

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

TANDIA FINANCIAL CREDIT UNION LIMITED

Applicant

- and -

9259929 CANADA 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**

**APPLICATION RECORD
(Returnable June 24, 2025)**

June 5, 2025

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Kyle B. Plunkett (LSO # 61044N)

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*Lawyers for Tandia Financial Credit Union
Limited*

TO: SERVICE LIST

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

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Applicant



- and -

9259929 CANADA INC.

Respondent

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
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COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

(Court seal)

NOTICE OF APPLICATION

TO THE RESPONDENT

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing

- ☐ In person
- ☐ By telephone conference
- ☒ By video conference

before a judge presiding over the Ontario Superior Court of Justice on Tuesday, June 10, 2025 at 10:00 a.m., via Zoom coordinates to be provided.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer,

serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: May 28, 2025

Issued by **Harsimran K Sandhu**
Digitally signed by Harsimran K Sandhu
Date: 2025.05.28 12:42:04 -04'00'

Local registrar

Address of
court office 45 Main Street East
Hamilton, ON L8N 2B7

TO: **9259929 CANADA INC.**
126 Catharine Street North
Hamilton, ON L8R 1J4

APPLICATION

THE APPLICANT, the Tandia Financial Credit Union Limited (“**Tandia**”), makes application for, among other things, an Order:

- a) if necessary, abridging the time for service and filing of this notice of application and the application record or, in the alternative, dispensing with and/or validating service of same, and declaring that this Application is properly returnable before the Court;
- b) appointing, pursuant to section 243 of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act* (Ontario), msi Spergel Inc. (“**Spergel**”) as receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, properties and undertakings (collectively, the “**Property**”) of the Respondent, 9259929 Canada Inc. (the “**Debtor**”), acquired for or used in relation to a business or businesses carried on by the Debtor, including, without limitation, the real properties municipally known as (i) 1203-1215 Cannon Street East, Hamilton, Ontario and legally described in PIN 17246-0356 (LT) (the “**Cannon Property**”) and (ii) 32 Barton Street East, Hamilton, Ontario and legally described in PIN 17161-0044 (LT) (the “**Barton Property**” and together with the Cannon Property, the “**Real Properties**”); and
- c) such further and other relief as is just.

THE GROUNDS for the application are:

1. The Debtor is a corporation incorporated on April 17, 2015 pursuant to the *Canada Business Corporations Act*, R.S.C., 1985, c. C-44, with its stated registered office at 126 Catharine Street North, Hamilton, Ontario, L8R 1J4. Rahim Thawer is listed as the director of the Debtor.

2. The Debtor is a holding company, whose only material assets are the commercial, income-generating Real Properties. The Debtor generates revenue through collections of rent from tenants.

Credit Agreement and Tandia's Security:

3. The Debtor is indebted to Tandia with respect to a certain credit facilities (the "**Credit Facilities**") made available by Tandia to the Debtor pursuant to and under the terms of a Commitment Letter dated September 20, 2021, as supplemented by (i) a Promissory Note dated October 4, 2021 in the principal amount of \$1,600,000, and (ii) a Promissory Note dated October 4, 2021 in the principal amount of \$1,825,000 (as the same may have been amended, replaced, restated or supplemented from time to time, and collectively, the "**Credit Agreement**").

4. The Debtor's obligations to Tandia pursuant to the Credit Agreement are guaranteed by Rahim Thawer pursuant to a guarantee dated October 4, 2021 up to the amount of \$3,425,000.00 (the "**Guarantor**" and together with the Debtor, the "**Credit Parties**").

5. As security for the Debtor's obligations to Tandia, including, without limitation, under the Credit Agreement, the Debtor provided:

- a) a general security agreement dated October 4, 2021 (the "**GSA**"), which grants in favour of Tandia, among other things, a security interest in any and all of the

property, assets and undertakings of the Debtor, registration in respect of which was duly made pursuant to the *Personal Property Security Act* (Ontario) (the “PPSA”);

- b) a collateral charge/mortgage in favour of Tandia, in the amount of \$1,825,000.00, in respect of the Cannon Property (the “**Cannon Charge**”), which was registered on title to the Cannon Property on October 5, 2021 pursuant to instrument number WE1551412;
 - c) a General Assignments of Rents dated September 4, 2021, granted by the Debtor in respect of the Cannon Property, which was registered on title to the Cannon Property on October 5, 2021 pursuant to instrument number WE1551413 and under the PPSA;
 - d) a collateral charge/mortgage in favour of Tandia, in the amount of \$1,600,000.00, in respect of the Barton Property (the “**Barton Charge**”), which was registered on title to the Barton Property on October 5, 2021 pursuant to instrument number WE1551414; and
 - e) a General Assignments of Rents dated September 4, 2021, granted by the Debtor in respect of the Barton Property, which was registered on title to the Barton Property on October 5, 2021 pursuant to instrument number WE1551415 and under the PPSA,
- (collectively, the “**Security**”).

6. Tandia is the first-ranking secured creditor over the Cannon Property pursuant to the Cannon Charge and the Barton Property pursuant to the Barton Charge. Fennell Property Management Ltd. has also registered subordinate charges over the Cannon Property and the Barton Property, respectively.

7. In addition to Tandia, each of The Toronto-Dominion Bank, Fennell Property Management Ltd., Rapport Credit Union Limited, and Ready Capital Mortgage Holdings Ltd. have made one or more registrations covering, variably, “Goods”, “Inventory”, “Equipment”, “Accounts”, “Other” and “Motor Vehicles”.

Defaults and Demands for Payment:

8. The obligations of the Debtor in respect of the Credit Agreement are due and payable at the option of Tandia upon the occurrence of an Event of Default (as defined in the Credit Agreement) for any reason whatsoever. There have been one or more defaults under the Credit Agreement, including, without limitation, material monetary defaults (failure to make scheduled monthly payments of principal, interest and fees on the date when they become due and the failure to comply with one or more covenants).

9. Following the defaults under the Credit Agreement, Tandia issued an exit letter on January 30, 2025, advising that it was no longer prepared to continue its lending relationship with the Debtor nor provide any other financial accommodations and, accordingly, requested that the Debtor arrange to repay Tandia in full by no later than March 17, 2025.

10. In the face of persisting defaults, including ongoing monetary defaults, Tandia made formal written demand on the Debtor and the Guarantor for payment of the indebtedness owed to Tandia by letters dated April 8, 2025 (the “**Demands**”), which letter to the Debtor was

accompanied by a notice of intention to enforce security (the “**BIA Notice**”) delivered to the Debtor pursuant to subsection 244(1) of the BIA.

11. As set out in the Demands and the BIA Notice, a total of \$3,384,750.44 (exclusive of legal fees, disbursements and accruing interest) was owing by the Debtor and the Guarantor to Tandia under the Credit Agreement as of April 7, 2025 (the “**Indebtedness**”). The Indebtedness continues to accrue.

12. Since the issuance of the Demands, the Credit Parties have failed or refused to (a) repay the Indebtedness in full or (b) enter into any arrangements acceptable to Tandia for the full repayment of the Indebtedness.

13. The ten (10) day statutory period under subsection 244(1) of the BIA has now expired.

14. The Debtor is in default of its obligations under the Credit Agreement, and is unwilling or unable to repay the Indebtedness.

15. Tandia is contractually entitled to enforce its Security.

The Rationale for the Appointment Order:

16. Despite the formal Demands, the Debtor nor Mr. Thawer have made any attempt to cure the monetary defaults or repay the Indebtedness as required.

17. Furthermore, the Debtor failed to provide any concrete plan to address their outstanding obligations to Tandia, through any agreement or otherwise.

18. The Debtor has also failed to keep current on priority payables, including property taxes accruing in the amount of \$68,503.95 in respect of the Cannon Property and in the amount of \$66,093.02 in respect of the Barton Property, further jeopardizing Tandia's security position.

19. The provisions of the Security allow for the appointment of a Receiver over the Property of the Debtor upon default.

20. The appointment of a Receiver is necessary for the protection of the interests of Tandia as a secured creditor, alongside any other stakeholders.

21. Tandia has lost all confidence in the Debtor's management.

22. The Receiver, if appointed, will be able to efficiently market the Real Properties for sale and maximize recovery for the stakeholders.

23. Spergel is a licenced insolvency trustee and has consented to act as Receiver if so appointed by the Court.

General Grounds:

24. Section 243 of the BIA;

25. Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;

26. Any applicable rules of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, including, without limitation, rule 40; and

27. Such further grounds as counsel may advise and this Court may permit;

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the application:

28. The Affidavit of Dawood Khan to be sworn and filed, and all exhibits thereto;
29. The Consent of Spergel to act as Receiver; and
30. Such further and other evidence as counsel may advise and this Honourable Court may permit.

May 28, 2025

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Lawyers for Tandia Financial Credit Union
Limited

TANDIA FINANCIAL CREDIT UNION LIMITED

- and -

9259929 CANADA INC.

Applicant

Respondent

Court File No. CV-25-00090460-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Hamilton

NOTICE OF APPLICATION
(Returnable June 10, 2025)

AIRD & BERLIS LLP

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Lawyers for Tandia Financial Credit Union Limited

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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TANDIA FINANCIAL CREDIT UNION LIMITED

Applicant

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NOTICE OF RETURN OF APPLICATION

TAKE NOTICE THAT the application originally returnable on Tuesday, June 10, 2025 at 10 a.m. will be returnable on Tuesday, June 24, 2025 at 10 a.m. or as soon after that time as the application can be heard at the court house, 45 Main Street East, Hamilton, Ontario, L8N 2B7.

June 5, 2025

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

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*Lawyers for Tandia Financial Credit Union
Limited*

TO: **9259929 CANADA INC.**
 126 Catharine Street North
 Hamilton, ON L8R 1J4

TANDIA FINANCIAL CREDIT UNION LIMITED
Applicants

-and- **9259929 CANADA INC.**

Respondents

Court File No. CV-25-00090460-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
HAMILTON

NOTICE OF RETURN OF APPLICATION

AIRD & BERLIS LLP

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Lawyers for Tandia Financial Credit Union Limited

TAB 3

**ONTARIO
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Applicant

- and -

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COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**AFFIDAVIT OF DAWOOD KHAN
(sworn June 4, 2025)**

I, **DAWOOD KHAN**, of the City of Mississauga, in the Province of Ontario, **MAKE
OATH AND SAY AS FOLLOWS:**

1. I am the Vice-President of Commercial Banking at Tandia Financial Credit Union (“**Tandia**”). Tandia is a senior secured creditor of 9259929 Canada Inc. (the “**Debtor**”), and I am one of the persons at Tandia involved in the management of the Debtor’s accounts and credit facilities. As such, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

PURPOSE

2. I swear this Affidavit in support of Tandia's application for an Order appointing msi Spergel Inc. ("**Spergel**") as receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, properties and undertakings (collectively, the "**Property**") of the Debtor acquired for or used in relation to a business or businesses carried on by the Debtor, including, without limitation, the real properties municipally known as (i) 1203-1215 Cannon Street East, Hamilton, Ontario and legally described in PIN 17246-0356 (LT) (the "**Cannon Property**") and (ii) 32 Barton Street East, Hamilton, Ontario and legally described in PIN 17161-0044 (LT) (the "**Barton Property**" and together with the Cannon Property, the "**Real Properties**").

THE DEBTOR

3. The Debtor is a corporation incorporated on April 17, 2015 pursuant to the *Canada Business Corporations Act*, R.S.C., 1985, c. C-44, with its stated registered office at 126 Catharine Street North, Hamilton, Ontario, L8R 1J4. Rahim Thawer is listed as the director of the Debtor. Attached to this affidavit and marked as **Exhibit "A"** is a copy of the Corporate Profile Report of the Debtor.

4. The Debtor is a holding company, whose only material assets are the commercial, income-generating Real Properties. The Debtor generates revenue through collections of rent from tenants.

5. I understand that the Debtor is owned and/or controlled by Mr. Thawer, an individual residing in Toronto, Ontario. Mr. Thawer is also the authorized representative of the Debtor as it relates to its lending arrangements with Tandia.

6. The relationship between Tandia and the Debtor has deteriorated beyond repair, and Tandia has now lost confidence in the Debtor's ability to sustain its business and manage the Real Properties. There are significant monetary defaults under the Credit Agreement (as defined below) as more particularly described below, and Tandia has little to no visibility with respect to Debtor's operations and financial circumstances.

CREDIT AGREEMENT AND SECURITY:

5. The Debtor is indebted to Tandia with respect to a certain credit facilities (the "**Credit Facilities**") made available by Tandia to the Debtor pursuant to and under the terms of a Commitment Letter dated September 20, 2021, as supplemented by (i) a Promissory Note dated October 4, 2021 in the principal amount of \$1,600,000, and (ii) a Promissory Note dated October 4, 2021 in the principal amount of \$1,825,000 (as the same may have been amended, replaced, restated or supplemented from time to time, and collectively, the "**Credit Agreement**"). A copy of the Credit Agreement is attached hereto and marked as **Exhibit "B"**.

6. The Debtor's obligations to Tandia pursuant to the Credit Agreement are guaranteed by Rahim Thawer pursuant to a guarantee dated October 4, 2021 up to the amount of \$3,425,000.00 (the "**Guarantor**" and together with the Debtor, the "**Credit Parties**"), a copy of which is attached hereto as **Exhibit "C"**.

7. As security for the Debtor's obligations to Tandia, including, without limitation, under the Credit Agreement, the Debtor provided:

- a) a general security agreement dated October 4, 2021 (the "**GSA**"), which grants in favour of Tandia, among other things, a security interest in any and all of the property, assets and undertakings of the Debtor, registration in respect of which

was duly made pursuant to the *Personal Property Security Act* (Ontario) (the “PPSA”), and which is attached hereto as **Exhibit “D”**;

- b) a collateral charge/mortgage in favour of Tandia, in the amount of \$1,825,000.00, in respect of the Cannon Property (the “**Cannon Charge**”), which was registered on title to the Cannon Property on October 5, 2021 pursuant to instrument number WE1551412, which is attached hereto as **Exhibit “E”**;
 - c) a General Assignments of Rents dated September 4, 2021, granted by the Debtor in respect of the Cannon Property, which was registered on title to the Cannon Property on October 5, 2021 pursuant to instrument number WE1551413 and under the PPSA, a copy of which instrument is attached hereto as **Exhibit “F”**;
 - d) a collateral charge/mortgage in favour of Tandia, in the amount of \$1,600,000.00, in respect of the Barton Property (the “**Barton Charge**”), which was registered on title to the Barton Property on October 5, 2021 pursuant to instrument number WE1551414, which is attached hereto as **Exhibit “G”**; and
 - e) a General Assignments of Rents dated September 4, 2021, granted by the Debtor in respect of the Barton Property, which was registered on title to the Barton Property on October 5, 2021 pursuant to instrument number WE1551415 and under the PPSA, a copy of which instrument is attached hereto as **Exhibit “H”**,
- (collectively, the “**Security**”).

8. Copies of the parcel registers for each of the Cannon Property and the Barton Property, current to January 30, 2025, are attached hereto as **Exhibit “I”** and **Exhibit “J”**, respectively.

9. Tandia is the first-ranking secured creditor over the Cannon Property pursuant to the Cannon Charge and the Barton Property pursuant to the Barton Charge. Fennell Property Management Ltd. has also registered subordinate charges over the Cannon Property and the Barton Property, respectively.

10. The terms of each of the Cannon Charge and the Barton Charge provide that Tandia is entitled to move for the appointment of a receiver of the Real Properties in the event of a default by the Debtor:

“Upon the happening of any Event of Default, in addition to any other rights or remedies available to it hereunder or at common law or equity or pursuant to any statute, the Chargee shall have the following rights and powers:

...(d) to appoint by instrument in writing any person or persons to be a Receiver of all or any portion of the undertaking, property and assets of the Chargor forming the Mortgaged Premises and all rents, issues, incomes and profits to be derived therefrom; to fix the Receivers remuneration and from time to time to remove any Receiver so appointed and appoint another or others in this stead...”

11. Furthermore, the GSA granted by the Debtor allows Tandia to appoint a receiver over the Debtor’s Property upon the occurrence of a default. Section 13 of the GSA provides:

Upon default, the Creditor may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Creditor or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of Debtor and not the Creditor and the Creditor shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instrument appointing him, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use

Collateral directly in carrying on Debtor's business or as security for loans or advances to enable him to carry on Debtor's business or otherwise, as such Receiver shall, in his discretion, determine. Except as may be otherwise, directed by the Creditor, all monies received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to the Creditor. Every such Receiver may, in the discretion of the Creditor, be vested with all or any of the rights and powers of the Creditor.

12. In addition to Tandia, each of The Toronto-Dominion Bank, Fennell Property Management Ltd., Rapport Credit Union Limited, and Ready Capital Mortgage Holdings Ltd. have made one or more registrations under the financing statements against the Debtor covering, variably, "Goods", "Inventory", "Equipment", "Accounts", "Other" and "Motor Vehicles". A copy of the PPSA search for the Debtor is attached hereto as **Exhibit "K"**.

DEFAULTS AND DEMAND FOR PAYMENT:

11. The obligations of the Debtor in respect of the Credit Agreement are due and payable at the option of Tandia upon the occurrence of an Event of Default (as defined in the Credit Agreement) for any reason whatsoever. There have been one or more defaults under the Credit Agreement, including, without limitation, material monetary defaults (failure to make scheduled monthly payments of principal, interest and fees on the date when they become due and the failure to comply with one or more covenants).

12. Following the defaults under the Credit Agreement, Tandia issued an exit letter on January 30, 2025, advising that it was no longer prepared to continue its lending relationship with the Debtor nor provide any other financial accommodations and, accordingly, requested that the Debtor arrange to repay Tandia in full by no later than March 17, 2025. A copy of the exit letter is attached hereto and marked as **Exhibit "L"**.

13. In the face of persisting defaults, including ongoing monetary defaults, Tandia made formal written demand on the Debtor and the Guarantor for payment of the indebtedness owed to Tandia

by letters dated April 8, 2025 (the “**Demands**”), which letter to the Debtor was accompanied by a notice of intention to enforce security (the “**BIA Notice**”) delivered to the Debtor pursuant to subsection 244(1) of the BIA. Copies of the Demands and BIA Notice are attached hereto as **Exhibit “M”**.

14. As set out in the Demands and the BIA Notice, a total of \$3,384,750.44 (exclusive of legal fees, disbursements and accruing interest) was owing by the Debtor and the Guarantor to Tandia under the Credit Agreement as of April 7, 2025 (the “**Indebtedness**”). The Indebtedness continues to accrue.

15. Since the issuance of the Demands, the Credit Parties have failed or refused to (a) repay the Indebtedness in full or (b) enter into any arrangements acceptable to Tandia for the full repayment of the Indebtedness.

16. At this stage, Tandia considers the only reasonable and prudent path forward is to take any and all steps necessary to protect the Property, including securing the Real Properties, by having a receiver appointed, and it is within the Tandia’s right under the Security to do so.

THE RATIONALE AND JUSTIFICATION FOR APPOINTMENT OF RECEIVER:

17. Despite the formal Demands, the Debtor nor Mr. Thawer have made any attempt to cure the monetary defaults or repay the Indebtedness as required.

18. Furthermore, the Debtor failed to provide any concrete plan to address their outstanding obligations to Tandia, through any agreement or otherwise.

19. The ten (10) day statutory period under subsection 244(1) of the BIA has expired.

20. The provisions of the Security allow for the appointment of a Receiver over the Property of the Debtor upon default.

21. The Debtor is in default of its obligations under the Credit Agreement and the Security, and at this stage, Tandia considers the only reasonable and prudent path forward is to take any and all steps necessary to protect the Property, and it is within Tandia's rights under the Security to do so.

22. As set out above, Tandia has provided the Debtor with sufficient opportunities to honour their obligations and it has failed to do so.

23. The Debtor has also failed to keep current on priority payables, including property taxes owing in respect of the Real Properties, further jeopardizing Tandia's security position. Copies of the Treasurers Certificate of Outstanding Realty Taxes for each of the Cannon Property and the Barton Property are attached as **Exhibit "N"**, and disclose arrears of \$68,503.95 in respect of the Cannon Property and arrears of \$66,093.02 in respect of the Barton Property.

24. The appointment of a receiver is necessary for the protection of the interests of Tandia as a secured creditor, alongside any other stakeholders.

25. Tandia is of the view that the appointment of a receiver is just and equitable and is necessary for the protection of the interests of Tandia, as secured creditor, and other stakeholders, as it will provide stability and organized path to recovery.

26. Tandia proposes that Spergel be appointed as Receiver, without security, over all of the assets, undertakings and properties of the Debtor. Spergel is qualified to act as receiver and has

consented to act as receiver if so appointed by the Court. A copy of Spergel's consent is attached hereto as **Exhibit "O"** to this Affidavit.

27. This Affidavit is thus made in support of the within application for the appointment of Spergel as Receiver, and for no other improper purpose.

SWORN remotely by **DAWOOD KHAN**,
via videoconference, stated as being located
in the City of Toronto, in the Province of
Ontario, before me at the City of Toronto, in
the Province of Ontario, this 4th day of June
2025, in accordance with O. Reg 431/20,
Declaration Remotely.


DocuSigned by:

Matilda Lici

7CE576F4AA3D4CA...

Commissioner for Taking Affidavits
Matilda Lici

Signed by:



51FD3ECD89A348F

DAWOOD KHAN

This is Exhibit "A" of
the Affidavit of Dawood Khan
Sworn before me this 4th day of June 2025

DocuSigned by:

Matilda Lici

7CE576F4AA3D4CA...

A Commissioner, etc.
Matilda Lici




Government
of Canada

Gouvernement
du Canada

[Canada.ca](#) → [Innovation, Science and Economic Development Canada](#) → [Corporations Canada](#)
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Federal Corporation Information - 925992-9

 Beware of scams and other suspicious activities. See [Corporations Canada's alerts](#).

Note

This information is available to the public in accordance with legislation (see [Public disclosure of corporate information](#)).

[Order copies of corporate documents](#)

Corporation Number

925992-9

Business Number (BN)

806300596RC0001

Corporate Name

9259929 Canada Inc.


Status

Active

Governing Legislation

Canada Business Corporations Act - 2015-04-17

[Order a Corporate Profile](#) [[View PDF Sample](#)] [[View HTML Sample](#)].

[Find existing extra-provincial registrations of this corporation on Canada's Business registries](#) 

Registered Office Address

126 Catharine Street North
Hamilton ON L8R 1J4

Canada

i Note

Active CBCA corporations are required to update this information within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 1

Maximum 10

Rahim Thawer
570 Chaplin Crescent
Toronto ON M5N 1E5
Canada

i Note

Active CBCA corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Individuals with significant control

There are no individuals with significant control over the corporation.

i Note

Active CBCA corporations are required to update this information annually (with their annual return) and within 15 days of a change in their ISC register via the Online Filing Centre. A corporation key is required. If you are not authorized to update this information, you can contact either the corporation or Corporations Canada. We will inform the corporation of its reporting obligations.

Annual Filings

Anniversary Date (MM-DD)

04-17

Date of Last Annual Meeting

2024-04-30

Annual Filing Period (MM-DD)

04-17 to 06-16

Type of Corporation

Non-distributing corporation with 50 or fewer shareholders

Status of Annual Filings

2025 - Not due

2024 - Filed

2023 - Filed

Corporate History

Corporate Name History

2015-04-17 to Present

9259929 Canada Inc.

Certificates and Filings

Certificate of Incorporation

2015-04-17

Order copies of corporate documents

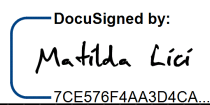
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Date Modified:

2024-11-29

This is Exhibit "B" of
the Affidavit of Dawood Khan
Sworn before me this 4th day of June 2025

DocuSigned by:

7CE576F4AA3D4CA...

A Commissioner, etc.
Matilda Lici



20 September 2021

9259929 Canada Inc.
570 Chaplin Crescent
Toronto ON
M5N 1E5

Attention: Rahim Thawer

Tandia Financial Credit Union Limited carrying on business as Tandia (the "Credit Union") has approved the following credit facilities, subject to the satisfaction of the conditions and security documentation outlined below.

Borrower(s):	9259929 Canada Inc.	
Lender:	Tandia Financial Credit Union Limited (the "Credit Union")	
Purpose:		
Facility #1	Commercial Mortgage: To refinance of the commercial Real Property located at 1203-1215 Cannon St E, Hamilton ON	
Facility #2	Commercial Mortgage: To refinance of the commercial Real Property located at 32 Barton St E, Hamilton ON	
Facility Amounts:	The Lender agrees to provide the Borrower(s) the following credit facilities secured by a Collateral First Mortgage up to the aggregate amounts not exceeding the limits as stipulated:	
Facility #1	First Mortgage	\$ 1,825,000.00
Facility #2	First Mortgage	\$ 1,600,000.00
	Total	\$ 3,425,000.00
Real Property:	The Security Documents, where required (as hereinafter defined), shall be registered against lands and premises known as:	
Facility #1	Municipal Property address: <u>1203-1215 Cannon St E,</u> 470-474 James Street North, Hamilton, ON PIN No.: 171610023 Legal description: LT-8 JAMES HUGHSON SURVEY (UNREGISTERED) E/S JAMES ST BTN CANNON ST & ROBERT ST, CITY OF HAMILTON	
Facility #2	Municipal Property address: 32 BARTON ST E, HAMILTON, ON L8L2V5 PIN No.: 171610044 Legal description: PT LT 11-12 PL 181 AS IN VM150755, T/W VM277618, T/W INTEREST IN VM277618; CITY OF HAMILTON	
Draw Down:	One time draw down upon satisfactory completion of all loan security documentation and compliance with the condition's precedent to funding.	
Facility #1 & 2		
Repayment:		
Facility #1	If Fixed:	

47.

Facility#2	<p>To be repaid in blended monthly payments of principal and interest of \$9,848.80 sufficient to repay the facility in-full during the specified Amortization from the date of Draw Down.</p> <p>If Variable: To be repaid in monthly principal payments of \$6,083.34 plus interest.</p> <p>If Fixed: To be repaid in blended monthly payments of principal and interest of \$8,634.56 sufficient to repay the facility in-full during the specified Amortization from the date of Draw Down.</p> <p>If Variable: To be repaid in monthly principal payments of \$5,333.33 plus interest</p>
Prepayment: Facility # 1 & 2	10% of the original mortgage amount during each year of the interest rate term (non-cumulative); otherwise, subject to a three (3) month interest rate penalty on the balance outstanding at the time of repayment or the interest rate differential to maturity, whichever is greater.
Term: Facility # 1 & 2	2 years (24 months) maturing from date of Draw Down.
Amortization: Facility # 1 & 2	An original amortization period not to exceed 25 years (300 months) from the date of Draw Down.
Interest Rate: Facility # 1 & 2	<p>Fixed Rate: 4.25% (2-year term)</p> <p>[OR]</p> <p>Variable Rate at the Credit Union's Prime Rate** of Interest per annum in effect from time to time plus 2.00 percent (5.70%) per annum.</p> <p><i>The Credit Union's Prime Rate** means the annual rate of interest which the Credit Union establishes as the reference rate of interest to determine interest rates it will charge at such time for residential loans in Canadian dollars, calculated daily and payable monthly, such rate to be adjusted automatically and without the necessity of any notice to the Borrower upon each change to such rate. The Credit Union's Prime Interest Rate on the date of this document is 3.70% percent per annum.</i></p>
Fees:	<p>Whether or not any part of the credit facilities are advanced, the Borrower(s) &/or the Guarantor(s) shall pay all legal fees and disbursements of the Lender and its legal counsel in connection with this Document and any documentation resulting there from or enforcement thereof.</p> <p>The Borrower(s) &/or the Guarantor(s) authorizes and directs the Lender to automatically debit, by mechanical, electronic or manual means, any bank account or the subject loan facility of the Borrower for all amounts payable by the Borrower to the Lender pursuant to these Credit Facilities; and</p>
Facility#1	1. Application Fee: \$13,687.50 payable upon acceptance of commitment letter
Facility#2	2. Application Fee: \$8,000 payable upon acceptance of commitment letter
	<u>Annual Review and Amendment Fee:</u> \$3,000.00 per occurrence.
	<u>Late Reporting Fee:</u> In the event that the Borrower shall fail to fulfill the Reporting Requirements of the Commitment Letter, a fee of \$500.00 will be due

	and payable monthly by the Borrower to the Credit Union for each of the first three months that the Borrower is in default of its Reporting Requirements obligation and thereafter shall be due and payable monthly at the rate of \$1,000.00 per month for each month that the Borrower remains in default.
Sale/Transfer:	The Borrower shall not sell, transfer or encumber the Real Property without the Lender's prior written consent. If the Borrower does so then at the Credit Union's option, the Borrower will immediately pay to the Credit Union all outstanding indebtedness under the mortgage and this Commitment Letter
Alterations:	The Borrower agrees not to make any material changes, additions or alterations to the Real Property without the Lender's prior written consent.
Inspections:	The Borrower will permit the Lender and persons authorized by the Lender at all reasonable times to inspect the Real Property from time to time.
Security:	<p>The present and future indebtedness and liability of the Borrower to the Lender shall be secured by the following security, evidenced by documents in form satisfactory to the Lender and its legal counsel and registered or recorded as required by the Lender to be provided prior to any advances or avail being made under the Credit Facility:</p> <p style="text-align: center;"><u>Individual</u></p> <ol style="list-style-type: none"> 1. First Position Blanket Commercial Collateral Mortgage in favor of <u>Tandia Financial Credit Union Limited</u> to be <u>registered in the amount of \$3,425,000</u> on the Real Properties; and 2. A first position Site Specific Security Agreement representing a fixed and floating charge over the assets and undertakings currently owned by the "Borrower" 1203-1215 Cannon St E, Hamilton ON as well as a first charge over all assets acquired in the future; and 3. A first position Site Specific Security Agreement representing a fixed and floating charge over the assets and undertakings currently owned by the "Borrower" 32 Barton St E, Hamilton ON as well as a first charge over all assets acquired in the future; and 4. Site Specific assignment of Rents and Leases over the Real Properties; and 5. Limited Personal Guarantee and postponement of claim from <u>Rahim Thawar for \$3,425,000</u>; and 6. Postponement and Subordination of all shareholders' non arm's length creditor's and related party loans, to include a postponement of the right to receive any payment of both principal and interest under the said loans. The Lender shall be provided with a list of all shareholders' non arm's length creditor's and related party loans and amount prior to funding; and 7. Assignment of adequate public liability and fire insurance showing <u>Tandia Financial Credit Union Limited</u> as mortgagee and first loss payee; and 8. Promissory Note; and 9. Any other documentation necessary in the opinion of the Lender or its Solicitor to complete this transaction.
Insurance:	Satisfactory evidence of insurance must be provided to the Credit Union's Solicitors prior to the anticipated date of advance to allow for sufficient time for the policy to be reviewed. At the discretion of the Lender, and at the cost of the Borrower, a third-party consultant chosen by the Lender may be engage to

	<p>conduct this review. All insurance policies shall be in form and with insurers reasonably acceptable to the Credit Union. All policies shall name the Credit Union as a Named Insured or Additional Named Insured and will include the interest of all entities for whom the Borrower has contractually agreed to insure as their respective interest may appear. All property, and where applicable, boiler and machinery policies shall show the Credit Union as First Mortgagee and Loss Payee and shall contain the standard mortgage clause in favour of the Credit Union. All policies shall contain reasonable deductibles. All policies of insurance shall provide thirty (30) days' notice to the Credit Union of any adverse material change or cancellation or non-renewal. If the Borrower fails to take out and keep in force such minimum insurance as is required hereunder, then the Credit Union may, but shall not be obligated to take out for the sole benefit of the Credit Union, and keep in force, such insurance as the Credit Union sees fit at the immediate sole cost and expense of the Borrower. Without limiting the foregoing, at a minimum the Borrower shall provide evidence of Property Insurance including all personal property relating thereto, insuring against any peril now or hereafter included with the classification "All Risk of Physical Loss Or Damage" to a limit representing 100% of the full replacement cost thereof; Business Interruption Insurance (minimum indemnity period of 12 months); Commercial General Liability Insurance with a limit of not less than \$2 million dollars CAD on a per occurrence basis; and such other insurance as the Credit Union may reasonably require, given the nature of the security and that which a prudent owner of similar security that would cause to be purchased and maintained.</p>
<p>Conditions Precedent to Funding:</p>	<p>Those customarily found in the Lender's security documents and any additional conditions appropriate in the context of the proposed transaction, and in any event to include but not be limited to:</p> <ol style="list-style-type: none"> 1. Receipt of all security provided for herein to be prepared by the Lender or its Solicitor, in a form and substance satisfactory to the Lender and its Solicitor; and 2. The Borrower having good and marketable title to the Real Properties subject only to permitted encumbrances (as hereinafter defined); and 3. Supporting Sheriff and Tax Certificates together with satisfactory legal opinion confirming validity of the charge; and 4. All governmental and third party approvals and consents necessary in connection with the transaction, the financing thereof provided by the Lender and, if necessary to effect the transaction, existing Lenders and Security Holders have been obtained and remain in effect, and all applicable waiting periods shall have expired without any transaction being taken by any competent authority which restrains, prevents or imposes materially adverse conditions upon the consummation of the transaction and the transaction shall be completed in compliance with all applicable laws; and 5. There shall not exist any judgment, order, injunction or other restraint prohibiting or imposing materially adverse conditions upon the consummation of the transaction; and 6. The Real Properties must comply with all zoning; by-laws; fire codes and relevant codes and standards; and 7. Confirmation that no legal disputes are outstanding and on-going against the Borrower; and 8. Borrower to provide an up-to-date Lands Survey or satisfactory Title

	<p>Insurance for the Real Properties; and</p> <ol style="list-style-type: none"> 9. Borrower & Corporate Guarantor to provide Articles of Incorporation and Borrowing By-law with any amendments along with confirmation of all/any partners having an ownership position and financial interest in the company, including percentage of ownership held not less than three (3) days prior to funding; and 10. Borrower to provide executed New Business Membership Application and related account opening documentation with acceptable forms of Personal Identification not less than three (3) days prior to funding; and 11. Borrower to maintain a membership with the Credit Union in good standing at all times while any portion of the facility remains outstanding or committed; and 12. Borrower to provide an Environmental Site Assessment Phase I/Phase II for the Real Properties with results satisfactory to the Lender and a corresponding transmittal letter addressed to the Lender allowing the report to be used for mortgage lending purposes; and 13. Borrower to provide an updated current AACI appraisal for the Real Properties in a form and from an appraisal firm satisfactory to the Lender with a corresponding transmittal letter addressed to the Lender; and 14. Borrower to provide an updated current Structural/Mechanical report for the Real Property at 32 Barton Street, Hamilton in a form and from an appraisal firm satisfactory to the Lender with a corresponding transmittal letter addressed to the Lender; 15. Borrower to provide all the invoices and supporting evidence of renovations undertaken at the property situated at 1203-1215 Cannon St., Hamilton; and 16. Borrower to provide a copy of a current rent roll supported by executed leases that are in a form and substance acceptable to the Lender; and 17. Satisfactory personal net worth statements and credit bureau from the Guarantor(s) supported by the 2020 Notice of Assessment; and 18. Confirmation that all taxes on the Real Properties are current and up to date; and 19. Confirmation that all government remittances (corporate income tax, GST/HST remittances) for the Borrower are current and up to date; and 20. Site Inspection of the Real Properties to be completed by the Lender. 21. Property Tax bills for both the properties to be provided. Such financial information or documents relating to the Borrower as the Lender may reasonably require.
General Conditions/ Covenants & Reporting Requirements:	Until all debts and liabilities under the credit facilities have been discharged in full and the commitment to provide the credit facilities has been withdrawn by the Lender, the following conditions will apply in respect of the credit facilities:
General Conditions:	There shall not have occurred since the date hereof any material adverse change in or development likely to have a material adverse effect on the condition (financial or otherwise) operation, business, properties, prospects or capitalization of the Borrower.

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Covenants:	<ol style="list-style-type: none"> 1. The Borrower's Debt Service Coverage as defined herein at not less than 1.20:1; and 2. The Borrower acknowledges and agrees that dividends and bonuses will only be paid and capital withdrawals from the corporation will only be made from cash flow surplus to the Debt Service Coverage as defined herein. For greater certainty, any and all withdrawals¹ from the corporation will be included in the calculation of Debt Service Coverage as outlined below: <div data-bbox="310 300 931 384" data-label="Equation-Block"> $\text{Property specific NOI} + \frac{\text{Principal and interest payments on all Property Specific long term debt [and leases]}}{\text{Debt Service Coverage}} = \text{Debt Service Coverage}$ </div> 3. The Borrower covenants to perform and observe all terms, conditions, representations, and covenants contained in any of the agreements referred to in the Commitment Letter, as such agreements may be amended from time to time; and 4. No other borrowings encumbrances or the like will be permitted over the Real Property without the consent of the Lender; and 5. To keep its assets fully insured against such perils and in such manner as would be customarily insured by companies carrying on similar business or owning similar assets.
Reporting Requirements:	<p>The Borrower will provide the Lender with the following within 120 days of the Borrower's fiscal year-end date:</p> <ol style="list-style-type: none"> 1. Year-end financial statements of the Borrower prepared on a minimum Notice to Reader basis; and 2. Confirmation that all taxes have been paid on the Real Properties. In the event confirmation is not provided, the Lender will be entitled to obtain a Tax Certificate at the Borrower's expense; and 3. Accountant prepared Site specific Income and Expense statement for the Real Properties; and 4. Annual Rent roll and executed leases; and 5. The Guarantor(s) to provide the Lender with up-to-date personal net worth statements and Canada Revenue Agency personal Notice of Assessment statements as evidence of payment of personal income taxes when requested by the Lender and at least once every two (2) years; and 6. Canada Revenue Agency Corporate Income Tax Notice of Assessment statements for the Borrower as evidence of payment of corporate income taxes when requested by the Lender; and 7. Canada Revenue Agency GST/HST Notice of Assessment statements for the Borrower as evidence of payment of applicable GST/HST when requested by the Lender.
Special Conditions/ Covenants:	<ol style="list-style-type: none"> 1. The occurrence of an event of default under the Borrower's and/or Guarantor(s)' credit facilities with any Lender constitute a concurrent default under the Credit Facilities; and 2. The Guarantor(s) hereby undertakes to inject funds into the operations of the Borrower as required to ensure sufficient funds are available to meet all