

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY & INSOLVENCY)**

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY*  
ACT, R.C.S 1985, c. B-3, AS AMENDED**

**AND IN THE MATTER OF THE BANKRUPTCY OF  
SF SQUARE GP CORP., OF THE CTY OF GUELPH, IN THE  
PROVINCE OF ONTARIO**

**NOTICE OF MOTION  
(*re Directions re Third Party Transfer*)**

BDO Canada Limited (“**BDO**”), the trustee in bankruptcy (in such capacity, the “**Trustee**”) of SF Square GP Corp. (“**Square GP**”), and of the property, assets, and undertakings of SF Square LP (“**Square LP**”, together with Square GP, “**Square GP/LP**”) will make a motion to a Judge of the Ontario Superior Court of Justice (in Bankruptcy and Insolvency) (the “**Court**”) at a date and time to be fixed by the Court, or as soon after that time as the motion can be heard.

**PROPOSED METHOD OF HEARING:** The motion is to be heard:

in writing under subrule 37.12.1 (1) because it is on consent, unopposed or made without notice;

in writing as an opposed motion under subrule 37.12.1 (4);

In person;

By telephone conference;

By video conference.

At the following location: A video conference link to be provided.

**THE MOTION IS FOR:**

1. An order declaring that a \$4,500,000 payment made by Square LP, by its general partner, Square GP in December 2024 to 1000931576 Ontario Inc. (the “**4.5M Transfer**”) is voidable as preferential transaction and/or transfer at undervalue.
2. An order that 1000931576 Ontario Inc. (“**576 Ontario**”) immediately transfer the full amount of the \$4.5M Transfer to the Trustee for the benefit of the Estate.
3. The costs of this motion.

**THE GROUNDS FOR THE MOTION ARE:**

**The Trustee in Bankruptcy**

4. On May 30, 2025, Square GP filed an assignment in bankruptcy under the *BIA*. As a result, BDO was appointed as the trustee in bankruptcy of Square GP.
5. Square GP is a privately held company that operated as the sole general partner of a limited partnership, Square LP. Pursuant to the *BIA*, upon the bankruptcy of Square GP, the property, assets, and undertakings of Square LP vested in the Trustee.
6. Square GP is 100% owned by Sherwood Forest Square Ltd. (“**Sherwood**”), a real estate development company. On May 22, 2025, pursuant to an application brought under section 243(1) of the *BIA*, BDO was appointed as Receiver over the property, assets, and undertakings of Sherwood Forest Square Ltd. (“**Sherwood**”).
7. Sherwood is 100% owned by RHH Rental Properties Ltd. (“**RHH**”). On June 19, 2025, RHH commenced bankruptcy proceedings by filing an assignment in bankruptcy. Deloitte was appointed as trustee of RHH at the first meeting of creditors on July 7, 2025.

## The Investigation

8. Following the May 30, 2025 assignment in bankruptcy of Square GP, the Trustee, BDO, became aware of suspected financial irregularities involving Square GP/LP in the months prior to bankruptcy, including the \$4.5M Transfer.
9. Based on the Trustee's investigation into the \$4.5M Transfer (the "**Investigation**"), the Trustee identified that:
  - (a) Square LP received \$13,949,970 in net financing proceeds from Glengarry Farm Finance Corp. ("**Glengarry**") in December 2024 (the "**Glengarry Financing Proceeds**");
  - (b) Upon receipt of the Glengarry Financing Proceeds in trust, legal counsel to Square GP/LP, Robson Carpenter LLP, is purported to have transferred \$4,500,000 of the proceeds to 576 Ontario;
  - (c) There appeared to be no loan agreements or other legal documents that provided a basis for the \$4.5M Transfer being made from Square GP/LP to 576 Ontario;
  - (d) The \$4.5M Transfer was made from Square GP/LP to 576 Ontario despite the fact that 576 Ontario is not a creditor of Square GP/LP, but rather is a creditor of a related entity (RHH);
  - (e) No funds should be flowing to 576 Ontario from Square GP/LP as 576 Ontario is not a creditor of Square GP/LP;
  - (f) The \$4.5 M Transfer was made while or shortly before Square GP/LP was insolvent; and

- (g) The \$4.5 Million Transfer did not appear to have been made for good and valuable consideration.
10. The Trustee requested documentation from 576 Ontario in respect of the \$4.5M Transfer including the underlying loan and security documents. To date, no such documentation has been provided.
11. The Investigation took place in the context of broader recovery efforts involving the corporate group of companies related to RHH, which includes Square GP/LP and Sherwood. This context is evidenced by court orders in related proceedings, such as the Mareva Order and Norwich Order of Justice Trimble dated August 8, 2025, which directed many related entities and principals to compel disclosure for the purposes of tracing and accounting for funds.

#### **The \$4.5M Transfer is a Transfer at Undervalue**

12. The \$4.5M Transfer is a transfer at undervalue.
13. 576 Ontario is not a creditor of Square GP/LP. 576 Ontario is a creditor of a related entity (RHH). Square GP/LP is not indebted to 576 Ontario.
14. Square GP/LP received no value or consideration for the \$4.5M Transfer.

#### **The \$4.5M Transfer was a Preferential Transaction**

15. The \$4.5M Transfer is an impermissible preferential transaction under the *BIA*.
16. The \$4.5M Transfer was made with the intent and/or effect of defeating, delaying, or defrauding the general body of unsecured creditors of Square GP/LP. This intent is inferred for numerous reasons, including:

- (a) **Material adverse impact:** Square GP/LP knew or should reasonably have concluded that the \$4.5M Transfer would have a material adverse impact on its ability to pay its creditors with proven claims;
- (b) **Lack of consideration:** Square GP/LP received no value or consideration for the payment;
- (c) **Lack of documentation/concealment:** The transactions have limited or missing supporting documentation;
- (d) **Unusual haste:** The \$4.5M Transfer occurred just five months prior to the May 30, 2025, bankruptcy filing of Square GP, suggesting transactions undertaken in anticipation of insolvency; and
- (e) **Direct or indirect benefit:** It appears that key corporate insiders/related parties received a direct or indirect benefit from the transfer by using Square GP/LP assets to settle related-party debt and minimize their potential personal liability.

### **Other Grounds**

17. Other grounds relied upon include:

- (a) The *BIA*, and the regulations thereunder;
- (b) The *Courts of Justice Act*, RSO 1990, c C.43, and the regulations thereunder; and
- (c) Such further and other grounds as counsel may advise and this Honourable Court may deem just.

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

18. The First Report of the Trustee dated June 19, 2025 and a Supplement to the First Report of the Trustee dated July 2, 2025.
19. The Second Report of the Trustee, to be filed.
20. Such further and other evidence as counsel may advise and this Honourable Court may permit.

November 5, 2025

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capacity as the Trustee in Bankruptcy

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AMENDED AND

Bankruptcy Court File No.: 25-03230607-0035  
Estate No.: 35-3230607

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