

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

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**REDACTED RESPONDING MOTION RECORD OF WOODINGTON ESTATES INC.
(Returnable March 6th, 2025)**

Date: February 21st, 2025

BLANEY MCMURTRY LLP

Lawyers
2 Queen Street East, Suite 1500
Toronto, ON, M5C 3G5

David T. Ullmann (LSO #42357I)

Tel: (416) 596-4289

Email: dullmann@blaney.com

Anisha Samat (LSO # 82342Q)

Tel: (416) 593-3924

Email: asamat@blaney.com

Lawyers for Woodington Estates Inc., the
Respondent

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

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RESPONDING AFFIDAVIT OF JOSEPH CHETTI

I, **Joseph Chetti**, of the City of Kleinburg, in the Province of Ontario, **MAKE OATH**
AND SAY:

1. I am the president and sole director of Woodington Estates Inc. (“**Woodington**” or the “**Respondent**”), and as such, I have knowledge of the matters herein deposed, except where I have indicated that I have obtained facts from other sources, in which case I believe those facts to be true.

2. I am making this affidavit in response to the Motion Record of Albert Gelman Inc., in its capacity as court-appointed Receiver (in such capacity, the “**Receiver**”) over the assets, undertakings and properties of Woodington including the real property known municipally as 711 4th Line, Tottenham, Ontario (the “**Property**”).

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3. Having carefully reviewed the agreements between myself, my companies, the Lenders in these proceedings and Goldy Metal Holdings Inc. (“**Goldy**”), I am certain in my recollection that it was never intended that either the Applicant or Goldy (together, the “**Lenders**”) would have any security over WMI or 785 (defined below) and that neither WMI or 785 are, nor were they ever intended to be, borrowers of the Lenders.

4. There is no suggestion anywhere that the asset in question i.e. the Golf Club (defined below) was transferred away from the reach of the Lenders. The evidence is it was already owned by WMI when the Lenders’ security was put in place. Indeed, it is my recollection that the principals of the Lenders that I correspond with regularly have known about this at all times. I believe they only now protest when confronted with the limits of their own bargain. As such, there is no transaction for the Receiver to unwind and no assets to be returned to the entity under Receivership.

5. As set out below, the motion essentially asks the court to rewrite, delete or create entirely new contracts where the existing contracts are now seen as inconvenient to the Receiver or the Lenders. The motion should be dismissed.

6. Any terms that are not defined herein shall have the same meaning ascribed to them as in the Affidavit of Joseph Chetti, sworn September 9, 2024 (the “**First Chetti Affidavit**”).

Receivership Over Woodington Management Inc. (“WMI”) and 1000736785 Ontario Limited (“785”)

7. I will first address the relief being sought by the Receiver to extend the Receivership over all the assets, undertakings and properties of WMI and 785, and the golf club business that is situated on the Property (the “**Golf Club**”).

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8. The Receivership Order was granted on consent on December 2, 2024, after I, on behalf of Woodington, entered into an Adjournment Agreement with Melvyn Eisen, as Trustee (“**Eisen**”) and Goldy on October 8, 2024 (the “**Adjournment Agreement**”). The Adjournment Agreement, at Schedule “A” contained a Consent to Appointment of Receiver (the “**Consent**”), explicitly only applying to Woodington. Attached as **Exhibit “A”** is a copy of the Consent.

9. It is also the case that the original Application materials provided by the Lenders sought a Receiver to be appointed over both the Property and the Golf Club. However, when confronted with the facts in our responding materials, the Lenders conceded that they had no basis for the appointment of a Receiver over the Golf Club.

10. The Adjournment Agreement and the Order of the Honourable Justice Black dated December 2, 2024 (the “**Receivership Order**”), which is granted in response to that Application, reflects the finding that there was no basis for the order now being sought as it names Woodington as a singular respondent over which the Receiver is to be appointed, not WMI or 785.

11. The Receivership Order was granted upon the Court’s careful consideration of the extensive materials put forth by the parties in this proceeding – including two affidavits sworn by Melvyn Eisen on behalf of Eisen on August 7, 2024 and November 21, 2024 (the “**Eisen Affidavits**”), two sworn by Kenneth Gold on behalf of Goldy on August 30, 2024 and November 20, 2024 (the “**Goldy Affidavits**”), and the First Chetti Affidavit. Attached as **Exhibit “B”** is a copy of the Receivership Order.

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12. Nothing pleaded in the First Report of the Receiver dated January 27, 2025 (the “**First Report**”) as it relates to this issue was not known at the time of the original Receivership application.

Relationship between Woodington, WMI and 785

13. The relationship between Woodington, WMI and 785 was outlined in the First Chetti Affidavit. However, I will summarize it here briefly for the benefit of the Court:

- (a) Woodington is a privately-held Ontario corporation and has been the registered owner of the Property since January 11, 2019;
- (b) The Property houses the Golf Club (the “**Golf Club**”), which is owned and operated by 785. 785 has owned and operated the Golf Club since approximately December 12, 2023;
- (c) The business and operations of the Golf Club are independent of Woodington. Woodington does not own or control the Golf Club, and 785 is not a borrower to either Eisen or Goldy in any capacity. Furthermore, all financial aspects of the Golf Club are managed solely by 785;
- (d) Prior to 785’s ownership, WMI, another Ontario corporation, owned and operated the Golf Club; It has owned it since Woodington acquired the Property in January 2019. It is my recollection that the fact that the Golf Club was a separate business from the land was known at all material times by the Lenders and they did not require it be included in their security package at that time.

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- (e) I am not a director or officer of 785, but I manage the day-to-day operations of 785 and the Golf Club. My wife is the sole director of 785.

14. For further clarity, Woodington has no ongoing business other than the ownership of the Property and related rights; it does not own or operate the Golf Club. The Golf Club is a distinct business that provides seasonal employment and contributes to the local community.

15. I did not agree at the time the Eisen and Goldy Loans were made for there to ever be a Receiver over WMI, and, consistent with that, I did not agree for the Receivership sought by the Lenders to extend to WMI or 785, as:

- (a) these entities are entirely separate from Woodington and have no ownership over the Property;
- (b) WMI has no relationship with the Golf Club any longer, and has no relationship with the Property; and
- (c) in any event, I do not have the authority to sign such a consent on behalf of 785.

16. Again, this is why, following extensive negotiations of the Adjournment Agreement, which further clarified the reach of the Receivership, the Receivership Order appointed the Receiver over Woodington (and the Property) only, not WMI or 785.

17. Indeed, on November 25, 2024, I provided the Lenders' counsel with a draft affidavit which expressly demonstrated the problems with the course of action they were embarking on and highlighted the difficulty they were going to have with a Receiver appointed over only the real

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property assets. My unsworn affidavit, attached here as **Exhibit “C”** (without exhibits) said the following:

- (a) I have had a chance to review the proposed form of order to appoint the Receiver. I confirm that the proposed Receivership is for the Receivership of the property, assets and undertakings of Respondent only. The Respondent has no ongoing business other than the ownership of real property and related rights. The Respondent does not own or operate the Woodington Lakes Golf Club (the “**Club**”) which operates on the land. (paragraph 5)
- (b) The Club is owned and operated by a separate corporation, 1000736785 Ontario Ltd. (“**785**”). As set out between paragraphs 5-8 in the First Chetti Affidavit, 785 is not a borrower to either Eisen or Goldy and runs the Club as a business entirely independent of Woodington. (paragraph 6)
- (c) In my opinion, it would be difficult to get sufficient value to repay the lenders if one were to attempt to sell the land without selling the golf course that operates on it, as it appears the Applicant is asking the court to authorize the Receiver to do. That being said, I do not and did not consent to the Receiver being appointed over the Club. (paragraph 7)
- (d) I am concerned that appointing a Receiver will result in a lower recovery than what I feel I have in hand. I am also concerned that once a Receiver is appointed, the Receiver will lose this opportunity. (paragraph 17)

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- (e) Also, the proposed purchase I have negotiated is for the Property *and* the Club. The Receiver will only have the ability to sell the Property. Even if the Receiver were to agree to the proposed sale, its appointment will clearly complicate this process and drive costs, which benefits no one. (paragraph 18)

18. Despite this clear knowledge that they were embarking on a flawed and likely pointless exercise to proceed with the Receivership of just the Property, the Lenders proceeded to do so. It cannot be said now that they did not know then the problem they were creating and they should now be able to plead for the relief they are seeking as if they are only now discovering the error in their plans.

19. I am also advised by my counsel that at the hearing before Justice Black on December 2, 2024, following which the Receivership Order was issued, neither Eisen nor Goldy reserved their rights with respect to a Receivership over WMI and 785.

20. Finally, insofar as guarantees are concerned, Eisen and Goldy assert there are guarantees of both the Eisen Loan and the Goldy Loan from me personally, and that WMI is a guarantor to the Eisen Loan. These guarantees, if enforceable at all, which is not conceded, are unsecured, and I do not agree that any debt is owing under these alleged guarantees. The Lenders only recently began enforcement proceedings on these guarantees by making demand and I intend to defend them vigorously. In any event, there is no guarantee from 785 who owns and has operated the golf course and has since 2023.

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Lease dated December 15, 2023

21. Regarding the lease between Woodington and 785 dated December 15, 2023 (the “**Lease**”), I strongly disagree with the Applicant and Receiver's claims that it is a fraudulent conveyance and thus void and unenforceable. Attached as **Exhibit “D”** is a copy of the Lease.

22. It is true that WMI, 785 and Woodington are related parties. This allowed for those parties to freely contract in a manner that might not be commercially usual, but was nonetheless intentional. The Lease effectively gives free reign to 785 to use the property to run the Golf Club and pay no rent to Woodington and then to pay a smaller rent thereafter, which is likely not market rent. That was not done in error, it was done to eliminate a commercial leasing expense and also reduced the amounts I would have otherwise had to lend to WMI or 785 to support operations.

23. It was also done on the condition that 785 would invest in and improve the property in the amount of \$4,000,000 during the lease term which I considered more valuable than having WMI or 785 pay periodic rent to Woodington.

24. I note that the Lease was signed in December 2023. In 2023, 785 took over the Golf Club from WMI. The Lease was signed at this time to ensure that all paperwork accurately reflected the existing business arrangement with WMI and to properly document that 785 was leasing the land on which the Golf Club operates. This was done to maintain written records.

25. At no time prior to the inquiry by the Receiver to see a copy of the Lease, following its appointment (which I freely provided) did the Lenders even think to ask me for a copy of the Lease. Indeed, I myself did not even bother to create a formal lease for some time, even though I knew what the arrangement was between the parties. When I finally did so, I drafted the lease

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myself and created what I thought was a simple and effective form. There was no nefarious intent in my doing so although in hindsight I might have benefited from having counsel draft it.

26. There was also no covenant or agreement in my security and lending arrangements with the Lenders which I recall, or which the motion materials cite, which limited or prescribed Woodington's free right to contract with WMI and or 785 as I saw fit. There was no prohibition upon leasing the property to the company operating the golf course. Indeed, there necessarily had to be a lease between Woodington and the Golf Course.

27. My arrangements with the Lenders involved paying mortgage interest and principal when due. It was not a business arrangement which required me to operate the business in any particular fashion or according to any standards the Lenders might desire.

28. The suggestion now made by the Lenders that the standard charge terms prohibited leasing the property is an extreme inflation of what the standard charge terms are intending to address. I do not believe the lease violates those terms and the lenders have had many years to assert such a position if it did.

29. Of course, neither WMI or 785 are borrowers or contractually bound to the Lenders and have no restriction on what contracts they may enter into nor is WMI under any contractual restriction preventing it from transferring its assets

Efforts to Cooperate with the Receiver

30. Since the Receiver's appointment, I have been making every effort to gather and provide the requested information. However, I do not have access to a significant portion of the information,

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as some of it dates back several years, and consists of records that are not in my possession any longer. Despite this, I continue to search for the relevant documents to the best of my ability.

31. I believe a large portion of the documentation the Receiver is seeking has been provided, contrary to their assertions. Attached as **Exhibit “E”** is a copy of a letter from my counsel at Blaney McMurty LLP, to the Receiver’s counsel, with an itemized list of the Receiver’s information requests and the corresponding responses.

32. I have also reinstated the insurance policy over the Property, provided by Intact Insurance.

Joint Sale of the Property

33. Since the appointment of the Receiver, we have been willing to discuss the possible sale of the Golf Club in conjunction with the sale of the Real Property. However, to be clear, we do not consent to a receivership over the Golf Club even if it would likely produce a higher value for the sale of the land. It is not a all clear it would produce a higher value for the golf course.

34. We would be willing to enter into a joint venture to pursue a joint sale provided that a proper sales process which did not result in a fire sale and which gave thought, in advance, to how the proceeds of sale would be allocated between the two asset classes, could be agreed to.

35. We entered into extended without prejudice discussions to draft such an agreement. Unfortunately, we were unable to reach an agreement and were so advised by the Receiver’s counsel at 10:00 PM on February 18, 2025.

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36. Rather than work with me to find a consensual process and maximize value, the Receiver is now seeking not only to force this involuntary process on the golf course, but to exclude me from the marketing and sale process entirely.

37. For me, a valuable consideration in agreeing to the Adjournment Agreement, was that if there was a default and a Receiver was appointed, I would be a part of the sale and marketing process. This agreement is reflected in the adjournment agreement and was enshrined in section 3(j) of the Receivership Order, which states I am to have a “consultative role in the development of the marketing and sale of the Property only”.

38. The fact that the Receiver now seeks to remove me from the sale process of even the Property, is unfair and a collateral attack on the terms of the Receivership Order.

39. There was no condition in the Consent, the Receivership, or the Endorsement of Justice Black dated December 2, 2024, that said that my involvement in the sale process could be removed if the Receiver became unhappy with my ability to produce documents (which I never promised I had at hand) or because I resisted the sale of the Golf Club along with Woodington, as it is not owned by Woodington. Indeed, as noted above, this last point was expressly known at the time the Receiver was appointed.

40. I feel this attempt to remove from me this right, which I bargained for, is unfair and quite wrong.

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Efforts to Refinance or Sell the Property to Preserve Its Value and Ensure Golf Club Operations Are Not Impacted

41. In the meantime, I have been actively pursuing refinancing options or a potential buyer for the Property to not only reduce the Receivership costs, but also to preserve the Property's highest value and ensure that the Golf Club remains operational during the quickly-approaching golf season, which is the primary (and often only) income-generating period of the year. Of course, I have advised any party to whom I am speaking that there is a receivership of the land and that the receiver would have to be part of or consent to any such transaction which involved the land.

42. On December 8, 2024, I received an offer from an arms length third party to purchase the Golf Club from WMI for [REDACTED]. A copy of the offer will be provided to the Court at the hearing. The purchaser did not appreciate that the property on which the golf course operates was not owned by WMI and 785.

43. Consistent with my understanding of the intent to work collectively to sell the land, I immediately provided this offer to the Receiver and offered to assist in pursuing this transaction jointly (with WMI and 785 selling their assets and the Receiver selling the Property). Unfortunately, the Receiver did not pursue this sale and the opportunity was lost.

44. Should there be any sale of the Property and the Golf Club in the future which does not achieve at least this level of proceeds, I would suggest now, and will suggest then, that such a sale would be improvident.

45. Recently, I obtained a Letter of Intent from a private lender for refinancing in the amount of [REDACTED], a redacted copy of which is attached as **Exhibit F**. Although this Letter of Intent

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was for less money than I found acceptable, I provide it as evidence that another third party was willing to accept the appraised value in calculating the value of the Property.

I have also separately been engaged in ongoing discussions with several prospective purchasers to secure a deal for the Property and the Golf Club that can close quickly, avoiding the delays associated with a Receivership sale. This is again particularly important to ensure the Golf Club (and the golf course) remains operational for the upcoming season. I have kept the Receiver apprised of potential deals, which I will continue to do so if more offers come into the fold.

Impact of Receiver-Led Sale

46. A Receiver-led sale, in my opinion, will have a tangible impact not only on the Golf Club, but also individuals in our community. The Golf Club is not merely a business entity, it is a vital part of our local community. It provides seasonal employment opportunities and also functions as a space for community-building.

47. As set out in my earlier affidavit, the Golf Club is an operating business with close to one hundred seasonal employees, who are being threatened by this aggressive move by the Lenders.

48. It is also the case that the Golf Club operates, especially at the beginning of the season, on the basis of loans that I provide either personally or through other companies.

49. I will not be willing to make further loans to 785 or the Golf Club if this Receivership proceeds. It is my understanding that the Lenders are not willing to lend to support the Golf Club's business. As such, the Golf Club's business will likely close for want of funding immediately if this motion proceeds.

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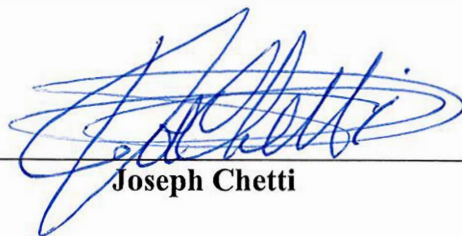
51. I also have serious concerns that a Receiver-led sale may cause existing patrons to leave, which would cause a substantial loss of recurring revenue. Moreover, events, especially weddings—which generate a significant portion of the golf course’s revenue—have already been booked for the summer and may be cancelled if the sale process is prolonged and causes uncertainty. This could have long-lasting impacts, as the cancellation of these events would not only result in financial losses in the short-term, but would also be damaging to the Golf Club’s reputation in the long-term. Attached as **Exhibit “G”** is a copy of the upcoming events at the Golf Club for 2025.

52. I am also concerned that a Receivership sale will result in a lower recovery than what a consensual sale process may lead to. Once a Receiver-led sale process is initiated, it will not only halt all productive sale discussions I am having right now but also drive costs, which benefits no one.

SWORN REMOTELY BEFORE ME by Joseph Chetti residing in the City of Kleinburg, in the Province of Ontario before me, in the City of Toronto, in the Province of Ontario, on the 19th day of February 2025, in accordance with O. Reg. 431/20, Administering or Declaration Remotely.



Commissioner for Taking Affidavits
Anisha Samat (LSO # 82342Q)


Joseph Chetti

This is Exhibit “A” referred to in the Responding Affidavit of Joseph Chetti sworn in the City of Kleinburg, before me at the City of Toronto, and both residing in the Province of Ontario, this 19th day of February 2025, in accordance with *O.Reg. 431/20*,
Administering Oath or Declaration Remotely.



Commissioner for taking affidavits (or as may be)

ANISHA SAMAT

SCHEDULE "A" – CONSENT TO APPOINTMENT OF RECEIVER


CONSENT TO APPOINTMENT OF RECEIVER

1. Woodington Estates Inc. ("**Woodington**") hereby consents to the appointment of a receiver by Melvyn Eisen, Trustee ("**Eisen**"), Goldy Metals Holdings Inc. ("**Goldy**") (together, the "**Lenders**") over Woodington's assets, undertakings and properties, with respect to the Application bearing Court File No. CV-24-00725570-00CL, pursuant to the terms of the Adjournment Agreement dated October 8, 2024 (the "**Adjournment Agreement**").
2. If Woodington fully repays the total amount of indebtedness to both Lenders in connection with the subject security, in accordance with the Payout Statements (as defined in the Adjournment Agreement), before or on February 28, 2025, this Consent to Receivership will immediately become null and void.
3. All defined terms herein are to be interpreted as consistent with the Adjournment Agreement dated October 8, 2024 and the Affidavit of Joseph Chetti, sworn September 9, 2024.

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

WOODINGTON ESTATES INC.

Per:



Joseph Chetti

Authorized Signing Officer

This is Exhibit “B” referred to in the Responding Affidavit of Joseph Chetti sworn in the City of Kleinburg, before me at the City of Toronto, and both residing in the Province of Ontario, this 19th day of February 2025, in accordance with *O.Reg. 431/20*,
Administering Oath or Declaration Remotely.



Commissioner for taking affidavits (or as may be)

ANISHA SAMAT

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

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE)	MONDAY, THE 2 ND DAY
)	
JUSTICE W.D. BLACK)	OF DECEMBER, 2024

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and –

WOODINGTON ESTATES INC.

Respondent

ORDER
(appointing Receiver)

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

ON READING the affidavit of Melvyn Eisen sworn August 7, 2024 and the Exhibits thereto, the affidavit of Melvyn Eisen sworn November 21, 2024 and the Exhibits thereto, the

affidavit of Kenneth Gold sworn August 30, 2024 and the Exhibits thereto, the affidavit of Kenneth Gold sworn November 20, 2024 and the Exhibits thereto, the affidavit of Joseph Chetti sworn September 9, 2024 and the Exhibits thereto, and the certificate of Melvyn Eisen dated December 1, 2024 and the Appendices thereto, and on reading the consent of Albert Gelman Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security

personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

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

applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate, with Joseph Chetti, the principal of the Respondent, and his representatives having a consultative role in the development of the marketing and sale of the Property only;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$250,000 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and

- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting

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

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

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

Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE RESPONDENT OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Respondent shall remain the employees of the Respondent until such time as the Receiver, on the Respondent's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in

section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable

Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates

and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

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

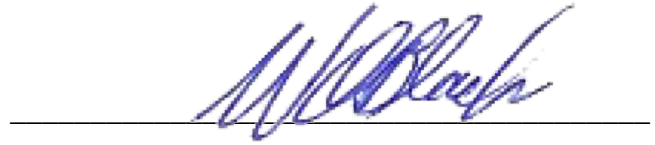
26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies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

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

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondent.
30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
32. **THIS COURT ORDERS** that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Respondent's estate with such priority and at such time as this Court may determine.
33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to be "M. Black".

SCHEDULE "A"**THE PROPERTY**

PIN: 58170-0498 LT

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

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

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

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

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

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

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

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

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

DATED the ____ day of _____, 2024.

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

Per: _____

Name:

Title:

MELVYN EISEN, TRUSTEE

-and-

WOODINGTON ESTATES INC.

Applicant

Respondent

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

RECEIVERSHIP ORDER

CHAITONS LLP

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

Harvey Chaiton (LSO No. 21592F)

Tel: (416) 218-1129

E-mail: harvey@chaitons.com

Danish Afroz (LSO No. 65786B)

Tel: (416) 218-1137

E-mail: dafroz@chaitons.com

Lawyers for the Applicant

This is Exhibit “C” referred to in the Responding Affidavit of Joseph Chetti sworn in the City of Kleinburg, before me at the City of Toronto, and both residing in the Province of Ontario, this 19th day of February 2025, in accordance with *O.Reg. 431/20, Administering Oath or Declaration Remotely*.

A handwritten signature in black ink, appearing to read 'Anisha Samat', with a stylized flourish at the end.

Commissioner for taking affidavits (or as may be)

ANISHA SAMAT

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

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

B E T W E E N:

MELVYN EISEN, TRUSTEE

Applicant

- and -

WOODINGTON ESTATES INC.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

AFFIDAVIT OF JOSEPH CHETTI

I, **Joseph Chetti**, of the City of Kleinburg, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am the president and sole director of Woodington Estates Inc. (“**Woodington**” or the “**Respondent**”), and as such, I have knowledge of the matters herein deposed, except where I have indicated that I have obtained facts from other sources, in which case I believe those facts to be true.
2. I swear this affidavit for the purposes of a case conference in this matter, to be held before the Honourable Justice Black, on November 27, 2024, at which the Applicant seeks to use the Respondent’s consent to the appointment of a Receiver over the Respondent. In particular, although I acknowledge and affirm that the Respondent has consented to the Receiver being

- 2 -

appointed, I wish to ensure that the court is advised as to current events as it exercises its discretion to appoint the Receiver.

3. Any defined terms not defined herein shall have the same meaning ascribed to them as in my affidavit sworn September 9, 2024 (the “**First Chetti Affidavit**”).

4. I understand that the Applicant, Melvyn Eisen, Trustee (“**Eisen**”) has scheduled this case conference to appoint a Receiver over Woodington and more specifically, the property located at 7110 4th Line Tottenham, Ontario (the “**Property**”), pursuant to the terms of an Adjournment Agreement executed on October 8th, 2024 (the “**Agreement**”) and the Consent attached thereto (the “**Consent**”). I also understand that Goldy Metals Inc. (“**Goldy**”), the second mortgagee on the Property and a party to the Agreement, supports this. A copy of the Consent is attached as **Exhibit “A”**.

Receivership of Land not the Golf Course

5. I have had a chance to review the proposed form of order to appoint the Receiver. I confirm that the proposed receivership is for the receivership of the property, assets and undertakings of Respondent only. The Respondent has no ongoing business other than the ownership of real property and related rights. The Respondent does not own or operate the Woodington Lakes Golf Club (the “**Club**”) which operates on the land.

6. The Club is owned and operated by a separate corporation, 1000736785 Ontario Ltd. (“**785**”). As set out between paragraphs 5-8 in the First Chetti Affidavit, 785 is not a borrower to either Eisen or Goldy and runs the Club as a business entirely independent of Woodington.

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7. In my opinion, it would be difficult to get sufficient value to repay the lenders if one were to attempt to sell the land without selling the golf course that operates on it, as it appears the Applicant is asking the court to authorize the Receiver to do. That being said, I do not and did not consent to the Receiver being appointed over the Club.

Pending Sale of the “Torca Property”

8. Notwithstanding the Consent, I believe in short order, funds to repay the amounts owing to Eisen and Goldy under their respective loans will be in hand, as anticipated by the Agreement.

9. The Applicant, Goldy and the Respondent agree that the amounts that will be owing as of November 29, 2024 are:

(a) \$12,300,990.48 to Eisen. Attached as **Exhibit “B”** is a copy of the payout statement Eisen’s counsel has provided to my counsel; and

(b) \$6,346,355.29 to Goldy. Attached as **Exhibit “C”** is a copy of the payout statement Goldy’s counsel has provided my counsel.

10. As outlined in the First Chetti Affidavit, I also own, through a company, a large adjacent property municipally known as (1) 6882, 5th Line, Tottenham, Ontario L0G 1W0 (“**Lot 1**”) and (2) 6768, 5th Line, Tottenham, Ontario L0G 1W0 (“**Lot 2**”).

11. Lots 1 & 2 are subject to an agreement of purchase and sale with Torca Tottenham Ltd. (“**Torca**” and the “**Torca APS**”).

12. As set out in the Agreement, it was hoped that the Torca APS would close by November 29, 2024. Once this transaction (the “**Torca Transaction**”) closes, the net sale proceeds are estimated

- 4 -

to be just over \$19 million, which will be enough to repay both Eisen and Goldy. The parties were also prepared to wait to appoint a Receiver until February 28, 2025, provided interest payments were made (which they were not) as they recognized that the closing of the Torca Transaction was the best path to a resolution acceptable to all.

13. Unfortunately, the Torca Transaction is delayed. I am advised that the parties now anticipate that the Torca Transaction will close on or before December 12, 2024. Attached as **Exhibit “D”** is a letter from Torca confirming that intention.

14. For clarity, Torca still has until February 28, 2025 to close the transaction under the current form of APS. However, the parties all hope to close the transaction this year.

15. It would seem to me that appointing a Receiver to sell the Property less than 3 weeks before Eisen and Goldy are likely to be repaid is not efficient or convenient.

Pending Sale of the Property

16. In addition, I have, over the past month, negotiated the sale of the Property to the same party who is looking to close the Torca Transaction. Although a price was agreed to between myself and that purchaser two weeks ago, the purchaser has not yet provided an agreement for execution. It was promised last week but not delivered. I expect it this week. The funds from the proposed transaction will be sufficient to repay the Applicant and Goldy instead of using the funds from the Torca Transaction.

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17. I am concerned that appointing a Receiver will result in a lower recovery than what I feel I have in hand. I am also concerned that once a Receiver is appointed, the Receiver will lose this opportunity.

18. Also, the proposed purchase I have negotiated is for the Property *and* the Club. The Receiver will only have the ability to sell the Property. Even if the Receiver were to agree to the proposed sale, its appointment will clearly complicate this process and drive costs, which benefits no one.

Failure to pay Mortgage Amounts due under the Agreement

19. I acknowledge that the Respondent failed to pay the amount when due under the Agreement for monthly interest due on October 15 and November 1, 2024. Despite having material real property assets, I have found it more challenging than I anticipated when I executed the Agreement to source the necessary short-term funds to make these payments.

20. If the Court would be inclined not to grant the receivership, one of my companies would ensure that the outstanding mortgage payments and the payments due for December are made by December 6, 2024.

21. I encourage the court to consider the forgoing in exercising its discretion whether or not to appoint a Receiver over the Property and the Respondent.

- 6 -

SWORN REMOTELY BEFORE ME by
Joseph Chetti residing in the City of Kleinburg,
in the Province of Ontario before me, in the
City of Toronto, in the Province of Ontario, on
the st day of November, 2024, in accordance
with O. Reg. 431/20, Administering or
Declaration Remotely.

Commissioner for Taking Affidavits

Joseph Chetti

MELVYN EISEN, TRUSTEE

- and -

WOODINGTON ESTATES INC.

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at **TORONTO**

AFFIDAVIT OF JOSEPH CHETTI

BLANEY MCMURTRY LLP

Lawyers

2 Queen Street East, Suite 1500

Toronto, ON, M5C 3G5

David T. Ullmann (LSO #42357I)

Tel: (416) 596-4289

Email: dullmann@blaney.com

Timothy Dunn (LSO # 34249I)

Tel: (416) 597-4887

Email: tdunn@blaney.com

Anisha Samat (LSO # 82342Q)

Tel: (416) 593-3924

Email: asamat@blaney.com

Lawyers for Woodington Estates Inc., the Respondent

This is Exhibit “D” referred to in the Responding Affidavit of Joseph Chetti sworn in the City of Kleinburg, before me at the City of Toronto, and both residing in the Province of Ontario, this 19th day of February 2025, in accordance with *O.Reg. 431/20, Administering Oath or Declaration Remotely*.

A handwritten signature in black ink, appearing to read 'Anisha Samat', with a stylized flourish at the end.

Commissioner for taking affidavits (or as may be)

ANISHA SAMAT

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Agreement") is made and entered into as of the 15th day of December 2023, by and between **Woodington Estates Inc.** ("Landlord") and **1000736785 Ontario Limited** ("Tenant").

1. LEASED PREMISES

The Landlord leases to the Tenant, and the Tenant leases from the Landlord, the premises located at **7110 4th Line, Tottenham, Ontario, L0G 1W0, Canada** (the "Premises").

2. TERM

The term of this Lease shall be for ten (10) years, commencing on the 2nd day of April **2020**, and expiring on the 1st day of April **2030**, unless terminated earlier in accordance with the provisions of this Lease.

3. RENT AND INVESTMENT TERMS

3.1. Rent-Free Period:

The Tenant shall not be required to pay rent for the first five (5) years of the Lease term, in consideration of the Tenant's commitment to invest in substantial property improvements as outlined below.

3.2. Tenant's Investment:

The Tenant agrees to invest **\$4,000,000 CAD** in renovating and enhancing the property, including but not limited to significant improvements to the 36-hole golf course grounds, clubhouse facilities, and other property infrastructure (the "Investment").

3.3. Post-Investment Rent:

Beginning on the 15th day of December 2029 (the start of year six of the Lease), the Tenant shall pay a base rent of **\$10,000.00 CAD per month**, totaling **\$120,000.00 CAD per year**, payable in equal monthly installments in advance on the first day of each month.

3.4. Verification of Investment:

The Tenant agrees to provide periodic updates and detailed documentation to the Landlord confirming the progress and allocation of the \$4,000,000 Investment.

4. USE OF PREMISES

The Premises shall be used exclusively for the operation of a golf club and any ancillary activities related to such operation, and for no other purpose without the prior written consent of the Landlord.

5. TENANT'S OBLIGATIONS

The Tenant agrees to:

- a. Complete the renovations and improvements within the first five (5) years of the Lease term, subject to force majeure or other unavoidable delays.
- b. Maintain and keep the Premises in good repair and condition, reasonable wear and tear

excepted.

- c. Obtain all necessary permits, licenses, and approvals required for the operation of its business.
- d. Comply with all applicable laws, ordinances, regulations, and rules.

6. LANDLORD'S OBLIGATIONS

The Landlord agrees to:

- a. Maintain the structural integrity of the Premises, including the roof, foundation, and exterior walls.
- b. Provide quiet enjoyment of the Premises, subject to the terms of this Agreement.

7. INSURANCE

Both parties shall maintain appropriate insurance policies, including liability coverage. The Tenant shall provide proof of insurance to the Landlord upon request.

8. INDEMNITY

The Tenant agrees to indemnify and hold harmless the Landlord from any claims, damages, or liabilities arising out of the Tenant's use of the Premises, except for those caused by the negligence or misconduct of the Landlord.

9. ASSIGNMENT AND SUBLETTING

The Tenant shall not assign or sublet the Premises or any portion thereof without the prior written consent of the Landlord, which consent shall not be unreasonably withheld.

10. DEFAULT AND TERMINATION

10.1. Events of Default:

The following shall constitute an Event of Default:

- a. Failure to fulfill the investment commitment as specified in Section 3.2.
- b. Violation of any other provision of this Lease.

10.2. Landlord's Remedies:

In the event of a default, the Landlord may terminate this Lease and recover possession of the Premises, in addition to any other remedies available under law.

11. RENEWAL OPTION

The Tenant shall have the option to renew this Lease for one additional term of [insert number] years, upon providing written notice to the Landlord at least [insert number] months prior to the expiration of the initial term.

12. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

13. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements or understandings, whether written or oral.

14. AMENDMENTS

Any amendments to this Lease must be in writing and signed by both parties.

SIGNATURES

Landlord:

Woodington Estates Inc.

By: _____



Name: _____

JOE CHETTI

Title: _____

Owner-

Date: _____

Dec 15-2023

Tenant:

1000736785 Ontario Limited

By: _____



Name: _____

JOE CHETTI

Title: _____

A.S.O.

Date: _____

Dec 15-2023

This is Exhibit “E” referred to in the Responding Affidavit of Joseph Chetti sworn in the City of Kleinburg, before me at the City of Toronto, and both residing in the Province of Ontario, this 19th day of February 2025, in accordance with *O.Reg. 431/20, Administering Oath or Declaration Remotely*.

A handwritten signature in black ink, appearing to read 'Anisha Samat', with a stylized flourish at the end.

Commissioner for taking affidavits (or as may be)

ANISHA SAMAT

Anisha Samat
D: 416-593-3924 F: 416-594-2437
asamat@blaney.com

January 17, 2025

BY EMAIL (sgraff@airdberlis.com)

Steven L. Graff
Aird & Berlis LLP
Brookfield Place
181 Bay St, Suite 1800
Toronto ON M5J 2T9

Dear Mr. Graff:

Re: Melvyn Eisen v. Woodington Estates Inc. et al.
Court File No. CV-24-725570-00CL

Please find below our client's responses to the Receiver's information requests:

Item	Information/Documentation Request	Response
1	Name/contact information for the external accounting firm for the Company.	Marvin Winick, 647-271-9630
2	Contact information for Tom Sheppard, lawyer acting for the Company with respect to the purchase of the Property	Thomas Sheppard 416-966-6885 tsheppard@ssbriaw.com
3	Closing book for purchase of the Property	Provided via Tom Sheppard
4	Minute Book for the Company	Joe does not have this.
5	Lease agreement between Company and Woodington Management Inc.	Provided.
6	Externally prepared financial statements and corporate tax returns for fiscal years 2019-2023	Marvin Winick has provided the financial statements to the Receiver. We are trying to retrieve the corporate tax returns and will advise shortly.
7	Environmental Reports	Joe is currently attempting to retrieve these. If he is able to find them, he will provide it on Monday, January 20, 2025.
8	Why reader caution attached to the 2022 financial statement for Woodington Management Inc. appears to be signed by Lamin Omar Dibba	Lamin Omar Dibba is an accountant that Marvin Winick works with. He has confirmed this with the Receiver in prior conversations.

Item	Information/Documentation Request	Response
9	Whether there was counsel involved in the preparation/execution of the lease	Unknown.
10	Whether the \$4 million investment that the lease contemplates was made	The funds were paid to Silvio Construction for various construction projects at the golf course. Dominic Lombardi at Silvio Construction is currently collecting/organizing all documents related to this and is expected to provide them by Monday, January 20, 2025. Dominic's contact information: 416-587-0658.
11	How, with the lease agreement in place, Woodington Estates was to support its payment obligations to the mortgagees	All mortgages and expenses were paid by Woodington Management Inc.
12	Whether there is any documentation surrounding the transfer of assets used for the operation of the Golf Course to Woodington Management Inc.	No.
13	Status of Torca Transaction	The Torca Transaction is still scheduled to close on February 28, 2025. Joe has confirmed that the net proceeds are still intended to be applied towards payment of the mortgages, lien and taxes owing on the Property.
14	Status of Plazacorp financing	Still in negotiation.

We are expecting to receive further documents from Mr. Lombardi in short order, which we will provide to you immediately upon receipt. Please also let us know if there are any other outstanding requests. Should you have further questions or require further information, please do not hesitate to reach out.

Yours very truly,

Blaney McMurtry LLP



Anisha Samat
AS/kw

This is Exhibit “F” referred to in the Responding Affidavit of Joseph Chetti sworn in the City of Kleinburg, before me at the City of Toronto, and both residing in the Province of Ontario, this 19th day of February 2025, in accordance with *O.Reg. 431/20, Administering Oath or Declaration Remotely*.



Commissioner for taking affidavits (or as may be)

ANISHA SAMAT

LETTER OF INTENT – COMMERCIAL MORTGAGE LOAN (INCOME PRODUCING ASSET)

15746167 Canada Inc. presents you with the following terms for a first mortgage loan for the acquisition of the below noted asset. This paper is not to be construed as a mortgage registration document. Further exploration and due diligence is required in order to complete the mortgage instruction process.

SUBJECT PROPERTIES	7110 4th Line, New Tecumseth, ON
BORROWERS\ GUARANTORS	Woodington Lake Golf Club & Joe Chetti

LENDER	15746167 Canada Inc. 15018 Toronto Heath RPO Toronto, Ontario M4T1M1 Email: mortgages@spurify.ca
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MORTGAGE TYPE	First Position
APPRAISED VALUE	[REDACTED]
NEW MORTGAGE REQUEST	[REDACTED]
LOAN-TO-VALUE (LTV)	[REDACTED]
PURPOSE OF FUNDS	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
TERM	12 months (<i>6 months closed</i>)
INTEREST RATE	12.50%
MONTHLY PAYMENT AMOUNT	[REDACTED]
LENDER FEES	[REDACTED]
REFUNDABLE DEPOSIT	[REDACTED]



CONDITIONS PRECEDENT

In offering these loan terms, lender must consider the following:

1. Appraised Property Value: To be confirmed by an approved appraiser (and not to be less than the values indicated above so that total LTV is no greater than what is indicated above).
2. Ownership structure details.
3. Description of each business entity.
4. Borrowers' Creditworthiness and Experience: Provision of company financial statements, previous 2 years of T1s and/or T2s, rent rolls, and NOAs.
5. Completed mortgage applications and credit consent forms from all borrowers.
6. Confirmation of sufficient income/resources to cover all costs of operating and covering any shortfalls between operating revenues and expenses.
7. Development: If applicable, provision of any plans submitted to municipality and correspondences back with respect to the same.
8. An understanding of expected future value to assist in exiting the loan within 12 months.
9. Other reasonable confirmations that are required to offer a loan with a private lender.

These terms are being prepared by the lender solely based on the information provided so far. The lender reserves the right to make changes to these terms up until a formal Commitment Letter is presented.

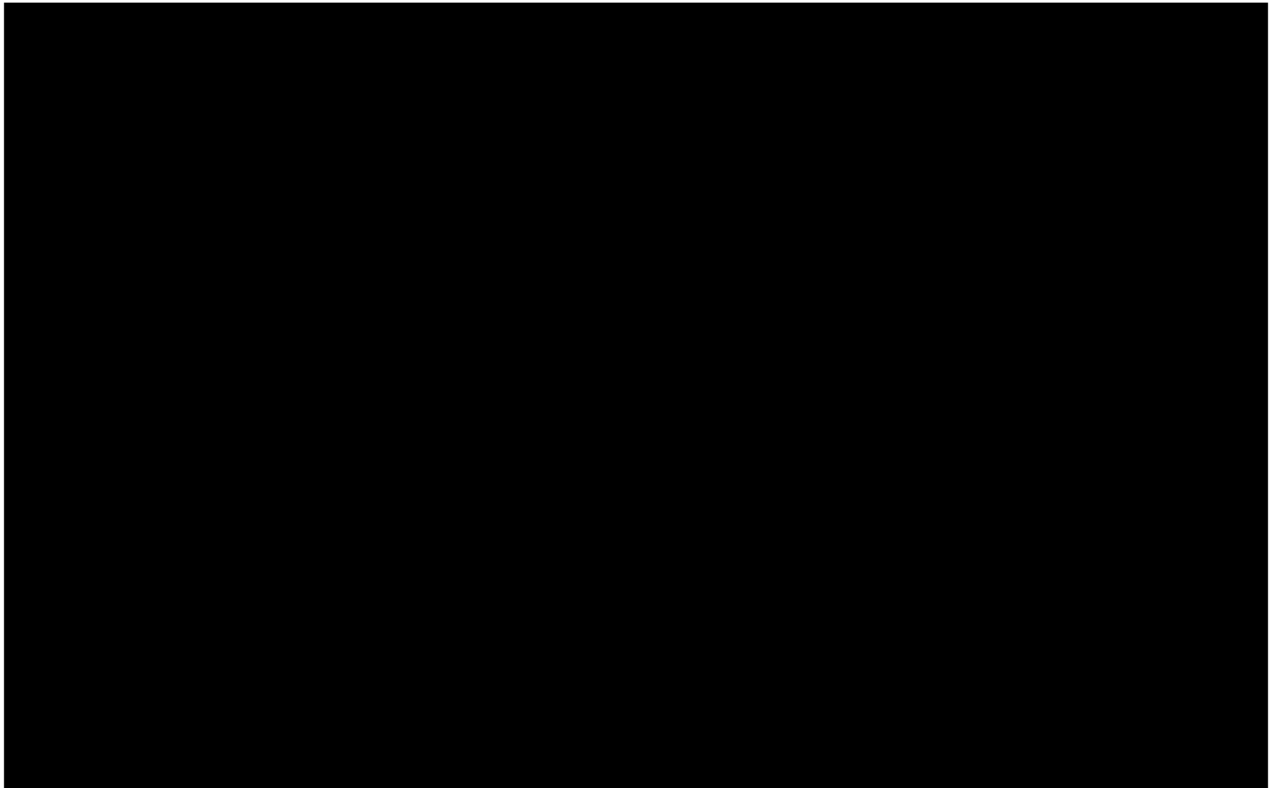
REFUNDABLE DEPOSIT

In offering these loan terms, Borrower must submit the refundable deposit by Thursday February 6th, 2025 or the offer shall be considered null and void.


**INSTRUCTIONS FOR REMITTING CANADIAN FUND PAYMENTS
AND/OR DEPOSITS**

There are several options for making payments and/or deposits in Canadian funds.

Email transfers are the fastest, most cost effective, and most efficient, however, certain financial institutions have limitations on the amounts that can be sent (if you are sending multiple email transfers over several days, that is acceptable).

**ASSIGNMENT**

The Borrowers hereby acknowledge and agree that this Commitment may be assigned, or the loan may be sold or syndicated at any time without further notice or consent, including prior to funding.

(FOR LENDER)

15746167 Canada Inc.
Authorized Signatory

BORROWER

I acknowledge that I have read this Letter of Intent and agree to and understand its contents.

Accepted this the _____ day of _____, 2025.

Authorized Signatory

Authorized Signatory

This is Exhibit “G” referred to in the Responding Affidavit of Joseph Chetti sworn in the City of Kleinburg, before me at the City of Toronto, and both residing in the Province of Ontario, this 19th day of February 2025, in accordance with *O.Reg. 431/20, Administering Oath or Declaration Remotely*.

A handwritten signature in black ink, appearing to read 'Anisha Samat', with a stylized, cursive script.

Commissioner for taking affidavits (or as may be)

ANISHA SAMAT

Tournament	Date	Course	Approx # of Golfers	
Bolton Brewers	Saturday, May 10, 2025	Legacy	144	
Team Seneca Navy	Saturday, May 17, 2025	Legacy	40	
Swing For Cancer	Thursday, June 5, 20225	TBD	TBD	
Angelo Volpe Stag	Friday, June 6, 2025	Legacy	144	
IUPAT	Tuesday, June 10, 2025	Double Course	250	
Crane Rental	Wednesday, June 11, 2025	Double Course	200	
Shad R&R	Thursday, June 12, 2025	Double Course	280	
Alleseo Maugeri	Saturday, June 14, 2025	Legend	72	
Team Dog Rescue	Monday, June 16, 2025	Legend	120	
Canes Community	Thursday, June 19, 2025	Legend	60	
Toronto Railway Club	Friday, June 20, 2025	Double Course	200	
Don Gaetano	Saturday, June 21, 2025	Legacy	180	
TTC Training Department	Sunday, June 22, 2025	Legend	72	
Go for the Green	Monday, June 23, 2025	Legend	28	
Siemens	Tuesday, June 24, 2025	Double Course	288	
Shavi & Trisha Wedding	Friday, June 27, 2025	N/A	160	CONFIRMED
George Chiu Juniors Day 1	Friday, July 11, 2025	Legacy	50	
George Chiu Juniors Day 2	Saturday, July 12, 2025	Legend	50	
George Chiu Golf Classic	Saturday, July 12, 2025	Legacy	144	
CCGA	Sunday, July 13, 2025	Legacy	80	
Samantha & Stephen Rehearsal Dinner	Thursday, July 17, 2025	N/A	50	
Samantha & Stephen Wedding	Saturday, July 19, 2025	N/A	200	CONFIRMED
Go for the Green	Thursday, July 24, 2025	Legacy	28	
Karamchi Group	Saturday, July 26, 2025	Legacy	16	
Karamchi Group	Saturday, July 26, 2025	Legend	16	
Par 5	Thursday, August 7, 2025	Legend	20	
Peelle Door	Saturday, August 9, 2025	Legend	60	
ATU 113	Sunday, August 10, 2025	Legend	144	
Formosa	Sunday, August 10, 2025	Legacy	80	
Woodbridge Soccer Club	Friday, August 15, 2025	Double Course	280	
Carpenters	Saturday, August 16, 2025	Double Course	280	
Junior Players Tour Day 1	Sunday, August 17, 2025	Legend	70	
Junior Players Tour Day 2	Monday, August 18, 2025	Legend	70	
Junior Players Tour Day 3	Tuesday, August 19, 2025	Legend	70	
CGJA Juniors	Wednesday, August 20, 2025	Legend	60	
F.U.T.	Thursday, August 21, 2025	Double Course	240	
Go for the Green	Thursday, August 28, 2025	Legend	28	
Jessica Sandoval Wedding	Saturday, August 30, 2025	N/A	80	CONFIRMED
Canadian Croatian Bus. Assoc.	Friday, September 1, 2025	Double Course	280	
Bothwell's Accurate	Saturday, September 6, 2025	Legacy	70	
Frempong	Sunday, September 7, 2025	Legend	100	
Pinball Clemons Charity GT	Tuesday, September 9, 2025	Legend	160	
Drew Orpwood	Thursday, September 11, 2025	Legend	48	
C Shift Open	Friday, September 12, 2025	Legacy	72	
Golfing 4 Heroes	Saturday, September 13, 2025	Legacy	70	
Vaughan PFFA	Monday, September 15, 2025		77	
OGMA	Thursday, September 18, 2025	Legend		
Brighter Tomorrows	Friday, September 19, 2025	Double Course	270	
Hold for the Green	Tuesday, September 23, 2025	Legend	28	
PGA of Ontario Fall Scramble	Monday, October 6, 2025	Double Course	280	

Presently negotiating contracts for golf tournaments.

Wedding contracts are confirmed.

MELVYN EISEN, TRUSTEE

- and -

WOODINGTON ESTATES INC.

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE**Proceeding commenced at **TORONTO****AFFIDAVIT OF JOSEPH CHETTI****BLANEY MCMURTRY LLP**

Lawyers

2 Queen Street East, Suite 1500

Toronto, ON, M5C 3G5

David T. Ullmann (LSO #42357I)

Tel: (416) 596-4289

Email: dullmann@blaney.com**Timothy Dunn** (LSO # 34249I)

Tel: (416) 597-4887

Email: tdunn@blaney.com**Anisha Samat** (LSO # 82342Q)

Tel: (416) 593-3924

Email: asamat@blaney.com

Lawyers for Woodington Estates Inc., the Respondent

MELVYN EISEN, TRUSTEE

and

WOODINGTON ESTATES INC.

Applicant

Respondent

Email addresses of recipients: See Service List

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at **TORONTO**

**REDACTED RESPONDING MOTION RECORD OF
WOODINGTON ESTATES INC.
(Returnable March 6th, 2025)**

BLANEY MCMURTRY LLP

Lawyers
2 Queen Street East, Suite 1500
Toronto, ON, M5C 3G5

David T. Ullmann (LSO #42357I)

Tel: (416) 596-4289
Email: dullmann@blaney.com

Anisha Samat (LSO # 82342Q)

Tel: (416) 593-3924
Email: asamat@blaney.com

Lawyers for Woodington Estates Inc., the Respondent