



**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00713245-00CL

DATE: October 30, 2024

NO. ON LIST: 1

TITLE OF PROCEEDING: IN THE MATTER OF A COMPROMISE OR ARRANGEMENT OF
BALBOA INC. et al.

BEFORE: JUSTICE OSBORNE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

| Name of Person Appearing | Name of Party | Contact Info |
|--|---|--|
| Joseph Bellissimo Stephanie Fernandes | Counsel for the Monitor – KSV Restructuring Inc. | jbellissimo@cassels.com |
| David Sieradzki | Monitor – KSV Restructuring Inc. | dseiradkzi@ksvadvisory.com |

For Defendant, Respondent, Responding Party:

| Name of Person Appearing | Name of Party | Contact Info |
|---------------------------------|--|--|
| George Benchetrit David Im | Secured Lender Representative Counsel | george@chaitons.com dim@chaitons.com |
| Lauren Archibald | Receiver of The Lion's Share Group | Lauren.archibald@nortonrosefulbright.com |

For Other, Self-Represented:

| Name of Person Appearing | Name of Party | Contact Info |
|---------------------------------|----------------------|---------------------|
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ENDORSEMENT OF JUSTICE OSBORNE

- [1] The Court-appointed Monitor seeks an order extending the stay of proceedings to and including November 30, 2024.
- [2] The Monitor relies upon the Eighth Report dated October 23, 2024, together with Appendices thereto.
- [3] The Service List was served over a week ago. The motion is unopposed.
- [4] Defined terms in this Endorsement have the meaning given to them in the motion materials and/or earlier Endorsements I have made in this proceeding, unless otherwise stated.
- [5] Most recently, on June 25, 2024, I granted the Expanded Powers Order which, among other things, authorize the Monitor due to exercise the power of a board of directors or officers of the Applicants for various specified purposes, including the implementation of a process to transition the property and other management service providers of the Applicants.
- [6] On August 30, 2024, I approved the Restructuring Term Sheet and authorize the Monitor to negotiate and settle the transactions contemplated therein. It established deadlines of September 20, 2024 for first mortgagees and September 30, 2024 for second mortgagees, to submit credit bids for their respective properties.
- [7] In total, the Monitor received 323 credit bids, each accompanied by the required deposit. If approval is granted for those transactions - as will be sought in the coming weeks - 84 properties will remain portfolio.
- [8] Given the number of credit bids received and the economics of the remaining portfolio, the Monitor is working with stakeholders, including the DIP lender and Court-appointed representative counsel, to finalize the path forward.
- [9] I am satisfied that the stay extension is required to provide sufficient time to finalize financing and other arrangements in order that the Monitor would be in a position to seek the Credit Bid Vesting Order and related relief in respect of the go-forward management and liquidation of the remaining portfolio.
- [10] Such a stay extension is authorized by section 11.02(2) of the CCAA where the court is satisfied circumstances exist which make such an order appropriate, and the applicants have acted and are continuing to act in good faith and with due diligence.
- [11] I am further satisfied that the monitor is held to the good faith standard where it is acting pursuant to enhanced powers as what has been colloquially referred to as a "super monitor": *Forme Development Group Inc., Re*, CV-18-608313-00 CL, Endorsement dated February 20, 2020, and *Re Balboa Inc.*, CV-24-00713245-00 CL, Endorsement dated July 31, 2024.
- [12] The test in section 11.02 is met. The stay extension is granted.
- [13] Order to go in the form signed by me today which is effective immediately and without the necessity of issuing and entering.

 Osbourne, J.