



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-25-00753618-0000

DATE: December 29, 2025

NO. ON LIST: 1

TITLE OF PROCEEDING: BDC CAPITAL INC. v. BLUERUSH INC. et al

BEFORE: JUSTICE J. STEELE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
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For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Danny Nunes	Counsel to the Respondent, Directors and Officers of BlueRush Inc.	dn@capstonelegal.ca

ENDORSEMENT OF JUSTICE J. STEELE:

[1] BDC seeks the appointment of a receiver under s. 243 of the BIA and s. 101 of the *Courts of Justice Act* over the property of the respondents, BlueRush Inc. and BlueRush Digital Media Corp. (the “Debtors”).

[2] No one opposes the relief sought.

[3] Capitalized terms used in this endorsement that are not defined herein have the meaning set out in the applicant’s factum.

[4] The Borrower owes BDC approximately \$2.6 million. Under the General Security Agreements, where there has been an Event of Default, BDC has the right to apply to the Court to appoint a receiver. The Borrower defaulted under the Credit Agreement, and BDC made written demand for repayment of the Indebtedness to the Debtors and provided the Debtors with a Notice of Intention to Enforce Security pursuant to s. 244 of the BIA. The parties entered into a Forbearance Agreement, pursuant to which the Debtors consented to the immediate appointment of a receiver upon the expiration of the Forbearance Period. The Forbearance Period has expired. The Debtors have failed to repay BDC. BDC is the only registered secured creditor of the Borrower.¹

[5] The only issue before the Court is whether it is just or convenient to appoint a receiver.

[6] Under section 101 of the *Courts of Justice Act* and section 243(1) of the *Bankruptcy and Insolvency Act*, the Court may appoint a receiver where it is “just or convenient” to do so.

[7] In determining whether it is “just or convenient” to appoint a receiver, the Court must consider “all of the circumstances but in particular the nature of the property and the rights and interests of all relevant parties:” *Nova Scotia v. Freure Village on Clair Creek*, 1996 CanLII 8258 (ONSC) at para. 10. In this case, BDC understands that the assets are predominantly intellectual property; however, BDC requires the receiver to, among other things, assess the business and the assets. The relevant circumstances for the court to consider includes the rights of the secured creditor under its security. The discretionary factors that the Court has historically considered in determining whether it is appropriate to appoint a receiver were recently summarized by the Court in *C&K Mortgage et al v. 11282751 Canada Inc. et al*, 2024 ONSC 1039, at para. 19.

[8] I have determined that the proposed receivership order is just or convenient in the circumstances.

[9] Although the appointment of a receiver is generally an extraordinary remedy, the extraordinary nature of the remedy is reduced where, as is the case here, the applicant is merely seeking to enforce a term of an agreement that was agreed to by both parties: *Elleway Acquisitions Ltd. v. Cruise Professionals Ltd.*, 2013 ONSC 6866, at para. 27. Recently in *Metropolitan Partners Group Administration, LLC v. International Credit Experts Inc.*, 2024 ONSC 4601, at para. 22, Osborne J. (as he then was) further affirmed the principle set out in *Elleway*:

Where the rights of the secured creditor include, pursuant to the terms of its security, the right to seek the appointment of a receiver, the burden on the applicant is lessened: while the appointment of a receiver is generally an extraordinary equitable remedy, the courts do not so regard the nature of the remedy where the relevant security permits the appointment and as a result, the applicant is merely seeking to enforce a term of an agreement already made by both parties [citations omitted].

[10] The Order sought is similar in all material respects to the Commercial List Model Order. The only material change made to the Order was the inclusion of the power to bankrupt the Debtors (section 3(r)).

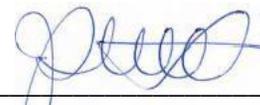
¹ The Guarantor has two other registered secured creditors in addition to BDC – CIBC and Bonsai Growth Solutions Inc. CIBC has priority in respect of the cash collateral of the Guarantor pursuant to the Priority Agreement. Otherwise, BDC is the first ranking secured creditor of the Debtors.

[11] The applicant advised the court that there was a typographical error in the style of cause, which was noticed on December 23, 2025. The amended application was served on the respondents on December 24, 2025. The amended application corrects the spelling of Digital (which was misspelled in the original application as “Digital”). I am satisfied that the court has the jurisdiction to amend the application under s. 5.04(2) of the *Rules of Civil Procedure*, which provides:

At any stage of a proceeding the court may by order add, delete or substitute a party or correct the name of a party incorrectly named, on such terms as are just, unless prejudice would result that could not be compensated for by costs or an adjournment.

[12] Order attached.

Date: December 29, 2025



Justice J. Steele