

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

B E T W E E N:

**IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED***

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY
GILMORE INC., INTERLUDE INC., MULTIVILLE INC.,
THE PINK FLAMINGO INC., HOMETOWN HOUSING
INC., THE MULLIGAN INC., HORSES IN THE BACK INC.,
NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE
INC. (collectively the "**Applicants**", and each an "**Applicant**")**

MOTION RECORD

August 23, 2024

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B E T W E E N:

**IN THE MATTER OF THE *COMPANIES' CREDITORS
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TAB 1

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS
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**NOTICE OF MOTION
(Returnable August 30, 2024)**

KSV Restructuring Inc., in its capacity as court-appointed monitor (in such capacity, the "**Monitor**") of the Applicants, pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 23, 2024, as subsequently amended and restated by Orders dated February 15, 2024 and March 28, 2024 (as amended and restated, the "**SARIO**") and pursuant to the Order (Expansion of Monitor's Powers) of the Court dated June 25, 2024 (the "**Expanded Powers Order**"), will make a motion before Justice Cavanagh of the Court on August 30, 2024, at 12:30 p.m., or as soon after that time as the motion can be heard.

THE PROPOSED METHOD OF HEARING:

- In writing under subrule 37.12.1 (1);
- In writing as an opposed motion under subrule 37.12.1 (4);
- In person;
- By telephone conference;
- By video conference.

At the following:

[https://ca01web.zoom.us/j/61804264297?pwd=MEpzRUtlUVB0UGc4eStsVGNtYmkxUT09 -
success.](https://ca01web.zoom.us/j/61804264297?pwd=MEpzRUtlUVB0UGc4eStsVGNtYmkxUT09-success)

THE MOTION IS FOR:

1. an order (the “**Proposed Order**”):
 - (a) if necessary, abridging the time for, and validating service of, this Notice of Motion and supporting materials such that the motion is properly returnable on August 30, 2024 and dispensing with further service thereof;
 - (b) extending the Stay Period (as defined in the SARIO) to and including October 31, 2024;
 - (c) approving the restructuring term sheet (the “**Term Sheet**”) substantially in the form attached as Appendix “C” to the Seventh Report of the Monitor dated August 23, 2024 (the “**Seventh Report**”), and authorizing and directing the Monitor to carry out its obligations under the Term Sheet, including, without limitation, facilitating the negotiation and settlement of the transactions contemplated therein and finalizing all documentation reasonably necessary to carry out such transactions, provided that nothing in the Proposed Order shall constitute an approval of any specific transaction or agreement contemplated by the Term Sheet, all of which shall be subject to further approval by the Court;
 - (d) approving the DIP Amendment Agreement dated August 23, 2024 substantially in the form attached as Appendix “F” to the Seventh Report (the “**DIP Amendment Agreement**”), increasing the amount of the facility by \$3 million, plus interest, fees and expenses, be and is hereby approved, and that the Monitor is hereby authorized and directed, on behalf of the Applicants in accordance with the Expanded Powers Order, to enter into and perform the Applicants’ obligations under the DIP Amendment Agreement;

- (e) amending paragraphs 49, 52 and 55 of the SARIO to replace each reference to “\$12,000,000” with “\$15,000,000”;
 - (f) approving (i) the Seventh Report and the activities of the Monitor referred to therein, and (ii) the fees and disbursements of the Monitor and its counsel, Cassels Brock & Blackwell LLP (“**Cassels**”), referred to in the Seventh Report; and
2. such further and other relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:

Background

3. On January 23, 2024, the Applicants obtained an initial order (the "**Initial Order**") under the CCAA.
4. Among other things, the Initial Order:
- a. appointed KSV Restructuring Inc. as the Monitor in these CCAA proceedings;
 - b. stayed, until February 2, 2024 (the "**Initial Stay Period**"), all proceedings and remedies taken or that might be taken in respect of the Applicants, the Monitor or the Applicants' directors and officers, or affecting the Business or the Applicants' Property (as defined below), except with the prior written consent of the Applicants and the Monitor, or with leave of the Court (the "**Stay of Proceedings**");
 - c. stayed, for the Initial Stay Period, all proceedings against or in respect of Aruba Butt ("**Ms. Butt**"), Dylan Suitor ("**Mr. Suitor**") and/or Ryan Molony ("**Mr. Molony**"), and collectively with Ms. Butt and Mr. Suitor, the "**Additional Stay Parties**", or against or in respect of any of the Additional Stay Parties' current or future assets, undertakings and properties of every nature and kind whatsoever, and

wherever situate, and including all proceeds thereof (collectively, the "**Additional Stay Parties' Property**") with respect to any guarantee, contribution or indemnity obligation, liability or claim in respect of or that relates to any agreement involving any of the Applicants or the obligations, liabilities and claims of and against any of the Applicants (collectively, the "**Related Claims**"), except with the prior written consent of the Applicants and the Monitor, or with leave of the Court;

- d. appointed Chaitons LLP as representative counsel (in such capacity, the "**Lender Representative Counsel**") for all of the Applicants' Lenders in these proceedings, any proceeding under the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended or in any other proceeding respecting the insolvency of the Applicants that may be brought before the Court; and
- e. granted the Administration Charge (as defined in the Initial Order) over the Applicants' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.

5. On January 31, 2024, the Court adjourned the Applicants' comeback motion, in part, and granted an amended Initial Order, that among other things:

- a. extended the Stay of Proceedings to and including February 16, 2024;
- b. approved the Applicants' ability to borrow under a debtor-in-possession credit facility pursuant to a DIP Agreement dated January 26, 2024 between the Applicants and Harbour Mortgage Corp. or its permitted assignee; and
- c. granted a charge over the Applicants' Property up to the maximum amount of \$4,000,000 in favour of the DIP Lender to secure all amounts advanced by the DIP Lender under the DIP Facility, together with all obligations, fees, expenses and

other amounts payable by the Applicants under the DIP Agreement and the DIP Facility.

6. On February 15, 2024, the Court granted an amended and restated Initial Order (the "**ARIO**"), which, among other things:

- a. extended the Stay of Proceedings to and including March 28, 2024;
- b. increased the Applicants' maximum borrowings under the DIP Facility from \$4,000,000 to \$12,000,000, and granted a corresponding increase to the DIP Lender's Charge;
- c. narrowed the scope of the Lender Representative Counsel's mandate to the Applicants' secured Lenders; and
- d. granted the Monitor certain enhanced powers and oversight, including:
 - i. requiring the prior written consent of the Monitor for all payments to be made, and liabilities to be incurred, by the Applicants to the prior written consent of the Monitor; and
 - ii. directing and empowering the Monitor to (A) conduct an investigation into the use of funds borrowed by the Applicants, pre-filing transactions conducted by the Applicants and/or their principals and affiliates, and such other matters as may be requested by the Lender Representatives (as defined in the ARIO) and agreed by the Monitor, in each case, to the extent such investigation relates to the Applicants' Property, the Business or such other matters as may be relevant to these CCAA proceedings as determined by the Monitor (the "**Investigation**"), and (B) report to the Lender

Representatives and the Court on the findings of the Investigation as the Monitor deems necessary and appropriate.

7. On March 28, 2024, the Court granted the SARIO, which, among other things:
 - a. extended the Stay of Proceedings to and including April 30, 2024; and
 - b. appointed Goldman Sloan Nash & Harber LLP as representative counsel (if appointed in such capacity, the "**Unsecured Lender Representative Counsel**") for all of the unsecured lenders of the Applicants other than (i) The Lion's Share Group Inc. and (ii) any other unsecured lenders directly or indirectly controlled by, or under common control or otherwise affiliated with, Lion's Share or its principal, Claire Drage.
8. On April 12, 2024, the Court granted the SISP Approval Order, which, among other things:
 - a. extended the Stay of Proceedings to and including June 24, 2024;
 - b. approved the Applicants engagement of the SISP Advisors (as defined in the SISP Approval Order); and
 - c. approved the SISP; and
 - d. approved (i) the Pre-Filing Report of the Monitor dated January 23, 2024, the First Report of the Monitor dated January 29, 2024, the Supplement to the First Report of the Monitor dated February 13, 2024, the Second Report of the Monitor dated March 26, 2024, the Third Report of the Monitor dated April 9, 2024 (the "Third Report") and the Monitor's activities referred to therein and (ii) the fees of the Monitor and Cassels as set out in the Third Report.
9. On June 24, 2024, the Court granted an Order, which, among other things:

- a. extended the Stay of Proceedings to and including June 26, 2024;
 - b. extended the date by which the Monitor shall be required to serve and file any motion for advice and directions pursuant to section 21 of the SISP to July 31, 2024;
 - c. authorized and directed the Monitor to serve on the Service List, post on the Monitor's Website and file with the Court a copy of the Fourth Report of the Monitor dated June 11, 2024 (the "**Fourth Report**"), with only such redactions that the Monitor considers appropriate, in its sole discretion, to protect personal privacy; and
 - d. approved the Fifth Report of the Monitor dated June 17, 2024 (the "**Fifth Report**") and the Monitor's activities referred to therein.
10. On June 25, 2024, the Court granted the Expanded Powers Order, which, among other things:
- a. authorize and empowered the Monitor to exercise any powers which may be properly exercised by a board of directors or any officers of the Applicants to cause the Applicants to take various actions or steps as set out in paragraph 3 of the Expanded Powers Order;
 - b. provided for a process for the Monitor to transition the Applicant's property and other management service providers from the SID Companies (as defined in the Expanded Powers Order) as determined necessary by the Monitor;
 - c. granted various additional and ancillary relief to facilitate the foregoing.
11. On June 25, 2024, the Court also granted an Ancillary Order, which, among other things:
- a. extended the Stay of Proceedings to and including July 31, 2024;

- b. extended the stay of proceedings in respect of the Additional Stay Parties pursuant to paragraph 14 of the SARIO during the Transition Period (as defined in the Expanded Powers Order) to be automatically terminated upon the issuance of the Monitor's Transition Period Termination Certificate (as defined in the Expanded Powers Order);
 - c. ordered that, until the issuance of the Monitor's Transition Period Termination Certificate, no Proceeding shall be commenced against or in respect of any of the SID Companies, or their respective employees, advisors or representatives, or affecting their respective business or property, except with the prior written consent of the Monitor and the SID Companies, or with leave of this Court;
 - d. ordering that none of the Applicants, the SID Companies and/or their respective principals and affiliates shall be required to take any further steps in connection with, or respond to any requests made pursuant to, paragraph 41(k) of the ARIO, but without derogating from any other obligations of any Person under the SARIO;
 - e. ordered that, during the Transition Period, each of the Additional Stay Parties shall provide the Monitor with notice of the earlier of (i) seven (7) business days' prior to any closing date and (ii) the listing date, for the sale of any real property owned, directly or indirectly, by the applicable Additional Stay Party, subject to certain express exceptions; and
 - f. granted various additional and ancillary relief to facilitate the foregoing.
12. On July 31, 2024, the Court granted an Order, which, among other things:
- a. extended the Stay Period to and including August 31, 2024;

- b. approved the Property Management Agreement (the “**PMA**”) with Richmond Advisory Services Inc. (“**Richmond**”), and authorized and directed the Monitor, on behalf of the Applicants in accordance with the Expanded Powers Order, to enter into and perform the Applicants’ obligations under the PMA; and
- c. approved (i) the Sixth Report of the Monitor dated July 24, 2024 (the “**Sixth Report**”) and the activities of the Monitor referred to therein, and (ii) the fees and disbursements of the Monitor and Cassels referred to in the Sixth Report.

The Term Sheet

13. As detailed further in the Seventh Report, pursuant to the court-ordered sale and investment solicitation process (the “**SISP**”) conducted by the Monitor, interested parties were required to submit any non-binding LOIs by 5:00 pm (Toronto Time) on June 10, 2024 (the “**LOI Deadline**”). On or before the LOI Deadline, the Monitor received 12 letters of intent that contemplated third-party sales or refinancing transactions, as well as 452 letters of intent that contemplated a credit bid by first and/or second mortgagees for their respective mortgaged Properties.

14. Pursuant to the SISP, following the LOI Deadline, the Monitor and the other Reviewing Parties (as defined in the SISP) were to discuss and, if possible, determine the next steps in the SISP. After extensive consultation with the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion’s Share Representative and its counsel (collectively, the “**Lender Representatives**”), the Monitor determined not to pursue any of the offers received in the SISP at this time and instead has been diligently working with the Lender Representatives and the Monitor’s counsel to develop a process which presents options for either (a) completion of credit bids, subject to required terms; or (b) ongoing management, maintenance and the eventual sale of properties not acquired under credit bids.

15. While the SISP has still not been formally terminated, the Monitor is not taking any further steps thereunder.

16. The Term Sheet contemplates, among other things:

- a. an option for secured creditors to credit bid for their specific Properties in a fair and equitable manner;
- b. an orderly liquidation of the balance of the Portfolio over an extended period of time;
- c. management of the Portfolio to be conducted by a professional property manager under the oversight of a Chief Executive Officer (“CEO”) and a committee of creditors; and
- d. distributions of proceeds of sale of Properties as and when they are sold in accordance with their legal entitlement and priority.

17. Over the last several weeks, the Monitor has been working closely with the Lender Representatives and the DIP Lender to advance the Term Sheet. The Monitor has also interviewed several CEO candidates and will be seeking the appointment of the CEO as part of the motion to approve the Exit Order.

18. At this time, the Monitor remains focused on implementing the transactions contemplated by the Term Sheet on an urgent basis. Although a financial projection for the Portfolio Properties cannot be prepared until the specific properties subject to Credit Bid APAs is known, it is the Monitor’s view that the Term Sheet represents the most efficient and effective conclusion to these proceedings as the Portfolio is unable to continue to support the costs of these proceedings.

19. The proposed Term Sheet provides a global solution which respects the legal priorities afforded to the Lenders, does not force any First Mortgagee or Second Mortgagee to surrender his or her secured claim status and provides options for such Lenders to either (a) pay such Lender's Allocated DIP Amount (and, where applicable, Equity Amount) and credit bid; or (b) participate in the Portfolio liquidation, which will not require Allocated DIP Amounts to be paid at this time.

The DIP Amendment Agreement

20. As at the date of the Seventh Report, the Applicants have drawn \$11.75 million of the \$12 million available under the DIP Facility. The Applicants were projected to have fully drawn the DIP Facility on or around this time.

21. Subject to the underlying assumptions and the proposed increase to the DIP Facility, the Cash Flow Forecast, attached at Appendix "D" to the Seventh Report, reflects that there is sufficient funding available to the Applicants to continue to operate in these proceedings through to the proposed stay extension date of October 31, 2024.

22. The Monitor has negotiated an amendment to the DIP Facility, as reflect in amendment no 2 to the DIP Agreement, pursuant to which the DIP Lender has agreed to increase the DIP Facility from \$12 million to \$15 million.

23. The Monitor believes that the increase to the DIP Facility is necessary and that the terms of the DIP Amendment Agreement are reasonable and appropriate.

Extension of the Stay of Proceedings

24. For the reasons set out in the Seventh Report, the Monitor is of the view that the Stay Period should be extended to October 31, 2024 to provide sufficient time to allow the process contemplated by the Term Sheet to be implemented.

25. The Monitor is of the view that it is discharging its duties and obligations under the CCAA, the Expanded Powers Order and other orders made in these CCAA proceedings in good faith and with due diligence.

26. The past month has been used for the stated purpose provided for in the Fifth Report, as the Term Sheet is intended to provide a consensual path toward terminating these proceedings. The extension sought at this motion is required to finalize certain elements of the Term Sheet so that the Exit Order can be sought prior to October 31, 2024.

27. Based on the Cash Flow Forecast and subject to Court approval of the increase being sought to the DIP Facility, there is projected to be funding available to fund operations and the costs of these proceedings during the extension period, and no creditor will be prejudiced if the extension is granted.

Approval of the Monitor's Seventh Report, Activities and Fees

28. The Monitor seeks approval of the Seventh Report and the activities of the Monitor described therein, as well as approval of the fees and disbursements of the Monitor and Cassels referred to in the Seventh Report.

29. The Monitor and Cassels have been required to undertake an extensive amount of work in this CCAA proceeding to date, which has included enhanced cash flow and operational oversight mandated by the Second ARIO, dealing with numerous issues arising from the management of the Applicants prior to the granting of the Expanded Powers Order, conducting phase 1 of the SISP, taking control over the Applicants in accordance with the Expanded Powers Order, negotiating the PMA and coordinating the transition of the property management function from the SID Companies to Richmond and negotiating the Term Sheet. A portion of the fees for the referenced

billing period also includes the time incurred on the Investigation through to finalizing the Fourth Report on June 11, 2024 and dealing with the redacting exercise thereafter.

Other

30. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court.

31. Rules 1.04, 1.05, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.

32. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

33. The Seventh Report;

34. The affidavit of Noah Goldstein sworn August 23, 2024 and the exhibits thereto;

35. The affidavit of Ryan Jacobs sworn August 23, 2024 and the exhibits thereto; and

36. Such further and other material as counsel may advise and this Honourable Court may permit.

August 23, 2024

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TO: THE SERVICE LIST

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985,
c. C-36, AS AMENDED**

Court File No. CV-00713245-00CL

**AND IN THE MATTER OF A PLAN OR COMPROMISE OR ARRANGEMENT OF
BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE
INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN
INC. HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL
ESTATE INC.**

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

**NOTICE OF MOTION
(Returnable August 30, 2024)**

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TAB 2



**Seventh Report of
KSV Restructuring Inc.
as CCAA Monitor of Balboa Inc.,
DSPLN Inc., Happy Gilmore Inc.,
Interlude Inc., Multiville Inc.,
The Pink Flamingo Inc.,
Hometown Housing Inc.,
The Mulligan Inc.,
Horses In The Back Inc.,
Neat Nests Inc. and
Joint Captain Real Estate Inc.**

August 23, 2024

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

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY
GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE
PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE
MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS
INC. AND JOINT CAPTAIN REAL ESTATE INC.**

**SEVENTH REPORT OF KSV RESTRUCTURING INC. AS
MONITOR**

AUGUST 23, 2024

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on January 23, 2024 (the "Initial Order"), Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc., Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and Joint Captain Real Estate Inc. (collectively, the "Applicants" and each an "Applicant") were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") and KSV Restructuring Inc. was appointed monitor of the Applicants (in such capacity, the "Monitor").
2. The Applicants together with certain non-Applicant related entities, including SIDRWC Inc. o/a SID Developments ("SID Developments"), SID Management Inc. ("SID Management") and 2707793 Ontario Inc. o/a SID Renos ("SID Renos" and together with SID Developments and SID Management, the "SID Companies"), are part of a group of companies (collectively, the "Company") involved in the acquisition, renovation and leasing of distressed residential real estate in undervalued markets throughout Ontario (the "Business").
3. In the Applicants' materials filed in support of the Initial Order, they provided that the principal purpose for commencing these CCAA proceedings was to create a stabilized environment to enable the Applicants to preserve and maximize value for their stakeholders and provide the stability and liquidity necessary to complete value accretive renovations to their portfolio of residential homes (the "Portfolio"), including by securing debtor-in-possession ("DIP") financing, in order to pursue a comprehensive refinancing or restructuring transaction and implement a consensual plan of compromise or arrangement while continuing operations in the ordinary course of business.

4. Pursuant to the Initial Order, the Court, among other things:
 - a) granted a stay of proceedings until February 2, 2024 (the “Stay Period”) in respect of the Applicants, the Monitor, the Business and the Applicants’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “Applicants’ Property”) and three of the Applicants’ directors and officers, being Aruba Butt, Dylan Suitor and Ryan Molony (the “Additional Stay Parties”);
 - b) appointed Chaitons LLP (“Chaitons”) as representative counsel (the “Secured Lender Representative Counsel”) to all of the Applicants’ secured creditors (the “Secured Lenders”) and unsecured promissory noteholders (the “Unsecured Lenders”) and approved a mechanism by which a committee of up to six parties would be formed to instruct Secured Lender Representative Counsel (the “Secured Lender Representatives”); and
 - c) granted a charge (the “Administration Charge”) in the amount of \$750,000 on the Applicants’ Property to secure the fees and disbursements of the Monitor and its legal counsel, Cassels Brock & Blackwell LLP (“Cassels”), the Applicants’ legal counsel, Bennett Jones LLP (“Bennett Jones”), and Secured Lender Representative Counsel.
5. On January 31, 2024, the Court granted an amended Initial Order which, among other things:
 - a) extended the Stay Period to February 16, 2024;
 - b) approved the Applicants’ ability to borrow under a DIP credit facility (the “DIP Facility”) pursuant to a DIP Agreement dated January 26, 2024 (the “DIP Agreement”) between the Applicants and Harbour Mortgage Corp. (the “DIP Lender”) and granted a charge in favour of the DIP Lender in the maximum amount of \$4 million (plus interest, fees and expenses) to secure the Applicants’ obligations under the DIP Agreement and DIP Facility (the “DIP Lender’s Charge”);
 - c) increased the maximum amount of the Administration Charge from \$750,000 to \$1 million; and
 - d) authorized the Applicants to pay certain amounts owing to suppliers for goods and services supplied to the Applicants prior to the date of the Initial Order, subject to the consent of the Monitor.
6. Pursuant to an Amended and Restated Initial Order granted on February 15, 2024 (the “ARIO”), the Court, among other things:
 - a) extended the Stay Period to March 28, 2024;
 - b) increased the maximum amount of the Administration Charge to \$1.5 million;
 - c) increased the maximum amount of the DIP Facility and the DIP Lender’s Charge to \$12 million (plus interest, fees and costs);

- d) amended the scope of Secured Lender Representative Counsel's mandate by removing the Unsecured Lenders such that the group of creditors represented by Secured Lender Representative Counsel includes only the Secured Lenders; and
 - e) directed and empowered the Monitor to (i) conduct an investigation into the use of funds borrowed by the Applicants, pre-filing transactions conducted by the Applicants and/or their principals (the "Principals") and affiliates, and such other matters as may be requested by the Lender Representatives and agreed by the Monitor, in each case, to the extent such investigation relates to the Applicants' Property, the Business or such other matters as may be relevant to the proceedings herein as determined by the Monitor (the "Investigation"), and (ii) report to the Secured Lender Representatives and the Court on the findings of such investigation as the Monitor deems necessary and appropriate.
7. Pursuant to a Second Amended and Restated Initial Order granted on March 28, 2024 (the "Second ARIO"), a copy of which is attached as Appendix "A", the Court, among other things:
- a) extended the Stay Period to April 30, 2024; and
 - b) appointed Goldman Sloan Nash & Haber LLP as representative counsel (the "Unsecured Lender Representative Counsel") to the Applicants' unsecured lenders other than (i) The Lion's Share Group Inc.¹ ("Lion's Share") and (ii) any other unsecured lenders directly or indirectly controlled by, or under common control or otherwise affiliated with, Lion's Share or its principal, Claire Drage.
8. On April 12, 2024, the Court granted an Order (the "SISP Approval Order"), which, among other things:
- a) extended the Stay Period to June 24, 2024;
 - b) approved a sale and investment solicitation process ("SISP"); and
 - c) approved the Applicants' engagement of Howards Capital Corp. ("HCC") and CBRE Limited ("CBRE" and jointly with HCC, the "SISP Advisors").
9. On June 25, 2024, the Court granted two Orders (the "Expanded Powers Order" and the "the Ancillary Order"), which, among other things:
- a) expanded the Monitor's powers over the Applicants, including removing the Principals' decision-making authority over the Applicants, as more fully discussed in section 1.1 below;

¹ On March 16, 2024, Lion's Share filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*. The Fuller Landau Group Inc. ("Fuller Landau") was appointed as proposal trustee. On April 3, 2024, Lion's Share was placed into receivership and bankruptcy proceedings. Fuller Landau is the receiver and licensed insolvency trustee administering Lion's Share's receivership and bankruptcy proceedings (in such capacities, the "Lion's Share Representative").

- b) provided for a process for the Monitor to transition the Applicants' property and other management service providers from the SID Companies (as defined in the Expanded Powers Order) as determined necessary by the Monitor;
- c) extended the Stay Period to July 31, 2024;
- d) extended the stay of proceedings in respect of the Additional Stay Parties pursuant to paragraph 14 of the Second ARIO during the Transition Period (as defined in the Expanded Powers Order) to be automatically terminated upon the issuance of the Monitor's Transition Period Termination Certificate (as defined in the Expanded Powers Order);
- e) provided that, until the issuance of the Monitor's Transition Period Termination Certificate, no Proceeding shall be commenced against or in respect of any of the SID Companies, or their respective employees, advisors or representatives, or affecting their respective business or property, except with the prior written consent of the Monitor and the SID Companies, or with leave of this Court;
- f) provided that none of the Applicants, the SID Companies and/or their respective principals and affiliates shall be required to take any further steps in connection with, or respond to any requests made pursuant to, paragraph 41(k) of the ARIO, but without derogating from any other obligations of any Person under the Second ARIO; and
- g) provided that, during the Transition Period, each of the Additional Stay Parties shall provide the Monitor with notice of the earlier of (i) seven (7) business days prior to any closing date and (ii) the listing date, for the sale of any real property owned, directly or indirectly, by the applicable Additional Stay Party, subject to certain express exceptions.

Copies of the Expanded Powers Order and the Ancillary Order are attached as Appendix "B".

10. On July 31, 2024, the Court granted an Order, which, among other things:
 - a) extended the Stay Period to August 31, 2024; and
 - b) approved a form of Property Management Agreement (the "PMA") with Richmond Advisory Services Inc. ("Richmond") pursuant to which the property management services for the Portfolio would be transitioned from the SID Companies to Richmond. The PMA was finalized on August 8, 2024 and the transition process is presently ongoing.

1.1 Investigation

1. On June 11, 2024, the Monitor served on the Service List a redacted version of its Fourth Report to Court (the "Fourth Report"), which summarized the results of the Investigation.

2. The Investigation identified, among other things:
 - a) questionable transfers from the Applicants to the Principals, affiliated entities and third parties without any apparent benefit to the Business;
 - b) questionable dividend payments or repayment of amounts identified as shareholder loans;
 - c) a pervasive lack of proper record keeping, particularly for a business with assets and liabilities with a book value in the hundreds of millions of dollars; and
 - d) a myriad of other deficient business practices.
3. On June 14, 2024, Secured Lender Representative Counsel brought a motion, supported by the Monitor, the Unsecured Lender Representative Counsel and the Lion's Share Representative, seeking the Expanded Powers Order in order to expand the Monitor's powers in respect of the Applicants and removing the Principals' decision-making authority. The Applicants initially objected to the motion, but subsequently consented to the Expanded Powers Order.

1.2 Purposes of this Report

1. The purposes of this report ("Report") are to:
 - a) provide an update on the status of these CCAA Proceedings since the issuance of the Monitor's Sixth Report to Court dated July 24, 2024 (the "Sixth Report");
 - b) summarize the terms of a restructuring term sheet (the "Term Sheet") negotiated among the Monitor, the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative, the principal purpose of which is to outline the terms and conditions for the sale and/or liquidation of the Portfolio and recovery for secured and unsecured lenders in accordance with their respective priorities and entitlements;
 - c) summarize the Applicants' cash flow forecast (the "Cash Flow Forecast") for the period September 1, 2024 to October 31, 2024 (the "Forecast Period") and the need for a \$3 million increase to the DIP Facility and the DIP Lender's Charge;
 - d) summarize the fees and disbursements of the Monitor and Cassels from June 1, 2024 to and including July 31, 2024; and
 - e) recommend that the Court issue an Order, among other things:
 - approving the Term Sheet and authorizing and directing the Monitor to carry out its obligations under the Term Sheet, including, without limitation, facilitating the negotiation and settlement of the transactions contemplated therein and finalizing all documentation reasonably necessary to carry out such transactions, provided that nothing in the Order shall constitute an approval of any specific transaction or

agreement contemplated by the Term Sheet, all of which shall be subject to further approval by the Court;

- approving the DIP Amendment Agreement (as defined below) and increasing the maximum amount of the DIP Facility and the DIP Lender's Charge from \$12 million to \$15 million (plus interest, fees and costs);
- extending the Stay Period to October 31, 2024;
- approving the fees and disbursements of the Monitor and Cassels for the period June 1 to July 31, 2024; and
- approving this Report and the Monitor's activities summarized herein.

1.3 Restrictions

1. In preparing this Report, the Monitor has relied upon the unaudited financial information of the Applicants, the Applicants' books and records and discussions with representatives of the Applicants.
2. KSV has not audited, or otherwise attempted to verify, the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, KSV expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. KSV expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.4 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2.0 Background

1. The Applicants are Canadian privately-held corporations that are the principal owners of the Company's rental units and the residential properties on which they are situated.
2. The Applicants have disclosed ownership in 406 residential properties (collectively, the "Properties") containing 631 rental units, of which 456 are tenanted, as well as a non-operating golf course. The Properties are located in tertiary markets in Ontario, including Timmins, Sault Ste. Marie, Sudbury, Kirkland Lake, Capreol, Temiskaming

Shores and Val Caron. A summary² of the Properties disclosed by the Applicants is provided below.

Location	Number of Occupied Units	Number of Unoccupied Units	Total
Timmins	220	70	290
Sault Ste. Marie	135	65	200
Sudbury	66	12	78
Other	35	28	63
Total	456	175	631

3. The Applicants' principal stakeholders are their first and second mortgagees, which are owed approximately \$81.5 million and \$8.6 million, respectively. The Applicants have advised the Monitor that they believe the amount owing to the Unsecured Lenders is significantly less than the amount initially provided by Ms. Drage, being approximately \$54.2 million. The Applicants' creditor listings reflect obligations owing to Lion's Share totalling approximately \$39.2 million.
4. Court materials filed in these proceedings, including the Affidavits of Robert Clark and the Monitor's reports, set out detailed information with respect to the Applicants' Business, property and creditor composition. All Court materials are available on the Monitor's website at the following link: <https://www.ksvadvisory.com/experience/case/sid> (the "Case Website").

3.0 Update on Proceedings

3.1 Monitor's Activities

1. In addition to the activities discussed below, since the Sixth Report, the Monitor's activities have included:
 - a) finalizing the PMA and engaging with Richmond and SID to commence the property management transition process, which is presently ongoing;
 - b) working with the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative (and its counsel) to negotiate the Term Sheet;
 - c) preparing the required analyses for the purpose of the Term Sheet, including a draft allocation of the DIP Facility across the Portfolio;
 - d) negotiating the DIP Amendment Agreement with the DIP Lender;
 - e) corresponding with the DIP Lender and other prospective lenders in connection with exit financing which will be required upon implementation of the Term Sheet, subject to Court approval;

² These figures have not been updated since the date of the Sixth Report; however, the Monitor does not anticipate that they have changed materially since then.

- f) engaging with various stakeholders, including municipalities, regarding the status of the Portfolio;
- g) dealing with tenant issues, including delinquent accounts;
- h) approving all leases entered into in respect of the Properties;
- i) managing the Applicants' cash flow;
- j) corresponding with various trades and the Principals regarding overdue accounts payable;
- k) attending meetings with the committee for secured creditors;
- l) corresponding with and responding to enquiries from certain secured and unsecured lenders; and
- m) attending town hall meetings arranged by the Secured Lender Representative Counsel on August 5 and 20, 2024.

3.2 SISP

1. As discussed in the Sixth Report, on or before the LOI Deadline (as defined in the SISP), the Monitor received 12 LOIs that contemplated third-party sales or refinancing transactions, as well as 452 letters of intent that contemplated a credit bid by first and/or second mortgagees for their respective mortgaged Properties. Copies of the LOIs were provided to the applicable "Reviewing Parties" under the SISP. A summary of the offers received under the SISP was filed with the Court on a confidential basis pursuant to the Fifth Report. Although the offer summary remains sealed, the Monitor notes that no offer provided sufficient proceeds to repay the DIP Lender and Secured Lenders in full.
2. After extensive consultation with the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion's Share Representative and its counsel (collectively, the "Lender Representatives"), the Monitor determined not to pursue any of the LOIs received in the SISP and instead has been diligently working with the Lender Representatives and the Monitor's counsel to develop a process which presents options for either: (a) completion of credit bids, subject to required terms or (b) ongoing management, maintenance and the eventual sale of properties not acquired under credit bids, as outlined below. Accordingly, while the SISP has still not been formally terminated, the Monitor is not taking any further steps thereunder.

4.0 Term Sheet³

1. This section of the Report summarizes the key provisions of the Term Sheet; however, interested parties are strongly encouraged to carefully review the Term Sheet in its entirety. In the event of any conflict or inconsistency between the provisions of the Term Sheet and this summary, the provisions of the Term Sheet will prevail. A copy of the Term Sheet is attached as Appendix “C”.
2. The Term Sheet contemplates, among other things:
 - a) an option for secured creditors to credit bid for their specific Properties in a fair and equitable manner;
 - b) an orderly liquidation of the balance of the Portfolio over an extended period of time;
 - c) management of the Portfolio to be conducted by a professional property manager under the oversight of a Chief Executive Officer (“CEO”) and a committee of creditors; and
 - d) distributions of proceeds of sale of Properties as and when they are sold in accordance with their legal entitlement and priority.
3. There are certain significant terms of the Term Sheet, including in respect of the CEO’s engagement and the terms of exit financing, that, while are well progressed, can only be finalized once the number of credit bids is known. The Monitor has been working closely with prospective lenders and CEO candidates, and expects to be able to finalize commercial terms with those parties shortly after the First and Second Mortgagee Credit Bid Deadlines.

4.1 Timeline

1. The timelines for each milestone of the Term Sheet are provided in the table below. The timelines assume that the Court approves the Term Sheet on the return of this motion.

Milestone	Date
First Mortgagee Credit Bid Deadline	September 20, 2024
Second Mortgagee Credit Bid Deadline	September 30, 2024
Motion for Credit Bid Vesting Order	Prior to October 31, 2024
Motion for Exit Order	Prior to October 31, 2024
Closing of Credit Bid Transactions and Portfolio Transition	As soon as possible after granting of Credit Bid Vesting Order and Exit Order

³ Capitalized terms not otherwise defined in this section of the Report have the meanings provided to them in the Term Sheet.

4.2 Credit Bid Option

1. Under the Term Sheet, Secured Lenders have the option to exercise their rights to credit bid, subject to certain terms and conditions. As at the date of this Report, the final form of the Credit Bid APA, which is to be appended as a schedule to the Term Sheet, is being settled among counsel. Accordingly, the form of Term Sheet attached to this Report does not include that schedule.
2. As at the date of this Report, a draft form of Credit Bid APA has been circulated to First and Second Mortgagees by Secured Lender Representative Counsel. The latest draft of that document is attached as a schedule to the Term Sheet. The Monitor is requiring that a \$10,000 non-refundable deposit be paid on submission of Credit Bid APAs by First Mortgagees, and that non-refundable deposits of \$10,000 plus an additional amount equal to 10% of the applicable Accepted First Mortgagee Claim be paid on submission of Credit Bid APAs by Second Mortgagees.
3. The Monitor has also made available an estimate of the Allocated DIP Amount for each Property, which reflects the priority payables that would need to be funded by a credit bidding mortgagee in cash on closing. In determining the estimated Allocated DIP Amount, the Monitor has allocated: (a) property specific costs, such as renovations and property taxes, to the applicable property; and (b) general costs, such as professional fees associated with these CCAA proceedings, over the Portfolio in proportion to the acquisition cost of each Property. The Monitor will be seeking Court approval of its final DIP allocation as part of the motion for the Exit Order, at which time the costs to be allocated will all be actual amounts rather than a portion being based on projected amounts at this time.
4. The Monitor has been asked by certain Secured Lenders to provide diligence information, including lease agreements and other information related to their properties. The Monitor has been providing this information to Secured Lenders, but notes the information is generally sourced from SID Management and has not been independently verified by the Monitor. In addition, the Monitor understands that certain Secured Lenders may want to conduct site visits prior to the deadline to submit credit bids under the Term Sheet. The Monitor intends to attempt to coordinate these site visits, to the extent possible.
5. In order for a Credit Bid Option to be accepted, it must meet the following Credit Bid Criteria:
 - a) be in the form of the Credit Bid APA;
 - b) a First Mortgagee shall credit bid a minimum of the principal amount of its Accepted First Mortgagee Claim up to the full amount thereof, inclusive of accrued interest, fees and costs;
 - c) shall include such evidence as may be requested by the Monitor regarding such First Mortgagee's first mortgage on the Property, including all mortgage documentation, evidence of advances, claimed interest, fees and costs and proposed payout statement;

- d) be accompanied by an amount equal to the sum of:
 - \$10,000, being a non-refundable deposit in respect of the payment of the Allocated DIP Amount to be paid by way of wire transfer, bank draft or other immediately available funds;
 - in the case of a Second Mortgagee's Credit Bid, in addition to the foregoing, an additional non-refundable deposit representing 10% of the Accepted First Mortgagee Claim to be paid by way of wire transfer, bank draft or other immediately available funds;
 - e) provide for payment of the Allocated DIP Amount on closing;
 - f) in the case of Second Mortgagee credit bids, provide for payment in full on closing of the Accepted First Mortgagee Claim on the Property;
 - g) for certain specific properties listed in Schedule D to the Term Sheet, provide for payment on closing of the Equity Amount or provide for future payment of the Equity Amount as provided in the Term Sheet and consent to the granting of the Equity Charge⁴. (The Equity Amount is applicable to certain Properties identified by the Monitor to potentially have value in excess of the mortgage debt. The Monitor will seek approval of its methodology for determining the Equity Amount for these Properties as part of the motion to approve the Exit Order).
6. The timeline for completing Credit Bid transactions is contemplated to be as follows:
- a) Credit Bid APAs must be submitted to the Monitor on or prior to the First Mortgagee Credit Bid Option Deadline, being September 20, 2024;
 - b) in order to provide Second Mortgagees with an additional opportunity to credit bid on Properties where a First Mortgagee has exercised its option to credit bid, the Second Mortgagee Credit Bid Option Deadline is to be 10 days following the submission of a credit bid by the First Mortgagee on the applicable Property;
 - c) the Monitor shall seek Court approval of all Accepted Credit Bids within 10 business days after the Second Mortgagee Credit Bid Option Deadline (the "Credit Bid Vesting Order") or such other date as the Monitor may propose in consultation with the Lender Representatives. Accepted Credit Bid transactions shall be effected through the Credit Bid Vesting Order which will vest out all claims and encumbrances, including the DIP Lender's Charge.

⁴ The Term Sheet contemplates that if the credit bidding party elects to not pay the Equity Amount is not paid on closing, in order to secure the obligation to pay the Equity Amount, the Applicants shall be granted the Equity Charge pursuant to the Credit Bid Vesting Order to secure the obligation to pay the Equity Amount, provided that the Applicants may delete the Equity Charge off title of the Property upon application to the Land Registrar by the Applicants.

7. The Term Sheet also contemplates a Secondary Credit Bid Option for those first mortgagees that do not exercise their Credit Bid Option by the First Mortgagee Credit Bid Option Deadline. In that event, the property will remain in the Portfolio and, prior to acceptance of any offer in the Portfolio sale, the First Mortgagee shall be given a 15-day option to credit bid for such Property in lieu of suffering a shortfall on its Accepted First Mortgagee Claim and shall have a Deficiency Claim for any residual claim amount owing.
8. A Credit Bid Purchaser (not including a purchaser under a Secondary Credit Bid) shall not have a Deficiency Claim in connection with the liquidation of the Portfolio Properties after completion of a transaction under its Accepted Credit Bid, without prejudice to any or all other rights and remedies it may have, including against any personal guarantors of its debt or any non-Applicant parties or other recovery procedures.
9. The Monitor strongly recommends that First Mortgagees and Second Mortgagees that are considering whether to submit a credit bid should seek their own legal advice in connection therewith.

4.3 Remaining Portfolio

1. The Properties that are not subject to Credit Bids will remain in the Portfolio. Certain of the key provisions upon which the Portfolio will continue to operate are reproduced in the table below; however, interested parties are encouraged to review the Term Sheet in its entirety.

Interest Waiver Option	Lenders holding Accepted First or Second Mortgagee Claims may opt to waive all but 4% of their entitlement to interest in recognition of the hardship and harm of the unsecured creditor group and for the benefit of the Lender group as a whole.
Priority of First Mortgage Recovery and Treatment	Accepted First Mortgagee Claims that are not subject to accepted credit bids shall be treated as follows: all principal, interest, fees and costs shall be treated as principal and be paid out of Property Specific Net Sale Proceeds; any Deficiency Claim shall be treated as an Unsecured Claim and paid on a pro rata basis in accordance with the Section entitled "Available Cash" below.
Priority of Second Mortgage Recovery and Treatment	Subject to the payment of Accepted First Mortgagee Claims as set out above, Accepted Second Mortgagee Claims that are not subject to accepted credit bids shall be treated as follows: all principal and interest owing at the Filing Date shall be treated as principal and shall be paid, to the extent available, out of Property Specific Net Sale Proceeds; any Deficiency Claim shall be treated as an Unsecured Claim and paid on a pro rata basis in accordance with the Section entitled "Available Cash" below.

Payment of Unsecured Claims	Subject to the payment of the secured portion of Accepted First Mortgagee Claims and Accepted Second Mortgagee Claims as set out above, Unsecured Claims shall be entitled to be paid out of Available Cash, on a pro rata basis, the principal owing under such Claims as at the Filing Date until fully paid.
Net Operating Income	<p>Net Operating Income for all Portfolio Properties shall be paid into the Pooled Account.</p> <p>“Net Operating Income” shall consist of:</p> <p>rental or other income; plus</p> <p>receipts in respect of Equity Amounts; less</p> <p>Operating Expenses.</p> <p>“Operating Expenses” shall include those operating expenses contemplated by the Cash Flow⁵ and shall be updated by the CEO on not less than a quarterly basis, and shall include, for greater certainty: (a) interest on the Exit Financing; (b) CEO compensation; and (c) property management fees in respect of the Property Manager.</p>
Liquidation of Properties	<p>Upon disposition of a Portfolio Property, Property Specific Net Sale Proceeds shall be used to pay:</p> <p>(a) First, the Allocated Exit Financing Amount shall be paid to the Exit Lender;</p> <p>(b) Second, to the Pooled Account, the Property Expense Reimbursement, if any;</p> <p>(c) Third, the applicable Accepted First Mortgagee Claim;</p> <p>(d) Fourth, the applicable Accepted Second Mortgagee Claim, if any; and</p> <p>(e) Lastly, in respect of any surplus, such amounts shall be deposited to the Pooled Account.</p>
Allocated Exit Financing	<p>The Allocated Exit Financing Amount in respect of any individual Property shall include the aggregate of the following:</p> <p>(a) the Allocated DIP Amount with such additions, if any, to reflect Exit Financing advanced pursuant to the Exit Facility, plus accrued and accruing interest thereon as that amount may be reduced from time to time by the disposition of Properties as contemplated in this Restructuring; plus</p>

⁵ The CEO, after consultation with the Creditors’ Committee and the Property Manager, and with the consent of the Exit Lender, will determine and develop a liquidation plan for the Portfolio Properties, and shall develop a cash flow projection based on such plan, which shall be updated from time to time.

	(b) Property Specific Expenses paid during the CCAA Proceedings, to the extent not included in the Allocated DIP Amount.
Available Cash	<p>“Available Cash” shall mean, at any given time and only to the extent available, the aggregate of the amount of cash or cash equivalents in the Pooled Account, to be utilized as determined by the CEO (and subject to any appropriate reserves) including, without limitation in respect of distributions on Unsecured Claims.</p> <p>The CEO, in consultation with the Creditors’ Committee, may from time to time establish Disputed Claims reserves in respect of any outstanding Disputed Claims at the time of distributions. For greater certainty, “Available Cash” shall not include any Disputed Claims.</p>
Additional Financing	<p>The CEO may consider additional financing proposals to assist with the implementation of this Restructuring (“New 1L Credit Facility”). The quantum, terms and permitted use and proposed repayment of any New 1L Credit Facility would be agreed on by the CEO. Potential uses for such New 1L Credit Facility would include refinancing of the Exit Financing and/or the Accepted First Mortgagee Claims.</p> <p>The CEO may also pursue subordinated financing (“New 3L Credit Facility”) to the Accepted First Mortgagee Claims and Accepted Second Mortgagee Claims, which financing could be used, among other things, to provide earlier distributions of Available Cash.</p>
Calculation and acceptance of Claims	<p>The CEO shall establish a process for the reconciliation of Lender Claims related to the Portfolio Properties. Lender Claims shall be assessed and allowed based on the principles set out in the Schedule “F” to the Term Sheet, to be approved in the Exit Order.</p> <p>Any legal disputes with respect to the acceptance of a Lender Claim may be referred to a claims officer.</p>
Proposed Restructuring Structure	<p>Termination of CCAA Proceedings - The Applicants’ CCAA Proceedings shall be terminated or transitioned pursuant the Exit Order.</p> <p>Subordination of all Related Party Claims – All Related Party Claims shall be fully subordinated to all First Mortgagee Claims, Second Mortgagee Claims and Unsecured Promissory Note Claims.</p> <p>Absolute Priority - No Equity Claims (as defined in s.2 of the CCAA) shall be entitled to any distribution until all Claims have been paid in full.</p>
Governance	<p>The CCAA Proceedings shall be amended, terminated or converted such that the existing board of directors and management of the Applicants shall have no governing authority and the Monitor’s super-powers in respect of the Applicants will be terminated pursuant to the Exit Order.</p>

	<p>A creditor committee of up to 7 members comprising of:</p> <ul style="list-style-type: none"> (a) 4 nominees of First Mortgagees (provided that any such nominee shall not also be an Unsecured Promissory Noteholder); (b) 1 nominee of Second Mortgagees; (c) 1 nominee of the Unsecured Promissory Noteholders; and (d) 1 nominee of the Lion's Share Representative. <p>The creditors committee shall be established pursuant to the Exit Order to provide any guidance requested by the CEO to oversee the management of the Portfolio Properties with the purpose of enabling full transparency on the dealings and transactions affecting the Portfolio Properties in the course of the Restructuring (the "Creditors Committee").</p> <p>The Creditors Committee shall govern in accordance with governance by-laws to be established by the Monitor and the CEO in consultation with the Lender Representatives.</p>
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2. Over the last several weeks, the Monitor has been working closely with the Lender Representatives and the DIP Lender to advance the Term Sheet. The Monitor has also interviewed several CEO candidates and will be seeking the appointment of the CEO as part of the motion to approve the Exit Order.
3. At this time, the Monitor remains focused on implementing the transactions contemplated by the Term Sheet on an urgent basis. Although a financial projection for the Portfolio Properties cannot be prepared until the specific properties subject to Credit Bid APAs is known, it is the Monitor's view that the Term Sheet represents the most efficient and effective conclusion to these proceedings as the Portfolio is unable to continue to support the costs of these proceedings.

4.4 Recommendation re: Term Sheet

1. The Monitor recognizes the urgent necessity for a global solution that provides an exit for all Lenders in a circumstance where, given the nature of the assets, the quantum and disparate nature of the claims and the paucity of reliable financial information of the Applicants and the SID Companies, it has been challenging to address every individual circumstance.
2. The proposed Term Sheet provides a global solution which respects the legal priorities afforded to the Lenders, does not force any First Mortgagee or Second Mortgagee to surrender his or her secured claim status and provides options for such Lenders to either (a) pay such Lender's Allocated DIP Amount (and, where applicable, Equity Amount) and credit bid; or (b) participate in the Portfolio liquidation, which will not require Allocated DIP Amounts to be paid at this time.

3. In addition to the foregoing, the Monitor recommends that the Court approve the Term Sheet for the following reasons:
- a) it represents terms negotiated among all of the Court-appointed representatives on behalf of their respective creditor groups. To the extent a limited number of provisions were not fully settled, the Term Sheet includes the Monitor's view as to what is reasonable and appropriate in the circumstances;
 - b) based on the results of the SISP, there were no offers for amounts greater than the DIP Lenders' Charge and the Secured Debt. This process allows both first and second mortgagees to choose to execute on a credit bid transaction to take ownership of their respective properties either at the outset or at a later date when the subject property has been listed for sale;
 - c) it presents a fair opportunity for First Mortgagees and Second Mortgagees to exit this proceeding on a property-by-property basis, consistent with their secured debt arrangements. In the case of First Mortgagees, the Monitor notes that many of them had commenced enforcement proceedings which were stayed when the Applicants obtained the Initial Order, and in some cases were in advanced stages of enforcement by way of power-of-sale and litigation against the Applicants;
 - d) In the case of Second Mortgagees, the Monitor is satisfied that the 10-day option to credit bid, in addition to the initial credit bidding window, gives them a fair and reasonable opportunity to protect their positions if they are of the view that the value of their mortgaged properties exceeds the value of prior-ranking claims. The Monitor has considered requests by Second Mortgagees for additional time to submit credit bids, but is of the view that additional time can't be justified in these circumstances given the ongoing cost of this proceeding and the balancing of all stakeholder interests. The Monitor has also considered requests by Second Mortgagees to provide that they be granted second mortgages on all Portfolio Properties, over the objection of unsecured lenders. The Monitor is not aware of any legal or factual basis to support the elevation of the Second Mortgagees' priority status over Properties not subject to their mortgages;
 - e) it offers a potential opportunity for unsecured lenders to participate in any value realized from the Portfolio liquidation, subject to prior ranking creditor claims. All other alternatives identified under Phase 1 of the SISP would not have resulted in any funds being available for distribution to the Applicants' Second Mortgagees and/or unsecured lenders;
 - f) it contemplates that the Portfolio will be overseen and governed by an experienced CEO and managed by a professional property manager, thereby enhancing the opportunity to maximize value for the Portfolio over an orderly liquidation process to be undertaken following these CCAA proceedings;

- g) it provides an imminent and efficient exit (or transition) from CCAA, which is necessary given the critical need to minimize costs. Implementing a similar result through a Plan of Compromise or Arrangement would result in significant delay and costs, for which funding is not available;
- h) the results of the Monitor's Investigation, as set out in the Fourth Report, provide substantial support and justification for the provision of the Term Sheet that subordinates all Related Party Claims;
- i) the process (i) for the Monitor to summarily determine Accepted First Mortgagee Claims and Accepted Second Mortgagee Claims for purposes of credit bidding and then (ii) to determine remaining claims for purposes of the Portfolio liquidation under the supervision of the CEO pursuant to the Term Sheet and Exit Order, is reasonable and appropriate in the circumstances as it should minimize the significant professional costs that would be associated with administering a traditional claims process which would otherwise be required; and
- j) the Lion's Share Representative and its counsel have made a significant contribution to the development and finalization of the Term Sheet, and accordingly, the Monitor is supportive of their fees being paid by the Applicants from the DIP Facility, to a maximum of \$125,000 plus HST, in connection with the Term Sheet and the implementation of the Restructuring (including seeking of the Exit Order and negotiation of the definitive documents thereunder). Those fees would have been incurred by the Applicants under any other alternative. The Monitor has also considered whether the Term Sheet should provide for treatment of distributions to unsecured creditors on an entity specific basis. This issue became particularly relevant as there appears to be eight unencumbered properties in the Portfolio. The Term Sheet effectively contemplates a consolidated "pooled" treatment for distributions to unsecured creditors. In this regard, the Monitor worked with the Lion's Share Representative to perform a preliminary claims analysis to determine the impact of the proposed treatment under both approaches. Based on that preliminary analysis, the Monitor is supportive of the proposed treatment given: (a) the impact does not appear to be material; (b) the incomplete state of the Applicants' books and records; and (c) the fact that unsecured creditors were largely unaware of the entities to which they were lending funds, as set out in the Fourth Report. However, the Monitor notes that this issue will be addressed more specifically in the Exit Order to be sought at a later date.

5.0 Cash Flow Forecast and Proposed DIP Facility Increase

- As at the date of this Report, the Applicants have drawn \$11.75 million of the \$12 million available under the DIP Facility. The Applicants were projected to have fully drawn the DIP Facility on or around this time. The following table provides a summary of the uses of the DIP funding through August 22, 2024.

(unaudited; C\$000s)	
Receipts	
DIP funding	11,750
Other Receipts	405
	<u>12,155</u>
Disbursements	
Professional fees	(4,846)
Property taxes	(3,484)
Advances to Applicants' bank accounts	(1,369)
DIP interest reserve	(995)
Other	(933)
Insurance	(281)
Total Disbursements	<u>(11,908)</u>
Balance in Monitor's Trust Account	247

- Explanations of certain line items in the table above are as follows:
 - the purpose of the table is to reflect the Applicants' uses of the DIP funding over the course of these proceedings. As all DIP funding is being advanced to the Monitor's trust account, activity in the Applicants' bank accounts is not reflected in the table above; however, the Monitor has now taken control over the Applicants' bank accounts in accordance with the Expanded Powers Order. As at the date of this Report, there is approximately \$279,000 in the Applicants' bank accounts (in addition to the \$247,000 in the Monitor's trust account);
 - professional fees include the fees of the Applicants' counsel, the Monitor and its counsel, the DIP Lender's counsel, Secured Lender Representative Counsel, Unsecured Lender Representative Counsel and the SISP Advisors. These professional fees are paid through May 31, 2024 – a portion of the increase being sought on the DIP Facility is to bring the professional fees current; and
 - amounts reflected as advances to the Applicants' bank accounts have largely been used to fund renovations, utilities, repairs and maintenance and other operating expenses incurred over the course of these proceedings.
- The Monitor has prepared the Cash Flow Forecast for the period September 1, 2024 to October 31, 2024. The Cash Flow Forecast is attached as Appendix "D".
- In its Fifth Report, the Monitor noted that an increase to the DIP Facility would be *"sought at the next motion in this proceeding, which will be required to fund the costs of the proceeding through to its completion"*. The increase is being sought at this time for that purpose and, in the Monitor's view, is necessary and appropriate in the circumstances. Absent the proposed increase, there would be no funding available to manage the Portfolio or bring these proceedings to a conclusion on an orderly basis.

5. Subject to the underlying assumptions and the proposed increase to the DIP Facility, the Cash Flow Forecast reflects that there is sufficient funding available to the Applicants to continue to operate in these proceedings through to the proposed stay extension date of October 31, 2024. The Monitor’s statutory report on the Cash Flow Forecast is attached as Appendix “E”. The Monitor has not sought the statutory report on the Cash Flow Forecast to be executed by the Applicants given the Expanded Monitor Powers Order.
6. The Monitor has negotiated an amendment to the DIP Facility, as reflect in amendment no 2 to the DIP Agreement attached at Appendix “F” (the “DIP Amendment Agreement”) pursuant to which the DIP Lender has agreed to increase the DIP Facility from \$12 million to \$15 million.
7. The key changes in the DIP Amendment Agreement are as follows:

Current Terms:

DIP Facility	Non-revolving, super-priority, credit facility (the “DIP Facility”) in the aggregate amount of up to \$12,000,000, inclusive of principal and an Interest Reserve (as defined below), but excluding unpaid fees (the “Maximum Amount”).
Fees	The Borrowers will pay the following fees: <ul style="list-style-type: none"> • a non-refundable commitment fee in the amount of \$240,000 which shall be paid from the initial Advance; • if the loan is extended by the Lender at its sole discretion for a period not to exceed 6 months, an extension fee of \$120,000 will be payable in full on the Repayment Date; and • all reasonable legal fees and disbursements of legal counsel incurred by the Lender in connection with the DIP Facility.
Interest Reserve	The Lender shall reduce the loan availability by \$1,000,000 to cover interest payments (the “Interest Reserve”). The initial Advance Request shall include \$250,000 to fund the Interest Reserve account. The Interest Reserve account shall be replenished (at the Lender’s discretion, acting reasonably) on a quarterly basis, or more often if required, based on actual loan utilization. If the Interest Reserve of \$1,000,000 is depleted prior to the DIP Facility being repaid in full, the Borrowers shall be responsible to pay all remaining required interest payments.

New Terms:

DIP Facility	Non-revolving, super-priority, credit facility (the “DIP Facility”) in the aggregate amount of up to \$15,000,000, inclusive of principal and an Interest Reserve (as defined below) being composed of the initial amount of \$12,000,000 and an increase of \$3,000,000 (the “Loan Increase”), but excluding unpaid fees (the “Maximum Amount”).
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Fees	<p>The Borrowers will pay the following fees:</p> <ul style="list-style-type: none"> • a non-refundable commitment fee in the amount of \$240,000 which shall be paid from the initial Advance (received); • a non-refundable commitment fee in the amount of \$60,000 which shall be paid from the initial Advance of the \$3,000,000 Loan Increase; • if the loan is extended by the Lender at its sole discretion for a period not to exceed 6 months, an extension fee of \$150,000 will be payable in full on the Repayment Date; and • all reasonable legal fees and disbursements of legal counsel incurred by the Lender in connection with the DIP Facility.
Interest Reserve	<p>The Lender shall reduce the loan availability by \$1,200,000 to cover interest payments (the “Interest Reserve”). The initial Advance Request shall include \$250,000 to fund the Interest Reserve account. The Interest Reserve account shall be replenished (at the Lender’s discretion, acting reasonably) on a quarterly basis, or more often if required, based on actual loan utilization. If the Interest Reserve of \$1,200,000 is depleted prior to the DIP Facility being repaid in full, the Borrowers shall be responsible to pay all remaining required interest payments.</p>

8. For the reasons noted above, the Monitor believes that the increase to the DIP Facility is necessary and that the terms of the DIP Amendment Agreement are reasonable and appropriate.

6.0 Stay Extension

1. The Stay Period currently expires on August 31, 2024. The Monitor, on behalf of the Applicants, is seeking an extension of the Stay Period until October 31, 2024.
2. The Monitor recommends the extension request for the following reasons:
 - a) the Honourable Justice Steele’s endorsement issued in these proceedings dated July 31, 2024 included the following: *“In the context of a “super-Monitor” in CCAA proceedings, the monitor is held to the good faith standard.”* As “super” Monitor in these CCAA proceedings, the Monitor believes it is discharging its duties and obligations under the CCAA, the Expanded Powers Order and other orders made in these CCAA proceedings in good faith and with due diligence;
 - b) the Monitor stated in its Fifth Report that it was *“only seeking a brief stay extension as it intends to seek approval of the process described in Section **Error! Reference source not found.** [of the Sixth Report] in August 2024 and, at that time, will seek a further extension to provide sufficient time to allow the process to be implemented, following which these proceedings will be terminated”*. The past month has been used for its stated purpose as the Term Sheet is intended to provide a consensual path toward terminating these proceedings. The extension sought at this motion is required to finalize certain elements of the Term Sheet so that the Exit Order can be sought prior to October 31, 2024;

- c) no creditor will be prejudiced if the extension is granted;
- d) based on the Cash Flow Forecast and subject to Court approval of the increase being sought to the DIP Facility, there is projected to be funding available to fund operations and the costs of these proceedings during the extension period; and
- e) an extension of the Stay Period will provide the time necessary for the parties to take the steps required under the Term Sheet, following which the Exit Order will be sought.

7.0 Professional Fees

1. The fees (excluding disbursements and HST) of the Monitor and Cassels from the commencement of these proceedings through May 31, 2024 have been approved pursuant to Court Orders issued over the course of these proceedings.
2. The fees (excluding disbursements and HST) of the Monitor and Cassels from June 1, 2024 to July 31, 2024 total \$320,391.50 and \$825,833.50, respectively.
3. The average hourly rates for KSV and Cassels for the referenced billing periods were \$521.09 and \$767.50, respectively.
4. The Monitor and Cassels have been required to undertake an extensive amount of work in this CCAA proceeding to date, which has included enhanced cash flow and operational oversight mandated by the Second ARIO, dealing with numerous issues arising from the management of the Applicants prior to the granting of the Expanded Powers Order, conducting phase 1 of the SISP, taking control over the Applicants in accordance with the Expanded Powers Order, negotiating the PMA and coordinating the transition of the property management function from the SID Companies to Richmond and negotiating the Term Sheet. A portion of the fees for the referenced billing period also includes the time incurred on the Investigation through to finalizing the Fourth Report on June 11, 2024 and dealing with the redacting exercise thereafter.
5. Invoices in respect of the fees and disbursements of the Monitor and Cassels, redacted for privilege or confidential information, are provided in appendices to the affidavits (together, the "Fee Affidavits") filed by KSV and Cassels, which Fee Affidavits are attached as Appendices "G" and "H", respectively.
6. As set out in the invoices attached to the Fee Affidavits, the fees of the Monitor and Cassels for the referenced billing periods include those incurred to perform the aforementioned activities.
7. The Monitor is of the view that the hourly rates charged by Cassels are consistent with the rates charged by large corporate law firms practicing in the area of corporate insolvency and restructuring in the Toronto market, that Cassels' billings reflect work performed consistent with the Monitor's instructions and that the overall fees charged by Cassels and the Monitor are reasonable and appropriate in the circumstances.

8.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Court grant the relief set out in Section 1.2(1)(e) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR
OF BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC.,
MULTIVILLE INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE
MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS INC.
AND JOINT CAPTAIN REAL ESTATE INC. AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) THURSDAY, THE 28TH
)
JUSTICE KIMMEL) DAY OF MARCH, 2024
)

IN THE MATTER OF THE *COMPANIES' CREDITORS*
***ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY
GILMORE INC., INTERLUDE INC., MULTIVILLE INC.,
THE PINK FLAMINGO INC., HOMETOWN HOUSING
INC., THE MULLIGAN INC., HORSES IN THE BACK INC.,
NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE
INC. (collectively the "Applicants", and each an "Applicant")

SECOND AMENDED AND RESTATED INITIAL ORDER
(Amending Initial Order Dated January 23, 2024, as Amended and Restated on February
15, 2024)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for a Second Amended and Restated Initial Order was heard this day by judicial videoconference via Zoom.

ON READING the affidavits of Robert Clark sworn January 23, 2024 and the Exhibits thereto, January 28, 2024 and the Exhibits thereto (the "**First Clark Affidavit**"), March 24, 2024 and the Exhibits thereto, and March 27, 2024 and the Exhibits thereto, the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**") as the proposed monitor dated January 23, 2024, the First Report of KSV as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**") dated January 29, 2024, the Supplement to the First Report of the Monitor dated February 13, 2024, the Second Report of the Monitor dated March 26, 2024, the Amended Initial Order of this Court dated January 31, 2024, and the Amended and Restated Initial Order of this Court dated February 15, 2024, and on being advised that the secured creditors who are likely to

be affected by the charges created herein were given notice, and on hearing the submissions of counsel to the Applicants, counsel to the Monitor, the Secured Lender Representative Counsel (as defined below), the Unsecured Lender Representative Counsel (as defined below), counsel to the DIP Lender (as defined below), and such other counsel that were present, no else appearing although duly served as appears from the affidavits of service of Joshua Foster, filed, and on reading the consent of KSV to act as the Monitor,

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined shall have the meaning ascribed to them in the First Clark Affidavit.

3. **THIS COURT ORDERS** that, with the exception of paragraphs 30-38, references in this Order to the "date of this Order", the "date hereof" or similar phrases refer to the date the Initial Order of this Court was granted in these proceedings, being January 23, 2024 (the "**Initial Order**").

APPLICATION

4. **THIS COURT ORDERS AND DECLARES** that each of the Applicants is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

5. **THIS COURT ORDERS** that each of the Applicants shall have the authority to file and may, subject to further Order of this Court, file with the Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

6. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their respective current and future assets, licences, undertakings and properties of every nature

and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and the Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, contractors, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

7. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement and the Definitive Documents (each as defined below), the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order with the prior written consent of the Monitor, in consultation with the Secured Lender Representatives (as defined below):

- (a) all outstanding and future wages, salaries, commissions, employee and pension benefits (including, without limitation, employee medical, dental, vision, insurance and similar benefit plans or arrangements), vacation pay and employee expenses payable prior to, on, or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing and servicing expenses;
- (b) amounts owing for goods and services actually supplied to the Applicants prior to the date of this Order, with the Monitor considering, among other factors, whether (i) the supplier or service provider is essential to the Business and ongoing operations of the Applicants and the payment is required to ensure ongoing supply, (ii) making such payment will preserve, protect or enhance the value of the Property or the Business, (iii) making such payment is required to address environmental or regulatory concerns, and (iv) the supplier or service provider is required to continue to provide goods or services to the Applicants after the date of this Order, including pursuant to the terms of this Order; and

- (c) the fees and disbursements of any Assistants retained or employed by any of the Applicants in respect of these proceedings, at their standard rates and charges.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the DIP Agreement and the Definitive Documents, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, in each case, with the prior written consent of the Monitor, in consultation with the Secured Lender Representatives, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied or to be supplied to any of the Applicants on or following the date of this Order.

9. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services taxes, harmonized sales taxes or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by any of the Applicants in connection with the sale of goods and services by any of the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by any of the Applicants.

10. **THIS COURT ORDERS** that, except as specifically permitted herein and in the DIP Agreement and the Definitive Documents, the Applicants are hereby directed, until further Order of this Court: (i) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (ii) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (iii) to not grant credit or incur liabilities except in the ordinary course of the Business.

11. **THIS COURT ORDERS** that notwithstanding any other provision of this Order and for greater certainty, the Applicants shall not make any payments or incur any liabilities, including without limitation drawing on the credit facility provided under the DIP Agreement, without the prior written consent of the Monitor.

RESTRUCTURING

12. **THIS COURT ORDERS** that each of the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Agreement and the Definitive Documents, have the right to:

- (a) dispose of redundant or non-material assets not exceeding \$500,000 in any one transaction or \$1,500,000 in the aggregate, in each case, with the prior written consent of the Monitor; and
- (b) pursue all avenues of refinancing, restructuring, selling or reorganizing its Business or Property, in whole or part, with the oversight and involvement of the Monitor and subject to prior approval of this Court being obtained before any material refinancing, restructuring, sale or reorganization,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "**Restructuring**").

NO PROCEEDINGS AGAINST THE APPLICANTS, THE BUSINESS OR THE PROPERTY

13. **THIS COURT ORDERS** that until and including April 30, 2024, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**", and collectively, "**Proceedings**") shall be commenced or continued against or in respect of any of the Applicants or the Monitor, or their respective employees, advisors, counsel and other representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Applicants, or their respective employees, advisors, counsel and other representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended pending further Order of this Court or the prior written consent of the Applicants and the Monitor.

14. **THIS COURT ORDERS** that during the Stay Period, no Proceeding shall be commenced or continued against or in respect of Aruba Butt, Dylan Suitor and/or Ryan Molony (collectively, the "**Additional Stay Parties**"), or against or in respect of any of the Additional Stay Parties' current or future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, and including all proceeds thereof (collectively, the "**Additional Stay Parties' Property**") with respect to any guarantee, contribution or indemnity obligation, liability or claim in respect of or that relates to any agreement involving any of the Applicants or the obligations, liabilities and claims of and against any of the Applicants (collectively, the "**Related Claims**"), except with the prior written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Additional Stay Parties or the Additional Stay Parties' Property in respect of the Related Claims are hereby stayed and suspended pending further Order of this Court or the prior written consent of the Applicants and the Monitor.

15. **THIS COURT ORDERS** that, to the extent any prescription, time or limitation period relating to any Proceeding against or in respect of the Additional Stay Parties or the Additional

Stay Parties' Property in respect of the Related Claims that is stayed pursuant to this Order may expire, the term of such prescription, time or limitation period shall hereby be deemed to be extended by a period equal to the Stay Period.

NO EXERCISE OF RIGHTS OR REMEDIES

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, organization, governmental unit, body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of any of the Applicants or the Monitor, or their respective employees, advisors and other representatives acting in such capacities, or affecting the Business or the Property, are hereby stayed and suspended except with the prior written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower any Applicant to carry on any business which such Applicant is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA; (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 RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence, authorization or permit in favour of or held by any of the Applicants, except with the prior written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements or arrangements with any of the Applicants or statutory or regulatory mandates for the supply or license of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, cash management services, payroll and benefit services, accounting services, temporary labour and staffing services, warehouse and logistics services, security services, insurance, transportation services, maintenance services, construction services, utility or other services to the Business or

any of the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply or license of such goods or services as may be required by any of the Applicants or exercising any other remedy provided under the agreements or arrangements, and that each of the Applicants shall be entitled to the continued use of its current premises, 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 applicable Applicant in accordance with the normal payment practices of the applicable Applicant or such other practices as may be agreed upon by the supplier or service provider and the applicable Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to any of the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

NO PRE-FILING VERSUS POST-FILING SET-OFF

20. **THIS COURT ORDERS** that no Person shall be entitled to set off any amounts that (i) are or may become due to any of the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due from any of the Applicants in respect of obligations arising on or after the date of this Order, or (ii) are or may become due from any of the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due to any of the Applicants in respect of obligations arising on or after the date of this Order, in each case without the prior written consent of the applicable Applicant and the Monitor or further Order of this Court.

APPOINTMENT OF SECURED LENDER REPRESENTATIVE COUNSEL

21. **THIS COURT ORDERS** that Chaitons LLP (the "**Secured Lender Representative Counsel**") is hereby appointed as representative counsel for all of the secured lenders of the

Applicants (collectively, the "**Secured Lenders**"), including, without limitation, all of the Secured Lenders that have RRSPs or other registered accounts administered by Olympia Trust Company, in these proceedings, any proceeding under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") or in any other proceeding respecting the insolvency of the Applicants that may be brought before this Court (collectively, the "**Insolvency Proceedings**"), for any issues affecting the Secured Lenders in the Insolvency Proceedings, including, without limitation, with respect to the settlement or compromise of any rights, entitlements or claims of the Secured Lenders.

22. **THIS COURT ORDERS** that the Secured Lender Representative Counsel shall be entitled but not required to commence the process of identifying no more than six (6) Secured Lenders to be nominated as Court-appointed representatives (collectively, the "**Secured Lender Representatives**") as soon as practicable following the date hereof. The Secured Lender Representatives, if and once appointed, shall represent the Secured Lenders other than any Secured Opt-Out Lender (as defined below), if any, in the Insolvency Proceedings and advise, and where appropriate instruct, the Secured Lender Representative Counsel, including, without limitation, for the purpose of settling or compromising claims of the Secured Lenders in the Insolvency Proceedings. The Secured Lender Representative Counsel may rely upon the advice, information and instructions received from the Secured Lender Representatives, if any, in carrying out its mandate without further communications or instructions from the Secured Lenders, except as may be recommended by the Secured Lender Representative Counsel or ordered by this Court.

23. **THIS COURT ORDERS** that, with the exception of any Secured Opt-Out Lender, (i) the Secured Lender Representative Counsel and the Secured Lender Representatives, if any, shall represent all of the Secured Lenders in the Insolvency Proceedings, and (ii) the Secured Lenders shall be bound by the actions of the Secured Lender Representative Counsel and the Secured Lender Representatives, if any, in the Insolvency Proceedings.

24. **THIS COURT ORDERS** that, subject to confidentiality arrangements acceptable to the Applicants and the Monitor, the Applicants, The Windrose Group Inc. and Lift Capital Incorporated shall provide the following information to the Secured Lender Representative Counsel (collectively, the "**Secured Lender Information**"), in each case, without charge: (i) the

names, last known address, last known email addresses (if any) and entitlements of all of the Secured Lenders (excluding any Secured Opt-Out Lender that has delivered a Secured Opt-Out Notice (as defined below) prior to the delivery of the Secured Lender Information), in each case, to the extent in the possession or control of the Applicants, The Windrose Group Inc. and/or Lift Capital Incorporated, to be used solely for the purposes of the Insolvency Proceedings; and (ii) upon request of the Secured Lender Representative Counsel, such documents and data as may be reasonably relevant to the issues affecting the Secured Lenders in the Insolvency Proceedings, to the extent in the possession or control of the Applicants, The Windrose Group Inc. and/or Lift Capital Incorporated. In providing the Secured Lender Information, these parties are not required to obtain the express consent of any Secured Lender authorizing the disclosure of the Secured Lender Information to the Secured Lender Representative Counsel for the purposes of the Insolvency Proceedings, and further, in accordance with clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended (the "PIPEDA") each of these parties is authorized and permitted to disclose the Secured Lender Information to the Secured Lender Representative Counsel for the purposes of the Insolvency Proceedings, without the knowledge or consent of the Secured Lenders.

25. **THIS COURT ORDERS** that notice of the appointment of Secured Lender Representative Counsel shall be provided by: (i) the Secured Lender Representative Counsel sending a letter to the Secured Lenders at the addresses provided pursuant to paragraph 24 of this Order, advising of such appointment as soon as practicable following the date hereof; (ii) the inclusion of the details of such appointment in the CCAA Notice (as defined below); and (iii) the posting of notice of such appointment on the Monitor's Website (as defined below).

26. **THIS COURT ORDERS** that any Secured Lender who does not wish to be represented by the Secured Lender Representative Counsel and the Secured Lender Representatives, if any, in the Insolvency Proceedings shall, within thirty (30) days of the date hereof, notify the Monitor and the Secured Lender Representative Counsel in writing that such Secured Lender is opting out of representation by the Secured Lender Representative Counsel and the Secured Lender Representatives, if any, by delivering to the Monitor and the Secured Lender Representative Counsel an opt-out notice in the form attached as Schedule "A" hereto (each, a "**Secured Opt-Out Notice**"), and shall thereafter not be bound by the actions of the Secured Lender Representative Counsel or the Secured Lender Representatives, if any, and shall represent itself

or themselves, as the case may be, or be represented by any counsel that such Secured Lender may retain at its or their, as the case may be, sole expense (each such Secured Lender that delivers a Secured Opt-Out Notice in compliance with the terms of this paragraph, a "**Secured Opt-Out Lender**"). The Monitor shall deliver copies of all Secured Opt-Out Notices received to the Applicants as soon as reasonably practicable.

27. **THIS COURT ORDERS** that all reasonable and documented fees and disbursements as may have been incurred by the Secured Lender Representative Counsel prior to the date of this Order or which shall be incurred by the Secured Lender Representative Counsel shall be paid by the Applicants on a bi-weekly basis, forthwith upon the rendering of accounts to the Applicants. Any disagreement regarding such fees and disbursements may be remitted to this Court for determination.

28. **THIS COURT ORDERS** that no action or Proceeding may be commenced against the Secured Lender Representative Counsel or the Secured Lender Representatives, if any, in such capacities and/or in respect of the performance of their duties under this Order, without leave of this Court on seven (7) days' notice to the Secured Lender Representative Counsel or the Secured Lender Representatives, as applicable, the Applicants and the Monitor.

29. **THIS COURT ORDERS** that the Secured Lender Representative Counsel is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body or government ministry, department or agency, and to take all such steps as are necessary or incidental thereto. The Secured Lender Representative Counsel and the Secured Lender Representatives, if any, shall have no liability as a result of their appointment or the fulfillment of their duties in carrying out the provisions of this Order save and except for any gross negligence or wilful misconduct on their part.

APPOINTMENT OF UNSECURED LENDER REPRESENTATIVE COUNSEL

30. **THIS COURT ORDERS** that Goldman Sloan Nash & Harber LLP (the "**Unsecured Lender Representative Counsel**") is hereby appointed as representative counsel for all of the unsecured lenders of the Applicants other than (i) The Lion's Share Group Inc. and (ii) any other unsecured lenders directly or indirectly controlled by, or under common control or otherwise affiliated with, The Lion's Share Group Inc. or its principal, Claire Drage (collectively, the

"Unsecured Lenders"), including, without limitation, all of the Unsecured Lenders that have RRSPs or other registered accounts administered by Olympia Trust Company, in the Insolvency Proceedings, for any issues affecting the Unsecured Lenders in the Insolvency Proceedings, including, without limitation, with respect to the settlement or compromise of any rights, entitlements or claims of the Unsecured Lenders.

31. **THIS COURT ORDERS** that the Unsecured Lender Representative Counsel shall be entitled but not required to commence the process of identifying no more than six (6) Unsecured Lenders to be nominated as Court-appointed representatives (collectively, the "**Unsecured Lender Representatives**") as soon as practicable following the date hereof. The Unsecured Lender Representatives, if and once appointed, shall represent the Unsecured Lenders other than any Unsecured Opt-Out Lender (as defined below), if any, in the Insolvency Proceedings and advise, and where appropriate instruct, the Unsecured Lender Representative Counsel, including, without limitation, for the purpose of settling or compromising claims of the Unsecured Lenders in the Insolvency Proceedings. The Unsecured Lender Representative Counsel may rely upon the advice, information and instructions received from the Unsecured Lender Representatives, if any, in carrying out its mandate without further communications or instructions from the Unsecured Lenders, except as may be recommended by the Unsecured Lender Representative Counsel or ordered by this Court.

32. **THIS COURT ORDERS** that, with the exception of any Unsecured Opt-Out Lender, (i) the Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, shall represent all of the Unsecured Lenders in the Insolvency Proceedings, and (ii) the Unsecured Lenders shall be bound by the actions of the Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, in the Insolvency Proceedings.

33. **THIS COURT ORDERS** that, subject to confidentiality arrangements acceptable to the Applicants and the Monitor, the Applicants, The Windrose Group Inc. and The Lion's Share Group Inc. shall provide the following information to the Unsecured Lender Representative Counsel (collectively, the "**Unsecured Lender Information**"), in each case, without charge: (i) the names, last known address, last known email addresses (if any) and entitlements of all of the Unsecured Lenders (excluding any Unsecured Opt-Out Lender that has delivered an Unsecured Opt-Out Notice (as defined below) prior to the delivery of the Unsecured Lender Information), in

each case, to the extent in the possession or control of the Applicants, The Windrose Group Inc. and/or The Lion's Share Group Inc., to be used solely for the purposes of the Insolvency Proceedings; and (ii) upon request of the Unsecured Lender Representative Counsel, such documents and data as may be reasonably relevant to the issues affecting the Unsecured Lenders in the Insolvency Proceedings, to the extent in the possession or control of the Applicants, The Windrose Group Inc. and/or The Lion's Share Group Inc. In providing the Unsecured Lender Information, these parties are not required to obtain the express consent of any Unsecured Lender authorizing the disclosure of the Unsecured Lender Information to the Unsecured Lender Representative Counsel for the purposes of the Insolvency Proceedings, and further, in accordance with clause 7(3)(c) of the PIPEDA, each of these parties is authorized and permitted to disclose the Unsecured Lender Information to the Unsecured Lender Representative Counsel for the purposes of the Insolvency Proceedings, without the knowledge or consent of the Unsecured Lenders.

34. **THIS COURT ORDERS** that notice of the appointment of Unsecured Lender Representative Counsel shall be provided by: (i) the Unsecured Lender Representative Counsel sending a letter to the Unsecured Lenders at the addresses provided pursuant to paragraph 33 of this Order, advising of such appointment as soon as practicable following the date hereof; and (ii) the posting of notice of such appointment on the Monitor's Website.

35. **THIS COURT ORDERS** that any Unsecured Lender who does not wish to be represented by the Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, in the Insolvency Proceedings shall, within thirty (30) days of the date hereof, notify the Monitor and the Unsecured Lender Representative Counsel in writing that such Unsecured Lender is opting out of representation by the Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, by delivering to the Monitor and the Unsecured Lender Representative Counsel an opt-out notice in the form attached as Schedule "B" hereto (each, an "**Unsecured Opt-Out Notice**"), and shall thereafter not be bound by the actions of the Unsecured Lender Representative Counsel or the Unsecured Lender Representatives, if any, and shall represent itself or themselves, as the case may be, or be represented by any counsel that such Unsecured Lender may retain at its or their, as the case may be, sole expense (each such Unsecured Lender that delivers an Unsecured Opt-Out Notice in compliance with the terms of this paragraph, an "**Unsecured Opt-Out Lender**"). The Monitor

shall deliver copies of all Unsecured Opt-Out Notices received to the Applicants as soon as reasonably practicable.

36. **THIS COURT ORDERS** that all reasonable and documented fees and disbursements as may have been incurred by the Unsecured Lender Representative Counsel prior to the date of this Order or which shall be incurred by the Unsecured Lender Representative Counsel shall be paid by the Applicants on a bi-weekly basis, forthwith upon the rendering of accounts to the Applicants. Any disagreement regarding such fees and disbursements may be remitted to this Court for determination.

37. **THIS COURT ORDERS** that no action or Proceeding may be commenced against the Unsecured Lender Representative Counsel or the Unsecured Lender Representatives, if any, in such capacities and/or in respect of the performance of their duties under this Order, without leave of this Court on seven (7) days' notice to the Unsecured Lender Representative Counsel or the Unsecured Lender Representatives, as applicable, the Applicants and the Monitor.

38. **THIS COURT ORDERS** that the Unsecured Lender Representative Counsel is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body or government ministry, department or agency, and to take all such steps as are necessary or incidental thereto. The Unsecured Lender Representative Counsel and the Unsecured Lender Representatives, if any, shall have no liability as a result of their appointment or the fulfillment of their duties in carrying out the provisions of this Order save and except for any gross negligence or wilful misconduct on their part.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

39. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of any of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of any of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a Plan in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

APPOINTMENT OF MONITOR

40. **THIS COURT ORDERS** that KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by any of the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

41. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements;
- (b) report to this Court, the Secured Lender Representatives and/or the Unsecured Lender Representatives at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) liaise and consult with the Applicants, the Secured Lender Representatives and/or the Unsecured Lender Representatives, to the extent required, with respect to all matters relating to the Property, the Business, the Restructuring, and such other matters as may be relevant to these proceedings;
- (d) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lender and its counsel of financial and other information as agreed to between the Applicants and the DIP Lender, which may be used in these proceedings including reporting on a basis as agreed with the DIP Lender;
- (e) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed

with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis as agreed with the DIP Lender;

- (f) monitor all payments, obligations and transfers as between the Applicants and parties related thereto;
- (g) advise the Applicants in their development of the Plan (if any) and any amendments to the Plan;
- (h) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' meetings for voting on the Plan;
- (i) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Business and financial affairs or to perform its duties arising under this Order;
- (j) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (k) (i) conduct an investigation into the use of funds borrowed by the Applicants, pre-filing transactions conducted by the Applicants and/or their principals and affiliates, and such other matters as may be requested by the Secured Lender Representatives and agreed by the Monitor, in each case, to the extent such investigation relates to the Property, the Business or such other matters as may be relevant to the proceedings herein as determined by the Monitor, and (ii) report to the Secured Lender Representatives, the Unsecured Lender Representatives and the Court on the findings of such investigation as the Monitor deems necessary and appropriate; and
- (l) perform such other duties as are required by this Order or by this Court from time to time.

42. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or the Property, or any part thereof.

43. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor 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 (collectively, "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor'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.

44. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants, including, without limitation, the DIP Lender, with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

45. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its employees, advisors and other representatives acting in such capacities shall incur any liability or obligation

as a result of the Monitor's appointment or the carrying out by it of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded to the Monitor by the CCAA or any applicable legislation.

46. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants in these proceedings shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Applicants in these proceedings on a bi-weekly basis or pursuant to such other arrangements agreed to between the Applicants and such parties and, in addition, the Monitor, and counsel to the Applicants are hereby authorized to maintain their respective retainers, if any, provided by the Applicants prior to the commencement of these proceedings, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

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

48. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the Applicants' counsel, the Secured Lender Representative Counsel and the Unsecured Lender Representative Counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1,500,000, unless permitted by further Order of this Court, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order. The Administration Charge shall have the priority set out in paragraphs 55 and 57 hereof.

DIP FINANCING

49. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from Harbour Mortgage Corp. or its permitted assignee (the "**DIP Lender**") in order to finance the Applicants' working capital requirements and other

general corporate purposes and capital expenditures, provided that the borrowings under such credit facility shall not exceed \$12,000,000, plus interest, fees and expenses, unless permitted by further Order of this Court.

50. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP agreement between the Applicants and the DIP Lender dated as of January 26, 2024 and attached to the First Clark Affidavit as Exhibit "F" (as may be amended and/or assigned from time to time, the "**DIP Agreement**").

51. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

52. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not exceed the amount of \$12,000,000, plus interest, fees and expenses, unless permitted by further Order of this Court, or secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 55 and 57 hereof.

53. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the DIP Agreement, the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon seven (7) days' notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the DIP Agreement,

Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

54. **THIS COURT ORDERS AND DECLARES** that, unless agreed to by the DIP Lender, the DIP Lender shall be treated as unaffected in any Plan filed by any of the Applicants under the CCAA, or any proposal filed by any of the Applicants under the BIA, with respect to any advances made under the DIP Agreement and the Definitive Documents.

VALIDITY AND PRIORITY OF THE CHARGES CREATED BY THIS ORDER

55. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge (together, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$1,500,000); and

Second – DIP Lender's Charge (to the maximum amount of \$12,000,000, plus interest, fees and expenses).

56. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

57. **THIS COURT ORDERS** that each of the Charges (as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other

security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person notwithstanding the order of perfection or attachment.

58. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any of the Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor, the DIP Lender and the beneficiaries of the Charges, or further Order of this Court.

59. **THIS COURT ORDERS** that the Charges and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by: (i) the pendency of these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (iv) the provisions of any federal or provincial statutes; or (v) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds any of the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by any of the Applicants of any Agreement to which any Applicant is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

- (c) the payments made by the Applicants pursuant to this Order, the DIP Agreement or the Definitive Documents, and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

60. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a charge in the applicable Applicant's interest in such real property lease.

SERVICE AND NOTICE

61. **THIS COURT ORDERS** that the Monitor shall: (i) without delay, publish in the *Globe and Mail (National Edition)*, a notice containing the information prescribed under the CCAA (the "**CCAA Notice**"); and (ii) within ten (10) days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against any of the Applicants of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with subsection 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of the individuals who are creditors publicly available.

62. **THIS COURT ORDERS** that The Guide Concerning Commercial List E-Service (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: <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/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*, R.R.O. 1990, Reg. 194, as amended (the "**Rules of Civil Procedure**"). Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 13 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 Guide with the following URL: <https://www.ksv advisory.com/experience/case/sid> (the "**Monitor's Website**").

63. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide or the CCAA and the regulations thereunder is not practicable, the Applicants, the Monitor, and their respective counsel and agents are 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 or other electronic transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown in the books and records of the Applicants and that any such service, distribution or notice shall be deemed to be received: (i) if sent by courier, on the next business day following the date of forwarding thereof; (ii) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered; and (iii) if sent by ordinary mail, on the third business day after mailing.

64. **THIS COURT ORDERS** that the Applicants, the Monitor and each of their respective counsel and agents 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 (including by e-mail) to the Applicants' creditors or other interested parties and their advisors, as applicable. For greater certainty, any such service or distribution shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of subsection 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

65. **THIS COURT ORDERS** that any interested party wishing to object to the relief sought in a motion brought by the Applicants or the Monitor in these proceedings shall, subject to further order of this Court, provide the service list in these proceedings (the "**Service List**") with responding motion materials or a written notice (including by e-mail) stating its objection to the motion and the grounds for such objection by no later than 5:00 p.m. (Eastern Time) on the date that is two (2) days prior to the date such motion is returnable (the "**Objection Deadline**"). The Monitor shall have the ability to extend the Objection Deadline after consulting with the Applicants.

GENERAL

66. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court on not less than seven (7)

business days' notice to the Service List and any other party or parties likely to be affected by the Order sought; provided, however, that the Chargees shall be entitled to rely on this Order as granted and on the Charges and priorities set forth in paragraphs 55 and 57 hereof with respect to any fees, expenses and disbursements incurred, as applicable, until the date this Order may be amended, varied or stayed.

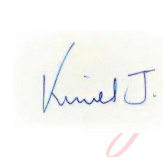
67. **THIS COURT ORDERS** that, notwithstanding paragraph 66 of this Order, each of the Applicants, the Monitor, the Secured Lender Representative Counsel or the Unsecured Lender Representative Counsel may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties hereunder or in the interpretation of this Order.

68. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of any of the Applicants, the Business or the Property.

69. **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 Applicants, the Monitor and their respective 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

70. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are 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 Monitor 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.

71. **THIS COURT ORDERS** that the Initial Order, as amended and restated on February 15, 2024, is hereby amended and restated pursuant to this Order, and this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.

 Digitally signed
by Jessica
Kimmel
Date: 2024.03.28
15:13:50 -04'00'

SCHEDULE "A"
FORM OF SECURED LENDER OPT-OUT NOTICE

To: Chaitons LLP, in its capacity as
Court-appointed Lender
Representative Counsel
5000 Yonge Street, 10th Floor
North York, ON M2N 7E9
Attention: George Benchetrit
Email: george@chaitons.com

KSV Restructuring Inc., in its capacity as
Court-appointed Monitor
220 Bay Street, 13th Floor
Toronto, ON M5J 2W4
Attention: Christian Vit
Email: cvit@ksvadvisory.com

with a copy to:

Bennett Jones LLP
Applicants' Counsel
3400 One First Canadian Place
Toronto, ON M5X 1A4
Attention: Joshua Foster
Email: fosterj@bennettjones.com

with a copy to:

Cassels Brock & Blackwell LLP
Monitor's Counsel
Suite 3200, Bay Adelaide Centre – North
Tower
40 Temperance Street
Toronto, ON M5H 0B4
Attention: Ryan Jacobs and Joseph Bellissimo
Email:
rjacobs@cassels.com/jbello@bellissimo.com

I, in my individual capacity or in my capacity as an authorized representative of the undersigned, as applicable (in either capacity, the "**Opt-Out Lender**"), hereby provide written notice that the Opt-Out Lender does not wish to be represented by Chaitons LLP, representative counsel (the "**Lender Representative Counsel**") for all of the secured lenders of Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc., Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and Joint Captain Real Estate Inc. (collectively, the "**Applicants**") in any proceeding respecting the insolvency of the Applicants (the "**Insolvency Proceedings**"). By opting out of this representation, the Opt-Out Lender hereby acknowledges and understands that if it wishes to take part in the Insolvency Proceedings, then it must do so as an independent party. Further, the Opt-Out Lender hereby acknowledges and understands that it is responsible for its own legal representation or for retaining its own legal counsel should it choose to do so, and that it would be personally liable for the costs of its own legal representation.

The Opt-Out Lender hereby acknowledges and understands that a copy of this Opt-Out Notice will be provided to the Applicants.

Witness

Signature of Opt-Out Lender or its
authorized representative

Name of individual or authorized
representative of the Opt-Out Lender:

Name of Opt-Out Lender
(if not a natural person):

Address:

Telephone:

**TO OPT OUT, THIS FORM MUST BE COMPLETED AND RECEIVED AT THE
ABOVE ADDRESS ON OR BEFORE FEBRUARY 22, 2024.**

SCHEDULE "B"
FORM OF UNSECURED LENDER OPT-OUT NOTICE

To: Goldman Sloan Nash & Harber LLP, KSV Restructuring Inc., in its capacity as
in its capacity as Court-appointed Court-appointed Monitor
Lender Representative Counsel 220 Bay Street, 13th Floor
480 University Ave, Suite 1600 Toronto, ON M5J 2W4
Toronto, ON M5G 1V6 Attention: Christian Vit
Attention: Mario Forte Email: cvit@ksvadvisory.com
Email: forte@gsnh.com

with a copy to:

Bennett Jones LLP
Applicants' Counsel
3400 One First Canadian Place
Toronto, ON M5X 1A4
Attention: Joshua Foster
Email: fosterj@bennettjones.com

with a copy to:

Cassels Brock & Blackwell LLP
Monitor's Counsel
Suite 3200, Bay Adelaide Centre – North
Tower
40 Temperance Street
Toronto, ON M5H 0B4
Attention: Ryan Jacobs and Joseph Bellissimo
Email:
rjacobs@cassels.com/jbellissimo@cassels.com

I, in my individual capacity or in my capacity as an authorized representative of the undersigned, as applicable (in either capacity, the "**Opt-Out Lender**"), hereby provide written notice that the Opt-Out Lender does not wish to be represented by Goldman Sloan Nash & Harber LLP, representative counsel (the "**Lender Representative Counsel**") for certain of the unsecured lenders of Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc., Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and Joint Captain Real Estate Inc. (collectively, the "**Applicants**") in any proceeding respecting the insolvency of the Applicants (the "**Insolvency Proceedings**"). By opting out of this representation, the Opt-Out Lender hereby acknowledges and understands that if it wishes to take part in the Insolvency Proceedings, then it must do so as an independent party. Further, the Opt-Out Lender hereby acknowledges and understands that it is responsible for its own legal representation or for retaining its own legal counsel should it choose to do so, and that it would be personally liable for the costs of its own legal representation.

The Opt-Out Lender hereby acknowledges and understands that a copy of this Opt-Out Notice will be provided to the Applicants.

Witness

Signature of Opt-Out Lender or its
authorized representative

Name of individual or authorized
representative of the Opt-Out Lender:

Name of Opt-Out Lender
(if not a natural person):

Address:

Telephone:

**TO OPT OUT, THIS FORM MUST BE COMPLETED AND RECEIVED AT THE
ABOVE ADDRESS ON OR BEFORE APRIL 27, 2024.**

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE INC.

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

Proceeding commenced at Toronto

**SECOND AMENDED AND RESTATED
INITIAL ORDER**

BENNETT JONES LLP

3400 One First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

Sean Zweig (LSO# 57307I)

Tel: (416) 777-6254

Email: zweigs@bennettjones.com

Joshua Foster (LSO# 79447K)

Tel: (416) 777-7906

Email: fosterj@bennettjones.com

Thomas Gray (LSO# 82473H)

Tel: (416) 777-7924

Email: grayt@bennettjones.com

Lawyers for the Applicants

Appendix “B”

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

THE HONOURABLE) TUESDAY, THE 25TH
)
JUSTICE OSBORNE) DAY OF JUNE, 2024

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY
GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE
PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE
MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS
INC. AND JOINT CAPTAIN REAL ESTATE INC. (collectively the
“Applicants”, and each an “Applicant”)**

**ORDER
(Expansion of Monitor’s Powers)**

THIS MOTION, made by the secured lenders of the Applicants, by their representative counsel, Chaitons LLP (“**Secured Lender Representative Counsel**”), appointed pursuant to the Initial Order of this Court dated January 23, 2024, as subsequently amended and restated by Orders dated February 15, 2024 and March 28, 2024 (as amended and restated, the “**SARIO**”), for an order expanding the powers of KSV Restructuring Inc., in its capacity as the Court-appointed monitor of the Applicants (in such capacity, the “**Monitor**”) and related relief, was heard this day by judicial videoconference via Zoom.

ON READING the Fourth Report of the Monitor dated June 11, 2024, the Fifth Report of the Monitor dated June 17, 2024, the Supplement to the Fifth Report of the Monitor dated June 23, 2024, the Affidavit of Robert Clark sworn June 20, 2024, the Affidavit of Sofia Pino sworn June 14, 2024, the Affidavit of Paul Searle sworn June 14, 2024, the Affidavit of Andrew Adams sworn June 14, 2024, the Ancillary Order of this Court dated June 25, 2024, and such other materials that

were filed, and on being advised that each of the affected parties consents to the granting of this Order, and on hearing the submissions of Secured Lender Representative Counsel, counsel to the Applicants, Unsecured Lender Representative Counsel, counsel to the Monitor, counsel to The Fuller Landau Group Inc. in its capacity as court-appointed receiver and trustee in bankruptcy of The Lion's Share Group Inc., counsel to the DIP Lender, and such other counsel that were present, no one else appearing although duly served as appears from the affidavits of service, filed,

SERVICE AND DEFINITIONS

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. THIS COURT ORDERS that capitalized terms used in this Order and not defined herein shall have the meanings ascribed to them in the SARIO.

EXPANSION OF MONITOR'S POWERS

3. THIS COURT ORDERS that in addition to the powers and duties of the Monitor set out in the SARIO, any other Order of this Court granted in this CCAA Proceeding, the CCAA and applicable law, and without altering in any way the obligations of the Applicants in this CCAA Proceeding, the Monitor is hereby empowered and authorized, but not required, to exercise any powers which may be properly exercised by a board of directors or any officers of the Applicants to cause the Applicants, to, including without limitation:

- (a) exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) 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) manage, operate, and carry on the business of the Applicants, 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 Applicants, including, subject to paragraph 5 hereof, terminating any and all agreements between the Applicants and any of the SID Companies (as defined below) on twenty-one (21) days' written notice by the Monitor to the applicable SID Companies;
- (d) instruct consultants, appraisers, agents, experts, auditors, accountants, managers, property managers, counsel and any other advisors currently engaged or retained by the Applicants;
- (e) engage any other consultants, appraisers, agents, experts, auditors, accountants, managers, property 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 Monitor's powers and duties, including without limitation those conferred by this Order;
- (f) receive and collect all monies and accounts now owed or hereafter owing to the Applicants and to exercise all remedies of the Applicants in collecting such monies;
- (g) settle, extend or compromise any indebtedness owing to the Applicants, including determining whether a court-ordered claims process is required;
- (h) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, in the name and on behalf of the Applicants;
- (i) 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 Applicants and/or the Property, and to settle or compromise any such proceedings;
- (j) market any or all of the Property or pursue other alternative transactions in respect of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof, negotiating such terms and conditions of sale or other

transactions as the Monitor in its discretion may deem appropriate, including, but not limited to transactions in connection with the Sale and Investment Solicitation Process approved pursuant to the SISP Approval Order issued in this proceeding on April 12, 2024, as deemed appropriate by the Monitor;

- (k) report to, meet with and discuss with such affected Persons as the Monitor deems appropriate on all matters relating to the Property and this proceeding, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;
- (l) apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof;
- (m) exercise any shareholder, partnership, joint venture or other rights which the Applicants may have; and
- (n) take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Monitor takes any such actions or steps, it shall be exclusively authorized and empowered to do so on behalf of the Applicants, to the exclusion of all other Persons, including the Applicants' directors, officers, employees and/or other representatives (including but not limited to Aruba Butt, Ryan Molony, Robert Clark and Dylan Suitor), and without interference from any other Person.

4. THIS COURT ORDERS that notwithstanding the SARIO, Bennett Jones LLP ("**Bennett Jones**") shall not be entitled to payment of any legal fees by the Applicants in connection with any services provided to, or for the benefit of, the Applicants or the principals of the Applicants (including any Additional Stay Parties) following the date of this Order, nor shall such fees be subject to the Administration Charge.

5. THIS COURT ORDERS that, without limiting the foregoing or the SARIO, each of SIDRWC Inc. o/a SID Developments, SID Management Inc. and 2707793 Ontario Inc. o/a SID Renos (collectively, the "**SID Companies**") shall, for a minimum period to be agreed upon

between the Monitor and the SID Companies, each acting reasonably, until the effective date of the termination by the Monitor of the applicable agreements between the Applicants and the SID Companies, or until further Order of this Court (the earlier of such periods being hereinafter the **“Transition Period”**):

- (a) continue to perform the services provided by them to the Applicants notwithstanding the transition of such services, in whole or in part to one or more alternative service providers, and continue to be remunerated, in accordance with their existing contracts, agreements and/or arrangements described in paragraphs 46-49 of the Affidavit of Robert Clark sworn January 23, 2024, with the Applicants, as may be required by the Monitor and in doing so shall exclusively report to and take direction from the Monitor on behalf of the Applicants, provided that the SID Companies shall not be required to pay for any costs or expenses whatsoever on the Applicants’ behalf without reimbursement;
- (b) forthwith remit any monies collected by them on behalf of the Applicants to the Monitor, including without limitation all rent collected on behalf of the Applicants, provided that the SID Companies shall not be required to pay for any costs or expenses whatsoever on the Applicants’ behalf without reimbursement;
- (c) subject to paragraph 7, as may be requested by the Monitor, cooperate with the Monitor in the provision of the transition services set out in Schedule “A” hereto and any other transition services as may be agreed to in writing by the Monitor and the SID Companies (collectively, the **“Transition Services”**) provided by the SID Companies to alternative service providers determined by the Monitor; and
- (d) refrain from incurring any obligations, or making any commitments, on behalf of any of the Applicants, including with respect to any ongoing or future renovations of the Applicants’ Property, without the prior written consent of the Monitor.

6. THIS COURT ORDERS that the Monitor shall serve on the Service List and the SID Companies, and post on the Monitor’s Website a certificate confirming the end of the Transition Period (the **“Monitor’s Transition Period Termination Certificate”**).

7. THIS COURT ORDERS that, during the Transition Period, the SID Companies shall be paid their reasonable fees and disbursements, in each case, at rates to be agreed to in writing by the Monitor and the SID Companies, each acting reasonably, in connection with the provision of the Transition Services. The Applicants are hereby authorized and directed to pay the accounts of the SID Companies in connection with the Transition Services on a monthly basis or pursuant to such other arrangements agreed to between the Monitor and the SID Companies.

8. THIS COURT ORDERS that the SID Companies, the Monitor and their respective Assistants, affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing the Transition Services requested by the Monitor, except to the extent of such losses, claims, damages or liabilities arising or resulting from the gross negligence or wilful misconduct of the SID Companies or the Monitor, as applicable, as determined by this Court in a final order that is not subject to appeal or review.

9. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and any similar legislation in any other applicable jurisdictions, the SID Companies and each of their respective Assistants, affiliates, partners, directors, employees, advisors, agents and controlling persons are hereby authorized and permitted to disclose and transfer personal information of identifiable individuals to the Monitor but only to the extent desirable or required to negotiate or attempt to complete the Transition Services.

10. THIS COURT ORDERS that the banks and/or financial institutions which maintain each of the Applicants' bank accounts are directed to recognize and permit the Monitor and its representatives to complete any and all transactions on behalf of the Applicants and for such purpose, the Monitor and its representatives are empowered and shall be permitted to execute documents for, or on behalf of and in the name of the Applicants, and shall be empowered and permitted to add and remove persons having signing authority with respect to the accounts of the Applicants. The financial institutions maintaining such accounts shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken in accordance with the instructions of the Monitor for and on behalf of the

Applicants, and/or as to the use or application of funds transferred, paid, collected or otherwise dealt with in accordance with such instructions and such financial institutions shall be authorized to act in accordance with and in reliance upon such instructions without any liability in respect thereof to any person.

11. THIS COURT ORDERS that, notwithstanding anything contained in this Order, the Monitor is not, and shall not be or be deemed to be, a director, officer or employee of any of the Applicants.

12. THIS COURT ORDERS that, without limiting the provisions of the SARIO, the Applicants shall remain in possession and control of their respective Property and the Monitor shall not take, or be deemed to have taken, possession or control of such Property, or any part thereof.

13. THIS COURT ORDERS that the Monitor shall not be liable for any employee-related liabilities of the Applicants, if any, other than amounts the Monitor may specifically agree in writing to pay. Nothing in this Order shall, in and of itself, cause the Monitor to be liable for any employee-related liabilities of the Applicants, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts.

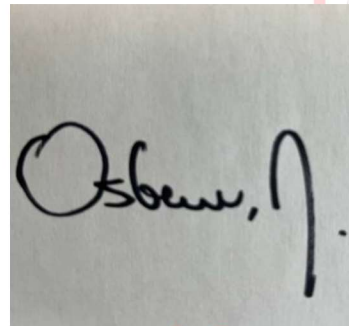
14. THIS COURT ORDERS that: (i) in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, the Monitor and its legal counsel shall continue to have the benefit of all of the indemnities, charges, protections and priorities as set out in the SARIO and any other Order of this Court, and all such indemnities, charges, protections and priorities shall apply and extend to the Monitor in carrying out of the provisions of this Order and exercising any powers granted to it hereunder; and (ii) the Monitor shall incur no liability or obligation as a result of exercising any powers granted to it hereunder, save and except for any gross negligence or wilful misconduct on its part.

15. THIS COURT ORDERS that nothing in this Order shall constitute or be deemed to constitute the Monitor as receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors or legal representative of the Applicants within the meaning of any relevant

legislation and that any distributions to creditors of the Applicants by the Monitor will be deemed to have been made by the Applicants.

16. THIS COURT ORDERS that the powers and authority granted to the Monitor by virtue of this Order shall, if exercised in any case, be paramount to the power and authority of the Applicants with respect to such matters and, in the event of a conflict between the terms of this Order and those of the SARIO or any other Order of this Court, the provisions of this Order shall govern.

17. THIS COURT ORDERS that nothing contained in this Order or in the Ancillary Order shall affect the claims for costs against any Person in respect of this Order and the Ancillary Order, including, without limitation the claims against the Principals described in the Factum of the Secured Lenders. Any such claims shall be determined via a schedule to be fixed at a case conference to be convened as soon as reasonably practicable among any such Persons and their respective counsel.



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SCHEDULE "A"

TRANSITION SERVICES

- (a) The keys to each of the units, labelled by unit, shall be provided to the Monitor.
- (b) Copies of all available existing lease agreements shall be provided to the Monitor.
- (c) The Applicants' tenants' names, email addresses, phone numbers, and identification, to the extent available, shall be provided to the Monitor.
- (d) A list of all of the Applicants' tenants' methods of payment, including all pre-authorized payment methods, shall be provided to the Monitor.
- (e) Information concerning and the details of all government assistance programs directly deposited on behalf of the Applicants' tenants shall be provided to the Monitor, which shall include, to the extent available, the name of each tenant, the name of each case worker, the name of the applicable assistance program, and the amount of monthly program assistance.
- (f) All current ledgers shall be provided to the Monitor, including 12-month historical tenant ledgers and tenant outstanding balances for both the Applicants' former and current tenants.
- (g) A list of all issued N1s and N2s, if applicable, shall be provided to the Monitor.
- (h) All current LTB Filing Numbers (tenant and landlord) shall be provided to the Monitor, including the contact information for each issuing law firm or paralegal, a list of all N4s and the applicable maturity dates, copies of all LTB notices of hearings and copies of all LTB judgements (including, eviction orders, payment plans, and section 78 orders).
- (i) The account numbers and bills per property owned by the Applicants for all utility providers shall be provided to the Monitor.
- (j) A list of all rented equipment per property owned by the Applicants shall be provided to the Monitor, including the unit address, item, term and applicable service provider.
- (k) All tax roll information per property owned by the Applicants shall be provided to the Monitor.
- (l) All outstanding minimum (or property) standards orders issued by local municipalities in respect of the Applicants' properties shall be provided to the Monitor.
- (m) Copies of all open contracts or work orders with vendors in respect of the Applicants' properties shall be provided to the Monitor.

- (n) Access to any key lockboxes on unit premises owned by the Applicants shall be provided to the Monitor.
- (o) All unit inspection reports in respect of the Applicants' properties shall be provided to the Monitor, including fire safety inspections, where applicable, for all units.
- (p) Copies of all active service agreements in respect of the Applicants' properties shall be provided to the Monitor.
- (q) All information pertaining to the Applicants' properties contained on property management software utilized by SID Management or SID Renos will be transferred to the Monitor.
- (r) All tenant application information in respect of the Applicants' properties shall be provided to the Monitor.
- (s) All former lease agreements for any of the Applicants' tenants in unresolved LTB hearings shall be provided to the Monitor, including all such former tenant names, email addresses, phone numbers, and copies of identification.
- (t) All of the Applicants' corporate and mailing addresses shall be changed to an address designated by the Monitor, including in respect of insurance and property taxes.
- (u) All of the Applicants' tenants that have been sent to collections (current and former) and the applicable collection agency shall be identified for the Monitor.
- (v) All marketing material for the Applicants' existing units shall be provided to the Monitor.
- (w) All existing outstanding workorders from the Applicants' tenants shall be provided to the Monitor.
- (x) Copies of all building permits and residential permits in respect of the Applicants and/or their properties shall be provided to the Monitor.
- (y) A list of all trades that performed work in the last year that remain under warranty shall be provided to the Monitor, including the name of the applicable vendors, the work performed, and a copy of the applicable warranties.
- (z) Any surveys in respect of the Applicants' properties shall be provided to the Monitor.
- (aa) All insurance certificates in respect of the Applicants' properties and an insurance loss run shall be provided to the Monitor.

the 1990s, the number of people in the world who are poor has increased. The number of people who are poor in the world is now 2.7 billion.

There are two reasons why the number of people who are poor in the world has increased. The first reason is that the world population has increased.

The second reason is that the world economy has not grown fast enough to keep up with the increase in population.

There are two ways to reduce the number of people who are poor in the world. The first way is to reduce the world population.

The second way is to grow the world economy faster so that it can keep up with the increase in population.

There are two ways to reduce the world population. The first way is to reduce the birth rate.

The second way is to increase the death rate.

There are two ways to grow the world economy faster. The first way is to increase the amount of capital.

The second way is to increase the amount of labor.

There are two ways to increase the amount of capital. The first way is to increase the amount of savings.

The second way is to increase the amount of investment.

There are two ways to increase the amount of labor. The first way is to increase the amount of education.

The second way is to increase the amount of training.

There are two ways to increase the amount of savings. The first way is to increase the amount of income.

The second way is to increase the amount of wealth.

There are two ways to increase the amount of investment. The first way is to increase the amount of capital.

The second way is to increase the amount of labor.

There are two ways to increase the amount of education. The first way is to increase the amount of income.

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The second way is to increase the amount of capital.

There are two ways to increase the amount of capital. The first way is to increase the amount of savings.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE)	TUESDAY, THE 25 TH
)	
JUSTICE OSBORNE)	DAY OF JUNE, 2024

IN THE MATTER OF THE *COMPANIES' CREDITORS*
***ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY
GILMORE INC., INTERLUDE INC., MULTIVILLE INC.,
THE PINK FLAMINGO INC., HOMETOWN HOUSING
INC., THE MULLIGAN INC., HORSES IN THE BACK INC.,
NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE
INC. (collectively the "Applicants", and each an "Applicant")

ANCILLARY ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**") was heard this day by judicial videoconference via Zoom.

ON READING the Fourth Report of the Monitor dated June 11, 2024 (the "**Fourth Report**"), the Fifth Report of the Monitor dated June 17, 2024 (the "**Fifth Report**"), the Supplement to the Fifth Report of the Monitor dated June 23, 2024, the Affidavit of Robert Clark sworn June 20, 2024, the Expansion of Monitor's Powers Order of this Court dated June 25, 2024 (the "**Expansion of Powers Order**"), and such other materials that were filed, and on being advised that each of the affected parties consents to the granting of this Order, and on hearing the submissions of counsel to the Applicants, counsel to the Monitor, the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel, counsel to the Lion's Share Representative, counsel to the DIP Lender, and such other counsel that were present, no one else appearing although duly served as appears from the affidavits of service, filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that terms used but not defined in this Order shall have the meaning given to them in the Fifth Report, the ARIO (as defined below) or the Expansion of Powers Order, as applicable.

STAY OF PROCEEDINGS

3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until and including July 31, 2024.
4. **THIS COURT ORDERS** that the stay of proceedings in respect of the Additional Stay Parties pursuant to paragraph 14 of the Second Amended and Restated Initial Order dated March 28, 2024 (the “**ARIO**”) be and is hereby extended during the Transition Period and shall be automatically terminated upon the issuance of the Monitor’s Transition Period Termination Certificate.
5. **THIS COURT ORDERS** that until the issuance of the Monitor’s Transition Period Termination Certificate, no Proceeding shall be commenced against or in respect of any of the SID Companies, or their respective employees, advisors or representatives, or affecting their respective business or property, except with the prior written consent of the Monitor and the SID Companies, or with leave of this Court.

INVESTIGATION

6. **THIS COURT ORDERS** that none of the Applicants, the SID Companies and/or their respective principals and affiliates shall be required to take any further steps in connection with, or respond to any requests made pursuant to, paragraph 41(k) of the ARIO. Other than with respect to paragraph 41(k), nothing in this paragraph 6 shall derogate from the obligations of any Person under the ARIO.

7. **THIS COURT ORDERS** that, during the Transition Period, each of the Additional Stay Parties shall provide the Monitor with notice of the earlier of (i) seven (7) business days' prior to any closing date and (ii) the listing date, for the sale of any real property owned, directly or indirectly, by the applicable Additional Stay Party, provided that nothing in this paragraph 7 shall apply to such listings or sales previously identified for the Monitor and set out in the letter dated June 19, 2024 attached to the Affidavit of Robert Clark sworn June 20, 2024 as Exhibit "T".

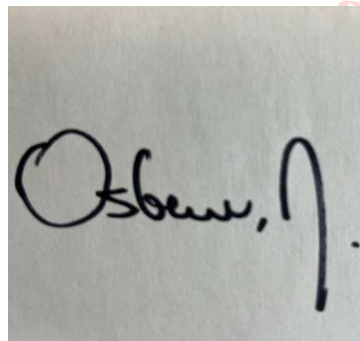
APPROVAL OF MONITOR'S FIFTH REPORT AND ACTIVITIES

8. **THIS COURT ORDERS** that the Fifth Report and the activities of the Monitor referred to therein be and are hereby approved; provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

9. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.



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**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED**

Court File No.: CV-24-00713245-00CL

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE
INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN
INC., HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL
ESTATE INC.**

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

Proceeding commenced at Toronto

ANCILLARY ORDER

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Lawyers for the Monitor

Appendix “C”

RESTRUCTURING TERM SHEET

Capitalized term used herein and not otherwise defined herein or on Schedule “A” have the meaning given to them in the Second Amended and Restated Initial Order dated March 28, 2024 in the CCAA Proceedings of Balboa Inc. et al.

The purpose of this restructuring term sheet (the “**Term Sheet**”) is to outline the terms and conditions for the sale and/or liquidation of the Applicants’ real estate assets (the “**Properties**”) and recovery for secured and unsecured lenders in accordance with their respective priorities and entitlements as set out herein.

The proposed Restructuring (as defined and described herein) contemplates the following key objectives:

- (a) an option for Secured Lenders to credit bid for their specific mortgaged properties through a mechanism supported by the Monitor and as described herein;
- (b) an orderly liquidation and management of the Properties not acquired under credit bids (the “**Portfolio Properties**”) by a professional property manager and oversight of the Portfolio Properties by an appointed CEO and Creditors’ Committee;
- (c) preservation of Lenders’ rights and entitlements pursuant to their contractual arrangements with the Applicants;
- (d) the payout of Claims in accordance with their legal entitlement and priority as Portfolio Properties are sold; and
- (e) use of Available Cash as described herein.

The Restructuring contemplates the termination of the CCAA Proceedings with the following goals in mind: (a) significant reduction in professional costs; (b) control and oversight by the CEO, Property Manager and the Creditors’ Committee; and (c) implementation of a plan of strategic management and liquidation of the Portfolio Properties, with ongoing protective relief from the Court which relief should include the protections, authorizations and injunctions necessary to efficiently and effectively carry out the purpose and intent of the Restructuring. It is anticipated that the Restructuring will provide for the orderly distribution of cash to Lenders as may be determined by the CEO, subject to the assessment of Claims as determined herein and the availability of funds to make distributions at any given time.

The Restructuring anticipates that all Related Party Claims, Equity Claims (as defined in the CCAA) and D&O Claims will be fully subordinated to the recoveries of the Lenders’ Claims.

Title to each Portfolio Property will remain in the entity where it is currently held, but will be subject to governance and control as set out more particularly below. Rental revenue from the Properties will be pooled into a single account on a consolidated basis.

Pursuant to the CCAA Proceedings, Harbour Mortgage Corp. (“**Harbour**” and in such capacity, the “**DIP Lender**”) has provided a debtor-in-possession financing loan (the “**DIP Loan**”) to the Applicants in the maximum amount of \$12 million (as the same is anticipated to be increased to

\$15 million on August 30, 2024), which DIP Loan is secured by a super priority DIP Lender’s Charge.

In connection with the Restructuring, Harbour or a replacement DIP lender (in such capacity, the “**Exit Lender**”) will have agreed to extend the DIP Loan in the CCAA Proceedings on the terms and conditions set out in a term sheet to be negotiated between the Exit Lender and the Monitor, in consultation with the Lender Representatives (the “**Exit Financing Term Sheet**”).

In connection with the Restructuring, the Exit Order shall (i) affirm the retention of Richmond Advisory Services Inc. (the “**Property Manager**”) with respect to the Portfolio Properties, and the Property Manager shall manage the Portfolio Properties on the term and conditions set out in Schedule “B” (the “**Property Manager Engagement Letter**”), and (ii) approve the retention of a chief executive officer (the “**CEO**”) chosen by the Monitor, with the powers and authorities as set out in governance by-laws to be affirmed in the Exit Order.

Credit Bid Option	
1. Credit Bid Form	<p>First Mortgagees and Second Mortgagees with Accepted Claims shall have the option (the “Credit Bid Option”) to submit a credit bid by way of a binding asset purchase agreement substantially in the form attached as <u>Schedule “C”</u> (a “Credit Bid APA”) to credit bid for the Property on which they hold an Accepted Claim on the terms set out in section 3 below.</p> <p>A First Mortgagee or Second Mortgagee submitting a Credit Bid APA is referred to as a “Credit Bid Purchaser” in such capacity.</p> <p>Any Credit Bid APA submitted by a Second Mortgagee must provide for the repayment in full on closing of the Accepted First Mortgagee Claim in respect of such Property.</p>
2. Option Deadline	<p>Credit Bid Options may be exercised by either First Mortgagees or Second Mortgagees until the First Mortgagee Credit Bid Option Deadline or the Second Mortgagee Credit Bid Option Deadline (as the case may be).</p> <p>If a First Mortgagee submits a Credit Bid APA in respect of a Property, the Monitor shall promptly notify any applicable Second Mortgagee of such bid and of the applicable Second Mortgagee Credit Bid Option Deadline.</p>
3. Credit Bid Criteria	<p>In order for a Credit Bid Option to be accepted, it must provide for the following (the “Credit Bid Criteria”):</p> <ol style="list-style-type: none">a. be in the form of the Credit Bid APA;b. a First Mortgagee shall credit bid a minimum of the principal amount of its Accepted First Mortgagee Claim up to the full amount thereof, inclusive of accrued interest, fees and costs;

	<p>c. shall include such evidence as may be requested by the Monitor regarding such First Mortgagee’s first mortgage on the Property, including all mortgage documentation, evidence of advance(s) made, claimed interest, fees and costs, and proposed payout statement;</p> <p>d. be accompanied by an amount equal to the sum of:</p> <ul style="list-style-type: none">i. \$10,000 as a non-refundable deposit in respect of the payment of the Allocated DIP Amount, to be paid by way of wire transfer, bank draft or other immediately available funds; andii. in the case of a Second Mortgagee’s Credit Bid, in addition to the foregoing, an additional non-refundable deposit representing 10% of the Accepted First Mortgagee Claim, to be paid by way of wire transfer, bank draft or other immediately available funds; and <p>e. for each of the Properties listed in <u>Schedule “D”</u>, be accompanied by the Equity Amount or provide for payment of the Equity Amount and consent to the granting of the Equity Charge, based on the Credit Bid Purchaser’s selection of Option A or Option B as set out in Section 6 below.</p>
<p>4. DIP Lender Partial Discharge</p>	<p>In connection with the completion of a transaction under a Credit Bid APA, the DIP Lender shall provide its consent to the discharge of the DIP Lender’s Charge in respect of the Property subject to the Credit Bid APA through the Credit Bid Vesting Order.</p>
<p>5. Acceptance and Closing of Credit Bids</p>	<p>Credit Bid APAs must be submitted to the Monitor on or prior to the First Mortgagee Credit Bid Option Deadline or the Second Mortgagee Credit Bid Option Deadline (as the case may be). The Monitor may accept the Credit Bid APA or request further information and detail, or provide comments back before acceptance.</p> <p>In order for a Credit Bid APA to be accepted by the Monitor (an “Accepted Credit Bid”) and completion of a transaction, the Monitor must be satisfied that:</p> <ul style="list-style-type: none">• the Credit Bid Purchaser has an Accepted Claim;• the Credit Bid APA meets the Credit Bid Criteria;• it provides for payment of the Allocated DIP Amount on closing to be paid by way of wire transfer, bank draft or other immediately available funds;• for each of the Properties listed in <u>Schedule “D”</u>, it provides

	<p>for either: (a) payment of applicable Equity Amount on closing to be paid by way of wire transfer, bank draft or other immediately available funds; or (b) payment of the Equity Amount and the granting of the Equity Charge, based on the Credit Bid Purchaser's selection of Option A or Option B as set out in Section 6 below; and</p> <ul style="list-style-type: none">• in the case of a Credit Bid APA submitted by a Second Mortgagee, that the Credit Bid APA provides for the full repayment on closing of the Accepted First Mortgagee Claim (to be paid by way of wire transfer, bank draft or other immediately available funds) and such Credit Bid APA has been consented to by the First Mortgagee. <p>For greater certainty, where both a First Mortgagee and Second Mortgagee submit Credit Bid APAs for the same Property, provided that the Second Mortgagee Credit Bid APA is an Accepted Credit Bid, the Second Mortgagee Credit Bid APA shall be the accepted bid for the Property.</p> <p>The Monitor shall seek approval from the Court of all Accepted Credit Bids within 10 business days after the Second Mortgagee Credit Bid Option Deadline (the "Credit Bid Vesting Order") or such other date as the Monitor may propose in consultation with the Lender Representatives.</p> <p>Accepted Credit Bid transactions shall be effected through the Credit Bid Vesting Order.</p> <p>A Credit Bid Purchaser (not including a purchaser under a Secondary Credit Bid) shall not have a Deficiency Claim in connection with the liquidation of the Portfolio Properties after completion of a transaction under its Accepted Credit Bid, without prejudice to any or all other rights and remedies it may have, including against any personal guarantors of its debt or any non-Applicant parties or other recovery procedures.</p>
<p>6. Equity Amount Determination (Properties listed in Schedule D)</p>	<p>The Monitor shall determine the Equity Amount through a proposed calculation methodology, which methodology shall be approved pursuant to the Exit Order.</p> <p>Credit Bids for Properties listed in Schedule D shall provide for, at the option of the First Mortgagee or Second Mortgagee submitting the Credit Bid, either (a) "Option A" - payment of the Equity Amount on closing; <u>OR</u> (b) "Option B" - upon the earlier of (i) the closing of any sale of the Property subsequent to the closing of the Credit Bid transaction; or (ii) 24 months from the date of closing of the Credit Bid transaction, the Credit Bid Purchaser shall pay the Equity Amount to (A) a Second</p>

	<p>Mortgagee in respect of any Accepted Second Mortgagee Claim (unless the Credit Bid is made by a Second Mortgagee); and thereafter (B) to the Pooled Account.</p> <p>Under Option B, in order to secure the obligation to pay the Equity Amount, the Applicants shall be granted a charge (the “Equity Charge”) pursuant to the Credit Bid Vesting Order to secure the obligation to pay the Equity Amount, provided that the Applicants may delete the Equity Charge off title of the Property upon application to the Land Registrar by the Applicants.</p>
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Portfolio Properties (Properties Not Subject to Credit Bids)	
7. Interest Waiver Option	<p>Lenders holding Accepted First or Second Mortgagee Claims may opt in writing to the Monitor to waive all but 4% of their entitlement to interest (whether accrued or future) in recognition of the hardship and harm of the Promissory Note Claimants and for the benefit of the Lender group as a whole.</p> <p>Where a Lender has provided an interest waiver letter, interest shall be calculated in accordance with such waiver for the purposes of this Term Sheet.</p>
8. Priority of First Mortgage Recovery and Treatment	<p>Accepted First Mortgagee Claims shall be treated as follows:</p> <ul style="list-style-type: none"> (i) all principal, interest, fees and costs shall be treated as principal and be paid out of Property Specific Net Sale Proceeds; and (ii) any Deficiency Claim shall be treated as an Unsecured Claim and paid on a pro rata basis in accordance with the Section entitled “Available Cash” below.
9. Priority of Second Mortgage Recovery and Treatment	<p>Subject to the payment of Accepted First Mortgagee Claims as set out above, Accepted Second Mortgagee Claims shall be treated as follows:</p> <ul style="list-style-type: none"> (i) all principal and interest owing at the Filing Date shall be treated as principal and shall be paid, to the extent available, out of Property Specific Net Sale Proceeds; and (ii) any Deficiency Claim shall be treated as an Unsecured Claim and paid on a pro rata basis in accordance with the Section entitled “Available Cash” below.
10. Payment of	<p>Subject to the payment of the secured portion of Accepted First Mortgagee Claims and Accepted Second Mortgagee Claims as</p>

Unsecured Claims	set out above, Unsecured Claims shall be entitled to be paid out of Available Cash, on a <i>pro rata</i> basis, the amount owing under such Claims as at the Filing Date until fully paid.
11. Net Operating Income	<p>Net Operating Income for all Portfolio Properties shall be paid into the Pooled Account.</p> <p>“Net Operating Income” shall consist of:</p> <ul style="list-style-type: none"> (a) rental or other income; <u>plus</u> (b) receipts in respect of Equity Amounts; <u>less</u> (c) Operating Expenses. <p>“Operating Expenses” shall include those operating expenses contemplated by the Cash Flow¹ and shall be updated by the CEO on not less than a quarterly basis, and shall include, for greater certainty: (a) interest on the Exit Financing; (b) CEO compensation; and (c) property management fees in respect of the Property Manager.</p>
12. Liquidation of Properties	<p>Upon disposition of a Portfolio Property, Property Specific Net Sale Proceeds shall be used to pay:</p> <ul style="list-style-type: none"> (a) First, the Allocated Exit Financing Amount shall be paid to the Exit Lender; (b) Second, to the Pooled Account, the Property Expense Reimbursement, if any; (c) Third, the applicable Accepted First Mortgagee Claim; (d) Fourth, the applicable Accepted Second Mortgagee Claim, if any; and (e) Lastly, in respect of any surplus, such amounts shall be deposited to the Pooled Account.
13. Conveyance of Properties	Conveyance of Portfolio Properties shall be effected by Court order or other efficient manner as may be contemplated by the Exit Order.
14. Secondary Credit Bid Option	In the event that an offer for the purchase of a Property is received and does not provide for the full repayment of the Accepted First Mortgagee Claim, prior to acceptance of any such offer, the First Mortgagee shall be given a 15 day option to credit bid for such

¹ The CEO, after consultation with the Creditor’s Committee and the Property Manager, and with the consent of the Exit Lender, will determine and develop a liquidation plan for the Portfolio Properties, and shall develop a cash flow projection based on such plan, which shall be updated from time to time.

	<p>Property in lieu of suffering a shortfall on its Accepted First Mortgagee Claim (a “Secondary Credit Bid”) and shall be entitled to a Deficiency Claim for the balance of its Accepted First Mortgagee Claim.</p> <p>Any Secondary Credit Bid must be submitted with an amount equal to the Property Expense Reimbursement payable on closing.</p>
<p>15. Exit Lender Partial Discharges</p>	<p>Upon receipt by the Exit Lender from a purchaser of a Property of the Allocated Exit Financing Amount, the Exit Lender shall provide a discharge of the Exit Lender’s Charge in respect of the Property.</p>
<p>16. Allocated Exit Financing</p>	<p>The Allocated Exit Financing Amount in respect of any individual Property shall include the aggregate of the following:</p> <ul style="list-style-type: none"> (a) the Allocated DIP Amount with such additions, if any, to reflect Exit Financing advanced pursuant to the Exit Facility, plus accrued and accruing interest thereon as that amount may be reduced from time to time by the disposition of Properties as contemplated in this Restructuring; plus (b) Property Specific Expenses paid during the CCAA Proceedings, to the extent not included in the Allocated DIP Amount.
<p>17. Available Cash</p>	<p>“Available Cash” shall mean, at any given time and only to the extent available, the aggregate of the amount of cash or cash equivalents in the Pooled Account, to be utilized as determined by the CEO (and subject to any appropriate reserves) including, without limitation in respect of distributions on Unsecured Claims.</p> <p>The CEO, in consultation with the Creditors’ Committee, may from time to time establish Disputed Claims reserves in respect of any outstanding Disputed Claims at the time of distributions. For greater certainty, “Available Cash” shall not include any Disputed Claims.</p>
<p>18. Additional Financing</p>	<p>The CEO may consider additional financing proposals to assist with the implementation of this Restructuring (“New 1L Credit Facility”). The quantum, terms and permitted use and proposed repayment of any New 1L Credit Facility would be agreed on by the CEO. Potential uses for such New 1L Credit Facility would include refinancing of the Exit Financing and/or the Accepted First Mortgagee Claims.</p> <p>The CEO may also pursue subordinated financing (“New 3L</p>

	<p>Credit Facility”) to the Accepted First Mortgagee Claims and Accepted Second Mortgagee Claims, which financing could be used, among other things, to provide earlier distributions of Available Cash.</p>
<p>19. Calculation and acceptance of Claims</p>	<p>The CEO shall establish a process for the reconciliation of Lender Claims related to the Portfolio Properties. Lender Claims shall be assessed and allowed based on the principles set out in <u>Schedule “E”</u> hereto.</p> <p>Any legal disputes with respect to the acceptance of a Lender Claim may be referred to a claims officer or other resolution process established by the CEO.</p>
<p>20. Proposed Restructuring Structure</p>	<p>Termination of CCAA Proceedings - The Applicants’ CCAA Proceedings shall be terminated pursuant an order of the Court, which order shall also contain provisions as set out in <u>Schedule “F”</u> hereto.</p> <p>Subordination of all Related Party Claims – All Related Party Claims shall be fully subordinated to all First Mortgagee Claims, Second Mortgagee Claims and Unsecured Promissory Note Claims.</p> <p>Absolute Priority - No Equity Claims (as defined in s.2 of the CCAA) shall be entitled to any distribution until all Claims have been paid in full.</p>
<p>21. Governance</p>	<p>The CCAA Proceedings shall be amended, terminated or converted such that the existing board of directors and management of the Applicants shall have no governing authority and the Monitor’s enhanced powers shall have been terminated pursuant to the Exit Order.</p> <p>A creditor committee of up to 7 members comprising of:</p> <ul style="list-style-type: none"> (a) 4 nominees of First Mortgagees (provided that any such nominee shall not also be an Unsecured Promissory Noteholder); (b) 1 nominee of Second Mortgagees; (c) 1 nominee of the Unsecured Promissory Noteholders; and (d) 1 nominee of the Lion’s Share Representative. <p>shall be established pursuant to the Exit Order to provide any guidance requested by the CEO to oversee the management of the Portfolio Properties with the purpose of enabling full transparency on the dealings and transactions affecting the Portfolio Properties</p>

	<p>in the course of the Restructuring (the “Creditors Committee”).</p> <p>The Creditors Committee shall govern in accordance with governance by-laws to be established by the Monitor and the proposed CEO in consultation with the Lender Representatives and approved pursuant to the Exit Order.</p>
22. Property Manager	<p>The Property Manager has been engaged and will be confirmed pursuant to the Exit Order and shall have the responsibilities and duties as set out in the Property Management Engagement Letter. The Property Manager’s fees shall be paid as Operating Expenses.</p>
23. Fees and Expenses	<p>The Secured Lender Representative Counsel, Unsecured Lender Representative Counsel and the Lions Share Representative (and its counsel) shall be entitled to be paid their reasonable fees and disbursements from the DIP Loan (at such intervals and amounts as approved by the Monitor in its sole discretion) in connection with this Term Sheet and the implementation of the Restructuring (including seeking of the Exit Order and negotiation of the definitive documents hereunder), provided that in respect the Lion’s Share Representative (and its counsel), such fees shall be capped at \$125,000 plus HST.</p>
24. Governing Law and Jurisdiction	<p>This Term Sheet and the Restructuring shall be governed by the laws of the Province of Ontario and the applicable laws of Canada therein. The Court shall have exclusive jurisdiction in respect of any disputes that may arise hereunder.</p>
25. Completion Date	<p>The targeted date for approval of this Term Sheet is on or before August 30, 2024, or such other date as may be agreed upon by the Monitor and the Lender Representatives.</p>

SCHEDULE “A” - Definitions

“**Accepted Claim**” means a Claim that has been accepted and verified by the Monitor, or by the CEO utilizing the procedures and principles set out in Schedule “E” herein, as a validly subsisting Claim against the Applicants, and includes Accepted First Mortgagee Claims, Accepted Second Mortgagee Claims and Accepted Unsecured Claims;

“**Accepted Credit Bid**” has the meaning defined in Section 5;

“**Allocated DIP Amount**” means the amount of the DIP Loan attributable to any individual Property as determined by the Monitor following consultation with the DIP Lender and Lender Representatives, and provided to a Credit Bid Purchaser forthwith after approval of these terms by the Court;

“**Allocated Exit Financing Amount**” means the amount of the Exit Financing attributable to any individual Property by the Exit Lender;

“**Applicants**” means the Applicants under the CCAA Proceedings;

“**Available Cash**” has the meaning defined in Section 17;

“**CCAA Proceedings**” means the proceedings commenced by the Applicants under the CCAA on January 23, 2024, bearing the Superior Court of Ontario Court No. CV-24-00713245-00 CL;

“**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

“**Claim**” means: any right or claim of any Person against the Applicants (or any of them) in connection with any indebtedness, liability or obligation arising from a First Mortgagee Claim, Second Mortgagee Claim, Deficiency Claim or an Unsecured Claim in existence on the Filing Date, whether or not such right or claim is reduced to judgment, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, by surety or otherwise;

“**Court**” means the Ontario Superior Court of Justice (Commercial List);

“**Credit Bid Criteria**” has the meaning defined in Section 3;

“**Credit Bid Option**” has the meaning defined in Section 1;

“**Credit Bid Purchaser**” means a First Mortgagee or Second Mortgagee that completes a transaction under a Credit Bid APA;

“**Credit Bid Vesting Order**” has the meaning defined in Section 5;

“**Deficiency Claim**” means a Claim for any deficiency by a First Mortgagee or a Second Mortgagee following the sale of a Portfolio Property in accordance with the terms set out herein;

“**D&Os**” means, collectively and individually, all current and former directors and officers of the Applicants;

“**D&O Claims**” means any Claim held by the D&Os or any of them;

“**Disputed Claim**” means any Claim that has not been accepted by the Creditors’ Committee as an Accepted Claim, and “**Disputed Claims**” means all of them;

“**Disputed Claims Reserve**” means a reserve set aside by the CEO from any distribution in respect of Disputed Claims still under review or awaiting final resolution at the time of the making of any distribution;

“**Equity Amount**” means, for those Properties listed in Schedule “C”, the amount to be determined by the Monitor through a proposed calculation methodology which shall be approved pursuant to the Exit Order;

“**Equity Charge**” has the meaning defined in Section 6;

“**Exit Order**” means an order of the Court including the provisions as set out in Schedule “F” hereto;

“**First Mortgagee**” means a Lender holding an Accepted First Mortgagee Claim;

“**First Mortgagee Claim**” means the Claim of any Person holding validly subsisting security against the Property or any portion of it in priority to all other secured interests in such Property;

“**First Mortgagee Credit Bid Option Deadline**” means September 20, 2024;

“**Lender**” means any Person holding any of a First Mortgagee Claim, Second Mortgagee Claim or Promissory Note Claim;

“**Lender Representatives**” means the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion’s Share Representative;

“**Lenders’ Claims**” means collectively First Mortgagee Claims, the Second Mortgagee Claims and the Unsecured Promissory Note Claims;

“**Mortgagee Claims**” means First and/or Second Mortgagee Claims secured against Property or Properties;

“**Net Operating Income**” has the meaning defined in Section 11;

“**Operating Expenses**” has the meaning defined in Section 11;

“**Person**” means any individual, partnership, limited partnership, joint venture, trust, corporation, unincorporated organization, government or agency or instrumentality thereof, or any other corporate, executive, legislative, judicial, regulatory or administrative entity howsoever

designated or constituted, including, without limitation, any present or former shareholder, supplier, customer, employee, agent, client, contractor, lender, lessor, landlord, sub-landlord, tenant, sub-tenant, licensor, licensee, partner or advisor;

“Pooled Account” means a consolidated account in respect of all Portfolio Properties which shall contain, among other things, (a) rental revenue for such Properties and (b) Property Specific Net Sale Proceeds, and which shall be used to pay Operating Expenses and other things as may be determined by the CEO;

“Portfolio Property” means a Property not sold pursuant to a Credit Bid APA;

“Promissory Note Claim” means the principal amount of Claims of any Person holding unsecured promissory notes issued by the Applicants or any of them;

“Property Expense Reimbursement” means, for any given Property, an amount equal to Property Specific Expenses (to the extent not included in the Allocated DIP Amount or the Allocated Exit Financing Amount) less revenues received in connection with the Property;

“Property Specific Expenses” means, during any particular period, any costs or expenses attributable to a specific Property;

“Property Specific Net Sale Proceeds” means the proceeds of sale of a Portfolio Property, net of sale and commission expenses;

“Related Party Claims” means all intercompany claims or claims of the Additional Stay Parties (or any company owned by an Additional Stay Party), the SID Companies (or any principal, subsidiary or affiliate of the SID Companies, including but not limited to Ryan Moloney, Aruba Butt, Robert Clarke and Ryan Suitor), Bronwyn Bullen or Sam Drage;

“Restructuring” means the restructuring contemplated in this Term Sheet;

“Second Mortgagee” shall mean a Lender with an Accepted Second Mortgagee Claim;

“Second Mortgagee Claim” means the Claim of any Person holding validly subsisting security against the Property or any portion of it, ranking behind First Mortgagee Claims;

“Second Mortgagee Credit Bid Option Deadline” for any given Property means 10 days after a First Mortgagee exercises its Credit Bid Option in respect of that Property;

“Secondary Credit Bid” has the meaning defined in Section 14;

“Unsecured Claim” means any Claims not secured on real or personal property and includes Promissory Note Claims and Deficiency Claims.

SCHEDULE “B” – Property Manager Engagement Letter

Attached.

THIS PROPERTY MANAGEMENT AGREEMENT made as of this **25th** day of **July 2024**.

B E T W E E N:

RICHMOND ADVISORY SERVICES INC., a corporation duly incorporated under the laws of the Province of Ontario, having its Registered Office in the Town of Markham, Ontario,

(Hereafter referred to as the “**Property Manager**”)

OF THE FIRST PART,

AND

BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE INC.

(Hereafter collectively referred to as the “**Company**”)

OF THE SECOND PART.

WHEREAS the Company owns the properties listed on Schedule “A” hereto (collectively referred to as the “**Property**”);

AND WHEREAS the Company commenced proceedings under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) pursuant to an initial order granted on January 23, 2024 (as amended and amended and restated from time to time, the “**Initial Order**”) granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”);

AND WHEREAS KSV Restructuring Inc. (“**KSV**”) was appointed as CCAA monitor (in such capacity, the “**Monitor**”) of, *inter alia*, the Company pursuant to the Initial Order;

AND WHEREAS on June 25, 2024, the Court granted an order (the “**EMP Order**”) which, *inter alia*, empowered and authorized the Monitor to exercise any powers which may be properly exercised by a board of directors or any officers of the Company, including causing the Company to enter into agreements and engaging managers or property managers;

AND WHEREAS the Company desires to have the Property Manager manage the Property and the Property Manager has agreed to accept such appointment on the terms and conditions hereinafter set forth.

NOW THEREFORE IN CONSIDERATION of the sum of Two Dollars (\$2.00) paid by each of the parties to the other, the mutual covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the Company hereby appoints the Property Manager, and the Property Manager accepts this appointment on the following terms and conditions as hereinafter set forth:

1. Term

- (a) The parties agree that this Agreement will take effect upon the granting of the Approval Order (as defined below).
- (b) This Agreement may be terminated by either party without cause upon giving the other party thirty (30) days' written notice.
- (c) Either party may terminate this Agreement based upon a material breach of this Agreement by the other party, provided, however, that the breaching party is given written notice of such breach and has not cured such breach within Ten (10) days after receiving such notice. A breach by the Company shall include, but not be limited to, the failure to make a payment when due.

2. Property Manager's Responsibilities

- (a) The Property Manager agrees to manage, and the Company authorizes the Property Manager to manage, the Property during the term of this Agreement in a faithful, diligent and honest manner and to enter into such contracts and agreements as may be necessary in the performance by the Property Manager of the duties as set out in Schedule "B" attached hereto (collectively referred to as the "**Services**").
- (b) Costs of repairs shall be paid by the Property Manager directly to the provider, provided that the Property Manager shall seek the prior written approval of the Company for any repairs costing in excess of \$5,000. Upon payment for any such repairs by the Property Manager, unless reimbursed pursuant to Section 7(f) hereunder, the Property Manager shall include such payment as a disbursement on its account (as hereinafter described) rendered to the Company. Alternatively, if mutually agreed to in writing by the Property Manager and the Company, the Property Manager shall specifically invoice the Company for reimbursement of its payment for the repairs, and the Company shall reimburse the Property Manager within thirty (30) days of receipt of such invoice. Failure to pay shall be considered a material breach of this Agreement and subject to the termination provisions set out in Section 1 hereunder.
- (c) In the event the Company directly contracts or subcontracts, as the case may be, any other person(s) or corporation(s) to undertake any work at the Property, the Property Manager shall not be responsible or liable for any damage or other loss affecting the Property caused by such person or corporation. Further, in the event of any such damage or other loss affecting the Property, the Property Manager shall have no obligation to repair any such damage or recover any such loss.
- (d) The Property Manager will keep books, accounts and records that reflect all revenues and rents and all expenditures incurred in connection with the management and operation of the Property. The Property Manager shall deposit all monies received in its capacity as Property Manager, including revenues or rents collected in connection with the Property, into segregated bank account(s) held by the Property Manager for the benefit of the Company. The Property Manager shall hold in trust for the Company and not commingle any such funds with any funds of any other clients or customers of the Property Manager. The Property Manager shall, on a monthly basis, remit any monies received in its capacity as Property Manager, including revenues or rents collected in connection with the Property, less deductions permitted pursuant to Sections 7(f) and (g) hereunder to the Company together with a detailed accounting and reconciliation of same.

- (e) The Property Manager will issue the following reports to the Company on a monthly and annual basis:
 - i) Operating statement
 - ii) Balance sheet
 - iii) Accounts receivable report
 - iv) Accounts payable report

All reports, both monthly and annually, shall be delivered to the Owner by no later than the 15th calendar day of every month

3. Inspection

- (a) The parties agree that if the Company requests an inspection of the Property by the Property Manager, such inspection shall involve a visual inspection only performed by direct observation of existing conditions at the time of inspection (the “**Inspection**”). Under no circumstances will the Property Manager move, relocate, adjust, shift or in any way reposition chattels, fixtures, inventory or any other items in order to conduct its Inspection. The Property Manager is not required and shall not dismantle any item or assembly to gain access to equipment, plant life, soil, ice or snow, insulation or other debris which obstructs access or hinders visibility for the purpose of completing the Inspection. The Property Manager’s report shall identify with sufficient description (and a photograph if possible) any obstruction that restricts a visual Inspection.
- (b) The parties agree that the Inspection is of a general nature and not that of a specialist. The Company acknowledges and agrees that it is aware of the limitations of this Inspection and has sought or will seek out further investigation or clarification by a specialist as it deems necessary to complete its assessment of possible adverse conditions or defects.
- (c) The Property Manager will use its best efforts to visually observe any environmental issues, including but not limited to, asbestos, radon, urea formaldehyde foam insulation, toxic or flammable chemicals, and/or soil contamination. This observation notwithstanding, the Company acknowledges and agrees that the Property Manager is not a qualified professional trained to identify possible environmental issues, adverse conditions or defects. The Property Manager recommends that the Company complete an environmental report by a certified environmental company. If the Company requires a thorough environmental inspection of the Property, for any reason, it shall be obligated to retain the services of a certified environmental inspector/assessor, at its own expense.
- (d) The Property Manager will not, under any circumstances, perform any task, enter any area, or disturb any existing condition where, in the Property Manager’s judgment, damage could result, specialized safety equipment is required, or the safety of the person conducting the Inspection is endangered. The Property Manager’s report will contain a description (and photograph where possible) to confirm the presence of such unsafe conditions.

4. Property Manager's Liability:

- (a) The Property Manager shall not be responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property caused by:
 - 1. Inspectors, appraisers, contractors, realtors, prospective purchasers or tenants who are authorized to access the Property by anyone other than the Property Manager or those for whom it is in law responsible.
 - 2. Acts of third parties such as vandalism, theft, or other criminal acts.
 - 3. Freezing or leaking water pipes, unless any resulting damage, loss or liability has been caused by the negligence, breach, act, omission, fault or default of the Property Manager or those for whom it is in law responsible.
 - 4. Any dangerous condition or environmental condition on the Property, pre-existing or current, unless any resulting damage, loss or liability has been caused by the negligence, breach, act, omission, fault or default of the Property Manager or those for whom it is in law responsible; or
 - 5. The Property's non-compliance with any law or ordinance, unless any resulting damage, loss or liability has been caused by the negligence, breach, act, omission, fault or default of the Property Manager or those for whom it is in law responsible.
- (b) The Property Manager is not responsible or liable in any manner for:
 - 1. Any late fees or other charges the Company owes to any creditor caused by late or insufficient payments by any tenant in the Property; or
 - 2. Damages to the Company caused by a tenant's breach of lease.
- (c) The Property Manager is not responsible or liable for any contracts or obligations related to the Property (for example, maintenance, service and repair agreements) entered into before the date of this Agreement by the Company or anyone on their behalf.
- (d) The Property Manager shall not be liable to the Company with respect to the operation of the Property or as a result of any damage or other loss affecting the Property, or for any error in judgment or for anything which it may do or refrain from doing, unless any resulting damage, loss, injury or liability has been caused by the negligence, breach, act, omission, fault or default of the Property Manager or those for whom it is in law responsible.
- (e) The Property Manager shall not be liable to the Company for failure to perform any of the obligations set forth in this Agreement if such failure is occasioned by or results from destruction or damage to the Property by fire, strike, lockout, a civil commotion or disturbance, an act of God, or any other act or cause which is beyond the reasonable control of the Property Manager, except if due to the negligence, breach, act, omission, fault or default of the Property Manager or those for whom it is in law responsible.

5. Authorized Expenditures of Non-Budgeted Items

- a) In the event of an emergency (which shall be determined in the Property Manager's discretion), the Property Manager shall take such steps as it deems appropriate in its discretion to prevent further damage to the Property and/or harm to its occupants. The Property Manager shall attempt to contact the Company for instructions with respect to any expense that exceeds Five Thousand (\$5,000.00) Dollars; however, if the Company cannot be reached to approve such expense, the Property Manager shall, in its sole and absolute discretion and as the Company's agent, use its commercially reasonable judgment in approving such expense.
- b) The Property Manager agrees to cover the cost of any non-budgeted items over and above Seven Hundred and Fifty (\$750.00) Dollars on an emergency basis, provided that the Company reimburses the Property Manager with Five (5) business days of receipt of written evidence that such cost was incurred.
- c) The Property Manager shall have the authority, without consultation with the Company, to install or replace smoke and carbon monoxide detectors at the Company's expense and shall inform the Company as these expenses are incurred.

6. Subcontracting of Services

- (a) The Company acknowledges and agrees that the Property Manager may subcontract any one or more of the Services to a service provider, provided that the Property Manager shall obtain the prior written approval of the Company for any such Services costing in excess of \$5,000.00. The Company and the Property Manager agree that subcontracting any one or more of the Services shall not relieve either party of its obligations or duties under this Agreement.
- (b) The parties hereto acknowledge and agree that the Property Manager is responsible to remove snow and de-ice the Property (the "**Winter Services**"), and that the Property Manager may subcontract the Winter Services to a corporation or individual providing such services (the "**Winter Services Subcontractor**"). The terms of the subcontract shall require the Winter Services Subcontractor to attend the Property no later than 12 hours after the completion of a snowstorm, provided the Winter Services Subcontractor shall only be required to attend the Property if snow accumulation exceeds the accumulation required to be cleared as per City By-Laws during a 24-hour period.
- (c) In the event that a driveway or parking area is partially or wholly obstructed by a car or any other vehicle or object, snow will only be removed from the section of the driveway or parking area that is accessible to the Winter Services Subcontractor.
- (d) Though the Winter Services Subcontractor shall use its best efforts to attend the Property as stated herein, the Company hereby acknowledges and agrees that there may be circumstances (including but not limited to reduced driving visibility, equipment failure, inaccessibility to the Property or circumstances beyond the Winter Services Subcontractor's control) which may delay the Winter Services Subcontractor's attendance at the Property, in which case the Winter Services Subcontractor shall attend the Property as soon as is reasonably possible in the circumstances.
- (e) The Company hereby covenants not to hold the Property Manager liable for any damages caused or losses suffered by the Company with respect to any of the following:
 - i. General debris, loose paving materials, gravel or ice being struck, lifted or displaced by snow removal equipment.

- ii. Protrusions or objects hidden by snow accumulation being struck by snow removal equipment, including but not limited to: sod, raised beds, plant material, interlocking pavers, flagstone, cobblestone or any other alternative driveway surface, curbing, fencing, fixtures, lawn ornaments and retaining walls and any damage to the aforementioned materials or objects or temporary loss of use or enjoyment of the Property as a result of such damage;
- (f) Any liability of the Property Manager or the Winter Services Subcontractor shall be limited only to damage to the Property or persons on the Property at the time of occurrence of such incident giving rise to the liability and shall be further limited to only those losses or damages suffered as a direct result of the acts or omissions of the Property Manager or the Winter Services Subcontractor.

7. Compensation

- (a) As compensation for the Services rendered by the Property Manager, the Company agrees to pay the Property Manager the fees set out in Schedule "C" attached hereto, as may be mutually amended between the parties from time to time in writing (the "**Compensation**"). The Company acknowledges and agrees that the fees listed in Schedule "C" are exclusive of Harmonized Sales Tax or similar taxes and that payment of such taxes shall be in addition to the Property Manager's fees.
- (b) If the Company requests services of the Property Manager in addition to the Services agreed to in paragraph 2 of this Agreement, the Property Manager shall advise the Company of the resulting cost and shall obtain the Company's written approval prior to performing such additional services (the "**Additional Services**").
- (c) Within fifteen (15) business days after the end of each month, the Property Manager shall render an account of its Services and Additional Services, as the case may be, to the Company.
- (d) The Company acknowledges and agrees that invoices are due within 10 days of the account being rendered.
- (e) The Company agrees that its payment obligations arising before termination of this Agreement shall survive termination of this Agreement.
- (f) The Property Manager is authorized to pay for all compensation, repairs, maintenance and utility costs permitted pursuant to this Agreement out of revenues collected and submit the net remaining revenues to the Company, monthly, subject to subparagraph (g).
- (g) The Company allows the Property Manager to retain up to a maximum of \$50,000 as an operating fund before submitting net remaining revenues to the Company.
- (h) The Property Manager acknowledges and agrees that all obligations to make payments or reimbursements to the Property Manager under this Agreement, including the payment of the Compensation and reimbursement of costs, shall be obligations of the Company exclusively and under no circumstances shall the Monitor have liability for such payments or reimbursements.

8. Insurance

- (a) The Company agrees to maintain the current liability insurance in place with respect to the Property as disclosed to the Property Manager prior to entering into this Agreement.
- (b) Notwithstanding anything to the contrary contained in this Agreement, under no circumstances shall the Property Manager be liable to the Company for the amount of any loss or damage to the Property or its contents, against which the Receiver is insured and thereby entitled to indemnification from its insurer(s), but only to the extent of such indemnification actually received by the Company.

9. Services

The Property Manager shall not be required or obligated by this Agreement to provide any services in addition to the Services specifically mentioned in this Agreement or the Schedules attached hereto.

10. Court Approval

The parties' obligations under this Agreement shall be conditional, and shall only take effect, upon approval of this Agreement by the Court (the "**Court Approval**").

11. Termination

On termination of this Agreement in accordance with Section 1 hereunder:

- (a) The Property Manager shall, within thirty (30) days thereafter, render a final accounting to the Company.
- (b) The Property Manager shall immediately surrender to the Company all lease agreements and other files, records, contracts and information which may be requested by the Company and which are pertinent to the continuing operation of the Property, subject to the proviso that the Property Manager may retain copies of any documents and information which the Property Manager, acting reasonably, is of the opinion that it should retain to support or verify its actions during the currency of this Agreement.
- (c) The Company may, in its sole discretion, assume the obligations of any and all contracts which the Property Manager has *bona fide* entered into for the purpose of arranging the Services to be provided pursuant to this Agreement.

12. Assignment

- (a) The Company agrees not to assign or otherwise transfer its rights or delegate its obligations under this Agreement without the prior written consent of the Property Manager, which consent will not be unreasonably withheld.
- (b) The Property Manager agrees not to assign or otherwise transfer its rights or delegate its obligations under this Agreement without the prior written consent of the Company, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the Company acknowledges and agrees that the Property Manager may subcontract any one or more of the Services to service providers in accordance with this Agreement.

No such assignment or delegation by either party will relieve it of its obligations or duties under this Agreement.

13. Notices

Any notice, report or other communication required or permitted to be given hereunder shall be in writing unless some other method of giving such notice is accepted by the party to whom it is given, and shall be given by being delivered by hand or by overnight mail or other overnight delivery service to the addresses set forth herein (with a copy by email):

To the Company:
c/o KSV Restructuring Inc., in its capacity as monitor of the Company
220 Bay Street, 13th Floor
Toronto, ON, M5J 2W4
Attention: Noah Goldstein/David Sieradski
Email: ngoldstein@ksvadvisory.com / dsieradzki@ksvadvisory.com

To the Monitor::
KSV Restructuring Inc., in its capacity as monitor of the Company
220 Bay Street, 13th Floor
Toronto, ON, M5J 2W4
Attention: Noah Goldstein/David Sieradski
Email: ngoldstein@ksvadvisory.com / dsieradzki@ksvadvisory.com

To the Property Manager:
Richmond Advisory Services Inc.
60 Renfrew Drive Suite 360
Markham Ontario
L3R 0E1
Email: amehta@richmond-team.com

14. No Legal Advice, Tax Advice or Responsibility for Non-Compliance

- (a) The Company hereby acknowledges and agrees that the Property Manager is not engaged in the practice of law and does not provide legal advice or legal services. Further, the Company hereby acknowledges having been advised by the Property Manager not to act upon any information it may receive from the Property Manager without seeking professional legal advice.
- (b) The Company hereby acknowledges and agrees that the Property Manager does not provide tax advice. Further, the Company hereby acknowledges having been advised by the Property Manager not to act upon any information it may receive from the Property Manager without seeking professional accounting or tax advice.
- (c) The Company hereby acknowledges and agrees that the Property Manager shall not be liable if the Property does not comply with building codes, zoning by-laws, fire codes, electrical safety codes, and any other relevant statutes or regulations, and the Property Manager has no obligation or responsibility to determine or ensure compliance with same.

15. Capacity of Monitor

- (a) The Property Manager acknowledges and agrees that the Monitor is executing this Agreement, in its capacity as Monitor and not in its personal or corporate capacity, on behalf of the Company in accordance with the Monitor's authority under the EMP Order it and that KSV and the Monitor, and their officers, directors, partners, managers, contractors, shareholders, advisors (including legal counsel), agents, and employees, shall have no personal or corporate responsibility or liability under this Agreement.
- (b) Notwithstanding anything to the contrary in this Agreement, the Property Manager shall engage directly and exclusively with the Monitor (and its counsel) on behalf of the Company on all matters related to this Agreement and the performance of the Property Manager's duties, obligations and covenants hereunder. Without limiting the foregoing, any information, communication or notices that are required to be provided to the Company under this Agreement shall be provided to the Monitor on the Company's behalf and any consents, agreements or approvals to be provided by the Company under this Agreement shall be provided by the Monitor on the Company's behalf pursuant to the EMP Order.

16. General Contract Provisions

- (a) If any term or provision of this Agreement or any portion of a term or a provision hereof or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, or the application of such terms or provisions or a portion thereof to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Agreement and each portion thereof shall be valid and enforced to the fullest extent permitted by law.
- (b) Neither party shall be responsible if the fulfillment of any of the terms or provisions of this Agreement is delayed or prevented by riots, wars, acts of enemies, acts of terrorism, national emergency, strikes, floods, fires, acts of God, or by any other cause not within the control of the party whose performance is interfered with including the unavailability of Subcontractors to perform any one or more of the Services on behalf of the Property Manager, where such unavailability is directly caused by one or more of the circumstances referenced in this subparagraph.
- (c) This Agreement shall be construed and enforced in accordance with, and the rights of the parties hereto shall be governed by, the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties agree to the exclusive jurisdiction of the Court to adjudicate any disputes arising from or relating to this Agreement.
- (d) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof.
- (e) This Agreement may be amended, modified, superseded or canceled, and any of the terms herein contained may be waived, only by written instrument executed by the parties hereto or, in the case of a waiver, by the parties so waiving.
- (f) The failure of any party hereto at any time or times to require performance of any provisions hereof shall in no manner affect the right of such party to require such performance at a later time.

- (g) Words importing the singular number only shall include the plural and vice versa, words importing a specific gender shall include the other genders and reference to persons shall include all corporations and one or more persons, their heirs, executors, successors, administrators or assigns as the case may be.
- (h) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, administrators and assigns.
- (i) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

Remainder of page intentionally blank.

IN WITNESS WHEREOF the parties duly attested to by the hands of their proper signing officers in that behalf as of the day and year first above written.

RICHMOND ADVISORY SERVICES INC.

Per:

Arun Mehta

Name: **Arun Mehta**

I have authority to bind the Corporation.

BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN INC. HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE INC., by KSV Restructuring Inc., in its capacity as monitor and not in its personal or corporate capacity

Per:



Name: Noah Goldstein, Managing Director

I have authority to bind the Corporation.

Schedule "A"

Property

The parties agree that the list of properties is set out in the document titled: "KSV SID List of Real Property 7 8 2024.xlsx[.]" The list of properties is subject to change consistent with the notice requirements for termination in Section 1 of the Agreement.

Arun Mehta

Schedule “B”

Services

In addition to the services contemplated in the pages of this agreement prior to Schedule B, the services shall include:

- Collection of rents and follow up on delinquent tenants
- Collection and recording of security deposits and processing and payment of security deposit refunds
- Payment of operating expenses
- The negotiating of rentals for the residential units; the amount of asking and agreed upon rentals shall be subject to the Company's prior written approval
- Preparing and negotiating residential leases.
- Endeavor to market the residential units for lease
- Processing rental increases
- Provide regular inspection and supervision of the units
- Establish lease rates and adjust to market conditions
- Prepare annual operating budgets
- Implement preventative maintenance programs
- Administer tenant relations
- Execute, as agent of the Company, all lease documents, provided the business terms thereof and the form of such lease documents have been approved by the Company
- Report to the Company with respect to any default by any tenant of the Property (such reports with respect to residential tenants to be in the Property Manager's monthly reports)
- Arrange for the repair and maintenance of the property, as required from time to time

Schedule “C”

Richmond Advisory Services Inc. - Property Management Services and Pricing Schedule

Fee Structure

Item	Description	Fee
1	Property Management Fee	6% of rent collected

Capital Project Fees

Item	Project Value	Fee
1	\$0 - \$350,000.00	6%
2	\$350,000.00 - \$700,000.00	4%
3	\$700,000.00 and up	3%

RAS provided a fee structure for capital projects as there maybe multi residential sites within the portfolio which needs to be confirmed.

Assumptions

RAS will not be managing the golf course that is not in operation unless requested. Additional fees would be applicable.

Additional Service Fees

One month’s rent to lease a home.

An RAS rental fee of \$500 to rent an individual unit (the unit must be a legal unit to be rented).

All rental advertising costs.

Courier fees.

Travel costs if travel has been requested.

Due to the amount of vacant homes, there would be a monthly PM fee of \$150 per month per home as we are administering utility re-routes and payment and many other administrative tasks, and the coordination of vendor management services.

Services	Pricing
Inspections	\$50 per property
Inspections for multi-unit property	\$35 per unit
Initial property report with pictures and recommendations and six-month report for a single-family home	\$150 each

Lock changes	Quote required
Cleaning and removal of debris	Quote required
Winterization of property (single family home)	\$145
De-winterization of property (single family home)	\$125
Winterization of well & septic (if required)	Quote required
Winterization of pools, hot tubs, mobile homes	Quote required
Repairs and maintenance	Quote required
Installation of smoke & Carbon Dioxide detectors	Quote required
Snow removal	Quote required
De-Icing and salting Application	Quote required
Grass cutting	Quote required
Spring and Fall Clean Up	Quote required
Labour rate	\$55 per hour
Eviction Services (on-premises attendance)	\$55 per hour
Tenant Acknowledgement Form (preparation & delivery)	\$25 per Tenant
Certificate of Services (preparation & delivery)	\$25 per Tenant

Serve Notice of Termination N4 (preparation & delivery)	Paralegal fees would be applicable
Application to Tribunal or related court filings (preparation & submission)	Paralegal fees would be applicable
<i>Mileage costs could be applicable for rural properties</i>	

SCHEDULE “C” – Form of Credit Bid APA

Attached.

SCHEDULE “D” – List of Properties Subject to an Equity Amount

Schedule D

List of Equity Amount Properties

49 Dale Ave	Timmins	ON, P4N 1X6
101 Dixon St	Timmins	ON, P0N 1C0
389 Tamarack Street	Timmins	ON, P4N 6R5
381 Eva Ave	Greater Sudbury	ON, P3C 4N2
156 Cameron Street N	Timmins	ON, P4N 5B9
432 Ann Avenue	Timmins	ON, P4N 4V4
28 St. Georges Avenue East	Sault Ste. Marie	ON, P6B 1W7
75 Elm Street	Timmins	ON, P4N 1W5
43 Crescent Ave	Timmins	ON, P4N 4H9
45 Woods St	Kirkland Lake	ON, P2N 3E2
465 Pine St South	Timmins	ON, P4N 6E6
290-292 Spruce	Timmins	ON, P4N 2M9
257 Ratter Lake Road	Markstay	ON, P0M 2G0
47 Queen St	Kirkland Lake	ON, P2N 2R1
387 North Street	Sault Ste. Marie	ON, P6B 2A9
155 Wallace Terrace	Sault Ste. Marie	ON, P6C 1K2

SCHEDULE “E” – Claims Assessment Principles (Liquidation of Portfolio Properties)

Timeline

A timeline and process for the calling of and reconciliation of Claims (other than claims of First Mortgagees and Second Mortgagees submitting Credit Bid APAs) shall be established by the CEO in order to facilitate the distribution of Available Cash.

Mortgagee Claims

First Mortgagees and Second Mortgagees shall submit all relevant mortgage documentation, including evidence of advance(s) made and outstanding balance statement (“**Mortgagee Claims Package**”).

The Mortgagee Claims Package shall be reviewed by the CEO or as it may delegate.

Provided that the CEO is satisfied with the First Mortgagee’s (a) registered mortgage; (b) amounts advanced and unpaid; (c) calculation of payout (including interest thereon), it shall be accepted as an Accepted First or Second Mortgagee Claim without requirement for further proof or evidence.

Other than the Related Parties, no Mortgagee Claim shall be disallowed on the basis of subordination and shall be assessed solely as provided for herein.

Unsecured Promissory Noteholder Claims

Unsecured Promissory Noteholders shall submit to the CEO (the “**Noteholder Claims Package**”):

- a summary of note claims including amounts owed thereunder broken down by principal, interest and fees;
- evidences of any advances made, assignments, renewals or otherwise to evidence the indebtedness owing under the notes; and
- all relevant note documentation.

Noteholder Claims Packages shall be reviewed by the CEO or as it may delegate.

Provided that the CEO is satisfied with the amount of the note, the evidence of indebtedness and calculation of outstanding balance, it shall be accepted as an Accepted Unsecured Promissory Note Claim, without requirement for further proof or evidence;

Other than the Related Parties, no Unsecured Promissory Noteholder Claim shall be disallowed on the basis of subordination and shall be assessed solely as provided for herein.

Other Unsecured Claims

[need a mechanism for this]

[NTD: consider fair and efficient process for reconciliation of noteholder claims – should there be a note reconciliation manager that is retained.]

SCHEDULE “F” – Exit Order Terms

The Exit Order shall be in form and substance acceptable to the Monitor, the Exit Lender, the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel and the Lion’s Share Representative and shall include the following provisions:

1. Approval of the following:
 - (a) term sheet and the Restructuring
 - (b) Property Manager Engagement Letter
 - (c) Equity Amount methodology
2. Matters pertaining to the CEO and the Creditors’ Committee:
 - (a) CEO Engagement Letter
 - (b) Authorization of powers and responsibilities of the CEO
 - (c) Appointment of the Creditors’ Committee
 - (d) Approval of the governance By-Laws
3. Matters pertaining to the Exit Financing Term Sheet:
 - (a) Approval of the Exit Financing Term Sheet
 - (b) Granting of a first priority charge on all Portfolio Properties (the “**Exit Financing Charge**”)
4. CCAA Proceedings:
 - (a) Termination of the SISP;
 - (b) Approval of the Equity Charge (which may also be contained in the Credit Bid Vesting Order);
 - (c) Termination or transition of the CCAA Proceedings following completion of all transactions under Credit Bid APAs;
 - (d) Discharge of the Administration Charge and the DIP Lender’s Charge;
 - (e) Discharge of the Monitor upon the filing of a Monitor’s Certificate;
 - (f) Releases in favour of the Monitor (and its counsel), the Exit Lender (and its counsel) and the Lender Representatives;

***Strictly Confidential
Without Prejudice
Draft***

- (g) Provide for a standstill, subordination and injunction against the commencement of any claims, actions, suits or demands in respect of the Properties and prohibition against registration of any notices or otherwise on title in respect of any such Claims prior to the termination of the CCAA Proceedings; and
- (h) Provide that the notwithstanding the termination of the CCAA Proceedings, any party may seek direction and relief in Court File No. CV-24-00713425-00CL in connection with the Restructuring.

Appendix “D”

Projected Statement of Cash Flows

For the Period Ending October 31, 2024

(Unaudited; \$CAD)

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc., Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and Joint Captain Real Estate Inc. (the "Applicants") for the period September 1, 2024 to October 31, 2024 (the "Period") in respect of the proceedings under the Companies' Creditors Arrangement Act ("CCAA").

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical

2. Represents rents collected from tenants, net of property management fees payable to SID Management in the normal course.

Most Probable

3. Represents miscellaneous expenses, capital expenditures and tenant concessions for repairs. Includes a DIP Fee of \$60,000 and a DIP interest reserve amount of \$200,000.
4. Represents remaining renovation costs for the Applicants' vacant units which have not yet been paid. The Monitor does not intend approving any additional renovation cost.
5. Represents accrued and projected fees and disbursements of the Applicants' legal counsel, Secured and Unsecured Lender Representative Counsel, the Monitor and its legal counsel and the DIP Lender's legal counsel.
6. Represents funding to be advanced under the DIP Facility.

Appendix “E”

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

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c.C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE
INC., MULTIVILLE INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE
MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN
REAL ESTATE INC.**

**MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)**

The attached statement of projected cash-flow of Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc., Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and Joint Captain Real Estate Inc. (collectively, the "Applicants") as of the 23rd day August, 2024, consisting of a weekly projected cash flow statement for the period September 1, 2024 to October 31, 2024 ("Cash Flow") has been prepared by the management of the Applicants for the purpose described in Note 1, using probable and hypothetical assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Applicants. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- c) the Cash Flow does not reflect the probable and hypothetical assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto this 23rd day of August, 2024.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR
OF BALBOA INC., DSPLN INC., HAPPY GILMORE INC.,
INTERLUDE INC., MULTIVILLE INC.,
THE PINK FLAMINGO INC., HOMETOWN HOUSING INC.,
THE MULLIGAN INC., HORSES IN THE BACK INC.,
NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “F”

AMENDMENT NO. 2 TO THE DIP AGREEMENT

This amending agreement (this "**Agreement**") is made as of August 23, 2024, between all of the entities identified on Schedule "A" hereto (collectively, the "**Borrowers**"), and HMT Holdings Inc. (the "**Lender**").

WHEREAS:

- A. The Borrowers and Harbour Mortgage Corp. (the "**Original DIP Lender**") entered into a DIP agreement dated as of January 26, 2024 and as amended on February 5, 2024 (the "**DIP Agreement**"); and
- B. The Original Lender assigned the DIP Agreement to the Lender pursuant to an assignment agreement dated as of February 5, 2024;
- C. The Borrowers and the Lender have agreed to make certain amendments to the DIP Agreement on and subject to the terms and conditions set out in this Agreement;

NOW THEREFORE in consideration of the premises and the agreements set out herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrowers and the Lender agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions

Unless otherwise defined herein, capitalized terms used in this Agreement, including in the recitals hereto, shall have the meaning ascribed to such terms in the DIP Agreement.

Section 1.2 References to the DIP Agreement

Upon execution of this Agreement, the DIP Agreement shall be deemed to have been amended as of the date hereof. The terms "hereof", "herein", "this DIP Agreement", "the DIP Agreement" and similar terms used in the DIP Agreement, shall mean and refer to, from and after the date hereof, the DIP Agreement as amended by this Agreement.

Section 1.3 Continued Effectiveness

Nothing contained in this Agreement shall be deemed to be a waiver by the Lender of compliance by the Borrowers with any covenant or agreement contained in the DIP Agreement, or a waiver of any default or event of default under the DIP Agreement, and each of the parties hereto agrees that the DIP Agreement as amended by this Agreement shall remain in full force and effect, and time shall remain of the essence.

Section 1.4 Benefit of the Agreement

This Agreement shall enure to the benefit of and be binding upon the Borrowers and the Lender and their respective successors and permitted assigns.

Section 1.5 Currency

All references in this Agreement to dollars, monetary amounts or to \$ are expressed in the lawful currency of Canada unless otherwise specifically indicated.

Section 1.6 Invalidity of any Provisions

Any provision of this Agreement, which is prohibited by the laws of any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition in such jurisdiction without invalidating the remaining terms and provisions hereof and no such invalidity shall affect the obligation of the Borrowers to pay the debts, liabilities and obligations of the Borrowers under the DIP Facility.

Section 1.7 Captions and Headings

The inclusion of headings preceding the text of the sections of this Agreement and the headings following each Article in this Agreement are intended for convenience of reference only and shall not affect in any way such construction or interpretation thereof.

**ARTICLE 2
AMENDMENTS**

Section 2.1 Amendments

The DIP Agreement is hereby amended as follows:

Delete:

DIP Facility	Non-revolving, super-priority, credit facility (the “ DIP Facility ”) in the aggregate amount of up to \$12,000,000, inclusive of principal and an Interest Reserve (as defined below), but excluding unpaid fees (the “ Maximum Amount ”).
--------------	---

Fees	The Borrowers will pay the following fees: <ul style="list-style-type: none">• a non-refundable commitment fee in the amount of \$240,000.00 which shall be paid from the initial Advance;• if the loan is extended by the Lender at its sole discretion for a period not to exceed 6 months, an extension fee of \$120,000.00 will be payable in full on the Repayment Date; and
------	--

	<ul style="list-style-type: none"> all reasonable legal fees and disbursements of legal counsel incurred by the Lender in connection with the DIP Facility.
--	--

Interest Reserve	<p>The Lender shall reduce the loan availability by \$1,000,000.00 to cover interest payments (the “Interest Reserve”). The initial Advance Request shall include \$250,000.00 to fund the Interest Reserve account. The Interest Reserve account shall be replenished (at the Lender’s discretion, acting reasonably) on a quarterly basis, or more often if required, based on actual loan utilization. If the Interest Reserve of \$1,000,000.00 is depleted prior to the DIP Facility being repaid in full, the Borrowers shall be responsible to pay all remaining required interest payments.</p>
------------------	--

Add:

DIP Facility	<p>Non-revolving, super-priority, credit facility (the “DIP Facility”) in the aggregate amount of up to \$15,000,000, inclusive of principal and an Interest Reserve (as defined below) being composed of the initial amount of \$12,000,000 and an increase of \$3,000,000 (the “Loan Increase”), but excluding unpaid fees (the “Maximum Amount”). The principal amount of the loan amount owing under the DIP Facility as of the date of Amendment No. 2 to the DIP Agreement is CAD \$11,750,000.</p>
--------------	--

Fees	<p>The Borrowers will pay the following fees:</p> <ul style="list-style-type: none"> a non-refundable commitment fee in the amount of \$240,000.00 which shall be paid from the initial Advance (received); a non-refundable commitment fee in the amount of \$60,000 which shall be paid from the initial Advance of the \$3,000,000 Loan Increase; if the term of the DIP Facility is extended by the Lender at its sole discretion for a period not to exceed 6 months, an extension fee of \$150,000.00 will be payable in full on the Repayment Date; and all reasonable legal fees and disbursements of legal counsel incurred by the Lender in connection with the DIP Facility.
------	--

Interest Reserve	The Lender shall reduce the loan availability by \$1,200,000.00 to cover interest payments (the “ Interest Reserve ”). The initial Advance Request shall include \$250,000.00 to fund the Interest Reserve account. The Interest Reserve account shall be replenished (at the Lender’s discretion, acting reasonably) on a quarterly basis, or more often if required, based on actual loan utilization. If the Interest Reserve of \$1,200,000.00 is depleted prior to the DIP Facility being repaid in full, the Borrowers shall be responsible to pay all remaining required interest payments.
------------------	---

**ARTICLE 3
CONDITIONS PRECEDENT**

Section 3.1 Conditions Precedent

This Agreement shall not become effective until this Agreement is duly executed and delivered to the Lender.

**ARTICLE 4
MISCELLANEOUS**

Section 4.1 Governing Law

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

Section 4.2 Time of the Essence

Time shall be of the essence in this Agreement in all respects.

Section 4.3 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

[The remainder of this page has been left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first set out above.

HARBOUR MORTGAGE CORP.

By:



Name: Bruce Shepherd

Title: Chief Risk Officer

[Signatures of the Borrowers on the following page]

**DSPLN INC.
BALBOA INC.
THE PINK FLAMINGO INC.
MULTIVILLE INC.
HAPPY GILMORE INC.
INTERLUDE INC.
THE MULLIGAN INC.
NEAT NESTS INC.
HOMETOWN HOUSING INC.
HORSES IN THE BACK INC.
JOINT CAPTAIN REAL ESTATE INC.**

**Each by KSV Restructuring Inc. in its
capacity as monitor and not in its
personal or corporate capacity**

Per: _____
Name:
Title:

SCHEDULE "A"

1. Balboa Inc.
2. DSPLN Inc.
3. Happy Gilmore Inc.
4. Hometown Housing Inc.
5. Horses in the Back Inc.
6. Interlude Inc.
7. Joint Captain Real Estate Inc.
8. Multiville Inc.
9. Neat Nests Inc.
10. The Mulligan Inc.
11. The Pink Flamingo Inc.

Appendix “G”

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**


**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY
GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE PINK
FLAMINGO INC., HOMETOWN HOUSING INC., THE
MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS
INC. AND JOINT CAPTAIN REAL ESTATE INC.**

**AFFIDAVIT OF NOAH GOLDSTEIN
(sworn August 23, 2024)**

I, **NOAH GOLDSTEIN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY
AS FOLLOWS:**

1. I am a Managing Director of KSV Restructuring Inc. ("KSV"), the Court-appointed monitor (the "Monitor") of Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc., Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and Joint Captain Real Estate Inc. (collectively, the "Applicants"), and as such I have knowledge of the matters deposed to herein.
2. Pursuant to an order of the Ontario Superior Court of Justice ("Court") made on January 23, 2024, the Applicants were granted protection under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") and KSV was appointed as the Monitor in this proceeding.
3. This Affidavit is sworn in support of a motion seeking, among other things, approval of the Monitor's fees and disbursements for the period June 1, 2024 to July 31, 2024 (the "Period").
4. The Monitor's invoices for the Period disclose in detail: the nature of the services rendered; the time expended by each person and their hourly rates; the total charges for the services rendered; and the disbursements charged. A copy of the Monitor's invoices is attached hereto as Exhibit "A" and the billing summary is attached hereto as Exhibit "B".

5. The Monitor spent a total of 614.85 hours on this matter during the Period, resulting in fees totalling \$320,391.50, excluding disbursements and HST, as summarized in Exhibit "B".
6. As reflected on Exhibit "B", the Monitor's average hourly rate for the Period was \$521.09.
7. I verily believe that the time expended and the fees charged are reasonable in light of the services performed and the prevailing market rates for services of this nature in downtown Toronto.

SWORN before me at the City of)
Toronto, in the Province of Ontario)
this 23rd day of August, 2024)
)
)
_____)
Rajinder Kashyap, a Commissioner, etc.,)
Province of Ontario, for KSV Restructuring Inc.)
Expires February 23, 2027)



NOAH GOLDSTEIN

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF NOAH GOLDSTEIN

Sworn before me

this 23rd day of August, 2024



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027



ksv advisory inc.

220 Bay Street, Suite 1300

Toronto, Ontario, M5J 2W4

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

INVOICE

Balboa Inc. et al.
c/o KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

August 6, 2024

Invoice No: 3804

HST #: 818808768RT0001

Re: Balboa Inc. et al (the "Company")

For professional services rendered during June 2024 in our capacity as Monitor in the Company's proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), including:

General Matters

- Corresponding extensively with the Company, Cassels Brock & Blackwell LLP ("Cassels"), the Monitor's legal counsel, Chaitons LLP ("Chaitons"), representative counsel to the secured lenders, Goldman Sloan Nash & Haber LLP ("GSNH"), representative counsel to the unsecured noteholders, and Bennett Jones LLP ("Bennett Jones"), counsel to the Company, in respect of the Company's operations and the CCAA proceedings generally, including multiple calls and email correspondence on a daily basis as more specifically outlined herein;
- Monitoring the Company's receipts and disbursements on a daily basis;
- Reviewing and commenting on a draft claims procedure order and discussing alternatives to same;
- Considering property audits with the secured lender committee;
- Reviewing the financial statements for the Company for the month of May 2024;
- Reviewing the Company's rent roll for the month of May 2024;
- Reviewing and allocating the Company's property taxes paid, by property, since the start of the CCAA proceedings;
- Carrying out the court-supervised sale and investment solicitation process ("SISP") in accordance with the court order made on April 12, 2024, including corresponding regularly with CBRE and Howards Capital Corporation ("HCC");

- Negotiating numerous confidentiality agreements in the context of the SISP;
- Attending a call on June 1, 2024 with GSNH regarding queries submitted by the unsecured lender committee;
- Corresponding with the Company, the City of Sault Ste. Marie and Cassels on a court order brought to the Monitor's attention related to the potential demolition of 159 Wallace Terrace, Sault Ste. Marie ON;
- Attending a call on June 13, 2024 with Cassels, Chaitons, GSNH and the Receiver of Lion's Share Group Inc. and Windrose Group Inc., Fuller Landau LLP and their legal counsel, Norton Rose Fulbright LLP, to discuss, among other things, the outcome of the June 14th Motion;
- Reviewing the motion record of the secured lender committee dated June 14, 2024 in connection with an application to expand the powers of the Monitor, and reviewing the motion records of the Company dated June 17, 2024 and June 20, 2024 in connection with a stay extension motion returnable June 24, 2024 (the "June 24th Motions");
- Attending a call on June 20, 2024 with Cassels regarding the Applicants' motion record;
- Reviewing a factum of the secured lender committee dated June 21, 2024 filed in connection with the June 24th Motions;
- Reviewing a factum of the Company dated June 23, 2024 in connection with the June 24th Motions;
- Attending multiple calls with Cassels and Bennet Jones regarding the June 24th Motions, including to attempt to resolve the disputes at issue;
- Drafting the Fifth Report of the Monitor dated June 17, 2024, filed in connection with the June 24th Motions;
- Drafting the Supplement to the Fifth Report of the Monitor dated June 23, 2024, filed in connection with the June 24th Motions;
- Attending at court for the hearing of the June 24th Motions;
- Attending a call on June 26, 2024 with Cassels, Chaitons, GSNH, Fuller LLP and their legal counsel Norton Rose Fulbright to discuss next steps on the SISP and creditor proposals;
- Corresponding extensively with the Company, the City of Sault Ste. Marie, the Insurance Broker and Cassels on a fire that took place at 108 Albert Street East, Sault Ste. Marie ON, including frequent email correspondence on June 27, 2024 and June 28, 2024;
- Attending a call on June 27, 2024 with Cassels regarding the property management transition process;
- Corresponding extensively with the Company regarding the property management transition process;
- Corresponding with the Canada Revenue Agency ("CRA") regarding the Company's tax compliance, including detailed enquiries on the golf course known as 257 Ratter Lake Rd Markstay, ON;
- Attending a call on June 28, 2024 with secured lender committee regarding next steps in these proceedings in respect of credit bids, among other items;

- Preparing letters for BMO and TD Canada Trust (“TD”) dated June 28, 2024 to take control of the Company’s bank accounts and corresponding extensively with BMO and TD regarding same;
- Attending calls throughout June with Cassels to discuss issues raised by various cities and municipalities regarding the condition of certain properties in their respective jurisdictions;
- Corresponding extensively with Cassels regarding the retention of a property management company and reviewing proposals regarding same;
- Corresponding with the Company regarding court orders brought to the Monitor’s attention by cities and municipalities;
- Reviewing and summarizing receipts and disbursements noted on the Company’s bank statements;
- Corresponding with Co-operators Insurance Brokerage to confirm insurance is active on all properties owned by the Company;
- Corresponding on a daily basis with creditors and the Company, including regarding planned renovations, the leased status of each property and overall status of the proceedings;
- Reviewing all backup information provided by the Company in connection with its planned renovations and corresponding extensively regarding same;
- Corresponding with various utility service providers to discuss the stay of proceedings and to ensure continuity of services;
- Attending calls with the Company regarding reporting updates required, including renovation status updates and tracking of renovation payments;
- Corresponding extensively with the Company regarding, among other things, reporting of receipts, requests for payment of utilities and property taxes, payment of pre-filing arrears and multiple scope of work renovation requests;
- Reviewing weekly progress updates from the Company in respect of approved renovations;
- Documenting and reviewing hundreds of credit bids received in relation to the SISP;
- Reviewing data room documents and providing data room access to SISP parties, subject to an executed Non-Disclosure Agreement;
- Preparing an analysis of funds required for debtor-in-possession (“DIP”) borrowing requests and corresponding with Bennet Jones regarding same;
- Reviewing funding requests submitted to Harbour Mortgage Corp. for DIP requests and considering DIP allocation issues across the Company’s properties; and
- Summarizing the Phase 1 bids received on the bid deadline of June 10, 2024 and discussing the bids and the SISP extensively with legal counsel and the lender committees.

Investigation Mandate

- Considering information received from the Company in connection with an investigation into certain allegations made by lenders in accordance with the amended and restated initial order (the “Investigation”);

- Corresponding with the Bank of Montreal and Toronto-Dominion Bank regarding the Company's bank statements and requests for information in respect of same;
- Attending regular calls with Cassels regarding the Investigation;
- Reviewing multiple drafts of the report to court summarizing the results of the Monitor's Investigation;
- Reviewing, analyzing and summarizing corporate bank statements and personal credit card statements received from the Company, vouching the same to the general ledgers and preparing a summary of receipts and disbursements to be appended to the Monitor's report on the Investigation;
- Corresponding with several creditors regarding allegations of property transfers, misappropriation of assets and altered appraisal reports;
- Reviewing property title searches conducted by Cassels and identifying the transferee of the respective properties;
- Reviewing statements of adjustment and trust ledger statements in connection with the purchase of the Company's properties;
- Attending multiple calls with Cassels to discuss draft of investigation report and anticipated turnaround timeline;
- Reviewing and commenting on extensive legal letters exchanged between Cassels and Bennett Jones in connection with the Investigation, including the timing of the release of the Monitor's Report to Court;
- Reviewing multiple promissory notes issued by the Company to the unsecured noteholders;
- Corresponding with Cassels regarding documentation and support required for Investigation report; and
- Reviewing materials shared by Bennett Jones on June 10, 2024 regarding outstanding information requests related to the Investigation and corresponding extensively with Cassels regarding same;
- Drafting the Fourth Report to Court (the "Fourth Report") dated June 11, 2024 filed in connection with the Investigation;
- Reviewing a letter from Bennet Jones dated June 12, 2024 disputing the Fourth Report of the Monitor and reviewing a response letter from Cassels dated June 13, 2024;
- Reviewing a letter from Bennet Jones dated June 19, 2024 regarding the Fourth Report;
- Dealing with confidentiality issues raised by the Company in the context of an unredacted version of the Fourth Report; and
- Reviewing Cassels' revised redactions on the Fourth Report to prepare a final public version of the report.

Other

- Corresponding daily with several creditors and providing, among other things, updates regarding the CCAA proceedings and property-specific status updates;
- Maintaining the Service List in these proceedings on the Monitor's case website and posting all Court materials on the Monitor's case website;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements	\$ 181,039.94
HST	<u>23,535.19</u>
Total due	\$ <u>204,575.13</u>

KSV Restructuring Inc.

Balboa Inc. et al.

Time Summary

For the period ending June 30, 2024

Personnel	Rate (\$)	Hours	Amount (\$)
David Sieradzki	750	62.00	46,500.00
Noah Goldstein	750	29.90	22,425.00
Maha Shah	450	52.90	23,805.00
Nathalie El-Zakhem	450	152.20	68,490.00
Tony Trifunovic	450	36.00	16,200.00
Other staff and administration		16.25	3,585.75
Total Fees		349.25	181,005.75
Total Disbursements			34.19
Total Fees and Disbursements			181,039.94



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INVOICE

Balboa Inc. et al.
c/o KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

August 23, 2024

Invoice No: 3861

HST #: 818808768RT0001

Re: Balboa Inc. et al (the “Company”)

For professional services rendered during July 2024 in our capacity as Monitor in the Company’s proceedings under the *Companies’ Creditors Arrangement Act* (“CCAA”), including:

General Matters

- Corresponding extensively with the Company, Cassels Brock & Blackwell LLP (“Cassels”), the Monitor’s legal counsel, Chaitons LLP (“Chaitons”), representative counsel to the secured lenders, and Goldman Sloan Nash & Haber LLP (“GSNH”) in respect of the Company’s operations and the CCAA proceedings generally, including multiple calls and email correspondence on a daily basis as more specifically outlined herein;
- Monitoring the Company’s receipts and disbursements on a daily basis;
- Reviewing the financial statements and partner statements for the Company for the month of June 2024 and asking several questions of SID Management regarding same;
- Reviewing the Company’s rent roll for the month of June 2024 and comparing same to previous months;
- Reviewing and allocating the Company’s property taxes paid, by property, since the start of the CCAA proceedings and maintaining a DIP allocation schedule on an ongoing basis;
- Attending calls with Cassels, Chaitons, GSNH and the Receiver of Lion’s Share Group Inc. and Windrose Group Inc., Fuller Landau LLP, and their legal counsel, Norton Rose Fulbright Canada LLP, to discuss, among other things, a potential restructuring term sheet;
- Reviewing court materials filed in connection with a motion heard July 31, 2024 (the “July 31st Motion”);

- Drafting the Monitor's Sixth Report to Court dated July 24, 2024 (the "Sixth Report") filed in connection with the July 31 Motion;
- Preparing the appendices to the Sixth Report;
- Preparing the Monitor's Fee Affidavit which was filed as part of the July 31 Motion;
- Reviewing the Fee Affidavit filed by Cassels as part of the July 31 Motion;
- Reviewing and commenting on the Monitor's factum dated July 29, 2024 in connection with the July 31 Motion;
- Attending multiple calls with Cassels regarding the July 31 Motion;
- Attending at court for the hearing of the July 31 Motion;
- Corresponding extensively with the Company regarding the property management transition process;
- Negotiating a Property Management Agreement with Richmond Advisory Services Inc. ("Richmond");
- Dealing with Richmond on all property management issues, including the transition process, insurance matters, maintenance matters, tenant issues and all other matters in connection with the state of the properties in the portfolio;
- Attending calls with the secured lender committee, including in respect of credit bid rights and related issues;
- Attending calls with Cassels to discuss issues raised by various cities and municipalities regarding the condition of certain properties in their respective jurisdictions;
- Corresponding with the Company regarding court orders brought to the Monitor's attention by cities and municipalities;
- Reviewing and summarizing receipts and disbursements noted on the Company's bank statements;
- Corresponding with Co-operators Insurance Brokerage to confirm insurance is active on all properties owned by the Company and dealing with the transfer of insurance on certain properties;
- Corresponding on a daily basis with creditors and the Company, including regarding planned renovations, the leased status of each property and overall status of the proceedings;
- Reviewing all backup information provided by the Company in connection with its planned renovations and corresponding extensively regarding same;
- Corresponding with various utility service providers to discuss the stay of proceedings and to ensure continuity of services;
- Attending calls with the Company regarding reporting updates required, including renovation status updates and tracking of renovation payments;

- Corresponding extensively with the Company regarding, among other things, reporting of receipts, requests for payment of utilities and property taxes, payment of pre-filing arrears and multiple scope of work renovation requests;
- Reviewing weekly progress updates from the Company in respect of approved renovations;
- Preparing an analysis of funds required for DIP borrowing requests;
- Preparing cash flow projections, including for the purposes of filing the projection with the court as an appendix to the Sixth Report;
- Reviewing funding requests submitted to Harbour Mortgage Corp. for DIP requests and considering DIP allocation issues across the Company's properties;
- Corresponding daily with several creditors and providing, among other things, updates regarding the CCAA proceedings and property-specific status updates;
- Maintaining the Service List in these proceedings on the Monitor's case website and posting all Court materials on the Monitor's case website;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements	\$ 139,498.70
HST	<u>18,134.83</u>
Total due	<u>\$ 157,633.53</u>

KSV Restructuring Inc.

Balboa Inc. et al.

Time Summary

For the period ending July 31, 2024

Personnel	Rate (\$)	Hours	Amount (\$)
David Sieradzki	750	58.00	43,500.00
Noah Goldstein	750	15.70	11,775.00
Maha Shah	450	29.10	13,095.00
Nathalie El-Zakhem	450	125.40	56,430.00
Tony Trifunovic	450	28.25	12,712.50
Other staff and administration		9.15	1,873.25
Total Fees		265.60	139,385.75
Total Disbursements			112.95
Total Fees and Disbursements			<u>139,498.70</u>

Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF NOAH GOLDSTEIN

Sworn before me

this 23rd day of August, 2024



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027

Exhibit "B"

Balboa Inc., DSPLN Inc., Happy Gilmore Inc., Interlude Inc., Multiville Inc., The Pink Flamingo Inc.,
Hometown Housing Inc., The Mulligan Inc., Horses In The Back Inc., Neat Nests Inc. and
Joint Captain Real Estate Inc. (collectively, the "Applicants")
Schedule of Professionals' Time and Rates
For the Period June 1, 2024 to July 31, 2024

Name	Role	Hours	Billing Rate (Per Hour)	Total Fees by Professional (\$)
David Sieradzki	Overall Responsibility	120.00	\$ 750	\$ 90,000
Noah Goldstein	Overall Responsibility	45.60	\$ 750	\$ 34,200
Nathalie El-Zakhem	All aspects of mandate	277.60	\$ 450	\$ 124,920
Maha Shah	Aspects of mandate	82.00	\$ 450	\$ 36,900
Tony Trifunovic	Aspects of mandate	64.25	\$ 450	\$ 28,913
Other Staff and administration		25.40	\$ 175 - 225	\$ 5,459
Total hours				614.85
Total fees				<u>\$ 320,391.50</u>
Average hourly rate				521.09

Appendix “H”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**.IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY
GILMORE INC., INTERLUDE INC., MULTIVILLE INC.,
THE PINK FLAMINGO INC., HOMETOWN HOUSING
INC., THE MULLIGAN INC., HORSES IN THE BACK INC.,
NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE
INC. (collectively the "Applicants", and each an "Applicant")**

**AFFIDAVIT OF RYAN JACOBS
(sworn August 23, 2024)**

I, Ryan Jacobs, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a lawyer qualified to practice law in Ontario and a Partner¹ with Cassels Brock & Blackwell LLP ("**Cassels**"), counsel for KSV Restructuring Inc., in its capacity as the monitor (the "**Monitor**") of the Applicants, as appointed pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 23, 2024, as amended and restated from time to time. As such, I have knowledge of the following matters.
2. During the period from June 1, 2024 to July 31, 2024, Cassels incurred fees including Harmonized Sales Tax ("**HST**"), in the amount of \$936,088.13. Particulars of the work performed are contained in the invoices (together, the "**Invoices**", each an "**Invoice**") attached hereto as **Exhibit "A"**. The Invoices have been redacted to remove any information that may be privileged, sensitive or confidential.
3. Attached hereto as **Exhibit "B"** is a summary of the respective years of call and billing rates of each individual at Cassels who acted for the Monitor.

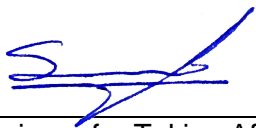
¹ My services are provided through a professional corporation.

4. Attached hereto as **Exhibit "C"** is a summary of each Invoice in Exhibit "A", the total billable hours charged per Invoice, the total fees charged per Invoice and the average hourly rate charged per Invoice. The average hourly rate charged by Cassels was \$767.50.

5. To the best of my knowledge, the rates charged by Cassels are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services, and the rates charged by Cassels for services rendered in similar proceedings.

6. This affidavit is sworn in support of a motion to, among other things, seek approval of the fees and disbursements of counsel of the Monitor, and for no other or improper purpose.

SWORN BEFORE ME by video conference on this 23rd day of August 2024. The affiant and I were both located at the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)

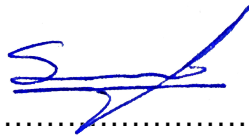
Commissioner Name: Stephanie Savannah
Fernandes

Law Society of Ontario Number: 85819M



RYAN JACOBS

This is **Exhibit "A"** referred to in the affidavit of Ryan Jacobs, affirmed before me by videoconference on August 23, 2024 in accordance with O. Reg. 431/20. The affiant was located in the City of Toronto in the Province of Ontario and I was located in the City of Toronto in the Province of Ontario.



.....
A Commissioner for Taking Affidavits

Commissioner Name: Stephanie
Savannah Fernandes

Law Society of Ontario Number: 85819M

Cassels

Attn: Noah Goldstein
KSV Advisory
150 King St W, Suite 2308
Toronto, ON M5H 1J9

Invoice No: 2243478
Date: July 05, 2024
Matter No.: 057984-00012
GST/HST No.: R121379572
Lawyer: Jacobs, Ryan
Tel.: (416) 860-6465
E-mail: RJacobs@cassels.com

Re: Balboa et al Restructuring

Fees for professional services rendered up to and including June 30, 2024

Our Fees	650,523.50
Disbursements	2,122.78
Total Fees and Disbursements	652,646.28
HST @ 13.00%	84,752.58
TOTAL DUE (CAD)	737,398.86

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REMITTANCE ADVICE: Email payment details to payments@cassels.com

CAD EFT and Wire:

Bank of Nova Scotia
44 King St. West,
Toronto, ON, M5H 1H1

Bank I.D.: 002
Transit No.: 47696
Account No.: 0073911
Swift Code: NOSCCATT
ABA No.: 026002532

Cheque Payments:

Cassels Brock & Blackwell LLP
Finance & Accounting (Receipts)
Suite 3200, Bay Adelaide Centre - North Tower
40 Temperance St., Toronto, ON, M5H 0B4 Canada

Online Bill Payments:

Vendor name is **Cassels Brock Blackwell LLP** and you are required to enter the first six digits of the matter #

Invoice No: 2243478
Matter No.: 057984-00012
Amount: **CAD 737,398.86**

e-Transfer Payments: payments@cassels.com

Credit Card Payments: payments.cassels.com

Cassels Brock Blackwell LLP | cassels.com

Suite 3200, Bay Adelaide Centre - North Tower, 40 Temperance Street, Toronto, ON M5H 0B4 Canada | t: 416 869 5300 | f: 416 360 8877

FEE DETAIL			
Date	Name	Description	Hours
Jun-01-24	R. Sniderman	Review and revise investigation report;	1.00
Jun-01-24	S. Kukulowicz	Review and respond to emails regarding confidentiality assertions and sealing procedure;	1.10
Jun-01-24	J. Bellissimo	Emails and calls re investigation report disclosure matters and reviewing party NDA matters; work on drafts of same;	4.20
Jun-01-24	C. Pendrith	Work on investigation and preparation of related report;	1.20
Jun-01-24	M. Wunder	Work with Cassels and KSV teams regarding investigation report.	1.60
Jun-01-24	R. Jacobs	Emails with Cassels and KSV teams regarding confidential information. Develop proposal and advise KSV on same. Discussions with N. Goldstein.	2.30
Jun-02-24	R. Sniderman	Review and revise investigation report; Detailed review of Applicant responses to requests for information; Revise investigation report based on responses from Applicants;	3.30
Jun-02-24	J. Jackson	Further review and analyze Applicants responses and documentation accompanying same; strategy discussion/internal correspondence with S. Sniderman re: same; continue drafting Monitor's report;	4.40
Jun-02-24	S. Kukulowicz	Review and respond to emails regarding sealing/redacting procedure; email to KSV team regarding proposed procedure; review of emails regarding access by lender rep. counsel to unredacted report subject to NDA;	1.40
Jun-02-24	J. Bellissimo	Emails and calls re investigation report disclosure issues and process; emails re reviewing party NDA issues; revisions to same; emails re same;	2.40
Jun-02-24	C. Pendrith	Continued drafting investigation report;	1.30
Jun-02-24	M. Wunder	Work with KSV and Cassels team regarding revisions to portions of investigations report. Confer with Cassels and KSV teams regarding disclosure of report and required terms for NDA.	2.40
Jun-02-24	R. Jacobs	Emails with KSV and Cassels team regarding issues raised by secured lender rep counsel and approach. Consider and propose approach for sealing, advise KSV on same. Examine terms of prior orders. Consider email from M. Forte regarding valuation issues. Discuss same with N. Goldstein and advise in same.	2.90
Jun-03-24	J. Oliveira	Provide PIN re [REDACTED]	0.30
Jun-03-24	R. Sniderman	Comprehensive review of draft report, including incorporating Cassels and KSV comments and redacting confidential information; Internal discussions regarding same;	4.70
Jun-03-24	S. Joshi	Review and redact Dylan Suitor interview transcript; Review and redact Ryan Molony interview transcript;	2.90
Jun-03-24	Im, Anita	Conducting preliminary corporate searches; attending to corporate searches; obtaining copies of corporate documents; Reviewing search results and preparing report	0.40

Date	Name	Description	Hours
Jun-03-24	J. Jackson	with respect to same; Email correspondence with J. Jackson. Further review and analyze all responses and documents received from Applicants; attend meeting with R. Sniderman and C. Pendrith re same; drafting portions of Monitor's report;	9.70
Jun-03-24	S. Kukulowicz	Exchanged emails regarding sealing/redaction process and responses from the Applicants and lender rep. counsel; review of emails regarding NDAs for SISP and draft undertaking on Investigation Report;	1.30
Jun-03-24	J. Bellissimo	Various emails re investigation report disclosure issues; emails re NDA matters; call with G. Benchetrit re same; emails re reviewing party NDA; prepare draft confidentiality undertaking; emails with Cassels team re same; revisions to same; emails with KSV re same; email to Bennett Jones re CPO;	3.70
Jun-03-24	R. Jacobs	Advise KSV on confidentiality issues and disclosure. Call and email with S. Zweig. Correspondence with J. Bellissimo and S. Kukulowicz. Review and comment on draft undertaking and advise KSV regarding same. Consider emails regarding CPO and advise regarding same. Consider emails from J. Stam.	2.40
Jun-03-24	C. Pendrith	Preparing investigation report;	0.70
Jun-03-24	M. Wunder	Confer with Monitor and Cassels regarding investigations report and claims procedure terms. Review updated report.	1.80
Jun-04-24	R. Sniderman	Work on draft report, redaction of confidential information; Internal discussions regarding same;	4.80
Jun-04-24	J. Gordon	Review responses and documents received from Applicants.	3.20
Jun-04-24	J. Jackson	Further draft and revise monitor report; and correspondence with KSV team regarding same.	8.70
Jun-04-24	S. Kukulowicz	Review of comments on NDA and draft undertaking and related emails; telephone attendance with C. Pendrith regarding draft Investigation Report and 9:30 motion on sealing issues; review of revised Investigation Report; review of draft R&D schedule;	3.80
Jun-04-24	J. Bellissimo	Emails re CPO issues; emails re NDA issues; review revisions to SISP reviewing parties NDA; emails re same; review revisions to report confidentiality undertaking; emails re same;	1.80
Jun-04-24	R. Jacobs	Emails with G. Benchetrit. Emails with J. Stam. Review revisions to reviewing party SISP NDA and call with S. Zweig re resolution of issue. Consider further revisions to same to address lender counsel concerns. Correspondence with Cassels team.	2.70
Jun-05-24	R. Sniderman	Review client comments on report and incorporate same; Internal discussion regarding transcript brief; Consider redactions to transcripts;	1.10
Jun-05-24	C. Pendrith	Continued preparation of investigation report;	1.60

Date	Name	Description	Hours
Jun-05-24	W. Onyeaju	Email correspondence with the Commercial List Court regarding upcoming hearing dates; email correspondence with counsel to the Applicants regarding potential hearing dates.	0.50
Jun-05-24	J. Jackson	Further review and analyze the Bennett Jones' request response chart and documentation accompanying same; and continue drafting and revising the Monitor's report;	7.30
Jun-05-24	S. Kukulowicz	Arranged for 9:30 hearing regarding sealing dispute; email to stakeholders regarding availability for 9:30 hearing; [REDACTED] review of further drafts and emails regarding NDA and undertaking; further review of draft report and related issues;	3.50
Jun-05-24	J. Bellissimo	Revisions to confidentiality undertaking; emails with R Jacobs re same; emails re SISP reviewing parties NDA; emails with Bennett Jones the confidentiality undertaking; emails re same;	1.90
Jun-05-24	M. Wunder	Review report and confer with Cassels and Monitor teams. Consider confidentiality terms for disclosure of report.	1.80
Jun-06-24	W. Onyeaju	Email correspondence with the Commercial List Court; email correspondence with Counsel to the Debtors and with counsel to the lender representatives; preparing hearing request form.	1.10
Jun-06-24	R. Sniderman	Meeting with C. Pendrith and J. Jackson to review report, discuss necessary redactions, and other necessary next steps to finalize same; Incorporate Cassels and KSV comments into report; work on redactions to report for public version;	5.90
Jun-06-24	C. Pendrith	Continued work on investigation report;	1.60
Jun-06-24	J. Jackson	Further review and analyze the Bennett Jones' request response chart and documentation accompanying same; and continue drafting and revising the Monitor's report;	5.20
Jun-06-24	S. Kukulowicz	Review of further emails regarding strategy for filing report and dealing with confidentiality issues; internal conference regarding finalizing Investigation Report and dealing with redactions; exchanged emails and telephone attendance with various parties regarding timing for report; telephone attendance with J. Stam regarding various issues; [REDACTED] review of KSV comments on draft report; discussions with KSV regarding sealing issues;	3.60
Jun-06-24	J. Bellissimo	Revisions to confidentiality undertaking; various emails re same; review revisions to same; various emails re report redaction issues; emails re house demolition issues; emails re confidentiality undertaking;	2.70
Jun-06-24	M. Wunder	Calls and emails to and from Monitor and Cassels teams regarding investigation report. Review and provide	2.60

Date	Name	Description	Hours
		comments.	
Jun-06-24	R. Jacobs	Analysis and advice to KSV regarding sealing issues and strategy. Review undertaking and comment on same. Review NDA from J. Stam. Review and consider emails from S. Zweig.	2.70
Jun-07-24	J. Gordon	Correspondence with C. Pendrith and R. Sniderman re diligence on responding materials from Applicants. Review and diligence of materials including bank statements, transcripts to assist with report.	6.20
Jun-07-24	C. Pendrith	Continue work on investigation report;	5.60
Jun-07-24	R. Sniderman	Meeting with KSV team to discuss entire report and next steps to finalize same; Meeting with C. Pendrith discuss draft redactions; Work on draft redactions to report for internal and client review; Meeting with KSV to review all financial figures;	9.80
Jun-07-24	J. Jackson	Continue drafting Monitor's report; redact transcripts; and attend meeting with Cassels and KSV teams re same;	6.60
Jun-07-24	S. Kukulowicz	Attend meeting with KSV team regarding sealing issues and redaction of the report; [REDACTED]	4.70
Jun-07-24	J. Bellissimo	Review and revise draft letter to City of Timmins; emails re same; emails re confidentiality undertaking; emails re SISP reviewing parties NDA; call with KSV and Cassels teams re investigation report; calls with R Jacobs re next steps and issues;	2.80
Jun-07-24	R. Jacobs	Consider sealing issues and strategy to address same. Emails and advice to KSV regarding same. Negotiate undertaking. Correspondence with Cassels team. Review emails regarding CPO.	2.50
Jun-07-24	M. Wunder	Lengthy meeting with Cassels and KSV teams to review and discuss and prepare investigations report.	2.40
Jun-08-24	R. Sniderman	Discussions with KSV team to review financial information; Meeting with C. Pendrith and J. Jackson to review report; Work on draft redactions to report; Detailed review of and revisions to report to finalize references;	7.10
Jun-08-24	J. Jackson	Review and revise updated draft Monitor Report; meeting with R. Sniderman and C. Pendrith to discuss same; perform redactions on documentation and transcripts; draft master index;	6.80
Jun-08-24	S. Kukulowicz	[REDACTED] review of LOI tracker; review of Investigation Report and prepare detailed comments; review of comments from KSV;	3.30
Jun-08-24	M. Wunder	Review draft report and provide comments. Emails with Cassels team re same. Discuss with Cassels and KSV teams.	1.80
Jun-08-24	R. Jacobs	[REDACTED]	3.30

Date	Name	Description	Hours
		[REDACTED]	
Jun-09-24	J. Gordon	Correspondence with R. Sniderman and J. Jackson.	0.50
Jun-09-24	R. Sniderman	Meeting with S. Kukulowicz and C. Pendrith to review report; Meetings with KSV to review all financial figures; Detailed review of and revisions to report;	10.40
Jun-09-24	C. Njoki Kamau	Work on redactions to report to address confidentiality issues;	2.70
Jun-09-24	J. Gerson	Work on redactions to report to address confidentiality issues;	6.00
Jun-09-24	K. Vashist	Perform redactions to report;.	2.50
Jun-09-24	M. Gangbar	Redactions to report;	4.00
Jun-09-24	J. Jackson	Review and consider notice of motion in Lion's Share Group receivership proceedings and consider impact of same; further draft and revise Report; meetings with Cassels team to review report; prepare Document Brief;	14.10
Jun-09-24	S. Kukulowicz	Teams conference with Cassels team to revise and redact the Investigation Report;	1.10
Jun-09-24	E. Martin	Redaction work for Monitor Report.	4.70
Jun-09-24	M. Wunder	Meeting with Cassels to work on portions of investigations report. Confer with KSV and Cassels teams re same.	2.40
Jun-09-24	C. Pendrith	Engaged in preparation of investigation report;	4.50
Jun-09-24	R. Jacobs	Meeting with N. Goldstein. Advise KSV regarding case issues and strategy. Examine SISP terms and readiness and action items upon receipt of LOIs.	3.10
Jun-10-24	R. Sniderman	Meetings with client and Cassels team to discuss outstanding steps to finalize investigation report and brief of documents; Detailed review of and revisions to report;	14.30
Jun-10-24	J. Gordon	Correspondence with J. Jackson and E. Martin re report.	1.90
Jun-10-24	T. Lisowski	Prepare for and attend strategy meetings with J. Jackson regarding document brief; prepare redacted materials;	2.30
Jun-10-24	C. Njoki Kamau	[REDACTED]	8.40
Jun-10-24	S. Joshi	[REDACTED]	5.10
Jun-10-24	J. Gerson	[REDACTED]	12.00
Jun-10-24	K. Vashist	[REDACTED]	7.50
Jun-10-24	M. Gangbar	[REDACTED]	12.00
Jun-10-24	J. Jackson	Revisions to Report and appendices thereto; attend internal meetings; review, consider and implement KSV's additional and further revisions; further redact and consolidate documentation for report;	15.20
Jun-10-24	S. Kukulowicz	Review of various SISP purchase and financing LOIs; review of LOI summary; review of revised Investigation Report and related emails; review of emails regarding providing details of LOIs to lender reps and Applicants' review of SISP terms; review of updated appendices to Investigation Report; planning calls with Applicants and lender reps regarding	4.30

Date	Name	Description	Hours
Jun-10-24	J. Bellissimo	scheduling conference and next steps; Call and messages with R. Jacobs re SISP reviewing parties NDAs and related matters; various emails re Reviewing Parties NDAs; [REDACTED] various emails re next steps; comment on draft Reviewing Parties NDAs; emails re same; emails re confidentiality confirmation; preliminary review of LOIs received; emails re same; call with KSV and Cassels teams re SISP bids and reviewing parties;	4.50
Jun-10-24	M. Wunder	Confer with Cassels and KSV teams regarding case status and responses to inquiries regarding investigations report. Review correspondence regarding report from debtors counsel.	2.30
Jun-10-24	C. Pendrith	Full day engaged in preparation of investigation report;	8.00
Jun-10-24	R. Jacobs	Review all LOIs received and analysis of same. Correspondence with Cassels and KSV teams regarding same and SISP obligations. Correspondence with Cassels team regarding NDAs and reviewing party matters. [REDACTED] [REDACTED] Consider phase 2 and SISP next steps and advise KSV regarding same. Review responding letter and information from BJs. Conference call with Cassels and KSV teams regarding SISP strategy.	4.60
Jun-10-24	E. Martin	Work on all redactions necessary for Report and confidentiality issues.	12.00
Jun-11-24	J. Gordon	Research for issues raised by stakeholders. Report to Cassels team re same.	3.90
Jun-11-24	R. Sniderman	Meeting with KSV team and Cassels team to discuss report; Complete redactions of public and confidential versions of report; Correspondence with KSV team regarding same;	5.90
Jun-11-24	W. Onyeaju	Reviewing SISP bid materials.	0.60
Jun-11-24	T. Lisowski	Prepare for and attend strategy meetings regarding document brief; assemble document brief (5 volumes) and attend to organization and hyperlinking of same; oversee creation of TitanFile channel; transfer document brief to various parties;	4.00
Jun-11-24	S. Joshi	Finalize redactions for filing version of report;	0.90
Jun-11-24	J. Gerson	Prepare indices for report.	1.50
Jun-11-24	E. Martin	Completed additional redaction on report and appendixes.	4.10
Jun-11-24	J. Jackson	Review and revise draft of monitor report and exhibits; attend meeting with KSV & Cassels to discuss new information and documents received; detailed analysis of same;	11.70
Jun-11-24	S. Kukulowicz	Review of additional documentation provided by the Applicants and related emails; review of Fourth Report and provided final comments; review of updated summary of Phase 1 Bids; review of Applicant "LOI" and related emails;	6.90

Date	Name	Description	Hours
		various emails regarding finalizing and delivery of Fourth Report and timing; telephone attendance with S. Zweig regarding report; review of emails regarding service of the Fourth Report;	
Jun-11-24	J. Bellissimo	Emails re comments on investigation report; call with KSV and Cassels teams re same; draft report service email; emails re same; prepare service of report; draft NDA for Aird & Berlis; emails re same; various emails finalizing/serving report; emails re confidential version of same;	4.50
Jun-11-24	M. Wunder	Review SISP updates and consider next steps including potential DIP increase. Emails with KSV and Cassels teams re same.	2.00
Jun-11-24	C. Pendrith	Finalize investigation report; Emails and discussions with KSV team re same;	2.20
Jun-11-24	R. Jacobs	Call with S. Zweig re SISP and related decisions of the Monitor. Call with N. Goldstein regarding same. Emails with KSV regarding meeting with lender constituencies and SISP next steps. Prepare for same. Examine proposal received from J. Stam.	2.30
Jun-12-24	J. Gordon	Conduct additional research to address issues raised by stakeholders and potential exit structures. Report to R. Jacobs re same.	4.10
Jun-12-24	R. Sniderman	Review and consider correspondence from Applicants' counsel;	0.10
Jun-12-24	T. Lisowski	Attend to TitanFile channel and provide access to additional users; exchange correspondence regarding same;	0.40
Jun-12-24	W. Onyeaju	Attend to management of the Monitor's court materials on CaseLines; reviewing materials in connection with aide memoire.	1.30
Jun-12-24	J. Jackson	Review numerous emails from lenders re report; assist with service of document brief, review and consider letter from the Applicants' counsel responding to the Monitor's Report;	2.60
Jun-12-24	S. Kukulowicz	Drafted email to W. Onyeaju regarding contents of Aide Memoire for case conference; email to R. Jacobs regarding litigation timetable; exchanged emails with S. Zweig regarding call to discuss case conference; exchanged emails with J. Stam; telephone attendance and emails with R. Jacobs regarding various case and hearing issues; review of emails regarding expansion of the Monitor's powers; review of correspondence from Bennett Jones regarding disagreement with contents of the Investigation Report;	3.80
Jun-12-24	J. Bellissimo	Emails with lender rep counsels and KSV re case next steps and issues; draft response to letter from Bennett Jones re report; emails with KSV and Cassels teams re hearing prep;	2.40
Jun-12-24	C. Stallone	Emails with clerk re TitanFile request;	0.20
Jun-12-24	M. Wunder	Correspondence with KSV regarding Monitor report. Confer with Cassels team regarding case conference. Review bids	2.40

Date	Name	Description	Hours
Jun-12-24	C. Pendrith	from SISP process. Examine DIP documents and sizing; Communications with Bennett Jones concerning report; Emails with lenders' counsel concerning confidentiality issues; Review motion record of secured lenders;	1.70
Jun-12-24	R. Jacobs	Strategy meeting with N. Goldstein regarding case next steps, case conference and bids. Calls and correspondence with S. Kukulowicz regarding same. Review letter from BJs responding to report. Develop timetable for motions and correspondence regarding Aide Memoire. Consider options for phase 2 of SISP. Emails with KSV and Cassels teams regarding response to BJs on open diligence items.	3.10
Jun-13-24	R. Sniderman	Correspondence regarding draft notice of motion from secured lenders regarding the Monitor's expanded powers; Review records and evidence regarding pre-filing sales;	0.90
Jun-13-24	J. Gordon	Legal research for litigation team to support motion.	3.10
Jun-13-24	W. Onyeaju	Revise draft aide memoire; email correspondence with Commercial List Court; email correspondence with the Monitor; drafting participant information form; email correspondence with the Service List; email correspondence with parties on the Service List regarding June 14, 2024 scheduling conference.	3.50
Jun-13-24	J. Jackson	Continue analysis of Applicants' June 12, 2024 letter; review email from lender and analyze attachments thereto regarding sales; call with C. Pendrith re: sealing motion; Teams meeting with N. El-Zakhem (KSV) to discuss proceeds of sale related to non-Applicant CCAA entities; assist with reviewing PINs;	7.70
Jun-13-24	S. Kukulowicz	Teams conference with KSV and lenders counsel; revisions to draft Aide Memoire and circulated same; exchanged emails regarding expansion of the Monitor's powers; telephone attendance with S. Zweig and A. Payne regarding issues for case conference; reviewed and provided comments on expanded Monitor powers; reviewed and provided comments on draft Notice of Motion for Secured Lender motion; arranged for delivery of the Aide Memoire and exchanged emails with S. Zweig; review of Aide Memoire filed by the Applicants; prepared for case conference;	7.80
Jun-13-24	J. Oliveira	Obtain PINs;	1.10
Jun-13-24	J. Bellissimo	Call with KSV, Cassels and lender reps re expanded monitors powers issues and related relief; emails and calls re same; emails re SISP process issues; revise expanded monitor powers provisions; emails re same; emails re 269 Kimberly matters; review and comment on draft aide memoire; review and comment on draft notice of motion from G. Benchitrit; emails re same; continue working on notice of motion and order language for expansion of monitors powers; emails re same;	5.50
Jun-13-24	R. Lysy	Review property charts received from KSV; review updated	1.10

Date	Name	Description	Hours
		PINs;	
Jun-13-24	M. Wunder	Review court filings and correspondence regarding titles to properties and consider title search mechanics.	1.80
Jun-13-24	C. Pendrith	Review and comment on motion materials; Emails and discussion with Cassels team re same; Correspondence with Bennett Jones; Correspondence with counsel for secured and unsecured lenders; Consider redaction issues;	4.50
Jun-13-24	R. Jacobs	Work on aide memoire for case conference. Meetings and correspondence with KSV and Cassels teams regarding same. Attend meeting with all lender advisors. Review and comment on secured lender motion and order. Consider scope of relief. Review Applicants' aide memoire. Discussion with S. Kukulowicz regarding same.	3.60
Jun-14-24	J. Gordon	Research for litigation team in connection with motions and party positions. Advise R. Jacobs of case authorities.	7.10
Jun-14-24	W. Onyeaju	Email correspondence with the Monitor; email correspondence with counsel for the Applicants; attending meeting with lender representatives, the Monitor, counsel for the Applicants; incorporating comments into draft notice of motion and draft order; preparing fee affidavit;	3.90
Jun-14-24	R. Sniderman	Correspondence regarding Secured Lender's motion to expand the Monitor's powers and regarding requested redactions on report;	0.30
Jun-14-24	J. Jackson	Diligence on property transfers for non-Applicant entities post-CCAA filing; call with C. Pendrith; investigate sale of properties; call with Nathalie (KSV) re: sale proceeds; call with S. Kukulowicz;	9.80
Jun-14-24	S. Kukulowicz	Prepared for case conference; telephone attendance with A. Payne (BJs) regarding sealing issue and provided update to KSV; attended case conference; follow-up discussion with A. Payne regarding suggestion on redactions; review of revised notice of motion and draft order of Monitor; further comments on draft motion materials of Secured Lender Rep. Counsel; call with all lender rep counsel regarding proposed relief on June 24; further review of draft motion materials and discussions with various parties regarding outstanding issues; telephone attendance with S. Zweig;	8.30
Jun-14-24	R. Jacobs	Attend case conference on scheduling. Post attendance discussions with Cassels and KSV teams. Review and comment on draft motion record from Chaitons. Advise KSV regarding issues for hearing on June 24 and scope of report. Correspondence with Cassels team regarding draft NOM and order and related issues. Calls with S. Kukulowicz regarding discussion with Applicants counsel and issues.	3.10
Jun-14-24	J. Bellissimo	Emails re Hydro One issues; discuss with KSV; letter to Hydro One; call with Hydro One in house counsel; call with Timmins counsel; call with D Sieradzki; emails re court scheduling and next steps; work on monitor's notice of motion; work on form of order; various emails re same;	4.80

Date	Name	Description	Hours
Jun-14-24	M. Wunder	Advise KSV and Cassels teams re DIP terms and issues;	1.30
Jun-14-24	C. Pendrith	Review motion materials and consider monitor's position on motions; Emails and discussion with KSV and Cassels team; Address redaction issues regarding report and document brief;	3.10
Jun-15-24	W. Onyeaju	Revising Notice of Motion and draft order; email correspondence with Monitor.	1.60
Jun-15-24	R. Sniderman	Diligence on Applicants' responses and additional documents;	0.20
Jun-15-24	S. Kukulowicz	Review of motion record of the Secured Lenders Rep Counsel; revisions to Monitor's draft order and notice of motion; review of emails regarding fee approvals; review of draft Fifth Report and related emails; review of proposed redactions requested by the Applicants to the body of the Fourth Report and circulated same to KSV; circulated draft motion materials of the Monitor to Applicants and other stakeholder representatives;	3.80
Jun-15-24	R. Jacobs	Correspondence with KSV team regarding case strategy. Calls with N. Goldstein and emails with D. Sieradski. Consider Applicants positions on motions. Review comments from lender constituents counsel on motion record.	3.20
Jun-15-24	J. Bellissimo	Review and comment on supplement to 5th report; emails re same;	2.20
Jun-15-24	C. Pendrith	Strategic discussions with KSV And Cassels teams concerning next steps in motions;	0.50
Jun-16-24	R. Sniderman	Correspondence regarding fifth monitor's report and accuracy of investigation report summary;	0.70
Jun-16-24	J. Jackson	Review and diligence additional documentation and responses received from Applicants to verify all aspects of report;	5.40
Jun-16-24	W. Onyeaju	Drafting factum; conducting legal research regarding enhancing the Monitor's powers; reviewing email correspondence from the Monitor.	5.00
Jun-16-24	S. Kukulowicz	Communicate Applicants' proposed redactions to lender rep. counsel for comments; review of revised Fifth Report and related emails; review of comments from Bennett Jones on draft orders;	2.10
Jun-16-24	R. Jacobs	Review BJs comments on motion materials. Discus same with S. Kukulowicz. Correspondence with S. Zweig and then KSV regarding same. Calls with N. Goldstein regarding strategy on motion, feedback from Applicants. Review emails from lender advisors.	3.00
Jun-16-24	C. Pendrith	Discussions with Cassels team concerning report and next steps in motions;	0.80
Jun-17-24	J. Gordon	Research to support motions and hearing prep.	8.20
Jun-17-24	R. Sniderman	Call with J. Jackson and N. El-Zakhem to discuss non-CCAA	0.70

Date	Name	Description	Hours
Jun-17-24	W. Onyeaju	properties; Conducting legal research on enhancing powers of a monitor; reviewing Cassels invoices for privilege; attending meeting with counsel for the Applicants, the Monitor, lender representatives regarding upcoming June 24, 2024 hearing; revising NoM, draft order; creation of motion record; serving motion record on Service List.	6.40
Jun-17-24	J. Jackson	Review and consider related entity transfers; attend Teams call with KSV and R. Sniderman re same;	1.40
Jun-17-24	S. Kukulowicz	Review of emails regarding Applicant settlement proposal; telephone attendance with D. Sieradzki regarding draft Fifth Report; Teams conference with Bennett Jones and KSV regarding draft orders; teams conference with Bennett Jones, KSV and counsel for the lenders; further review of Fifth Report, notice of motion and draft order; advised parties of time change for hearing on June 24; review of emails from KSV regarding various options under SISF; review of research regarding expansion of Monitor's powers; review of Applicants' notice of motion to extend the stay; exchanged emails with counsel for lenders regarding redaction issues;	7.10
Jun-17-24	J. Bellissimo	Emails with KSV and Cassels teams re supplemental report changes;	0.50
Jun-17-24	R. Jacobs	Attend meeting with lender advisors and BJs. Post meeting discussions on case next steps. Review company application for stay extension. Strategy calls regarding examinations and June 24 relief.	2.50
Jun-17-24	M. Wunder	Review and comment on portions of draft motion record. Review and comment on draft order. Confer with N. Goldstein re DIP;	1.90
Jun-17-24	C. Pendrith	Emails and discussions with KSV and Cassels team; Emails and discussions with counsel for applicants and lenders counsel;	1.50
Jun-18-24	J. Gordon	Continue additional case law research for argument and relief sought.	3.80
Jun-18-24	W. Onyeaju	Email correspondence Monitor; draft factum; swearing affidavit of service in respect of the Motion Record.	1.80
Jun-18-24	T. Lisowski	Attend to correspondence regarding unredacted report;	0.10
Jun-18-24	J. Jackson	Continue analysis of Applicants' responses to report and positions in motion;	3.10
Jun-18-24	S. Fernandes	Commission Affidavit of Service of W. Onyeaju;	0.10
Jun-18-24	S. Kukulowicz	Review of further emails regarding cross-examinations; telephone attendance with C. Pendrith regarding cross-examinations and overall strategy; review of emails with KSV and lender rep. counsel regarding structure of potential transactions; review of endorsement from Justice Osborne; review of draft factum and provided comments; exchanged emails with counsel for C. Drage and B. Bullen; telephone	5.50

Date	Name	Description	Hours
		attendance with G. Benchetrit regarding cross-examination of lender affiants; review of numerous lender requests to be added to the service list;	
Jun-18-24	M. Wunder	Calls with N. Goldstein. Discussion with R. Jacobs re DIP matters.	1.60
Jun-18-24	C. Pendrith	Discussions with KSV concerning response to Fourth Report; Review records for motion to expand Monitor's powers; Letter concerning properties sold or listed for sale by Applicants and affiliated entities; Review past sales information;	2.50
Jun-18-24	R. Jacobs	Review and consider emails and positions of Applicants and lenders in connection with June 24 hearing. Examinations. Correspondence and advice to KSV regarding same. Calls with S. Zweig. Review and comment on draft factum. Review examination notices, correspondence with C. Pendrith regarding same.	2.90
Jun-19-24	W. Onyeaju	Revise draft factum; email correspondence with the Commercial List Court regarding Confidential Appendix "1"; reviewing the motion record of the Applicants; email correspondence with lender rep counsel regarding June 24th hearing.	4.50
Jun-19-24	R. Sniderman	Review correspondence from Applicants regarding real estate sales;	0.40
Jun-19-24	J. Jackson	Review and consider letter and attached documentation dated June 19, 2024, provided by the Applicants disputing the Monitor's report; Detailed analysis of same;	4.20
Jun-19-24	C. Pendrith	Discussions with Cassels team and KSV. Review factum for motions returnable June 24; [REDACTED] review of letter and attachment regarding sale of properties;	4.10
Jun-19-24	S. Kukulowicz	Conference call with G. Benchetrit and C. Pendrith regarding cross-examinations; teams conference with lenders counsel and KSV regarding lender communications; reviewed and revised draft factum; review of emails regarding proposed transition services from SID to new property manager; communicated with the Court regarding resolution of redaction issue and request for virtual hearing; review of response from Bennett Jones regarding property of the Principals for sale and related emails; review of Applicants' Motion Record;	6.40
Jun-19-24	M. Wunder	Calls with S. Kukulowicz to discuss issues raised by secured creditors. Correspondence with N. Goldstein re credit bids and issues.	1.50
Jun-19-24	R. Jacobs	Attend meeting with KSV regarding strategy on SISP and ways to advance proceeding, resolve litigation issues. Correspondence with Cassels team regarding same. Review and consider emails from lender advisors.	1.80
Jun-20-24	W. Onyeaju	Email correspondence with the Commercial List Office;	0.40

Date	Name	Description	Hours
		revising factum.	
Jun-20-24	R. Sniderman	Review Applicants' response to Investigative Report, including new documents submitted by Applicants;	1.00
Jun-20-24	J. Jackson	Analyze motion record from the Applicants responding to enhanced Monitor's powers relief and consider response to same;	5.40
Jun-20-24	C. Pendrith	Detailed review and analysis of letter from Bennett Jones criticizing Fourth Report; Consider responses to same; Review records and discuss with KSV and Cassels teams;	6.20
Jun-20-24	S. Kukulowicz	Further review of Applicants' motion record and exchanged emails with KSV regarding initial reactions; review of further emails regarding cross examinations; zoom conference with KSV regarding Applicants' materials disputing the Court Report and other issues; review of draft supplement to the Fifth Report and related emails;	3.30
Jun-20-24	J. Bellissimo	Review and outline response to Bennett Jones letter; review and analysis of Applicants responding affidavit; emails re same; call with KSV and Cassels teams re same; emails and call with Timmins counsel; review and revise draft factum; emails re same; emails with KSV re examinations and litigation matters;	3.80
Jun-20-24	R. Jacobs	Review Applicants' motion record and advise KSV team on same. Review and comment on factum. Detailed discussion with C. Pendrith regarding analysis of Applicants counter position to ensure full and fair consideration of all points raised by Applicants as it relates to 4th report. Advise KSV team regarding full and fair analysis of counter positions and documents provided by Applicants and timing.	3.40
Jun-21-24	J. Gordon	Research regarding effects of section 11.02 of the CCAA on pre-filing claimants.	4.60
Jun-21-24	W. Onyeaju	Reviewing and revising draft factum; reviewing the Fifth Report of the Monitor; email correspondence with lender rep counsel regarding hearing scheduling; email correspondence with KSV regarding draft factum.	2.10
Jun-21-24	R. Sniderman	Call with C. Pendrith and J. Jackson to address Applicants' reply to Investigative Report; Detailed review of Applicants' responses to report; Review all documents submitted as attachments to Applicants' responses;	6.60
Jun-21-24	J. Jackson	Continue review and analysis of Applicants' motion record; attend meeting with R. Sniderman and C. Pendrith to discuss strategy for hearing Scheduled for June 24; and assist in preparing for same;	5.10
Jun-21-24	C. Pendrith	Prepare for examinations; Discussions with rep counsel for lenders; Continued review of Applicants' criticism of Fourth Report; Prepare response to same; Review and revise factum for motions;	6.10
Jun-21-24	S. Kukulowicz	Reviewed and revised draft factum; review of emails regarding examinations and refusals by Rep. Counsel for	4.10

Date	Name	Description	Hours
		Secured Lenders; reviewed and provided comments on draft of Supplemental Report; review of emails regarding draft Report; exchanged emails with counsel for the DIP Lender; review of emails regarding next step in SISP; exchanged emails with Justice Osborne regarding filing unredacted Fourth Report; review of factum of the Rep. Counsel for the Secured Lenders;	
Jun-21-24	J. Bellissimo	Work on finalizing factum and report and assist with prep for contested hearing;	2.50
Jun-21-24	R. Jacobs	Advise KSV team on contested matters for hearing. Comment on draft factum. Attend meeting with KSV and Cassels teams regarding potential resolutions. Consider emails and input from lenders, Applicants. Develop resolution framework;	3.10
Jun-21-24	M. Wunder	Confer with Cassels and KSV teams re framework for resolution of contested matters, email correspondence re comments on same.	1.60
Jun-22-24	W. Onyeaju	Reviewing and revising draft factum; email correspondence with KSV regarding the same and supplementary report of the Monitor.	1.30
Jun-22-24	R. Sniderman	Detailed review of Applicants' responses to Investigative Report; Review all documents submitted as attachments to Applicants' responses; Prepare draft responses to same; Calls with C. Pendrith and J. Jackson regarding responses;	5.20
Jun-22-24	J. Jackson	Review and comment on supplemental fifth Report of the Monitor; review and comment on factum of the Monitor; continue reviewing documentation and letters provided by the Applicants Counsel re: response to the Report to assist in preparing for the hearing scheduled for June 24, 2024;	7.40
Jun-22-24	C. Pendrith	Prepare arguments for hearing on June 24; Review and revise Fifth Report;	2.10
Jun-22-24	S. Kukulowicz	Exchanged emails with G. Benchetrit regarding agenda for court hearing; reviewed and circulated draft factum to KSV for comments; review of settlement proposal and draft orders from the counsel for the Applicants;	2.30
Jun-22-24	J. Bellissimo	Emails re settling court materials;	1.20
Jun-22-24	R. Jacobs	Comment on revised draft factum, supplement to 5th report. Email correspondence with KSV team regarding hearing issues, parties positions. Engage in settlement discussions. Advise KSV team regarding same.	2.90
Jun-22-24	M. Wunder	Discussions with N. Goldstein re DIP and credit bid LOIs. Discussions with R. Jacobs re same.	1.20
Jun-23-24	C. Pendrith	Prepare for hearing on June 24;	4.10
Jun-23-24	R. Sniderman	Finalize draft responses to Applicants' response to Investigative Report; Correspondence with C. Pendrith and J. Jackson regarding additional preparation for court hearing;	0.70
Jun-23-24	W. Onyeaju	Review and revise draft factum; email correspondence with	2.90

Date	Name	Description	Hours
		KSV regarding same and supplementary report of the Monitor; serving supplemental report of the Monitor; serving factum of the Monitor; drafting participant information form.	
Jun-23-24	J. Jackson	Review and consider Bennett Jones letter dated June 22, 2024; further review prior productions provided by the Applicants to assist with Motion Prep for June 24, 2024; review emails and correspondence between Cassels and KSV teams; assist with preparing for motion submissions & responses;	9.40
Jun-23-24	S. Kukulowicz	Review of emails and discussions with all parties regarding settlement proposal; final review and arranged for service of Supplemental Report and Factum; various teams calls with counsel for the lenders, the Applicants and KSV; exchanged emails regarding resolution of outstanding redaction issue; review of the factum of the Applicants; review of arguments from C. Pendrith; preparation for hearing;	6.80
Jun-23-24	J. Bellissimo	Emails re Bennett Jones letter and settlement terms; calls with KSV and Cassels teams re same; call re draft order; emails re same; work on revisions to forms of orders; emails re same; various emails and calls re issues raised by J. Stam;	5.20
Jun-23-24	M. Wunder	Emails regarding LOIs and respond to inquiries from N. Goldstein re same;	1.70
Jun-23-24	R. Jacobs	Negotiations on forms of order with Applicants and lenders. Calls and correspondence with Cassels and KSV teams regarding same. Review and finalize factum. Advise KSV regarding case strategy. Correspondence with S. Kukulowicz regarding hearing strategy.	3.80
Jun-24-24	J. Gordon	Analysis of authorities in Factum of the Applicants.	4.50
Jun-24-24	C. Pendrith	Prepare for and attend hearing before Justice Osborne; Follow-up discussions concerning examinations, response to Fourth Report, and settlement discussions;	4.70
Jun-24-24	R. Sniderman	Correspondence regarding court appearance;	0.30
Jun-24-24	T. Lisowski	Attend to correspondence regarding KSV document brief transfer;	0.10
Jun-24-24	W. Onyeaju	Email correspondence with counsel for the Applicants regarding hearing; Email correspondence with the Monitor and Counsel for the Lion's Share Group regarding hearing; distributing to the Service List the endorsement and order of Justice Osborne.	1.50
Jun-24-24	A. Hoy	Commissioning Affidavit of Service	0.30
Jun-24-24	J. Jackson	Prepare for and attend hearing; discussion with C. Pendrith regarding interrogatories and issues with the secured lender counsel's affiant's not being presented for cross-examination on their affidavits;	3.40
Jun-24-24	S. Kukulowicz	Preparation for court hearing; various discussions with parties regarding potential consent orders; attended	8.40

Date	Name	Description	Hours
		hearing and made submissions; revised interim stay extension order and arranged for Court to sign; review of updated orders and negotiations with stakeholders and applicants; teams conference with stakeholders regarding potential settlement; finalized consent order terms;	
Jun-24-24	J. Bellissimo	Emails and calls to address pre-court matters; conference calls and emails to work through potential court settlement terms; work on resolution and various orders re same; calls and emails throughout day re same;	5.60
Jun-24-24	M. Wunder	Consider sale process mechanics and next steps and advise KSV team re same.	2.60
Jun-24-24	R. Jacobs	Negotiations with BJs and lender advisors on consensual forms of orders and terms. Calls and email correspondence regarding same. Advise KSV on issues regarding same.	4.30
Jun-25-24	J. Gordon	Analysis of authorities in facta filed for hearing.	1.70
Jun-25-24	C. Pendrith	Emails and discussions with all parties concerning potential resolution of contested issues;	0.90
Jun-25-24	R. Sniderman	Call with C. Pendrith to discuss court attendance and potential need to respond to additional written interrogatories;	0.40
Jun-25-24	J. Jackson	Review and consider the Order and Endorsement of Justice Osborne dated June 24, 2024;	0.60
Jun-25-24	S. Kukulowicz	Finalizing draft orders and forward same to the Judge; review of property management agreements and related emails; review of "Creditor Term Sheet"; review of mark-up of property management agreements and related emails; T/A with Justice Osborne regarding draft orders; arranged for revised orders;	4.70
Jun-25-24	J. Bellissimo	Review and revise Avaneu agreements; emails with Cassels team re same; various emails re J. Stam reservation issues; finalizing court orders; emails re Kimberly issues;	3.40
Jun-25-24	M. Wunder	Review and comment on recap proposal terms and structure. Confer with Cassels team regarding same.	1.80
Jun-25-24	R. Jacobs	Discuss property management agreement with J. Bellissimo. Comment on terms. Negotiate form of orders. Call with S. Zweig. Discussion with S. Kukulowicz and N. Goldstein. Consider strategy for phase 2 of SISP and ways to advance restructuring and maximize value. [REDACTED]	3.90
Jun-26-24	C. Pendrith	Address report and Document Brief redaction issues; [REDACTED]	0.60
Jun-26-24	R. Sniderman	Correspondence with C. Pendrith regarding redactions to report and Document Brief;	0.40
Jun-26-24	W. Onyeaju	Email correspondence to service list; email correspondence with Monitor and Applicants' counsel regarding hearing;	0.80
Jun-26-24	S. Kukulowicz	[REDACTED]	2.70

Date	Name	Description	Hours
		exchanged emails with C. Pendrith regarding redactions for Document Brief; exchanged emails with stakeholders and the Court regarding obtaining stayed orders;	
Jun-26-24	J. Bellissimo	[REDACTED]	3.80
Jun-26-24	R. Jacobs	Attend meeting with KSV and Cassels teams regarding property management engagement and terms. Review and revise proposal and discuss with J. Bellissimo. Attend strategy meeting on SISP with lender rep advisors. Consider strategy regarding same. Discussions with S. Kukulowicz and then N. Goldstein regarding same.	2.90
Jun-26-24	M. Wunder	[REDACTED]	2.20
Jun-27-24	W. Onyeaju	Email correspondence with the Commercial List Court Office regarding entered court orders and endorsement; email correspondence with Monitor regarding the Service List; updating same.	0.80
Jun-27-24	C. Pendrith	Emails and discussions with Cassels team re necessary redactions to document brief and report;	0.60
Jun-27-24	R. Sniderman	Correspondence with C. Pendrith regarding scope of agreed redactions; Detailed review of investigative report to finalize redactions of same, communicate same to KSV; Review and complete redactions for transcript of interview of Robert Clark;	7.40
Jun-27-24	S. Joshi	Work on redactions to document brief;	1.00
Jun-27-24	J. Gerson	Meeting with R. Sniderman to discuss scope of redactions; work on same.	0.50
Jun-27-24	S. Kukulowicz	[REDACTED] exchanged further emails regarding signed consent orders and arranged for service; review of proposed redactions;	2.70
Jun-27-24	J. Bellissimo	[REDACTED] emails with KSV re same; emails re Kimberly demolition matters;	1.80
Jun-27-24	R. Jacobs	Review entered orders and endorsement. Correspondence with KSV team regarding reorg next steps, cost reduction initiatives. Review updates emails from KSV on properties and developments.	1.50
Jun-27-24	M. Wunder	Respond to inquiries from N. Goldstein on PIN issues and property matters;	0.90
Jun-28-24	R. Sniderman	Review and complete redactions for transcripts of interviews of Ryan Molony and Claire Drage;	3.20
Jun-28-24	S. Joshi	Work on redactions to document brief;	4.00
Jun-28-24	M. Gangbar	Work on redactions to document brief;	3.00
Jun-28-24	J. Suppa	Work on redactions to document brief;	0.40
Jun-28-24	J. Jackson	Review the Applicants counsels proposed redactions; and	3.10

Date	Name	Description	Hours
		corresponding review of redactions to Document Brief;	
Jun-28-24	S. Kukulowicz	Review and consider emails regarding Mulligan payments;	0.30
Jun-28-24	J. Oliveira	Obtain and forward PINs and copies of instruments re [REDACTED]	0.60
Jun-28-24	J. Bellissimo	[REDACTED] review and consider same; emails to insurance renewals; emails to Hydro One issues; emails re 269 Kimberly demotion issues;	3.40
Jun-28-24	R. Jacobs	Review entered orders. Correspondence with Cassels team regarding same. Correspondence regarding Mulligan. Correspondence with J. Bellissimo regarding diligence on same. [REDACTED]	1.80
Jun-28-24	M. Wunder	Discussion with Monitor report re owned properties and title holders. [REDACTED]	1.70
Jun-30-24	S. Kukulowicz	Emails with KSV regarding status of SISP and SISP advisors;	0.20
Jun-30-24	R. Jacobs	Review and consider email correspondence from KSV regarding SISP and SISP advisors. Review letter terms and advise N. Goldstein regarding same. Correspondence with Cassels team regarding SISP and next steps. [REDACTED] Correspondence with Cassels team regarding SISP and next steps. [REDACTED]	2.20

FEE SUMMARY

Name	Title	Hours	Rate	Amount
Pendrith, Colin	Partner	70.70	760.00	53,732.00
Kukulowicz, Shayne	Partner	115.30	1,200.00	138,360.00
Jacobs, Ryan	Partner	81.80	1,650.00	134,970.00
Bellissimo, Joseph J.	Partner	74.60	1,005.00	74,973.00
Lysy, Robert	Partner	1.10	880.00	968.00
Wunder, Michael	Partner	45.30	1,050.00	47,565.00
Sniderman, Robert	Associate	96.80	600.00	58,080.00
Onyeaju, William	Associate	40.00	540.00	21,600.00
Jackson, Joshua	Associate	158.30	575.00	91,022.50
Hoy, Alec	Associate	0.30	485.00	145.50
Fernandes, Stephanie	Associate	0.10	485.00	48.50
Oliveira, Jane	Law Clerk / Paralegal	2.00	250.00	500.00
Lisowski, Tara	Law Clerk / Paralegal	6.90	310.00	2,139.00
Suppa, Jessica	Law Clerk / Paralegal	0.40	370.00	148.00
Im, Anita	Law Clerk / Paralegal	0.40	350.00	140.00
Stallone, Cathy	Law Clerk / Paralegal	0.20	430.00	86.00
Gordon, Joshua	Law Student	52.80	215.00	11,352.00

Name	Title	Hours	Rate	Amount
Njoki Kamau, Cindy	Law Student	11.10	155.00	1,720.50
Joshi, Shayla	Law Student	13.90	155.00	2,154.50
Gerson, Jacqueline	Law Student	20.00	155.00	3,100.00
Vashist, Kanika	Law Student	10.00	155.00	1,550.00
Gangbar, Molly	Law Student	19.00	155.00	2,945.00
Martin, Ethan	Law Student	20.80	155.00	3,224.00
Total (CAD)		841.80		650,523.50

Our Fees	650,523.50	
HST @ 13.00%	84,568.06	
TOTAL FEES & TAXES (CAD)		735,091.56

DISBURSEMENT SUMMARY

Non-Taxable Disbursements

Parcel Register	348.35
Electronic Due Diligence	16.00
Court - Filing Executions	339.00
Total Non-Taxable Disbursements	703.35

Taxable Disbursements

Copies	179.25
Parcel Register	759.60
Documents & Plans	15.00
Meals	131.22
Delivery	122.36
Electronic Due Diligence	20.00
Travel	39.00
West Law - Online Searches	153.00
Total Taxable Disbursements	1,419.43
HST @ 13.00%	184.52
Total Taxable Disbursements & Taxes	1,603.95

TOTAL DISBURSEMENTS & TAXES (CAD)	2,307.30
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TOTAL FEES	650,523.50
TOTAL DISBURSEMENTS	2,122.78
TOTAL TAXES	84,752.58
TOTAL FEES, DISBURSEMENTS & TAXES (CAD)	737,398.86

OUTSTANDING INVOICES				
Invoice Number	Invoice Date	Bill Amount	Payments / Credits	Balance Due
2240352	06/10/24	631,333.61	0.00	631,333.61
2243478	07/05/24	737,398.86	0.00	737,398.86
Total (CAD)		1,368,732.47	0.00	1,368,732.47



Attn: Noah Goldstein
KSV Advisory
150 King St W, Suite 2308
Toronto, ON M5H 1J9

Invoice No: 2247508
Date: August 13, 2024
Matter No.: 057984-00012
GST/HST No.: R121379572
Lawyer: Jacobs, Ryan
Tel.: (416) 860-6465
E-mail: RJacobs@cassels.com

Re: Balboa et al Restructuring

Fees for professional services rendered up to and including July 31, 2024

Our Fees	175,310.00
Disbursements	565.18
Total Fees and Disbursements	175,875.18
HST @ 13.00%	22,814.09
TOTAL DUE (CAD)	198,689.27

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FEE DETAIL			
Date	Name	Description	Hours
Jul-01-24	M. Gangbar	Conduct privilege and confidentiality review of key documents for schedule to report;	6.00
Jul-01-24	S. Joshi	Conduct confidentiality review and redactions to transcripts and bank statements;	2.60
Jul-01-24	J. Jackson	Further privilege and confidentiality review of redactions to report and schedules;	2.40
Jul-01-24	M. Wunder	Analyze possible credit bid structures and mechanics;	1.40
Jul-01-24	R. Jacobs	Consider strategic next steps in proceeding to advance reorg options, SISP and timely exit. Correspondence with N. Goldstein regarding advice on same.	1.50
Jul-01-24	E. Martin	Complete additional redaction work of transcripts, financial statements and bank records.	11.70
Jul-02-24	G. Goodman	Review and exchange of emails with J. Bellissimo and C. Dunbar re review of insurance policy renewal provisions;	0.70
Jul-02-24	W. Onyeaju	Drafting Notice of Application; reviewing client documents in support of the Notice of Application; email correspondence with T. Frankel regarding same.	2.60
Jul-02-24	E. Martin	Completed additional redactions to schedules to Monitor's report to protect privileged or confidential information;	5.20
Jul-02-24	M. Gangbar	Assist with conducting redactions to schedules to Monitor's report to protect privileged or confidential information;	3.00
Jul-02-24	M. Gangbar	Finalize redactions of confidential information to schedules;	1.50
Jul-02-24	J. Gerson	Address confidentiality and necessary redactions;	5.40
Jul-02-24	S. Joshi	Review financial records for confidentiality issues and perform redactions to address same for Monitor's report;	1.50
Jul-02-24	C. Njoki Kamau	Correspondence with R. Sniderman and J. Jackson re scope of confidentiality. Review and perform necessary redactions to schedules to report.	6.40
Jul-02-24	C. Dunbar	Review and advise KSV on insurance policies re renewal rights;	4.30
Jul-02-24	M. Wunder	Review amended powers order re mortgage loans and interaction with prepetition mortgagees. Advise KSV team re same;	1.40
Jul-02-24	J. Bellissimo	Emails with Cassels insurance team; review summary re policy expiries/renewals; email to KSV re same; review SISP termination powers; begin drafting notice of motion for stay extension and related relief;	1.50
Jul-02-24	R. Jacobs	Examine insurance coverage issue and respond to emails. Correspondence with N. Goldstein regarding case strategy to advance exit paths.	1.70
Jul-03-24	W. Onyeaju	Email correspondence with the Monitor regarding the Service List; updating same.	0.20
Jul-03-24	R. Sniderman	Correspondence with C. Pendrith and S. Kukulowicz regarding status of document redactions; Review subsequent redactions;	1.40

Date	Name	Description	Hours
Jul-03-24	M. Gangbar	Further work on necessary redactions to protect confidential information for Fourth Report;	0.50
Jul-03-24	S. Kukulowicz	Exchanged emails regarding redactions for Fourth Report and Document Brief; review of final redacted version of the Fourth Report; review of emails regarding stay extension, DIP increases and termination of the SISP;	2.40
Jul-03-24	E. Martin	Completed redaction work for Fourth Report.	1.80
Jul-04-24	W. Onyeaju	Email correspondence with Monitor team regarding the Service List; updating the same.	0.30
Jul-04-24	R. Sniderman	Review and revise redactions of all documents for document brief accompanying Fourth Monitor's report; Correspondence in preparation for compilation of same;	5.40
Jul-04-24	M. Wunder	Prepare summary of proposed mechanics for security review process. Advise KSV re same.	1.20
Jul-04-24	J. Bellissimo	Prepare draft notice of motion; review and consider SISP termination issues and process; emails with R. Jacobs re same;	2.60
Jul-04-24	R. Jacobs	Examine SISP terms and correspondence with J. Bellissimo regarding termination.	0.50
Jul-04-24	S. Kukulowicz	Review of emails regarding SISP; exchanged emails with R. Sniderman regarding redactions to Document Brief for Fourth Report; review of emails regarding next motion and status of SISP;	1.10
Jul-05-24	J. Gordon	Research to support motion materials and upcoming relief to be sought;	5.80
Jul-05-24	R. Sniderman	Review and finalize redacted brief of documents to accompany Monitor's Fourth Report; Correspondence with T. Lisowski and S. Kukulowicz regarding same;	1.70
Jul-05-24	T. Lisowski	Attend to correspondence regarding further redactions to KSV document brief; prepare for and attend strategy meeting regarding same; organize documents, assemble, and hyperlink revised briefs (5 volumes); attend to further revisions;	4.00
Jul-05-24	S. Kukulowicz	Review of Document Brief redactions; exchanged emails with R. Sniderman re same;	1.80
Jul-05-24	R. Jacobs	Correspondence with N. Goldstein regarding strategic next steps, SISP, reorg options and implementation structure.	1.00
Jul-07-24	R. Sniderman	Final review of Fourth Report document brief to ensure proper redaction of all agreed confidentiality terms; Correspondence with client regarding same;	1.90
Jul-07-24	W. Onyeaju	Email correspondence with the Monitor regarding the redacted Fourth and Document Brief.	0.30
Jul-07-24	R. Jacobs	Email correspondence with KSV and Cassels teams regarding 4th report document brief and redactions. Brief review of same. Correspondence with N. Goldstein regarding DIP financing. Correspondence with Cassels team regarding motion record and strategic relief.	1.90

Date	Name	Description	Hours
Jul-07-24	S. Kukulowicz	Further review of proposed redactions; exchange emails with KSV regarding service of redacted Fourth Report and Document Brief;	0.40
Jul-08-24	R. Sniderman	Internal correspondence regarding final redacted report and document brief;	0.20
Jul-08-24	M. Wunder	Review and comment on draft Monitor report. Confer with Monitor and Cassels team.	0.80
Jul-08-24	T. Lisowski	Attend to correspondence regarding KSV's revised redacted Document Brief; draft correspondence to R. Kashyap regarding same;	0.70
Jul-08-24	W. Onyeaju	Email exchanges with KSV regarding service of redacted Monitor's report; email exchanges with Cassels team regarding same; reviewing redacted Monitor's Report; preparing service email.	1.10
Jul-08-24	J. Bellissimo	[REDACTED] emails with KSV team re same; begin drafting response; work on draft notice of motion;	1.30
Jul-08-24	R. Jacobs	[REDACTED] Discuss response with S. Kukulowicz. Email correspondence regarding stay extension and related relief. Outline NOM and correspondence with Cassels and KSV teams.	1.30
Jul-08-24	S. Kukulowicz	Dealing with service and posting of redacted Fourth Report and Document Brief; [REDACTED] exchanged emails with KSV regarding proposed response; [REDACTED] review of draft motion of extension of stay and other relief;	5.50
Jul-09-24	J. Gordon	Research to support motion record.	4.80
Jul-09-24	M. Wunder	Review Monitor report including description of status of DIP loan. Review DIP loan terms including milestones and covenants.	1.10
Jul-09-24	W. Onyeaju	Email correspondence with KSV regarding case website; serving the redacted 4th Report of the Monitor to the Service List; drafting affidavit of Service; compiling affidavit of Service; revising the Service List; [REDACTED] drafting fee affidavit and reviewing invoices for privilege and confidentiality; email exchange with the Commercial List Court Office regarding scheduling of hearing dates.	4.10
Jul-09-24	T. Lisowski	Attend to correspondence regarding revised document briefs;	0.30
Jul-09-24	J. Bellissimo	Call with S. Kukulowicz re draft notice of motion; emails with R. Jacobs re same; revise notice of motion;	0.70
Jul-09-24	R. Jacobs	Review and detailed comment on motion. Correspondence with Cassels team regarding same. Email correspondence	2.00

Date	Name	Description	Hours
		with KSV team re same.	
Jul-09-24	S. Kukulowicz	Comments on draft notice of Monitor; correspondence with KSV re stay extension hearing; office conference with J. Bellissimo and R. Jacobs regarding issues for extension hearing; review of emails from KSV;	1.80
Jul-10-24	W. Onyeaju	Swearing affidavit of service; filing affidavit of service; drafting Cassels fee affidavit; reviewing Cassels invoices for privilege and confidentiality; email correspondence with the Commercial List Court Office regarding scheduling of hearing date; drafting hearing request form; email correspondence with the secured/unsecured lender rep counsel and counsel to the receiver of the Lion's Share Group regarding hearing scheduling.	5.20
Jul-10-24	A. Hoy	Commissioning Affidavit of Service	0.20
Jul-10-24	J. Bellissimo	Call with KSV and Cassels teams re motion and next steps; revise draft notice of motion; draft email re creditor proposal term sheet; emails with R. Jacobs re same; email to J. Stam re same; emails and call with M. Shah re Hydro One issues;	1.80
Jul-10-24	R. Jacobs	Strategy meeting with KSV and Cassels teams on emergence next steps and structure/options, scope of relief for next motion. Correspondence with J. Bellissimo regarding outreach to lender rep counsel. Discussion with N. Goldstein regarding property management issues.	1.80
Jul-10-24	S. Kukulowicz	Teams conference with KSV team regarding scope of next motion; review of emails with J. Stam regarding exit transaction;	1.10
Jul-11-24	W. Onyeaju	Review Cassels fee invoices for privilege and confidentiality; drafting fee affidavit; updating Service List; email correspondence with the Monitor re same; drafting Factum of the Monitor;	3.90
Jul-11-24	J. Gordon	Follow up research to support motion.	0.40
Jul-11-24	M. Wunder	Correspondence with Cassels and KSV teams re credit bidding structure and mechanics.	1.10
Jul-11-24	J. Bellissimo	Emails with W. Onyeaju re service list update; review draft fee affidavit; emails with W Onyeaju re same; emails re Hydro One issues; call with D Sieradzki re same;	1.40
Jul-11-24	R. Jacobs	Examine emails received from lenders and correspondence with KSV team regarding strategic next steps. Review and comment on draft motion. Correspondence with J. Bellissimo regarding same.	2.00
Jul-11-24	S. Kukulowicz	Exchanged emails with W. Onyeaju regarding factum for hearing for stay extension and other relief;	0.20
Jul-12-24	W. Onyeaju	Drafting Factum of the Monitor; conducting legal research to support Factum.	5.00
Jul-12-24	J. Bellissimo	Emails to address Hydro One issues;	0.20
Jul-12-24	S. Kukulowicz	Review of various lender emails and status of discussions	0.40

Date	Name	Description	Hours
		with Rep. counsel; exchanged emails with W. Onyeaju regarding factum for July 31 hearing;	
Jul-13-24	W. Onyeaju	Continuing work on draft factum; conducting legal research in respect of factum; email correspondence with S. Kukulowicz and S. Fernandes regarding factum.	2.00
Jul-14-24	S. Kukulowicz	Review of draft factum for July 31 hearing;	0.30
Jul-15-24	R. Jacobs	[REDACTED] Correspondence with Cassels and KSV teams regarding same.	1.30
Jul-15-24	S. Kukulowicz	[REDACTED] revisions to draft factum for July 31 hearing;	1.40
Jul-16-24	M. Wunder	[REDACTED]	0.70
Jul-16-24	J. Bellissimo	Review and revise draft [REDACTED] property management agreement; emails with R. Jacobs re same; further revisions to same; email to KSV re same;	2.60
Jul-17-24	S. Kukulowicz	Review of proposed update from the Monitor to lenders and other related issues;	0.20
Jul-19-24	R. Sniderman	Correspondence with KSV regarding documents regarding certain properties;	0.40
Jul-19-24	M. Wunder	Review correspondence regarding status and next steps. Confer with Cassels team regarding security review and title searches.	0.90
Jul-19-24	J. Jackson	Email correspondence with KSV re: Parcel Registers; search for parcel registers and obtain same;	0.90
Jul-19-24	J. Bellissimo	Review revised term sheet and consider issues; emails re same;	1.00
Jul-19-24	J. Oliveira	Provide PINs re [REDACTED]	0.40
Jul-19-24	S. Kukulowicz	Review of revised term sheet from J. Stam; review of update from KSV regarding replacement property manager;	1.70
Jul-19-24	R. Jacobs	Review and consider restructuring proposal received from J. Stam (Norton Rose). Discussion with N. Goldstein regarding same. Discussion with N. Goldstein regarding report.	2.80
Jul-22-24	S. Fernandes	Review and update draft Factum;	1.10
Jul-22-24	M. Wunder	Review portions of report and confer with KSV team regarding same. Correspondence regarding management agreement.	1.20
Jul-22-24	J. Bellissimo	Review and revise draft Monitor's 6th Report; emails with R. Jacobs and S. Kukulowicz re same; review R. Jacobs revisions to draft report; revise same; emails re same; various emails re Kimberly property demolition; call with N. Goldstein re 6th Report; initial review of revised draft of same; initial review of revised property management agreement;	3.40
Jul-22-24	S. Kukulowicz	Review of draft sixth report of the Monitor and provided comments; office conference with S. Fernandes regarding	1.10

Date	Name	Description	Hours
Jul-22-24	R. Jacobs	draft factum; Review and comment on draft report. Discussion with N. Goldstein and J. Bellissimo regarding same. Review comments from property management firm on agreement and correspondence with KSV regarding same.	2.00
Jul-23-24	M. Wunder	Advise KSV re credit bid issues.	0.60
Jul-23-24	S. Fernandes	Review draft Report; review and update draft factum;	3.50
Jul-23-24	J. Bellissimo	Emails re Kimberly demolition; continue review revisions to property management agreement; email to KSV re comments on same; review revised draft report and comment on same;	1.90
Jul-23-24	R. Jacobs	Review revisions to draft report. Discuss same with N. Goldstein and S. Kukulowicz. Review revisions to property management agreement. Examine restructuring proposal and consider mechanics.	1.70
Jul-24-24	S. Fernandes	Review Report and motion materials; draft service email; update service email; review invoices for redactions to address privilege and confidential information; instruct B. Nasri to create motion record index; update motion record index; finalize and cause fee affidavit to be compiled; call with R. Jacobs to swear and commission fee affidavit; review compiled Report; update compiled Report; compile Report with Motion Record Index;	6.60
Jul-24-24	S. Kukulowicz	Review of revised 6th Report; review of revised notice of motion and draft order; exchanged emails regarding further revisions; emails and telephone attendances regarding redactions on motion materials; exchanged emails regarding approval of property management agreement;	2.90
Jul-24-24	J. Bellissimo	Review comments on draft 6th report; revise notice of motion; prepare form of order; emails with Cassels team re revisions to same; emails with KSV team re revisions to same; emails re property manager order protections; revise notice of motion and order; emails re service matters; work on finalizing motion materials; emails and calls with Cassels and KSV teams re same;	3.40
Jul-24-24	R. Jacobs	Finalize motion record and report. Address privilege issues and discussions with Cassels team regarding same and affidavit. Finalize affidavit. Correspondence with S. Fernandes regarding same.	1.60
Jul-25-24	S. Fernandes	Review and update draft factum;	4.30
Jul-25-24	S. Kukulowicz	Review of updated draft of property management agreement;	0.80
Jul-25-24	J. Bellissimo	Emails re property management insurance issue; revise draft PMA re same;	0.50
Jul-26-24	J. Gordon	Revisions to the Monitor's Factum. Correspondence with S. Fernandes re same.	1.30
Jul-26-24	S. Fernandes	Review and update draft factum; instruct J. Gordon re updates to factum; review and finalize draft factum for	2.30

Date	Name	Description	Hours
Jul-26-24	S. Kukulowicz	internal review; emails with KSV re review of draft factum; Review of draft factum in support of PMA approval, stay extension and other relief; provided comments on factum; review of KSV comments on factum;	1.20
Jul-26-24	J. Bellissimo	Emails re PMA; review and comment on draft factum; emails re draft factum;	1.40
Jul-26-24	R. Jacobs	Review and comment on draft factum. Review emails from lenders. Discussion with N. Goldstein regarding exit path and timing.	1.20
Jul-27-24	S. Fernandes	Review and update draft factum;	1.60
Jul-27-24	S. Kukulowicz	Further review of factum and address additional comments from KSV;	0.40
Jul-27-24	R. Jacobs	Review comments on draft factum. Correspondence with Cassels team regarding same.	1.50
Jul-28-24	S. Fernandes	Update and finalize draft factum;	1.70
Jul-28-24	S. Kukulowicz	Revised factum; review of precedent re release;	1.10
Jul-29-24	W. Onyeaju	Revise draft Motion Record of the Monitor; revise latest draft factum; reviewing email correspondence from investors of the Applicants regarding July 31st hearing.	1.30
Jul-29-24	M. Wunder	Advise Cassels team regarding property management agreement terms and issues.	0.70
Jul-29-24	J. Jackson	Email with N. El-Zakhem (KSV) re: Lender request regarding title to property; review attached parcel(s) provided by KSV; take steps to obtain updated Parcel and identify correct owner; draft email outlining findings to KSV team;	0.50
Jul-29-24	S. Fernandes	Review and finalize factum for service; draft service email; serve factum to service list; review and swear affidavit of service; emails re hearing attendance;	1.90
Jul-29-24	J. Bellissimo	Review revised factum; emails with comments on same; emails re revisions to PMA;	0.50
Jul-29-24	J. Oliveira	Provide PINs and corresponding maps re [REDACTED]	0.40
Jul-29-24	S. Kukulowicz	Exchanged emails with J. Bellissimo regarding minor revisions to Property Management Agreement; review of revised Property Management Agreement review of emails regarding final comments on the factum;	0.80
Jul-29-24	R. Jacobs	Prep for hearing. Correspondence with Cassels team regarding same. Correspondence with N. Goldstein regarding DIP increase, reorg proposal and structure.	1.60
Jul-30-24	W. Onyeaju	Revising draft order; uploading draft order and other materials to CaseLines site; email correspondence with Cassels team regarding upcoming hearing.	0.80
Jul-30-24	S. Fernandes	Emails re hearing attendance; review and update participant information form;	0.60
Jul-30-24	S. Kukulowicz	Review of court materials and preparation for hearing; review of lender email re KSV, [REDACTED] and exchanged	3.80

Date	Name	Description	Hours
		emails with R. Jacobs; review of revised order and other updated materials;	
Jul-30-24	J. Bellissimo	Emails re [REDACTED]	0.40
Jul-30-24	R. Jacobs	Correspondence with N. Goldstein and S. Kukulowicz re [REDACTED]	1.50
Jul-31-24	W. Onyeaju	Reviewing and managing court materials on CaseLines site; observing hearing.	0.50
Jul-31-24	S. Fernandes	Emails re hearing attendance; instruct B. Nasri to upload Participant Form to caselines; instruct B. Nasri to file signed order;	1.40
Jul-31-24	S. Kukulowicz	Telephone attendance with D. Sieradzki regarding current case issues; prepared for hearing; attended hearing and made submissions in support of relief; office conference with R. Jacobs and emails with J. Bellissimo regarding [REDACTED] review of signed order and endorsement;	2.70
Jul-31-24	J. Bellissimo	Emails re preparation for court and finalizing materials;	0.50

FEE SUMMARY

Name	Title	Hours	Rate	Amount
Goodman, Gordon P.	Partner	0.70	1,055.00	738.50
Wunder, Michael	Partner	11.10	1,050.00	11,655.00
Kukulowicz, Shayne	Partner	33.10	1,200.00	39,720.00
Bellissimo, Joseph J.	Partner	25.10	1,005.00	25,225.50
Jacobs, Ryan	Partner	28.90	1,650.00	47,685.00
Onyeaju, William	Associate	27.30	540.00	14,742.00
Sniderman, Robert	Associate	11.00	600.00	6,600.00
Hoy, Alec	Associate	0.20	485.00	97.00
Jackson, Joshua	Associate	3.80	575.00	2,185.00
Dunbar, Camille	Associate	4.30	715.00	3,074.50
Fernandes, Stephanie	Associate	25.00	485.00	12,125.00
Lisowski, Tara	Law Clerk / Paralegal	5.00	310.00	1,550.00
Oliveira, Jane	Law Clerk / Paralegal	0.80	250.00	200.00
Gordon, Joshua	Law Student	12.30	215.00	2,644.50
Martin, Ethan	Law Student	18.70	155.00	2,898.50
Gangbar, Molly	Law Student	11.00	155.00	1,705.00
Gerson, Jacqueline	Law Student	5.40	155.00	837.00
Joshi, Shayla	Law Student	4.10	155.00	635.50
Njoki Kamau, Cindy	Law Student	6.40	155.00	992.00
Total (CAD)		234.20		175,310.00

Our Fees	175,310.00	
HST @ 13.00%	22,790.29	
TOTAL FEES & TAXES (CAD)		198,100.29

DISBURSEMENT SUMMARY

Non-Taxable Disbursements

Parcel Register	43.15	
Court - Sundry	339.00	
Total Non-Taxable Disbursements		<u>382.15</u>

Taxable Disbursements

Binding, Tabs, Disks, etc	13.53	
Copies	50.75	
Parcel Register	98.95	
Travel	19.80	
Total Taxable Disbursements		<u>183.03</u>
HST @ 13.00%	23.80	
Total Taxable Disbursements & Taxes		<u>206.83</u>

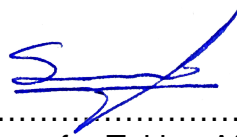
TOTAL DISBURSEMENTS & TAXES (CAD) 588.98

TOTAL FEES	175,310.00
TOTAL DISBURSEMENTS	565.18
TOTAL TAXES	22,814.09
TOTAL FEES, DISBURSEMENTS & TAXES (CAD)	198,689.27

OUTSTANDING INVOICES

Invoice Number	Invoice Date	Bill Amount	Payments / Credits	Balance Due
2243478	07/05/24	737,398.86	0.00	737,398.86
2247508	08/13/24	198,689.27	0.00	198,689.27
Total (CAD)		936,088.13	0.00	936,088.13

This is **Exhibit "B"** referred to in the affidavit of Ryan Jacobs, affirmed before me by videoconference on August 23, 2024 in accordance with O. Reg. 431/20. The affiant was located in the City of Toronto in the Province of Ontario and I was located in the City of Toronto in the Province of Ontario



.....
A Commissioner for Taking Affidavits

Commissioner Name: Stephanie
Savannah Fernandes

Law Society of Ontario Number: 85819M

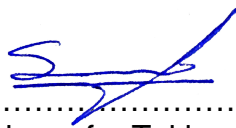
EXHIBIT "B"

**Summary of Respective Years of Call and Billing Rates of
Cassels Brock & Blackwell LLP
for the period June 1, 2024 to July 31, 2024**

Year of Call	Individual	Rate (\$)	Total Fees Billed (\$)	Total Hours Worked
1990	Shayne Kukulowicz	1,200.00	178,080.00	148.40
1990	Michael Wunder	1,050.00	59,220.00	56.40
1991	Gordon P. Goodman	1,055.00	738.50	0.70
2002	Joseph J. Bellissimo	1,005.00	100,198.50	99.70
2002	Robert Lysy	880.00	968.00	1.10
2004 (New York) 2011 (Ontario)	Ryan Jacobs	1,650.00	182,655.00	110.70
2011	Colin Pendrith	760.00	53,732.00	70.70
2014	Camille Dunbar	715.00	3,074.50	4.30
2020	Robert Sniderman	600.00	64,680.00	107.80
2020	Joshua Jackson	575.00	93,207.50	162.10
2021	William Onyeaju	540.00	36,342.00	67.30
2022	Stephanie Fernandes	485.00	12,173.50	25.10
2022	Alec Hoy	485.00	242.50	0.50
	Shayla Joshi (Law Student)	155.00	2,790.00	18.00
	Joshua Gordon (Law Student)	215.00	13,996.50	65.10
	Cindy Njoki Kamau (Law Student)	155.00	2,712.50	17.50
	Jacqueline Gerson (Law Student)	155.00	3,937.00	25.40
	Molly Gangbar (Law Student)	155.00	4,650.00	30.00
	Ethan Martin (Law Student)	155.00	6,122.50	39.50
	Ethan Martin (Law Student)	155.00	1,550.00	10.00

	Jane Oliveira (Law Clerk/Paralegal)	250.00	700.00	2.80
	Tara Lisowski (Law Clerk/Paralegal)	310.00	3,689.00	11.90
	Anita Im (Law Clerk/Paralegal)	350.00	140.00	0.40
	Cathy Stallone (Law Clerk/Paralegal)	430.00	86.00	0.20
	Jessica Suppa (Law Clerk/Paralegal)	370.00	148.00	0.40

This is **Exhibit “C”** referred to in the affidavit of Ryan Jacobs, affirmed before me by videoconference on August 23, 2024 in accordance with O. Reg. 431/20. The affiant was located in the City of Toronto in the Province of Ontario and I was located in the City of Toronto in the Province of Ontario.



.....
A Commissioner for Taking Affidavits

Commissioner Name: Stephanie
Savannah Fernandes

Law Society of Ontario Number: 85819M

EXHIBIT "C"

**Calculation of Average Hourly Billing Rates of
Cassels Brock & Blackwell LLP
for the period June 1, 2024 to July 31, 2024**

Invoice No./ Period	Fees (\$)	Disbursements (\$)	HST (\$)	Total Fees, Disbursements and HST (\$)	Hours Billed	Average Billed Rate (\$)
#2243478 (June 1, 2024 - June 30, 2024)	650,523.50	2,122.78	84,752.58	737,398.86	841.80	772.78
#2247508 (July 1, 2024 - July 31, 2024)	175,310.00	565.18	22,814.09	198,689.27	234.20	748.55
Total	825,833.50	2,687.96	107,566.67	936,088.13	1,076	767.50

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED**

Court File No. CV-24-00713245-00CL

**AND IN THE MATTER OF A PLAN OR COMPROMISE OR ARRANGEMENT OF
BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE
INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN INC.
HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL
ESTATE INC.**

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

**AFFIDAVIT OF RYAN JACOBS
(SWORN AUGUST 23, 2024)**

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jbellissimo@cassels.com

Lawyers for the Monitor

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No. CV-24-00713245-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO**

SGXGPVJ REPORT OF THE MONITOR

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Lawyers for the Monitor, KSV Restructuring Inc.

TAB 3

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) FRIDAY, THE 30TH
)
JUSTICE CAVANAGH) DAY OF AUGUST, 2024

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY
GILMORE INC., INTERLUDE INC., MULTIVILLE INC.,
THE PINK FLAMINGO INC., HOMETOWN HOUSING
INC., THE MULLIGAN INC., HORSES IN THE BACK INC.,
NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE
INC. (collectively the "Applicants", and each an "Applicant")**

ORDER
(RESTRUCTURING TERM SHEET AND DIP AMENDMENT)

THIS MOTION, made by KSV Restructuring Inc., in its capacity as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**") was heard this day by judicial videoconference via Zoom.

ON READING the Seventh Report of the Monitor dated August 23, 2024 (the "**Seventh Report**"), the affidavit of Noah Goldstein sworn August 23, 2024 and the exhibits thereto, the affidavit of Ryan Jacobs sworn August 23, 2024 and the exhibits thereto, and such other materials that were filed, and on hearing the submissions of counsel to the Monitor, the Secured Lender Representative Counsel, the Unsecured Lender Representative Counsel, counsel to the Lion's Share Representative, counsel to the DIP Lender, and such other counsel that were present, no else appearing although duly served as appears from the affidavit of service of Stephanie Fernandes dated August 9, 2024, filed;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that terms used but not defined in this Order shall have the meaning given to them in the Seventh Report.

STAY OF PROCEEDINGS

3. **THIS COURT ORDERS** that the Stay Period (as defined in the Second Amended and Restated Initial Order of this Court dated March 28, 2024 (the “**SARIO**”)) be and is hereby extended until and including October 31, 2024.

APPROVAL OF THE TERM SHEET

4. **THIS COURT ORDERS** that the restructuring term sheet (the “**Term Sheet**”), substantially in the form attached at Appendix “C” to the Seventh Report, be and is hereby approved, and that the Monitor is hereby authorized and directed to carry out its obligations under the Term Sheet, including, without limitation, facilitating the negotiation and settlement of the transactions contemplated therein and finalizing all documentation reasonably necessary to carry out such transactions, provided that nothing in this Order shall constitute an approval of any specific transaction or agreement contemplated by the Term Sheet, all of which shall be subject to further approval by this Court.

APPROVAL OF THE DIP AMENDMENT AGREEMENT

5. **THIS COURT ORDERS** that the DIP Amendment Agreement dated August 23, 2024 substantially in the form attached as Appendix “F” to the Seventh Report (the “**DIP Amendment Agreement**”), increasing the amount of the facility by \$3 million, plus interest, fees and expenses, be and is hereby approved, and that the Monitor is hereby authorized and directed, on behalf of the Applicants in accordance with the Expanded Powers Order, to enter into and perform the Applicants’ obligations under the DIP Amendment Agreement.

6. **THIS COURT ORDERS** that paragraphs 49, 52 and 55 of the SARIO be hereby amended to replace each reference to “\$12,000,000” with “\$15,000,000”.

APPROVAL OF THE MONITOR’S SEVENTH REPORT, ACTIVITIES AND FEES

7. **THIS COURT ORDERS** that the Seventh Report and the activities of the Monitor referred to therein be and are hereby approved; provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

8. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel, Cassels Brock & Blackwell LLP, as set out in the Seventh Report, be and are hereby approved.

GENERAL

9. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36,
AS AMENDED**

Court File No.: CV-24-00713245-00CL

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BALBOA INC.,
DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE PINK
FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN INC., HORSES IN THE BACK
INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE INC.**

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

Proceeding commenced at Toronto

**ORDER
(RESTRUCTURING TERM SHEET AND DIP
AMENDMENT)**

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Lawyers for the Monitor

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Court File No. CV-24-00713245-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BALBOA INC., DSPLN INC., HAPPY GILMORE INC., INTERLUDE INC., MULTIVILLE INC., THE PINK FLAMINGO INC., HOMETOWN HOUSING INC., THE MULLIGAN INC., HORSES IN THE BACK INC., NEAT NESTS INC. AND JOINT CAPTAIN REAL ESTATE INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO**

**MOTION RECORD
(RETURNABLE AUGUST 30, 2024)**

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Lawyers for the Monitor, KSV Restructuring Inc.