



SUPERIOR COURT OF JUSTICE

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00731891-00CL

DATE: DECEMBER 4, 2024

NO. ON LIST: 1

TITLE OF PROCEEDING: TANDIA FINANCIAL CREDIT UNION LIMITED v. 2492029 ONTARIO INC.

BEFORE: JUSTICE PENNY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Shaun Parsons	Tandia Financial Credit Union Limited	Sparsons@airdberlis.com
Miranda Spence	Tandia Financial Credit Union Limited	mspence@airdberlis.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Peter Crawley, BDO Canada Limited	Observer- proposed receiver	pcrawley@bdo.ca

ENDORSEMENT OF JUSTICE PENNY:

- [1] Tandia Financial applies for the appointment of a receiver over the assets, undertaking and property of the debtor, 2492029 Ontario Inc. The principal asset is real property on Highway 11 north of Barrie, which was, until early October, operated as a gas station.
- [2] As of October 15, 2024, the debtor owed over \$1.8 million to Tandia.
- [3] Defaults under loan began in June 2024 when monthly payments were not made as they came due. Those defaults remain outstanding and are ongoing. In addition, the debtor allowed insurance on the property to lapse.
- [4] Demand for repayment of the loan was made on October 15, 2024. Service was effective by email, which was confirmed to be operative until demand was made, and by leaving copies at the residence of the principal of the debtor, and guarantor of the debt, Mr. Nawrozada.
- [5] Because the debtor stopped responding to Tandia's communications, Tandia appointed a private receiver to secure the premises and to ensure the insurance coverage was reinstated. The premises appear to have been abandoned. No active business is being conducted there. The debtor has taken no objection to, or any other action in respect of, the demands for payment or the private receiver taking control of the property.
- [6] The evidence discloses that Mr. Nawrozada has engaged in similar behaviour in connection at least two previous gas station insolvencies.
- [7] Although service of this application is technically short, there are good reasons to abridge service. Prompt action is required given the presence of fuel and the fact that the property has been abandoned. The email address for service was operative until the debtor dropped out of sight. There have been utterly no communications from the debtor since October 15. No objection has been taken to the private receiver. There is little reason to think that a few more days would have any impact whatsoever on the debtor's behaviour.
- [8] Under the terms of the loan documentation, Tandia has a first in priority security interest over the property. Tandia also has the contractual right to the appointment of a receiver.
- [9] There are good reasons for the appointment of a court officer in the circumstances of this case. They include the fact that because the property was operated as a gas station, there are potential environmental concerns which will have to be addressed. Further, there are other creditors. There will be fallout from the fact that this was until recently an active business and that the debtor has abandoned the premises.
- [10] In all of the circumstances, I am satisfied that it is just or convenient to appoint BDO Canada Limited as Receiver of all the assets undertakings and properties of the debtor.
- [11] Order to issue in the form signed by me this day.



Penny J.