit E David Affidavit

³⁸ [Chitel v Rothbart.pdf](#), 1984 CarswellOnt 358, [1984] O.J. No. 2238, 25 A.C.W.S. (2d) 215, 42 C.P.C. 217

³⁹ [Mangoni BK-22-00208590-OT31 Commercial.pdf](#)

³⁹ [Ostrander v. Niagara Helicopters Ltd.](#) (1973), 1 O.R. (2d) 281 at para 6 (Ont. H.C.), Applicant's Book of Authorities, Tab 8.

⁴⁰ BIA, section 243(6), Schedule B to this Factum.

38. In this case, it is appropriate for the Court to grant the Receiver's Charge over the Jefferson Properties to ensure that AGI and its counsel are able to recover any fees and disbursements owed to them. As previously stated, Cameron Stephens is the first ranking creditor of the Jefferson Properties. The Receiver's Charge is reasonable, and Cameron Stephens is agreeable to the Receiver's Charge being granted. Furthermore, all secured creditors have been given reasonable notice of this Application and have been provided with an opportunity to make representations.

PART V - CONCLUSION

39. For the foregoing reasons, it is respectfully submitted that the relief requested should be granted and AGI ought to be appointed as Receiver of the Jefferson Debtors and the Receiver's Charge ought to be granted, on the terms of the Order sought.

PART VI - ORDER REQUESTED

40. The Applicant requests that this Court issue an Order substantially in the form attached at Tab 3 to the Application Record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED



December 8, 2023

Wendy Greenspoon-Soer
Lawyers for the Applicant

SCHEDULE “A” – AUTHORITIES CITED

1. [Standard Trust Co. v Pendency Holdings Ltd.pdf](#), 1988 CarswellSask 27 (Sask. Q.B.)
2. [Bank of Montreal v. Carnival National Leasing Ltd.](#), 2011 CarswellOnt 896 (Ont. S.C.J.)
3. [Bank of Nova Scotia v. Freure Village on Clair Creek](#), [1996] OJ No 5088 (Gen. Div.)
4. [Central 1 Credit Union v. UM Financial Inc. and UM Capital Inc.](#), 2011 CarswellOnt 11979 (Commercial List)
5. [Swiss Bank Corp \(Canada\) v Odyssey Industries Inc.pdf](#), 1995 CarswellOnt 39 (Ont. Gen. Div. [Commercial List])
6. [Citibank Canada v. Calgary Auto Centre](#), 1989 CarswellAlta 343 (Alta. Q.B.)
7. [Ostrander v. Niagara Helicopters Ltd.](#) (1973), 1 O.R. (2d) 281 at 286 (Ont. H.C.)
8. [Mangoni BK-22-00208590-OT31 Commercial.pdf](#)
9. [Chitel v Rothbart.pdf](#), 1984 CarswellOnt 358, [1984] O.J. No. 2238, 25 A.C.W.S. (2d) 215, 42 C.P.C. 217

SCHEDULE “B” – LEGISLATION CITED

Bankruptcy and Insolvency Act, R.S.C., 1985, C. B-3, as amended

Section 243(1)

Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

- (a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
- (b) exercise any control that the court considers advisable over that property and over the insolvent person’s or bankrupt’s business; or
- (c) take any other action that the court considers advisable.

Section 243(1.1)

(1.1) In the case of an insolvent person in respect of whose property a notice is to be sent under subsection 244(1), the court may not appoint a Receiver under subsection (1) before the expiry of 10 days after the day on which the secured creditor sends the notice unless

- (a) the insolvent person consents to an earlier enforcement under subsection 244(2); or
- (b) the court considers it appropriate to appoint a Receiver before then.

Section 243(6)

(6) If a Receiver is appointed under subsection (1), the court may make any order respecting the payment of fees and disbursements of the Receiver that it considers proper, including one that gives the Receiver a charge, ranking ahead of any or all of the secured creditors, over all or part of the property of the insolvent person or bankrupt in respect of the Receiver’s claim for fees or disbursements, but the court may not make the 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.

Section 244

244 (1) A secured creditor who intends to enforce a security on all or substantially all of

- (a) the inventory,
- (b) the accounts receivable, or
- (c) the other property

of an insolvent person that was acquired for, or is used in relation to, a business carried on by the insolvent person shall send to that insolvent person, in the prescribed form and manner, a notice of that intention.

Period of notice

(2) Where a notice is required to be sent under subsection (1), the secured creditor shall not enforce the security in respect of which the notice is required until the expiry of ten days after sending that notice, unless the insolvent person consents to an earlier enforcement of the security.

No advance consent

(2.1) For the purposes of subsection (2), consent to earlier enforcement of a security may not be obtained by a secured creditor prior to the sending of the notice referred to in subsection (1).

Exception

(3) This section does not apply, or ceases to apply, in respect of a secured creditor

(a) whose right to realize or otherwise deal with his security is protected by subsection 69.1(5) or (6); or

(b) in respect of whom a stay under sections 69 to 69.2 has been lifted pursuant to section 69.4.

Idem

(4) This section does not apply where there is a Receiver in respect of the insolvent person.

Courts of Justice Act, R.S.O. 1990, c. C.43, as amended

Section 101

(1) In the Superior Court of Justice, an interlocutory injunction or mandatory order may be granted or a Receiver or receiver and manager may be appointed by an interlocutory order, where it appears to a judge of the court to be just or convenient to do so.

(2) An order under subsection (1) may include such terms as are considered just.

CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Applicant

and

2011836 ONTARIO CORP., et al.
Respondent

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

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File Number: 6243-679