

Mukul Manchanda

Subject: CV-21-00668237-00CL DUCA v. 1725859 Ontario Inc. and others

From: Cavanagh, Justice Peter (SCJ) <Peter.Cavanagh@scj-csj.ca>

Sent: December 15, 2021 2:34 PM

To: Avi Freedland <avi@atkinsonlaw.ca>; Ryan Atkinson <ryan@atkinsonlaw.ca>; Sanj Mitra <smitra@airdberlis.com>; thogan@harrisonpensa.com

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Subject: RE: CV-21-00668237-00CL DUCA v. 1725859 Ontario Inc. and others

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Counsel:

Ryan Atkinson and Avi Freedland for Respondents

Sanjeev Mitra for Receiver

Tim Hogan for Applicant

Endorsement:

On the application of DUCA Financial Services Credit Union Ltd. ("DUCA"), by Order dated November 1, 2021, msi Spergel Inc. was appointed as receiver of the assets, undertakings and properties of the Respondents including, without limitation, the Real Property (as defined in my order made on November 1, 2021). The Debtors have sufficient financing secured to satisfy its remaining direct obligations to DUCA in full pursuant to (1) the sale of the Glenmanor Property, and (2) a refinance of the Queen Street Property. The total amount available through the sale proceeds, the refinance proceeds and additional funds held in trust by counsel for the Respondents is sufficient to pay all amounts owing to DUCA and the Receiver. The sale and refinance are conditional upon discharge of the Receivership. DUCA does not oppose the motion. The only other creditors are Domenic Nano and 1226460 Ontario Inc. and they are consenting to the relief sought.

In the circumstances, I am satisfied that the sale and the refinance should be approved. Upon satisfaction of the indebtedness owed to DUCA and amounts secured by the Receiver's charge, the receivership will serve no purpose. Sealing of the confidential Exhibit "E" to the affidavit filed in support of this motion until completion of the sale and refinance, or further order of this court, is approved. I am satisfied that the requirements for a limited sealing order have been satisfied.

The Receiver brings a separate motion for an order (i) approving the First Report of the Receiver dated December 10, 2021 and approving the actions of the Receiver described therein; (ii) approving the fees and disbursements of the Receiver and its counsel; and (iii) discharging the Receiver effective upon filing of a certificate by the Receiver certifying that all outstanding matters to be attended to in connection with the receivership have been completed to the satisfaction of the Receiver. I have reviewed the First Report of the Receiver and I am satisfied that the requested order should be made.

Orders to issue in forms of attached order signed by me.



