

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED**

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

**MOTION RECORD OF THE TRUSTEE IN BANKRUPTCY**  
(re Directions re Third Party Transfer)  
(Returnable May 13, 2026)

December 9, 2025

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**TO: THE SERVICE LIST**

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

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY*  
ACT, RSC 1985, c B-3, AS AMENDED**

**IN THE MATTER OF THE BANKRUPTCY OF SF SQUARE GP  
CORP., OF THE CITY OF WATERLOO, IN THE PROVINCE OF  
ONTARIO**

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**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED**

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

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# TAB 1

**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**

**AMENDED 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**”) on May 13, 2026 at 10:00 a.m. ~~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;

X 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 10009315276 Ontario Inc. (the “**4.5M Transfer**”) is:
  - (a) a transfer at undervalue for the purposes of section 96 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”);
  - (b) a conveyance of personal property with intent to defeat, hinder, delay, or defraud creditors or others, for the purposes of section 2 of the *Fraudulent Conveyances Act*, RSO 1990, c F.29 (the “**FCA**”);
  - (c) a preference or preferences for the purposes of section 95 of the BIA;
  - (d) a preference or preferences for the purposes of *Assignments and Preferences Act*, R.S.O. 1990, c. A. 33 (“**APA**”); and/or
  - (e) an unjust enrichment.
- 1.1. An order declaring that the 4.5M Transfer is void or voidable as preferential transaction and/or transfer at undervalue.
2. An order that 10009315276 Ontario Inc. (“**51000 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 51000 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 51000 Ontario;
  - (d) The \$4.5M Transfer was made from Square GP/LP to 51000 Ontario despite the fact that 51000 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 51000 Ontario from Square GP/LP as 51000 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 51000 Ontario in respect of the \$4.5M Transfer including the underlying loan and security documents. ~~To date, no such documentation has been provided.~~ On November 10, 2025, 1000 Ontario provided documents and information which appeared to largely confirm that it was a creditor of RHH, not Square GP/LP.

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. 51000 Ontario is not a creditor of Square GP/LP. 51000 Ontario is a creditor of a related entity (RHH). Square GP/LP is not indebted to 51000 Ontario.
14. Square GP/LP received no value or consideration for the \$4.5M Transfer.

#### **The \$4.5M Transfer was a Fraudulent Conveyance**

- 14.1. The \$4.5M Transfer was a fraudulent conveyance under the FCA. The transfer was made with the intent and/or effect of defeating, hindering, delaying, or defrauding creditors or others the general body of unsecured creditors of Square GP/LP.

#### **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.

16.1. Square GP/LP was insolvent at the time of the \$4.5M Transfer.

### **1000 Ontario was Unjustly Enriched**

16.2. 1000 Ontario was unjustly enriched by the \$4.5M Transfer.

16.3. Square GP/LP suffered a corresponding deprivation of funds.

16.4. There is no juristic reason for 1000 Ontario to retain the \$4.5M Transfer. Square GP/LP was not in a contractual relationship with 1000 Ontario and received no good and valuable consideration for the \$4.5M Transfer.

16.5. Restitution to Square GP/LP is a just and equitable result. The repayment of the \$4.5M Transfer re-allocates resources back to the pool of creditors of Square GP/LP.

## Other Grounds

17. Other grounds relied upon include:
  - (a) The BIA, and the regulations thereunder;
    - (a.1) The FCA, and the regulations thereunder;
    - (a.2) The APA, 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 dated December 9, 2025, to be filed.
20. Such further and other evidence as counsel may advise and this Honourable Court may permit.

~~November 5, 2025~~  
December 9, 2026

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**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS  
AMENDED AND**

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

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

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

Proceedings commenced at London

**SECOND REPORT OF THE  
TRUSTEE (December 9, 2025)**

**RECONSTRUCT LLP**

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Lawyers for BDO Canada Limited, in its  
capacity as the Trustee in Bankruptcy

# TAB 2

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

**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 CITY OF GUELPH,**  
**IN THE PROVINCE OF ONTARIO**

**SECOND REPORT OF BDO CANADA LIMITED,**  
**IN ITS CAPACITY AS TRUSTEE**  
December 9, 2025

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## INTRODUCTION & BACKGROUND

1. On May 30, 2025 (the “**Bankruptcy Date**”), SF Square GP Corp. (“**Square GP**”) commenced these bankruptcy proceedings (the “**Bankruptcy Proceedings**”) by filing an assignment in bankruptcy. BDO was appointed as trustee of the estate of the bankrupt (the “**Trustee**”) by the official receiver. The appointment was affirmed by the creditors of Square GP at the first meeting of creditors on June 20, 2025.
2. Prior to its appointment as Trustee of Square GP, BDO Canada Limited (“**BDO**”) had been appointed as receiver over Sherwood Forest Square Ltd. (“**Sherwood**”) on May 20, 2025, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended. Sherwood is the 100% owner of Square.
3. Square GP is the general partner of the limited partnership, SF Square LP (“**Square LP**”). Square LP was the beneficial owner of a school residence development project called The W London. The development was located at 130, 140, 160, 170, 180, and 190 Sherwood Forest Square, London, Ontario (the “**Property**”).
4. Pursuant to section 71 of the BIA, all of the assets of Square GP vested with the Trustee as of the Bankruptcy Date. In addition, pursuant to subsection 85(1) of the BIA, as of the Bankruptcy Date, all of the assets of Square LP vested in the Trustee.
5. In the within proceeding, the Trustee filed the First Report of the Trustee dated June 19, 2025 (the “**First Report**”), and a Supplement to the First Report of the Trustee dated July 2, 2025 (the “**Supplement to the First Report**”). Copies of the First Report and Supplement to the First Report (without appendices) are attached as **Appendices “A”** and “**B**” to this Second Report of the Trustee (the “**Second Report**”).

6. The Trustee's reports and other publicly available information in respect of these proceedings are posted on the Trustee's website at <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/sherwood>.

## PURPOSE

7. This Second Report is prepared with respect to the Trustee's motion to be heard on May 13, 2026 (the "**Trustee's Motion**"), seeking an order (the "**Impugned Transaction Order**"), among other things:
- (a) declaring that a \$4,500,000 payment made by Square LP, by its general partner, Square GP in December 2024 to 1000931276 Ontario Inc.<sup>1</sup> (the "**1000 Transfer**") is voidable as a preferential transaction and/or transfer at undervalue;
  - (b) declaring that the 1000 Transfer is a transfer at undervalue because 1000 is not a creditor of Square LP, but is a creditor of a related entity (RHH Rental Properties Ltd. ("**RHH**")), and Square LP received no value or consideration for the transfer;
  - (c) declaring that the 1000 Transfer is an impermissible preferential transaction under the BIA;
  - (d) requiring 1000931276 Ontario Inc. ("**1000**") to immediately transfer the full amount of the 1000 Transfer to the Trustee for the benefit of the Estate; and
  - (e) declaring that the transfer was made with the intent and/or effect of defeating, delaying, or defrauding the general body of unsecured creditors of Square LP.

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<sup>1</sup> Identified, the Trustee believes incorrectly, as 1000931576 Ontario Inc. in the statement of funds for the Glengarry Financing discussed below.

8. The purpose of this Second Report is to provide this Honourable Court with information obtained in support of the Trustee's Motion for the Impugned Transactions Order.

## **TERMS OF REFERENCE**

9. In preparing this Second Report, the Trustee has relied upon audited and unaudited financial information, the records of Sherwood and Square GP and Square LP, other information available to the Trustee and, where appropriate, Square's books and records and discussions with various parties (collectively, the "**Information**").
10. Certain of the information contained in this Second Report may refer to, or is based on, the Information. As the Information has been provided by third parties, the Trustee has relied on the Information and, to the extent possible, has reviewed the Information for reasonableness. However, the Trustee has neither audited nor otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and accordingly, the Trustee expresses no opinion or other form of assurance in respect of the Information.
11. Capitalized terms not defined in this Second Report have the meanings ascribed to them in the First Report of the Trustee.
12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

## **TRANSFER TO 1000931276 ONTARIO INC.**

### **The Transfer**

13. Following the assignment into bankruptcy of Square GP, the Trustee, BDO, became aware of suspected financial irregularities involving Square LP/GP and related entities.

14. The Trustee identified a transfer of \$4,500,000 to 1000 that was made by Square GP on behalf of Square LP on December 20, 2024 (the “**1000 Transfer**”).
15. The 1000 Transfer was initiated by Square GP upon receipt of the proceeds of a \$13,949,970 financing to Square LP from Glengarry Farm Finance Corporation (“**Glengarry Financing**”) on December 20, 2024.
16. The Trustee was unable to identify a corresponding liability in Square LP’s accounting records that would explain why the 1000 Transfer was made or for what consideration. The Trustee was not able to identify an underlying obligation or debt owed by Square GP or Square LP to 1000.
17. The Trustee received information from the prior officers of Square GP that the transfer was made pursuant to a "direction from Scott S".
18. Based on the Trustee's review of the books and records of Square LP and Square GP, the transaction appears to:
  - (a) lack documentation;
  - (b) be void of consideration to Square LP;
  - (c) be made at a time when Square LP was insolvent; and
  - (d) be made proximate to the bankruptcy filing;each of which are discussed below.

### **Requests for Documentation**

19. On August 28, 2025, the Trustee requested documents and information relating to the 1000 Transfer from 1000 via its counsel. In particular:

- (a) on August 28, 2025, the Trustee requested that 1000 produce:
- (i) loan documentation evidencing any advance to RHH or any related entity;
  - (ii) proof of the timing of such advance; and
  - (iii) any signed direction to pay relied on in connection with the loan;
- (b) on September 8, 2025, the Trustee's counsel followed up and requested delivery of the aforesaid material by September 12, 2025, to allow the Trustee time to assess the transaction and report to the Court;
- (c) on September 11, 2025, counsel for 1000 responded that she was still waiting on materials from her clients and would provide them by the end of the following week. No documents were provided;
- (d) additional follow-up requests were made by the Trustee and the Trustee's counsel on September 22 and September 30, 2025, again seeking any available documentation and referring to the promised production date of September 19, 2025. No documents were provided;
- (e) on October 7, 2025, the Trustee's counsel advised that the documentation had been outstanding for months and that, absent cooperation, the Trustee would have to proceed with a motion challenging the payment as a preference or transfer at undervalue. Counsel for 1000 stated she would provide materials by October 8. No documents were provided; and
- (f) on October 14, 2025, Trustee's counsel again requested production and advised that the Trustee would take steps to compel disclosure if 1000 remained uncooperative. Copies of the emails are attached as **Appendix "C"**.

20. On November 5, 2025, having still not received any supporting loan or security documentation justifying the 1000 Transfer, the Trustee served a Notice of Motion seeking to void the 1000 Transfer as a preferential transaction and/or transfer at undervalue.
21. On November 10, 2025, 1000 provided a substantive response to the Trustee's inquiries via its counsel. A copy of that response (with attached documentation) is attached as **Appendix "D"**.
22. The Trustee observes the following:
- (a) the 1000 Transfer was a repayment of loans that had been made by 1000 to RHH, the parent of Square GP's parent company, in particular:
- (i) 1021294 Ontario Limited ("**1021**", a corporate predecessor to 1000<sup>2</sup>) advanced \$10.8 million to RHH in September 2022, allegedly to fund the development of a project unrelated to Square LP (the "**Westhaven Project**"). The advance was made pursuant to a promissory note issued by RHH and dated September 26, 2022 (the "**September RHH Note**"), and a security agreement between RHH and 1021 dated the same day (the "**RHH Security**"). A copy of September RHH Note is attached as part of Appendix "D". A copy of the RHH Security is attached as **Appendix "E"**;
- (ii) 1000 advanced \$4.4 million to RHH in September 2023, to allegedly fund the Westhaven Project. However, there appears to be no promissory note executed by RHH in favour of 1000 evidencing this indebtedness;
- (iii) 1000 advanced a further \$1.65 million to RHH in October 2024. The advance was made pursuant to a promissory note between RHH and 1000

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<sup>2</sup> As confirmed in the response from 1000's counsel, attached as Appendix "D".

dated October 30, 2024 (the “**October RHH Note**”). A copy of the October RHH Note is attached as part of Appendix “D”; and

- (iv) 1000 advanced a further \$1.3 million to RHH in November 2024 (the “**November 2024 Advance**”). However, there appears to be no promissory note executed by RHH in favour of 1000 evidencing this indebtedness;
- (b) the October RHH Note amount and November 2024 Advance were deposited in a Square LP bank account pursuant to a direction of RHH as RHH’s account had been garnished by the CRA. A copy of RHH’s direction re funds is attached as part of Appendix “D”;
- (c) 1000 claims to have loan documentation with RHH. The Trustee however is not aware of any loan documentation as between 1000 and Square LP or Square GP. Accordingly, 1000 does not appear to be a creditor of Square LP or Square GP;
- (d) 1000 claimed to have a security agreement with RHH. The Trustee notes however that 1000 does not appear to have security as against Square LP or Square GP; and
- (e) further email correspondence relating to the loans may be available but, as of the date of this report, has not been provided.

### **Further Investigation by the Trustee**

- 23. 1000 provided an email from the former Chief Financial Officer of RHH indicating that \$4.9 million that was provided by 1000 to RHH for use on the Westhaven Project had in fact been used for other purposes. A copy of this email is attached as part of Appendix “D”.

24. The Trustee reviewed Square LP and Square GP's bank accounts and intercompany account records and did not identify any large lump-sum transfers into either Square LP or Square GP that would suggest the use of \$4.9 million by Square LP or Square GP.
25. The Trustee did identify periodic transfers made from RHH to Square LP that correlated with Square LP's bank account balance running low, seemingly to cover operating shortfalls. Such transfers did not appear to correlate with the timing of the transfers from 1000 (or its predecessor) to RHH discussed above.
26. The Trustee was advised by management of Square LP that RHH directed 1000 to deposit the \$2.95 million to the account of Square LP as RHH's bank accounts were subject to garnishment by the Canada Revenue Agency at the time. The Trustee assessed how the \$2.95 million was used and recorded in Square LP's accounting records. The Trustee identified that those funds were used as follows:
  - (a) the funds were initially credited to the intercompany account titled "Due to RHH";
  - (b) a subsequent analysis of the immediate outgoing payments indicates that approximately \$1.982 million of the \$2.95 million received was used almost immediately to fund obligations of RHH rather than Square LP/GP obligations;
  - (c) a further approximately \$527,000 were used to make interest payments to investors of Sherwood and possibly Square LP;
  - (d) \$300,672 was used for Square LP's November 1, 2024 mortgage payments to Kingsett and MCAP;
  - (e) the flow of the 1000 Transfer monies, together with the net proceeds received from the Glengarry Financing, enabled the corporate group to continue making required mortgage payments despite the cessation of regular cash inflows.

27. Therefore, while the funds were received by Square LP (due to RHH's account being garnished by the CRA), they appear to have been credited upon receipt as being owed to RHH and they were largely distributed for the benefit of RHH.

28. The Trustee understands that the principal of 1000 is Ian Cook. The Trustee has been advised by Scott Reid, the principal of RHH and, at the relevant time, the key directing mind of Square GP, that

- (a) Mr. Cook has known Mr. Reid for many years in the real estate industry;
- (b) In or around 2021 or 2022, Mr. Cook and Mr. Reid went into a development project (16 single family lots in northwest Kitchener) as partners;
- (c) In or around 2023, Mr. Cook and Mr. Reid's venture began building the project;
- (d) In or around 2024, the project was sold to a third party. Mr. Reid allowed Mr. Cook (or his relevant company) to retain the proceeds from that sale, as well as the proceeds that would come from any further profits from the sale of single detached lots; and
- (e) Between approximately 2022 and 2024, Mr. Cook (or his companies) supported Mr. Reid's company Reid Heritage Properties with various loans.

#### **Square LP Was Insolvent at The Time of the 1000 Transfer**

29. At the time of the 1000 Transfer, Square LP had approximately \$102,705,403 in assets and \$114,131,408 in liabilities as set out below. While much of the information used for calculating these numbers was current to December 31, 2024, the Trustee's review indicates that there was no material change in Square LP's financial condition between December 20, 2024 (the date of the 1000 Transfer) and December 31, 2024.

30. At or around the time of the 1000 Transfer, Square LP had the following assets:

Asset Category	Value as of December 31, 2024 <sup>3</sup>
Cash	\$548,839
Rent receivable	\$855,350
Prepaid expenses	\$502,615
Due from related company	\$0
Other current assets	\$148,916
Property and equipment	\$97,699,683
<b>Total Assets</b>	<b>\$99,755,403</b>

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<sup>3</sup> Asset values based on the values recorded in Square LP's balance sheet as at December 31, 2024, subject to the following adjustments to reflect additional information available to the Trustee: (i) the full amount categorized as "Due from related company" which, at \$6,473,264, was identified as likely uncollectible; and (ii) an increase in the valuation of the W London development.

31. At the time of the 1000 Transfer, Square LP had the following liabilities:

<b>Liability Category</b>	<b>Value as of December 31, 2024<sup>4</sup></b>
Accounts payable and accrued liabilities	\$735,715
Mortgage payable	\$81,354,182
Due to parent company	\$20,062,511 <sup>5</sup>
Customer deposits	\$1,242,000
Secured/guaranteed RHH notes	\$3,087,000
Contingent claims	\$4,700,000 <sup>6</sup>
<b>Total Liabilities</b>	<b>\$111,181,408</b>

32. The Trustee further notes that Sherwood has \$44,602,435.68 in secured creditors. These creditors invested in Sherwood on the basis that they had security in the Property, which the Trustee understands was owned by Sherwood at the time of the relevant investments.

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<sup>4</sup> Liability values based on the values recorded in Square LP's balance sheet as at December 31, 2024, subject to the following adjustments to reflect additional information available to the Trustee: (i) A reclassification of \$17,023,752 owing to the parent company Sherwood from equity to "Due to Parent Company"; and (ii) inclusion of tenant deposit accounts.

<sup>5</sup> Amount due to Sherwood Forest Square Ltd. is comprised of \$3,038,759 booked as unsecured loans, and \$17,023,752 that had been booked as unsecured loans at some prior point in time which had subsequently been reclassified as contributed capital in Square LP's financial reports. The Trustee has consulted with the prior management of Square LP and has been unable to identify any transaction, approval, or documentation to support such a re-classification of debt to equity. It appears to the Trustee that this amount remains owed to Sherwood.

<sup>6</sup> Contingent claims consist of \$4.7 million claimed by parties to an irrevocable direction to pay in favour of Andrew Long, 27960680 Ontario Ltd., Kent McDonell and Level 3 Capital Management Inc. The Trustee denies these claims are payable but they were extant as contingent claims as at December 31, 2024.

Sherwood later transferred its interest in the Property to Square GP without, as the Trustee understands it, receiving adequate or any consideration, or the approval of the secured creditors. These secured creditors may, as at December 20, 2024 have had contingent claims against Square LP in respect of their security in the Property. By the Trustee's calculation, this would add approximately \$22.4 million in additional liabilities for Square LP that are not already accounted for as Due to Parent Company or Contingent Claims in the list of liabilities above.

33. The Trustee has been unable to perform a meaningful cash flow analysis of solvency because of the manner in which (i) new investor funds coming into Square or related companies were being moved around and deployed to cover existing liabilities within the enterprise, and (ii) funds were cycled throughout the enterprise. For example, when \$1.982 million of the \$2.95 million transferred into Square by 1000 in October and November 2024 was immediately used to fund RHH obligations. The Trustee's investigation indicates that on many occasions there were at or near nominal amounts of funds in the Square LP accounts. Square LP was able to continue meeting its obligations because of the injections of cash by related or other third parties.
34. In the view of the Trustee, the 1000 Transfer would have likely had a materially adverse impact on Square LP's ability to pay creditors, and this would have or should have been apparent to Square LP at the time.
35. The Trustee is aware that Square LP ceased making requisite interest payments to investors in February of 2025 due to lack of funds.

All of which is respectfully submitted at Toronto, Ontario this 9<sup>th</sup> day of December, 2025.

**BDO Canada Limited**  
**in its capacity as Trustee of the estate of Square GP Corp.**  
**and not in its personal or corporate capacity**



---

**Clark Lonergan, CPA, CA, CIRP, LIT**  
**Senior Vice -President**

# **APPENDIX "A"**

Bankruptcy Court File No.:  
Estate File No.: 35-3230607

***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 CITY OF GUELPH,**  
**IN THE PROVINCE OF ONTARIO**

**FIRST REPORT OF BDO CANADA LIMITED,**  
**IN ITS CAPACITY AS TRUSTEE**

June 19, 2025

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## I. INTRODUCTION

1. Pursuant to the Order of the Honourable Justice G.D. Lemon of the Ontario Superior Court of Justice (the “**Court**”) dated May 20, 2025 (the “**Receivership Order**”), BDO Canada Limited (“**BDO**”) was appointed as receiver over Sherwood Forest Square Ltd. (“**Sherwood**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended. Copies of the Receivership Order and Endorsement of Justice Lemon dated May 20, 2025, commencing the receivership proceeding are attached hereto as **Appendix “A”**.

2. Sherwood is the 100% owner of SF Square GP Corp (“**Square GP**”). Square GP is the general partner of a limited partnership - SF Square LP (“**Square LP**”).

3. On May 30, 2025 (the “**Bankruptcy Date**”), Sherwood’s subsidiary, Square GP commenced these bankruptcy proceedings (the “**Bankruptcy Proceedings**”) by filing an assignment in bankruptcy and BDO was appointed as trustee of the estate of the bankrupt (the “**Trustee**”) by the official receiver (the “**OR**”), subject to affirmation by the creditors of the Trustee’s appointment at the first meeting of creditors (“**FMOC**”) scheduled for June 20, 2025. Attached hereto as **Appendix “B”** is a copy of the Certificate of Appointment issued by the OR of the Office of the Superintendent of Bankruptcy Canada (the “**OSB**”) in respect of Square GP.

4. Pursuant to section 71 of the BIA, all of the assets of Square GP vested with the Trustee as of the Bankruptcy Date. In addition, pursuant to subsection 85(1) of the BIA, as of the Bankruptcy Date, all of the assets of Square LP vested in the Trustee.

5. On June 19, 2025, Sherwood’s parent company, RHH Rental Properties Ltd. (“**RHH**”) commenced bankruptcy proceedings by filing an assignment in bankruptcy and BDO was

appointed as trustee of the estate of the bankrupt by the OR, subject to affirmation by the creditors of the Trustee's appointment at the FMOc scheduled for July 7, 2025. Attached hereto as **Appendix "C"** is a copy of the Certificate of Appointment issued by the OR of the OSB in respect of RHH.

## **II. PURPOSE OF REPORT**

6. This first report of the Trustee (the "**First Report**") has been filed in support of a motion by the Trustee for an Order:

- (i) declaring that the proceedings bearing the style of cause *Level 3 Capital Management Inc, Andrew Long, Kent McDonell and 2796068 Ontario Inc. v. SF Square LP, by its general partner SF Square GP Corp., and Robson Carpenter LLP* (Court File No. CV-25-00000214-0000) (the "**Level 3 Proceedings**") be and is hereby stayed;
- (ii) directing Robson Carpenter LLP ("**Robson**") to pay over to the Trustee, all funds in its possession and/or held in trust for its former clients, Square GP and Square LP, including the amount of \$4,700,000 (the "**Disputed Funds**");
- (iii) directing the Trustee to hold the Disputed Funds in a segregated bank account pending determination of entitlement as to the Disputed Funds as between the Applicants in the Level 3 Capital Proceedings and the bankruptcy estate (the "**Disputed Funds Determination**"); and
- (iv) such further relief as this Court deems appropriate.

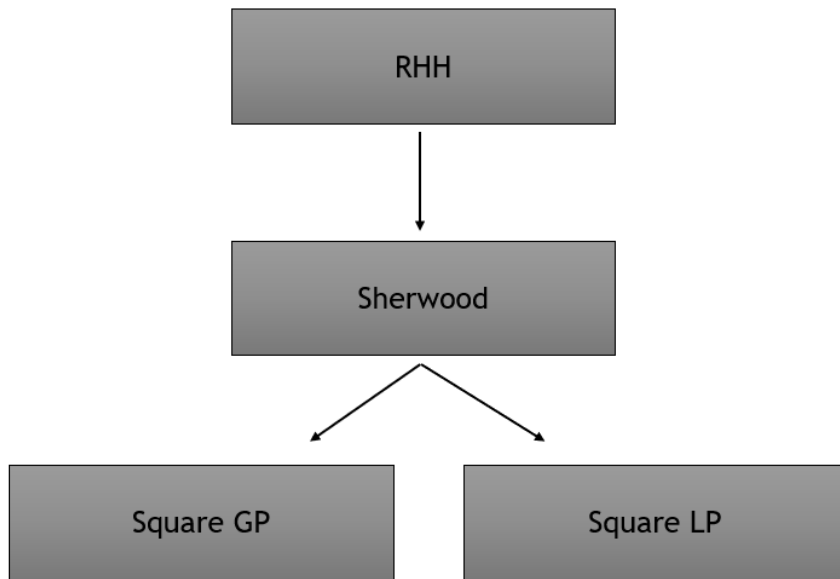
## **III. TERMS OF REFERENCE**

7. In preparing this First Report and making the comments herein the Trustee has, where applicable, relied upon information prepared or provided by third-party sources (collectively, the "**Information**"). Certain of the information contained in this First Report may refer to, or is based

on, the Information. As the Information has been provided by third parties or has been obtained from documents filed with the Court in this matter, the Trustee has relied on the Information and, to the extent possible, has reviewed the Information for reasonableness. However, the Trustee has neither audited nor otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and accordingly, the Trustee expresses no opinion or other form of assurance in respect of the Information.

8. For the purposes of this First Report, all references to the singular herein shall include the plural, and the plural shall include the singular. Unless otherwise stated, all references to dollars shall be in Canadian dollars.

#### IV. BACKGROUND TO THESE PROCEEDINGS



##### A. Sherwood

9. Sherwood, a real estate development company, initially began construction of a school residence development bearing municipal addresses of 130, 140, 160, 170, 180, and 190 Sherwood Forest Square, London, ON (the “**W London**” or the “**Property**”) in late 2018.

10. In late 2019, The W London development was transferred from Sherwood to Square GP for and on behalf of Square LP. The Trustee understands that the transfer of the Property to a limited partnership structure was for financial, legal and tax efficiency reasons.

**B. Square GP**

11. Square GP is a privately held company that operated as the sole general partner of Square LP. The directors of Square GP are Mr. Scott O. Reid and Mr. Ben Cameron, respectively.

**C. Square LP**

12. Square LP is a limited partnership created under the *Limited Partnership Act* (Ontario). Square LP held beneficial title to the W London. The limited partnership is subject to an Amended and Restated Limited Partnership Agreement dated April 8, 2021 (the “**Limited Partnership Agreement**”).

13. Pursuant to the Limited Partnership Agreement, Square LP was authorized to issue three classes of units: Class A Units, Class A Common Units, and Class B Common Units. In the event of a winding up or liquidation of Square LP, the Class A Unit holders are entitled to priority on a distribution vis-a-vis the Class A Common Units and the Class B Common Units.

**D. RHH**

14. RHH is privately held company that operated as the real estate developer from leased premises at 1515 Gordon Street in Guelph, Ontario. RHH is the ultimate parent company of several development subsidiaries, including Sherwood and other GP/LP investment structures for real estate developments in Ontario and through related subsidiary/partnership in the United States.

15. The Trustee understands that RHH was the initial vehicle upon which funds were raised by investors for the development and construction of the W London. Investors would lend money

into RHH by way of promissory note and the promissory note was guaranteed and secured either by Square LP or Sherwood.

**E. Sale of the W London**

16. On or about November 12, 2024, Square LP, by its general partner, Square GP entered into an agreement of purchase and sale for the Property with OEF The W L.P., by its general partner, OEF Student Housing GP Inc. (the “**Purchaser**”) for a purchase price of \$100 million (the “**Sale Transaction**”). The Sale Transaction closed on May 9, 2025.

17. Based on the Sale Transaction closing statement of adjustments provided to the Trustee (“**Statement of Adjustments**”), \$25.9 million was due to be paid at closing to Square LP, for a total cash of ~\$29 million (see chart below, which includes \$3 million of deposits that had already been paid by the Purchaser plus interest thereon, the “**Statement of Funds**”). An additional, \$3.0 million is currently being held in trust by the Purchaser’s counsel as a net rental income (“**NRI**”) holdback. Copies of the Statement of Adjustments and Statement of Funds are attached hereto as **Appendix “D”** and **Appendix “E”**, respectively.

<b>Purchase Price</b>	<b>100,059,943</b>
Less:	
NRI Holdback	(3,000,000)
Senior Debt Assumed by Purchaser	(66,181,628)
Other Costs (Prepaid rents, realty taxes, etc.)	(1,946,614)
<b>Total Cash Available</b>	<b>28,931,702</b>
Add:	
Interest on Deposit	41,919
Less:	
Glengarry Farm Finance Repayment	(15,107,238)
Commissions and Fees	(916,227)
Post Closing Holdback	(1,500,000)
<b>Net Sale Proceeds</b>	<b>11,450,156</b>

18. Per the Statement of Funds, following payments to secured mortgage holders (Glengarry Farm Finance) on the Property as well as outstanding legal and other advisor fees, a net amount of approximately \$11.5 million (“**Net Sale Proceeds**”) plus the \$1.5 million holdback was transferred to Robson as solicitor for Square LP, to be held in trust for Square LP.

**F. Claims of Level 3 Capital et al.**

19. The Trustee understands that each of Level 3 Capital Management Inc, Andrew Long, Kent McDonell and 2796068 Ontario Inc. (collectively the “**Level 3 Applicants**”) advanced monies to RHH evidenced by way of promissory notes. A copy of the applicable Promissory Notes issued to the Level 3 Applicants (the “**Promissory Notes**”) are attached hereto as **Appendix “F”**.

20. Pursuant to the Promissory Notes, Sherwood guaranteed the obligations of RHH. The Promissory Notes do not appear to be guaranteed by Square LP or Square GP.

21. Based on the above, and as summarized below, the Trustee is of the understanding that only RHH and Sherwood appear to be indebted to the Level 3 Applicants.

Entity/Name	Date	Type	Secured (GSA)	Amount Invested
1) Andrew Long	1-Jun-22	RHH Promissory Note	Sherwood	200,000
2) 2796068 Ontario Inc. (Andrew Long Company)	16-May-22	RHH Promissory Note	Sherwood	400,000
3) 2796068 Ontario Inc. (Andrew Long Company)		LP Units in RHP LP	Equity	1,200,000
4) Kent McDonell	26-May-22	RHH Promissory Note	Sherwood	1,000,000
5) Level 3 Capital Management Inc.	5-Jul-23	RHH Promissory Note	Sherwood	800,000
6) Level 3 Capital Management Inc.	1-Dec-22	RHH Promissory Note	Sherwood	2,000,000
7) Level 3 Capital Management Inc.	13-Dec-21	Pentagon Reids LP Promissory Note		1,550,000

22. Prior to the closing of the sale of the W London, Square GP for and on behalf of Square LP and Robson executed an irrevocable direction to Rousseau Mazzuca LLP dated January 10, 2025. A copy of the Irrevocable Direction is attached hereto as **Appendix “G”**.

23. Pursuant to the Irrevocable Direction, Square LP irrevocably authorized and directed Robson to disburse the amount of the Disputed Funds (\$4,700,000) to Rousseau Mazzuca LLP in trust for the Level 3 Applicants, in priority to the claims of any other party other than amounts owing to federal or provincial government authorities and amounts owing to arm's length parties provided such amount is secured and evidenced by a charge on the Property

24. As the Level 3 Applicants appear only to have a debt interest in RHH and Sherwood, there is a question as to whether the Irrevocable Direction executed by Square GP for and on behalf of Square LP to pay the Level 3 Applicants from funds of Square LP is valid.

25. Furthermore, even if the Irrevocable Direction is valid and the Level 3 Applicants are properly creditors of Square LP, there is a question as to whether the payment to the Level 3 Applicants of the Disputed Funds would constitute a preference contrary to section 95 of the BIA.

26. The Level 3 Applicants filed an application against Square LP and Robson with the Ontario Superior Court in Guelph to compel payment of the Disputed Funds (the "**Level 3 Application**"). Given the bankruptcy of Square GP (and by implication, Square LP), all proceedings affecting Square GP/LP and their property are stayed.

27. On June 9, 2025, counsel for the bankruptcy Trustee and counsel to the Level 3 Applicants attended a case conference requested by the Level 3 Applicants before the Ontario Superior Court of Justice in Guelph (the "**Guelph Court**") to schedule the Level 3 Application. Notwithstanding submissions by counsel to the Trustee that the Level 3 Proceedings are stayed and that the Level 3 Applicants must seek leave in the Bankruptcy Proceedings in order for the Level 3 Application to continue, the Guelph Court scheduled the application with the following timelines:

- June 16, 2025 – Application Record of the Level 3 Applicants
- July 2, 2025 – Responding materials of the Trustee
- July 16, 2025 – Reply of the Level 3 Applicants
- July 21, 2025 – Reply of the Trustee
- July 22, 2025 – Application Record

28. On June 11, 2025, counsel to the Trustee wrote to counsel to the Level 3 Applicants to formally advise them of the stay of proceedings and that the Trustee would be bringing a motion within the Bankruptcy Proceedings on June 27, 2025, to seek an Order declaring that the Level 3 Proceedings are stayed.

29. The Superior Court (Commercial List) in London, having the jurisdiction to hear matters related to this bankruptcy estate, will need to determine ultimate entitlement to the Disputed Funds as between the bankruptcy estate and the Level 3 Applicants, including whether any payment of the Disputed Funds to the Level 3 Applicants would constitute a preference under the BIA.

30. The Trustee is of the view that it is appropriate and consistent with the BIA that the Disputed Funds be administered through the bankruptcy process and that the question of entitlement to the Disputed Funds be determined by the bankruptcy court, which has exclusive jurisdiction over such matters, on full notice to all other creditors of Square LP.

#### **G. Transfer of the Disputed Funds to the Trustee**

31. Robson is currently holding the Disputed Funds.

32. Pursuant to sections 67(1), 71, and 81(1) of the BIA, all property of the bankrupt vests in the Trustee, subject to the rights of secured creditors.

33. The Net Sale Proceeds, including the Disputed Funds, may fall within the bankrupt estate.

34. The Trustee seeks an Order directing Robson to immediately transfer the Disputed Funds to the Trustee, to be held in a segregated account pending determination of entitlement to the Disputed Funds.

All of which is respectfully submitted at Toronto, Ontario this 19<sup>th</sup> day of June, 2025.

**BDO Canada Limited**  
**in its capacity as Trustee of the estate of Square GP Corp.**  
**and not in its personal or corporate capacity**



---

**Clark Lonergan, CPA, CA, CIRP, LIT**  
**Senior Vice -President**

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS  
AMENDED AND**

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

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

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

Proceedings commenced at London

**FIRST REPORT OF THE  
TRUSTEE (June 19, 2025)**

**RECONSTRUCT LLP**

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Lawyers for BDO Canada Limited, in its  
capacity as the Trustee in Bankruptcy

# **APPENDIX "B"**

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

***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 CITY OF GUELPH,**  
**IN THE PROVINCE OF ONTARIO**

Court File No. CV-25-00000214-0000

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**

BETWEEN:

LEVEL 3 CAPITAL MANAGEMENT INC., ANDREW LONG,  
KENT MCDONELL AND 2796068 ONTARIO INC.

Applicants

-and-

SF SQUARE LP, BY ITS GENERAL PARTNER SF SQUARE GP  
CORP., AND ROBSON CARPENTER LLP

Respondents

**SUPPLEMENT TO THE FIRST REPORT OF BDO CANADA LIMITED,**  
**IN ITS CAPACITY AS TRUSTEE**  
July 2, 2025

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## I. INTRODUCTION AND PURPOSE OF REPORT

1. On May 30, 2025 (the “**Bankruptcy Date**”), SF Square GP Corp (“**Square GP**”) commenced bankruptcy proceedings (the “**Bankruptcy Proceedings**”) by filing an assignment in bankruptcy under the *Bankruptcy and Insolvency Act* (the “**BIA**”) and BDO Canada Limited (“**BDO**”) was appointed as trustee of the estate of the bankrupt (the “**Trustee**”) by the official receiver, which appointment was affirmed by the creditors at the first meeting of creditors on June 20, 2025. Attached hereto as **Appendix “A**” is a copy of the Certificate of Appointment issued by the Official Receiver of the Office of the Superintendent of Bankruptcy Canada (the “**OSB**”) in respect of Square GP.

2. Square GP is the general partner of a limited partnership - SF Square LP (“**Square LP**”).

3. This Supplement to the First Report of the Trustee (the “**Supplemental Report**”) is filed to supplement the First Report of the Trustee dated June 19, 2025 (the “**First Report**”). The First Report details the background of the Bankruptcy Proceedings and other related matters. Attached hereto as **Appendix “B**” is a copy of the First Report with appendices.

4. This Supplemental Report is filed:

- (i) in support of the Trustee’s motion in the Bankruptcy Proceedings for various forms of relief; and
- (ii) in response the application of Level 3 Capital Management Inc, Andrew Long, Kent McDonell and 2796068 Ontario Inc. (collectively the “**Level 3 Applicants**”) in the proceeding bearing the style of cause *Level 3 Capital Management Inc, Andrew Long, Kent McDonell and 2796068 Ontario Inc. v. SF Square LP, by its general partner SF Square GP Corp., and Robson Carpenter LLP* (Court File No. CV-25-00000214-0000) (the “**Level 3 Proceedings**”).

## **II. TERMS OF REFERENCE**

5. In preparing this Supplemental Report and making the comments herein the Trustee has, where applicable, relied upon information prepared or provided by third-party sources (collectively, the “**Information**”). Certain of the information contained in this Supplemental Report may refer to, or is based on, the Information. As the Information has been provided by third parties or has been obtained from documents filed with the Court in this matter, the Trustee has relied on the Information and, to the extent possible, has reviewed the Information for reasonableness. However, the Trustee has neither audited nor otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and accordingly, the Trustee expresses no opinion or other form of assurance in respect of the Information.

6. For the purposes of this Supplemental Report, all references to the singular herein shall include the plural, and the plural shall include the singular. Unless otherwise stated, all references to dollars shall be in Canadian dollars.

## **III. THE BANKRUPTCY PROCEEDINGS**

7. Pursuant to the Certificate of Appointment for Square GP, the bankruptcy of Square GP was assigned estate number 35-3230607 in the District of Ontario, Division No. 08 – Waterloo. Bankruptcy matters in the division of Waterloo are properly heard before the Bankruptcy Court in London (the “**London Bankruptcy Court**”).

#### IV. LEVEL 3 PROCEEDINGS

8. The Level 3 Applicants commenced the Level 3 Proceedings against Square LP by its general partner, Square GP, and Robson in the Ontario Superior Court in Guelph (the “**Guelph Court**”).

9. At the scheduling hearing for the Level 3 Proceedings (the “**Scheduling Conference**”), counsel for the Trustee advised the Guelph Court and the Level 3 Applicants that the Level 3 Proceedings are stayed as a result of section 69.3 of the BIA, and that the Level 3 Applicants must seek leave in the Bankruptcy Proceedings before the London Bankruptcy Court in order for the Level 3 Proceedings to continue. The basis for the stay of proceedings is outlined in the First Report.

10. Given the Scheduling Conference was only a hearing for the purposes of scheduling, the scheduling judge advised that he could not rule on the merits as to whether the Level 3 Proceedings were stayed or as to the jurisdiction of the London Court and accordingly, proceeded to schedule the application, including the Trustee’s response that the application was stayed. Attached hereto as **Appendix “C”** is a copy of the Endorsement of Justice Lemon.

11. At the Scheduling Conference, counsel to the Trustee was clear to the scheduling judge and the Level 3 Applicants that it would be immediately proceeding before the London Bankruptcy Court to address the issue of the stay.

12. After the Scheduling Conference, on June 11, 2025, counsel to the Trustee sent a letter to counsel for the Level 3 Applicants again advising of the stay of proceedings and its impact on the Level 3 Proceedings. The letter advised that the Trustee would be bringing a motion before the

London Bankruptcy Court to enforce the stay of proceedings. Attached hereto as **Appendix “D”** is a copy of the letter from Ms. Caitlin Fell to counsel for the Level 3 Applicants.

13. On June 16, 2025, the Trustee served its notice of motion in the London Bankruptcy Court to seek, among other things, enforcement of the stay of proceedings with respect to the Level 3 Proceedings. Attached hereto as **Appendix “E”** is a copy of the notice of motion of the Trustee.

14. Due to the schedule of the London Bankruptcy Court, the earliest that the Trustee’s motion could be heard is July 4, 2025.

15. To avoid the Trustee incurring costs and using resources preparing further materials while awaiting the motion before the London Bankruptcy Court, the Trustee requested an indulgence until July 9, 2025 to file its responding materials in the Level 3 Proceedings. The Level 3 Applicants declined to provide the Trustee this indulgence. Attached hereto as **Appendix “F”** is a copy of the correspondence between counsel to the Trustee and counsel to the Level 3 Applicants.

## **V. COMMISSIONS AND PAYMENTS TO THE LEVEL 3 APPLICANTS**

16. Some of the Level 3 Applicants were paid amounts that may be challenged by the Trustee in the future on the basis that they are preferences and/or transfers at undervalue.

17. Additionally, the Trustee understands that one of the Level 3 Applicants was paid commissions for his involvement in introducing investors to projects related to RHH Rental Properties Ltd., which is the bankrupt parent entity of Square GP described in the First Report. Specifically, Andrew Long and his company, AJDL Investments Inc., have received approximately \$5,172,586.58 in commissions as follows:

<b>Andrew Long (+AJDL Investments)</b>		<b>Amount</b>	<b>Per</b>	<b>Date</b>
Commissions		\$ 2,235,557.50	Quick Books (last payment date)	2024-02-01
Joseph's Place Bresleau LP	30%	\$ 1,934,168.61	2022 T5013	2022-12-31
Guelph Farley LP	25%	\$ 1,002,460.47	2022 T5013	2022-12-31
Horizen Developments LP (Class A Units) - 15%	15,000	\$ 150.00	Subscription Agreement (\$0.01) + Unit Certificate	2021-05-20
RHP Real Estate Investments LP (Common) - 25%	2,500,000	\$ 250.00	Subscription Agreement (\$0.0001) + Unit Certificate	2022-01-27
<b>Total Andrew Long</b>		\$ 5,172,586.58		

All of which is respectfully submitted at Toronto, Ontario this 2<sup>nd</sup> day of July, 2025.

**BDO Canada Limited**  
**in its capacity as Trustee of the estate of Square GP Corp.**  
**and not in its personal or corporate capacity**




---

**Clark Lonergan, CPA, CA, CIRP, LIT**  
**Senior Vice -President**

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS  
AMENDED AND**

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

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

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

Proceedings commenced at London

**SUPPLEMENT TO THE  
FIRST REPORT OF THE  
TRUSTEE (June 19, 2025)**

**RECONSTRUCT LLP**

80 Richmond Street West, Suite 1700  
Toronto, ON M5H 2A4

**Caitlin Fell** LSO No. 60091H  
cfell@reconllp.com  
Tel: 416.613.8282

**William Main** LSO No. 70969C  
wmain@reconllp.com  
Tel: 416.613.4885

**Julien Gosset** LSO No. 93234T  
jgosset@reconllp.com  
Tel: 437.881.1639  
Fax: 416.613.8290

Lawyers for BDO Canada Limited, in its  
capacity as the Trustee in Bankruptcy

# APPENDIX "C"

**From:** [Jessica Wuthmann](#)  
**To:** [Maya Poliak](#); [Lonergan, Clark](#)  
**Cc:** [Caitlin Fell](#); [Crawley, Peter](#); [William Main](#); [Julien Gosset](#)  
**Subject:** RE: [EXT] RE: SF Square GP/LP and RHH Rental Properties  
**Date:** October 22, 2025 10:57:42 AM  
**Attachments:** [image001.png](#)

---

Hi Maya,

We will be proceeding to scheduling Court in London at 9:30 a.m. on Friday, November 14, 2025 to schedule a long-motion that will be challenging the payment to your client as a transfer at undervalue. If your client can produce evidence showing the payment was not a transfer at undervalue, then the Trustee is happy to consider it.

Thanks,



**Jessica Wuthmann**  
**Partner**  
**T** | [416.613.8288](tel:416.613.8288)  
**C** | [647.887.8970](tel:647.887.8970)  
**E** | [jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)

Reconstruct LLP | Restructuring and Litigation Lawyers  
80 Richmond Street West, Suite 1700, Toronto, ON M5H 2A4

---

**From:** Jessica Wuthmann  
**Sent:** Tuesday, October 14, 2025 3:28 PM  
**To:** 'Maya Poliak' <Maya@chaitons.com>; Lonergan, Clark <clonergan@bdo.ca>  
**Cc:** Caitlin Fell <cfell@reconllp.com>; Crawley, Peter <pcrawley@bdo.ca>; William Main <wmain@reconllp.com>  
**Subject:** RE: [EXT] RE: SF Square GP/LP and RHH Rental Properties

Hi Maya,

We are following up. Can we please have the documents? We will need to proceed with next steps to compel disclosure if your client is not cooperative.

Thanks,



**Jessica Wuthmann**  
**Partner**  
**T** | [416.613.8288](tel:416.613.8288)  
**C** | [647.887.8970](tel:647.887.8970)  
**E** | [jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)

Reconstruct LLP | Restructuring and Litigation Lawyers  
80 Richmond Street West, Suite 1700, Toronto, ON M5H 2A4

---

**From:** Maya Poliak <[Maya@chaitons.com](mailto:Maya@chaitons.com)>  
**Sent:** Tuesday, October 7, 2025 5:54 PM  
**To:** Jessica Wuthmann <[jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)>; Lonergan, Clark <[clonergan@bdo.ca](mailto:clonergan@bdo.ca)>  
**Cc:** Caitlin Fell <[cfell@reconllp.com](mailto:cfell@reconllp.com)>; Crawley, Peter <[pcrawley@bdo.ca](mailto:pcrawley@bdo.ca)>  
**Subject:** RE: [EXT] RE: SF Square GP/LP and RHH Rental Properties

Hi Jessica

My apologies for the delayed replies. These past few weeks have been a bit tough with the holidays. I will work on getting back to you by end of day tomorrow.

---

**Maya Poliak** | Partner  
Chaitons LLP | T: 416.218.1161

---

**From:** Jessica Wuthmann <[jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)>  
**Sent:** Tuesday, October 7, 2025 10:07 AM  
**To:** Lonergan, Clark <[clonergan@bdo.ca](mailto:clonergan@bdo.ca)>; Maya Poliak <[Maya@chaitons.com](mailto:Maya@chaitons.com)>  
**Cc:** Caitlin Fell <[cfell@reconllp.com](mailto:cfell@reconllp.com)>; Crawley, Peter <[pcrawley@bdo.ca](mailto:pcrawley@bdo.ca)>  
**Subject:** RE: [EXT] RE: SF Square GP/LP and RHH Rental Properties

CAUTION: [External]

Maya,

We still have not heard from you with respect to the documents we have been requesting for months. Without these documents, it appears to the receiver that the payment to your client may have been a preference or transfer at undervalue. As such, our client is going to proceed to schedule a motion on a Friday in November challenging the payment to your client on the basis that it was a transfer at undervalue and/or preference. Please provide your availability. If we do not hear from you by October 9, we will proceed to unilaterally pick a date in November.

Thank you,

**RECON**  
RECONSTRUCT LLP

**Jessica Wuthmann**  
Partner  
T | [416.613.8288](tel:416.613.8288)  
C | [647.887.8970](tel:647.887.8970)  
E | [jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)

**From:** Jessica Wuthmann  
**Sent:** Tuesday, September 30, 2025 12:07 PM  
**To:** Lonergan, Clark <[clonergan@bdo.ca](mailto:clonergan@bdo.ca)>; Maya Poliak <[Maya@chaitons.com](mailto:Maya@chaitons.com)>  
**Cc:** Caitlin Fell <[cfell@reconllp.com](mailto:cfell@reconllp.com)>; Crawley, Peter <[pcrawley@bdo.ca](mailto:pcrawley@bdo.ca)>  
**Subject:** RE: [EXT] RE: SF Square GP/LP and RHH Rental Properties

Maya,

Can we please have whatever documentation is available? You had said you would provide it by the 19<sup>th</sup>.



**Jessica Wuthmann**  
**Partner**  
T | [416.613.8288](tel:416.613.8288)  
C | [647.887.8970](tel:647.887.8970)  
E | [jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)

**From:** Lonergan, Clark <[clonergan@bdo.ca](mailto:clonergan@bdo.ca)>  
**Sent:** Monday, September 22, 2025 11:08 AM  
**To:** Maya Poliak <[Maya@chaitons.com](mailto:Maya@chaitons.com)>; Jessica Wuthmann <[jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)>  
**Cc:** Caitlin Fell <[cfell@reconllp.com](mailto:cfell@reconllp.com)>; Crawley, Peter <[pcrawley@bdo.ca](mailto:pcrawley@bdo.ca)>  
**Subject:** RE: [EXT] RE: SF Square GP/LP and RHH Rental Properties

Maya - hope all is well. Any update re: the below.

If I missed it, so sorry.

Clark

**Clark Lonergan (He/Him), CPA, CA, CIRP, LIT**  
Partner/Senior Vice President, Business Restructuring & Turnaround Services  
Financial Advisory Services  
BDO Canada Limited, Toronto Centre FRS  
Direct: 647 730 0934  
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[Clonergan@bdo.ca](mailto:Clonergan@bdo.ca)

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**From:** Maya Poliak <[Maya@chaitons.com](mailto:Maya@chaitons.com)>

**Sent:** September 11, 2025 4:14 PM

**To:** Jessica Wuthmann <[jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)>

**Cc:** Caitlin Fell <[cfell@reconllp.com](mailto:cfell@reconllp.com)>; Lonergan, Clark <[clonergan@bdo.ca](mailto:clonergan@bdo.ca)>; Crawley, Peter <[pcrawley@bdo.ca](mailto:pcrawley@bdo.ca)>

**Subject:** [EXT] RE: SF Square GP/LP and RHH Rental Properties

Good afternoon

I'm still waiting for some additional documents from the clients. We will get back to you by the end of next week.

---

**Maya Poliak** | Partner  
Chaitons LLP | T: 416.218.1161

---

**From:** Jessica Wuthmann <[jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)>

**Sent:** Monday, September 8, 2025 1:06 PM

**To:** Maya Poliak <[Maya@chaitons.com](mailto:Maya@chaitons.com)>

**Cc:** Caitlin Fell <[cfell@reconllp.com](mailto:cfell@reconllp.com)>; Lonergan, Clark <[clonergan@bdo.ca](mailto:clonergan@bdo.ca)>; Crawley, Peter <[pcrawley@bdo.ca](mailto:pcrawley@bdo.ca)>

**Subject:** FW: SF Square GP/LP and RHH Rental Properties

CAUTION: [External]

Hi Maya,

We are following up on the below. Please provide the requested documentation by the end of the day on September 12, 2025. The Trustee needs the documentation so that it can review the transaction and be in a position to report to the Court on same.

Thank you,



**Jessica Wuthmann**

**Partner**

T | [416.613.8288](tel:416.613.8288)

C | [647.887.8970](tel:647.887.8970)

E | [jwuthmann@reconllp.com](mailto:jwuthmann@reconllp.com)

Reconstruct LLP | Restructuring and Litigation Lawyers  
80 Richmond Street West, Suite 1700, Toronto, ON M5H 2A4

---

**From:** Crawley, Peter <[pcrawley@bdo.ca](mailto:pcrawley@bdo.ca)>  
**Sent:** Thursday, August 28, 2025 2:15:00 p.m.  
**To:** [maya@chaitons.com](mailto:maya@chaitons.com) <[maya@chaitons.com](mailto:maya@chaitons.com)>  
**Cc:** Lonergan, Clark <[clonergan@bdo.ca](mailto:clonergan@bdo.ca)>  
**Subject:** SF Square GP/LP and RHH Rental Properties

Hi Maya,

I hope you're doing well and having a great summer.

I'm assisting Clark with this matter and am reaching out for your assistance.

I'm looking for documentation surrounding the loan of 1000931576 Ontario Inc. ("10009") to RHH / Sherwood Forest Square as 10009 received a \$4.5MM paydown from SF Square LP in December 2024. Can you please provide:

- i) Loan documentation in support of the original advance to RHH Rental Properties (and/or any other related entities);
- ii) Proof of advance and timing of same;
- iii) Any signed directions to pay that were provided by the borrowers as a condition in respect of the loan.

Thanks for your assistance,  
Peter

**Peter Crawley, MBA, CA, CPA, CIRP, LIT**  
*Vice President, Business Restructuring & Turnaround Services*  
Financial Advisory Services  
Direct: 289.678.0243  
[BDO Canada Limited](#)  
805-25 Main Street West  
Hamilton, ON L8P 1H1

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# **APPENDIX "D"**

**From:** [Maya Poliak](#)  
**To:** [Levi Rivers](#)  
**Cc:** [Caitlin Fell](#); [William Main](#); [Julien Gosset](#); [clonergan@bdo.ca](mailto:clonergan@bdo.ca); [pcrawley@bdo.ca](mailto:pcrawley@bdo.ca)  
**Subject:** RE: Court File No.: BK-25-03230607-0035 - In the Matter of the Bankruptcy of SF Square GP Corp  
**Date:** November 10, 2025 5:35:05 PM  
**Attachments:** [image001.png](#)  
[Direction Funds Oct 2024\(2046889.2\).pdf](#)  
[112924-1,300,000.00 SF Square.pdf](#)  
[103024-1,650,000 SF Square.pdf](#)  
[Promissory Note IC Oct 30 24\(2046704.2\) - for 1.65M.pdf](#)  
[Promissory Note.pdf](#)  
[1. Email from Todd Neill about 4.9M Taken from West Haven Project.pdf](#)

---

Good evening

We apologize for the delay in getting back to you. The loans in question were done on a rush basis at urgent requests by Scott Reid to fund the construction of the W Project in anticipation of a refinancing or sale of that property. As a consequence the loans were not properly documented. I have requested and am waiting for production of all email correspondence relating to these loans.

By way of a brief background, 1000931275 Ontario Inc. (formerly 1021294 Ontario Limited) (“**1000**”) made a loan to RHH Rental Properties Ltd. (“**RHH**”) in the principal amount of \$10,800,000 (the “**Loan**”), evidenced by the Promissory Note dated September 26, 2022 (the “**September Promissory Note**”). 1000 advanced a further principal amount of \$4,400,000 on September 7, 2023 under the Loan. A copy of the September Promissory Note is attached to this email. The advances under the Loan are secured by, inter alia, a GSA in favour of 1000. The funds advanced were intended to fund the development of a project located in Waterloo, Ontario (the “**West Haven Project**”), owned in part by 1000 with RHH acting as the developer. In or around July 4, 2024, 1000 learned that approximately \$4.9 million of funds advanced to RHH were in fact used for other projects develop by RHH. 1000 has not been able to obtain the particulars of those transfers from Scott Reid before RHH’s bankruptcy. Upon discovery of the fraudulent diversion by 1000, Scott Reid promised that these funds will be repaid from the sale or refinancing of the W project, which was represented to 1000 to have equity in it. To the extent that it is discovered that funds advanced to RHH by 1000 for the purpose of funding the West Haven Project were re-directed to the W Project, 1000 intends to advance, among other things, a trust claim in respect of those funds. Attached for your reference is an email from Todd Neill, CFO of Reid’s Heritage Properties, confirming the diversion of funds.

I am advised by my clients that in late October 30, 2024, Scott Reid approached 1000 and requested urgent short-term funding to pay trades on the W Project. 1000 was advised by Scott that the W Project was in the process of being re-financed or sold and that the bridge loan will be repaid within a few months. Because of the urgency of the situation as conveyed by Scott, 1000 prepared a promissory note in the name of RHH and obtained a Direction re Funds directing 1000 to pay the bridge loan to SF Square LP. Attached to this email are the Promissory Note, Direction Re Funds and a wire confirmation showing payment of \$1,650,000 to SF Square LP.

I am also advised by my clients that in late November 2024, Scott Reid again approached 1000 and asked for additional short-term funding to pay trades on the W Project. The funds were required on an urgent basis which did not allow 1000 time to properly paper the transaction. Attached as an exhibit to this email is a copy of the wire transfer evidencing

payment of \$1,300,000 by 1000 to SF Square LP.

I am advised by my clients that refinancing of the W Project was completed in December 2024. As a consequence, and consistent with Scott Reid's promises the two short term loans described above were repaid on December 20, 2025. A further \$1,550,000 was paid by RHH to 1000 to partially reduce the amounts owing under the Loan.

The evidence clearly discloses that \$2,950,000 was repaid by SF Square LP in respect of the two short term loans made by 1000 to this debtor. The balance was repaid as consideration for the diversion of funds from the Westhill project.

Should the Receiver wish to proceed with a claim against 1000 we note the following: (i) any such claim is premature until tracing of the funds advanced by 1000 to RHH and diverted for outside projects has been completed; and (ii) any such claim must proceed by way of an originating process in a new application or action and not as a motion within the receivership proceeding. Please confirm that the scheduling case conference scheduled for this week will be released.

Sincerely,

---

**Maya Poliak** | Partner  
**Chaitons LLP** | T: 416.218.1161

---

**From:** Levi Rivers <livers@reconllp.com>

**Sent:** Thursday, November 6, 2025 1:14 PM

**To:** LondonBankruptcy@ontario.ca; JUS-G-MAG-CSD-London Courthouse <london.courthouse@ontario.ca>; London SCJ (JUD) <london.scj@ontario.ca>

**Cc:** Caitlin Fell <cfell@reconllp.com>; William Main <wmain@reconllp.com>; Julien Gosset <jgosset@reconllp.com>; clonergan@bdo.ca; pcrawley@bdo.ca; michael@rousseauumazzuca.com; stephen@rousseauumazzuca.com; hmanis@manislaw.ca; LWilliams@tgf.ca; Alexander Soutter <asoutter@tgf.ca>; SSrikaruna@tgf.ca; gphoenix@LN.law; shamraz@LN.law; cmills@millertthomson.com; insolvency.unit@ontario.ca; pat.confalone@cra-arc.gc.ca; AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca; osbservice-bsfservice@ised-isde.gc.ca; alexander.verrilli@mckenzielake.com; Maya Poliak <Maya@chaitons.com>; mcassone@harrisonpensa.com

**Subject:** Court File No.: BK-25-03230607-0035 - In the Matter of the Bankruptcy of SF Square GP Corp

CAUTION: [External]

Good day;

Please find attached the confirmation form of BDO Canada Limited, the Trustee in Bankruptcy, regarding the scheduling appearance on November 14, 2025.

May we have case center bundled opened when accepted.

Kind regards,



**Levi Rivers (he/him)**

**Legal Assistant**

**T** | [416.613.8285](tel:416.613.8285)

**F** | [416.613.8290](tel:416.613.8290)

**E** | [lrivers@reconllp.com](mailto:lrivers@reconllp.com)

Reconstruct LLP | Restructuring and Litigation Lawyers  
80 Richmond Street West, Suite 1700, Toronto, ON M5H 2A4

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## Scott Schweyer

---

**From:** Todd Neill <tneill@reidsproperties.com>  
**Sent:** July 4, 2024 8:30 AM  
**To:** Scott Schweyer  
**Cc:** Scott Reid; Ian Cook  
**Subject:** RE: Outstanding payments

Hi Scott,  
Please see responses below in red

- What is the value of the holdbacks for the project
  - Invoice is for \$2,546,242.85 + HST
  - This was included in the current draw
- Can you confirm if the 4.9M listed below does or not include any of the holdbacks for the project
  - Confirmed
- What is the current interest rate on the development charges so we can anticipate that
  - Prime + 2%
- What is the amount of money used from the Westhaven construction loan that was used for other Reid projects or payables
  - The \$4.9M should have been used in the Westhill project but was not
- Is the next construction draw organized and ready or let us know the delay in timing/issues with it
  - The lender asked the QS to add a few items to the report
    - Main roadblock is the proof of payment of the development charges
- The timing for Jenn to receive the revised invoices under the Westhaven name that could not be submitted for the HST ITC's
  - Next reporting period of June 1 to August 31 would be filed at the end of September so I will have the invoices corrected mid-September

Todd Neill, CMA, CPA  
Chief Financial Officer | Reid's Heritage Properties  
1515 Gordon Street, Suite 203 , Guelph, ON. N1L 1C9  
Tel: 519.654.9099 ext. 554 | Cell: 519.239.9245



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[reidsproperties.com](http://reidsproperties.com)

**From:** Scott Schweyer <sschweyer@cookhomes.ca>  
**Sent:** Wednesday, July 3, 2024 3:55 PM  
**To:** Todd Neill <tneill@reidsproperties.com>  
**Cc:** Scott Reid <scott@reidsproperties.com>; Ian Cook <icook@cookhomes.ca>  
**Subject:** RE: Outstanding payments  
**Importance:** High

Hi Todd,

Thanks for the numbers. Ian and I met to review them. We have a few questions.

- What is the value of the holdbacks for the project
- Can you confirm if the 4.9M listed below does or not include any of the holdbacks for the project
- What is the current interest rate on the development charges so we can anticipate that
- What is the amount of money used from the Westhaven construction loan that was used for other Reid projects or payables
- Is the next construction draw organized and ready or let us know the delay in timing/issues with it
- The timing for Jenn to receive the revised invoices under the Westhaven name that could not be submitted for the HST ITC's

I am available for a call tomorrow if you want to talk about any these items.

Thanks,

Scott

---

**From:** Todd Neill <[tneill@reidsproperties.com](mailto:tneill@reidsproperties.com)>  
**Sent:** Wednesday, July 3, 2024 10:38 AM  
**To:** Scott Schweyer <[sschweyer@cookhomes.ca](mailto:sschweyer@cookhomes.ca)>  
**Cc:** Scott Reid <[scott@reidsproperties.com](mailto:scott@reidsproperties.com)>  
**Subject:** Outstanding payments

Hi Scott,

As per your meeting with Scott Reid, below are the amounts that are outstanding;

Sierra - \$1,948,323.12 (this is the amount that we have drawn on)  
Sierra - \$231,126.62 (this is on the draw to be funded)  
Development Charges - \$2,398,118 (this amount will increase with additional interest since May 19<sup>th</sup>)  
Other misc vendors/consultants - \$350,000

Total - \$4,927,567.74

Todd Neill, CMA, CPA  
Chief Financial Officer | Reid's Heritage Properties  
1515 Gordon Street, Suite 203 , Guelph, ON. N1L 1C9  
Tel: 519.654.9099 ext. 554 | Cell: 519.239.9245



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# Payment Details



COOK HOMES WATERLOO LIMITED - 00025682

## PAYMENT ID: 27305

Payment Type Wire  
Status Bank Confirmed  
Entry Method Freeform  
Value Date 30/10/2024  
Tran Date 30/10/2024  
Credit Amount 1,650,000.00 CAD  
Debit Amount 1,650,000.00 CAD  
CIBC ID 73651283  
Charges BEN  
1st Confirmation 0073651283  
UETR

## FROM ACCOUNT

Number 000829103015  
Name 1000931276 ONTARIO INC.  
Type Deposit  
Bank CIBC

## ORIGINATOR INFORMATION

Name 1000931276 ONTARIO INC.  
ID 000829103015  
Type CUST  
Street Address 2 B-695 RUPERT ST  
City or Town WATERLOO  
Country CA

## BENEFICIARY

Name SF Square LP  
Street Address 1 203-1515 Gordon St  
City or Town Guelph  
Province ON  
Country CA  
Account 1822810

## BENEFICIARY BANK

Account Type Other  
Bank CIBC  
Street Address 1 59 Wyndham Street North  
Street Address 2 Guelph ON N1H 4E7  
Country CA

## AUDIT INFORMATION

	Timestamp	User ID	Company
APPROVED	30/10/2024 02:10:51 PM	90588811	00025682
APPROVED	30/10/2024 02:10:51 PM	90588811	00025682
APPROVED	30/10/2024 02:10:51 PM	90588811	00025682
APPROVED	30/10/2024 02:10:51 PM	90588811	00025682
APPROVED	30/10/2024 02:10:51 PM	90588811	00025682
APPROVED	30/10/2024 02:10:51 PM	90588811	00025682
ENTERED	30/10/2024 02:06:33 PM	92438171	00025682
RELEASED	30/10/2024 02:11:20 PM	_SYSTEM	00025682

## SETTLEMENT INFORMATION

	Timestamp
Extracted	30/10/2024 02:11:20 PM
Bank Received	30/10/2024 02:11:21 PM
Bank Confirmed	30/10/2024 02:46:11 PM

Continued

REPORT TOTALS

Wires	Total Debit Amount	Payments	Total Credit Amount	Payments
Wires (CAD to CAD)	1,650,000.00 CAD	1		

# Payment Details



COOK HOMES WATERLOO LIMITED - 00025682

## PAYMENT ID: 27433

Payment Type Wire  
Status Bank Confirmed  
Entry Method Freeform  
Value Date 29/11/2024  
Tran Date 29/11/2024  
Credit Amount 1,300,000.00 CAD  
Debit Amount 1,300,000.00 CAD  
CIBC ID 74135148  
Charges BEN  
1st Confirmation 0074135148  
UETR

## FROM ACCOUNT

Number 000829103015  
Name 1000931276 ONTARIO INC.  
Type Deposit  
Bank CIBC

## ORIGINATOR INFORMATION

Name 1000931276 ONTARIO INC.  
ID 000829103015  
Type CUST  
Street Address 2 B-695 RUPERT ST  
City or Town WATERLOO  
Country CA

## BENEFICIARY

Name SF Square LP  
Street Address 1 203-1515 Gordon St  
City or Town Guelph  
Province ON  
Country CA  
Account 1822810

## BENEFICIARY BANK

Account Type Other  
Bank CIBC  
Street Address 1 59 Wyndham Street North  
Street Address 2 Guelph ON N1H 4E7  
Country CA

## AUDIT INFORMATION

	Timestamp	User ID	Company
APPROVED	29/11/2024 11:10:02 AM	90588811	00025682
APPROVED	29/11/2024 11:10:02 AM	90588811	00025682
APPROVED	29/11/2024 11:10:02 AM	90588811	00025682
APPROVED	29/11/2024 11:10:02 AM	90588811	00025682
APPROVED	29/11/2024 11:10:02 AM	90588811	00025682
APPROVED	29/11/2024 11:10:02 AM	90588811	00025682
MODIFIED	29/11/2024 09:38:27 AM	92438171	00025682
ENTERED	28/11/2024 02:19:57 PM	92438171	00025682
RELEASED	29/11/2024 11:10:30 AM	_SYSTEM	00025682

## SETTLEMENT INFORMATION

	Timestamp
Extracted	29/11/2024 11:10:30 AM
Bank Received	29/11/2024 11:10:34 AM
Bank Confirmed	29/11/2024 11:44:32 AM

Continued

REPORT TOTALS

Wires	Total Debit Amount	Payments	Total Credit Amount	Payments
Wires (CAD to CAD)	1,300,000.00 CAD	1		

DIRECTION RE FUNDS

TO: 1000931276 Ontario Inc. (the "Lender")

RE: Loan to RHH Rental Properties Ltd. in the principal amount of \$1,650,000

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The undersigned hereby authorizes and directs the Lender to make the funds with respect to the above-mentioned loan payable to the following bank account at Canadian Imperial Bank of Commerce:

---

SF SQUARE LP

000521822810  CAD

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and this shall be your good and sufficient authority for so doing.

DATED the 30th day of October, 2024.

RHH RENTAL PROPERTIES LTD..

DocuSigned by:



Per: \_\_\_\_\_

Name: Scott Reid

Position: President

I have the authority to bind the Corporation.

**PROMISSORY NOTE**

FOR VALUE RECEIVED, RHH Rental Properties Ltd. (the "Borrower"), a corporation incorporated under the laws of the province of Ontario, promises to pay to 1021294 Ontario Limited (the "Lender") at 169 Lexington Court, Unit B-1, Waterloo, Ontario N2J 4R3, or such other place as the Lender shall inform the Borrower in writing in lawful money of Canada, the principal sum of Ten Million Eight Hundred Thousand Dollars (\$10,800,000) (the "Principal Amount"). The Principal Amount shall, subject to the provisions hereof, bear interest calculated monthly at a rate of twelve percent (12.0%) per annum before and after maturity, default and judgment and until actual payment, with interest on overdue interest at the same rate. The Principal Amount together with any interest due thereon shall be payable in full on December 21, 2022.

Notwithstanding the foregoing, if the Principal Amount together with all interest owing thereon has not been paid in full on or before January 20, 2023, then the Principal Amount and all interest owing thereon or becoming owing thereon shall bear interest calculated monthly at a rate of fifteen percent (15%) per annum until actual payment thereof.

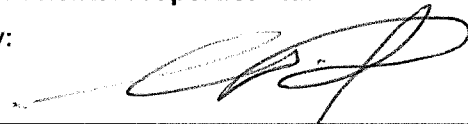
The Borrower waives presentment, demand, notice of dishonour and protest or further notice of any kind and agrees that it shall remain liable in respect of this note as if presentment, demand, notice of dishonour and protest had been duly made or given.

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

DATED: September 26, 2022.

**RHH Rental Properties Ltd.**

By:



By: Scott Reid

Title: President

**PROMISSORY NOTE**

FOR VALUE RECEIVED, RHH Rental Properties Ltd. (the "Borrower"), a corporation incorporated under the laws of the province of Ontario, promises to pay to 1000931276 Ontario Inc. (the "Lender") at 695 Rupert St Unit B, Waterloo, ON N2V 1Z5, or such other place as the Lender shall inform the Borrower in writing in lawful money of Canada, the principal sum of One Million Six Hundred and Fifty Thousand Dollars (\$1,650,000) (the "Principal Amount"). The Principal Amount shall, subject to the provisions hereof, bear interest calculated monthly at a rate of fifteen percent (15.0%) per annum before and after maturity, default and judgment and until actual payment, with interest on overdue interest at the same rate. The Principal Amount together with any interest due thereon shall be payable in full on the earlier of: (i) the closing of the sale of the property referred to as the "W" in London, Ontario; and (ii) December 31, 2024.

The Borrower waives presentment, demand, notice of dishonour and protest or further notice of any kind and agrees that it shall remain liable in respect of this note as if presentment, demand, notice of dishonour and protest had been duly made or given.

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

DATED: October 30, 2024.

**RHH Rental Properties Ltd.**

By:

DocuSigned by:  
*Scott Reid*  
CE30E432D7D4442

By: Scott Reid

Title: President

# APPENDIX "E"

## SECURITY AGREEMENT

**THIS AGREEMENT** is made September 26, 2022,

**BY:** RHH Rental Properties Ltd., a corporation incorporated under the laws of Ontario  
(the "Borrower")

**IN FAVOUR OF:** 1021294 Ontario Limited  
(the "Lender")

### RECITALS:

1. The Borrower is now or may hereafter become indebted or otherwise liable to the Lender pursuant to a promissory note (as amended or replaced from time to time, the "Promissory Note") issued by the Borrower in favour of the Lender.
2. The Lender has requested, and the Borrower has agreed to provide the Lender with, a security interest on certain assets of the Borrower as contemplated in this Agreement.

**NOW THEREFORE** in consideration of the sum of \$1.00 and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Borrower agrees with the Lender as follows:

### Article 1 - INTERPRETATION

- 1.1 **Definitions** In this Agreement the following words and phrases have the following meanings:
- (a) **"this Agreement", "hereto", "herein", "hereof", "hereby", "hereunder"** and any similar expressions refer to this Agreement and the Schedules hereto as they may be amended or supplemented from time to time, and not to any particular Article, section or other portion hereof or thereof;
  - (b) **"Business Day"** means any day, other than Saturday, Sunday or any statutory holiday in the Province of Ontario;
  - (c) **"Collateral"** means all of the undertaking, property and assets of the Borrower subject to, or intended to be subject to, the Security Interest, and any reference to "Collateral" shall be deemed to be a reference to "Collateral or any part thereof" except where otherwise specifically provided;

- (d) **“Event of Default”** has the meaning attributed to such term in section 10.1;
- (e) **“Lien”** means any mortgage, pledge, charge, assignment, security interest, hypothec, lien or other encumbrance, including, without limitation, any agreement to give any of the foregoing, or any conditional sale or other title retention agreement;
- (f) **“Obligations”** means all of the obligations, liabilities and indebtedness of the Borrower to the Lender from time to time, whether present or future, absolute or contingent, liquidated or unliquidated, of whatsoever nature or kind, in any currency or otherwise, including arising as a result of the Promissory Note or any other agreement delivered by the Borrower in connection with the Promissory Note and the strict performance and observance by the Borrower of all agreements, warranties, representations, covenants and conditions made pursuant to this Agreement or any other agreement between the Borrower and the Lender, whether present or future, amended or unamended;
- (g) **“Permitted Liens”** means the Security Interest, those Liens existing at the date hereof which are specifically referred to in this Agreement or a Schedule to this Agreement, if any, and any Lien which arises hereafter which is approved in writing, prior to its creation or assumption, by the Lender provided that the Lender shall not be obligated to provide such approval;
- (h) **“Person”** means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;
- (i) **“PPSA”** means the *Personal Property Security Act* (Ontario) as amended from time to time and any Act substituted therefor and amendments thereto;
- (j) **“Prime Rate”** means, at any time, the annual rate of interest which Canadian Imperial Bank of Commerce establishes at its principal office in Toronto as the reference rate of interest to determine interest rates it will charge at such time for demand loans in Canadian dollars made to its customers in Canada and which it refers to as its “prime rate of interest”, such rate to be adjusted automatically and without the necessity of any notice to the Borrower upon each change to such rate;

(k) **“Receiver”** means any of a receiver, manager, receiver-manager and receiver and manager; and

(l) **“Security Interest”** has the meaning attributed to such term in section 2.1.

1.2 **Capitalized Terms** Unless otherwise defined in this Agreement, all capitalized terms will have the meanings given to those terms in the PPSA.

1.3 **Headings, Table of Contents, Gender and Number** The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof. In this Agreement, unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Whenever in this Agreement a particular Article, section or other portion thereof is referred to then, unless otherwise indicated, such reference pertains to the particular Article, section or portion thereof contained herein.

1.4 **Currency** All amounts in this Agreement are stated and shall be paid in Canadian currency.

## **Article 2 - SECURITY INTEREST**

2.1 **Creation of Security Interest** As continuing security for the repayment, performance and satisfaction of the Obligations of the Borrower to the Lender, and subject to sections 2.2 and 2.3 hereof, the Borrower hereby grants to the Lender, by way of security interest, mortgage, pledge, charge, assignment and hypothec, a security interest (the “Security Interest”) in the undertaking of the Borrower and in:

(a) all Goods (including without limitation all parts, accessories, attachments, additions and Accessions thereto) whether or not such Goods are now or hereafter become fixtures, all Accounts, all Chattel Paper, all Documents of Title (whether negotiable or not), all Instruments, all Intangibles, all Money and all Investment Property, and all other personal property, if any, in each case now owned or hereafter acquired by or on behalf of the Borrower or in respect of which the Borrower now or hereafter has any right, title or interest (including, without limitation, such as may be returned to or repossessed by the Borrower) and including, without limitation, all contracts, licenses, computer software, warranties, ownership certificates, manuals, publications, books, statements of account, bills, invoices, letters and other documents or records in any form evidencing or relating to any of the foregoing property;

- (b) without limiting the generality of the foregoing, the 1,200 2% European Medium Term bonds issued by Demeter Investment Holdings with certificate number AF0004439448;
- (c) all renewals of, accretions to and substitutions for any of the property described in clause 2.1(a); and
- (d) all Proceeds (including Proceeds of Proceeds) of any of the property described in clauses 2.1(a) and 2.1(c).

2.2 **Exception for Last Day of Leases** The Security Interest granted hereby does not and shall not extend to, and Collateral shall not include, the last day of the term of any lease or sub-lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Borrower, but upon the sale of the leasehold interest or any part thereof the Borrower shall stand possessed of such last day in trust to assign the same as the Lender shall direct.

2.3 **Exception for Contractual Rights** The Security Interest granted hereby does not and shall not extend to, and Collateral shall not include, any agreement, right, franchise, license or permit (the "contractual rights") to which the Borrower is a party or of which the Borrower has the benefit, to the extent that the creation of the Security Interest therein would constitute a breach of the terms of or permit any Person to terminate the contractual rights, but the Borrower shall hold its interest therein in trust for the Lender and shall assign such contractual rights to the Lender forthwith upon obtaining the consent of the other party thereto. The Borrower agrees that it shall, upon the request of the Lender, use all commercially reasonable efforts to obtain any consent required to permit any contractual rights to be subjected to the Security Interest.

2.4 **Attachment** The attachment of the Security Interest has not been postponed and the Security Interest shall attach to any particular Collateral as soon as the Borrower has rights in such Collateral.

2.5 **Proceeds in Trust** The Borrower will, and will be deemed to, hold all Proceeds separate and in trust, for the benefit of the Lender until the Obligations have been paid, performed and satisfied in full.

### **Article 3 – OBLIGATIONS SECURED**

3.1 **Obligations Secured** The Security Interest granted hereby secures payment, performance and satisfaction of the Obligations.

## Article 4 REPRESENTATIONS AND WARRANTIES

4.1 **Representations and Warranties** The Borrower represents and warrants, and so long as this Agreement remains in effect shall be deemed continuously to represent and warrant, that:

- (a) it is duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has the corporate power and capacity to own its properties and assets and to carry on its business as presently carried on by it, it has the corporate power and capacity to enter into this Agreement and to do all acts and things as are required or contemplated hereunder to be done, observed and performed by it;
- (b) it has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement;
- (c) there is no unanimous shareholder agreement which restricts, in whole or in part, the powers of the directors of the Borrower to manage or supervise the business and affairs of the Borrower except as set out in Schedule 4.1 (c);
- (d) the entering into of this Agreement and the performance by the Borrower of its obligations hereunder does not and will not contravene, breach or result in any default under the articles, by-laws, constating documents or other organizational documents of the Borrower or under any mortgage, lease, agreement or other legally binding instrument, license, permit or law to which the Borrower is a party or by which the Borrower or any of its properties or assets may be bound and will not result in or permit the acceleration of the maturity of any indebtedness, liability or obligation of the Borrower under any mortgage, lease, agreement or other legally binding instrument of or affecting the Borrower;
- (e) no authorization, consent or approval of, or filing with or notice to, any Person is required in connection with the execution, delivery or performance of this Agreement by the Borrower;
- (f) except as disclosed in writing to the Lender, there is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal, or criminal); arbitration or other dispute settlement procedure; investigation or enquiry by any government body; or any similar matter or proceeding (collectively "proceedings") against or involving the Borrower (whether in progress or threatened) which, if determined adversely to the Borrower, would materially adversely affect its business, property, financial condition or prospects or its

ability to perform any of the provisions of this Agreement; no event has occurred which might give rise to any proceedings and there is no judgment, decree, injunction, rule, award or order of any governmental body outstanding against the Borrower which has or may have a material adverse effect on its business, property, financial condition or prospects;

- (g) the Borrower does not have or use a French form of name or a combined English and French form of name and does not use any business name or style other than the Borrower's name as disclosed in this Agreement;
- (h) the Borrower owns the Collateral free of all Liens, except for Permitted Liens including the Permitted Liens set out in Schedule 4.1(h);
- (i) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the Person obligated to pay the same, and the amount represented by the Borrower to the Lender from time to time as owing by each such Person or by all such Persons will be the correct amount actually and unconditionally owing by such Person or Persons, except for normal cash discounts where applicable, and no such Person will have any defence, set off, claim or counterclaim against the Borrower which can be asserted against the Lender, whether in any proceeding to enforce Collateral or otherwise;
- (j) the locations specified in Schedule 4.1(j) to this Agreement as to business operations and records are accurate and complete and, with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule 4.1(j) are accurate and complete except for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures which forms part of the Collateral will be situate at one of such locations;
- (k) all financial information provided by the Borrower to the Lender is true, correct and complete;
- (l) all financial statements have been prepared in accordance with accounting standards for private enterprises consistently applied; and
- (m) there has been no material adverse change in the Borrower's financial condition since the date of the most recent financial statements provided to the Lender.

## Article 5 - COVENANTS AND AGREEMENTS OF THE BORROWER

5.1 **General Agreements** The Borrower agrees that it shall:

- (a) pay or satisfy all Obligations when due;
- (b) carry on and conduct its business in a proper and efficient manner and so as to protect and preserve the Collateral and shall keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for its business and accurate and complete records concerning Collateral, and shall mark any and all such records and Collateral at the Lender's request so as to indicate the existence of the Security Interest;
- (c) keep the Collateral in good order and repair and shall not use the Collateral in violation of the provisions of this Agreement or any other agreement between the Borrower and the Lender relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- (d) not locate any Collateral at any location not set out in Schedule 4.14.1(j) without the Lender's prior written consent;
- (e) prevent any Collateral, except Inventory sold or leased as permitted hereby, from being or becoming an Accession to property not covered by this Agreement;
- (f) pay all taxes, rates, levies, assessments and other charges of every kind which may be lawfully levied, assessed or imposed against or in respect of it or Collateral as and when the same become due and payable;
- (g) insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Lender shall reasonably direct, with loss payable to the Lender and the Borrower, as their respective interests may appear, and shall pay all premiums therefor;
- (h) notify the Lender promptly of:
  - (i) any change in the information contained in this Agreement or in the Schedules hereto relating to it, its business or the Collateral;
  - (ii) the details of any significant acquisition of Collateral;
  - (iii) the details of any claims or litigation affecting it or the Collateral;

- (iv) any loss of or damage to the Collateral;
  - (v) any default by any Person in payment or other performance of its obligations with respect to Collateral; and
  - (vi) the return to or repossession by it of Collateral;
  - (vii) It shall deliver to the Lender from time to time promptly upon request:
  - (viii) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
  - (ix) all statements of accounts, bills, invoices and books of account relating to Accounts and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
  - (x) all financial statements prepared by or for it regarding its business;
  - (xi) all policies and certificates of insurance relating to Collateral; and
  - (xii) such information concerning the Collateral, the Borrower and its business and affairs as the Lender may reasonably request;
- (i) not change its name without giving prior written notice to the Lender of the new name and the date upon which such change of name is to take effect;
  - (j) not amalgamate or enter into an arrangement with another corporation or commence proceedings to dissolve or liquidate without the prior written consent of the Lender;
  - (k) do, execute, acknowledge and deliver such financing statements and further assignments, transfers, documents, acts, matters and things (including further Schedules to this Agreement) as may be reasonably requested by the Lender or with respect to Collateral in order to give effect to this Agreement; and
  - (l) ensure that the representations and warranties set forth in section 4.1 shall be true and correct at all times.

5.2 **Restrictions on Dealings with Collateral** Except as provided in section 5.3, the Borrower agrees that it shall not, without the prior consent in writing of the Lender:

- (a) sell, assign, transfer, exchange, lease, consign or otherwise dispose of any Collateral;
- (b) move or transfer the Collateral from its present location; or
- (c) create, assume or suffer to exist any mortgage, lien, security interest or other encumbrance (a "Lien") upon the Collateral other than the Permitted Liens.

No provision hereof shall be construed as a subordination or postponement of the Security Interest to or in favour of any other Lien, whether or not such Lien is a Permitted Lien.

5.3 **Permitted Dealings with Collateral** The Borrower may at any time, without the consent of the Lender:

- (a) sell, assign, transfer, exchange, lease, consign or otherwise dispose of Inventory in the ordinary course of its business;
- (b) sell or otherwise dispose of such part of its Equipment which is no longer necessary or useful in connection with its business or which has become worn out or obsolete or unsuitable for the purpose for which it was intended; and
- (c) subject to section 8.1, collect Accounts in the ordinary course of its business.

5.4 **Verification of Collateral** The Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Borrower agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access to all places where Collateral may be located and to all premises occupied by the Borrower.

5.5 **Expenses** The Borrower shall pay to the Lender on demand all of the Lender's reasonable costs, charges and expenses (including, without limitation, legal fees on a solicitor and his own client basis and Receiver's fees) in connection with the preparation, registration or amendment of this Agreement, the perfection or preservation of the Security Interest, the enforcement by any means of any of the provisions hereof or the exercise of any rights, powers or remedies hereunder, including, without limitation, all such costs, charges and expenses in connection with taking possession of Collateral, carrying on the Borrower's business, collecting the Borrower's accounts and taking custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral, together with interest on such costs, charges and expenses from the dates incurred to the date of payment at the Prime Rate.

5.6 **Insurance** The Borrower shall obtain and maintain, at its own expense, insurance against loss or damage to the Collateral including, without limiting the generality of the foregoing, loss by fire (including extended coverage), theft, collision and such other risks of loss as are customarily insured against on this type of Collateral, in an amount not less than the full replacement value thereof, in a form and with insurers which are satisfactory to the Lender, acting reasonably. If any such policies of insurance contain a co-insurance clause, the Borrower shall either cause any such co-insurance clause to be waived or maintain at all times a sufficient amount of insurance to meet the requirements of any such co-insurance clause so as to prevent the Borrower from becoming a co-insurer under the terms of any such policy. All such policies shall name the Lender as an additional insured and loss payee thereof, as the Lender's interests may appear, and shall provide that the insurer will give the Lender at least 30 days written notice of any change in or cancellation of the policy. At the Lender's request, the Borrower shall furnish the Lender with a copy of any policy of insurance and certificate of insurance or other evidence satisfactory to the Lender that the required insurance coverage is in effect. The Borrower shall give the Lender notice of any damage to, or loss of, the Collateral forthwith upon the occurrence of any such damage or loss. If the Borrower fails to make any payment or perform any other obligation provided in this section, the Lender will have the right, but not the obligation, without notice or demand upon the Borrower and without releasing the Borrower from any obligation hereunder or waiving any rights to enforce this Agreement, to perform any or all of such obligations. The amount of all such payments made and all costs, fees and expenses incurred by the Lender in performing such obligations shall be immediately due and payable by the Borrower.

## **Article 6 - SECURITIES**

6.1 **Securities** If the Collateral at any time includes Securities, the Borrower authorizes the Lender to transfer the same or any part thereof into its own name or that of its nominee so that the Lender or its nominee may appear as the sole owner of record thereof; provided that, until the occurrence of an Event of Default, the Lender shall deliver promptly to the Borrower all notices or other communications received by the Lender or its nominee as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall grant to the Borrower or its nominee a proxy to vote and take all action with respect to such Securities, in a manner not prejudicial to the interests of the Lender or which would violate or be inconsistent with this Agreement. After the occurrence of an Event of Default, the Borrower waives all rights to receive any notices or communications received by the Lender or its nominee as such registered owner and agrees that no proxy granted by the Lender to the Borrower or its nominee as aforesaid shall thereafter be effective. The Lender is not

responsible for any loss occasioned by its exercise of any of rights with respect to the Securities or by its failure to exercise the same within the time limited for the exercise thereof.

#### **Article 7 - INVESTMENT PROPERTY**

7.1 **Investment Property** If the Collateral at any time includes Investment Property, the Borrower authorizes the Lender to transfer the same or any part thereof into its own name or that of its nominee so that the Lender or its nominee may appear as the sole owner of record thereof; provided that, until the occurrence of an Event of Default, the Lender shall deliver promptly to the Borrower all notices or other communications received by the Lender or its nominee as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall grant to the Borrower or its nominee a proxy to vote and take all action with respect to such Investment Property, in a manner not prejudicial to the interests of the Lender or which would violate or be inconsistent with this Agreement. After the occurrence of an Event of Default, the Borrower waives all rights to receive any notices or communications received by the Lender or its nominee as such registered owner and agrees that no proxy granted by the Lender to the Borrower or its nominee as aforesaid shall thereafter be effective. The Lender is not responsible for any loss occasioned by its exercise of any of rights with respect to the Securities or by its failure to exercise the same within the time limited for the exercise thereof.

#### **Article 8 - COLLECTION OF DEBTS**

8.1 **Collection of Debts** After the occurrence of an Event of Default, the Lender may give notice of the Security Interest to any Person obligated to pay any debt or liability constituting Collateral and may also direct such Person to make all payments on account of any such debt or liability to the Lender. The Borrower acknowledges that any payments received by the Borrower from such Persons, whether before or after notification of the Security Interest to such Persons and whether before or after the occurrence of an Event of Default, shall be received and held by the Borrower in trust, or as agent in the Province of Quebec, for the Lender and shall be turned over to the Lender upon request.

8.2 **Application of Funds** Except where the Borrower, when not in default hereunder, so directs in writing at the time of payment, all money collected or received by the Lender in respect of the Collateral may be applied on account of such parts of the Obligations as the Lender in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Lender may be released to the Borrower, all without prejudice to the Lender's rights against the Borrower.

## Article 9 - EVENTS OF DEFAULT

9.1 **Events of Default** The Borrower is in default under this Agreement upon the occurrence of any of the following events, each of which shall constitute an Event of Default:

- (a) the Borrower defaults in payment when due of all or any part of the Obligations;
- (b) the Borrower defaults in the payment of the Promissory Note in accordance with its terms or the performance of any of its agreements contained in this Agreement and/or any other document delivered by the Borrower to the Lender in connection with the Promissory Note;
- (c) any representation and warranty of the Borrower contained in this Agreement proves to be untrue;
- (d) the Borrower admits its inability to pay its debts generally as they become due or otherwise acknowledges its insolvency;
- (e) except to the extent permitted by the Lender in writing, the Borrower or any other Person institutes any proceeding or takes any corporate action or executes any agreement to authorize its participation in or commencement of any proceeding:
  - (i) seeking to adjudicate it a bankrupt or insolvent;
  - (ii) seeking liquidation, dissolution, winding up, reorganization, arrangement, protection, relief or composition of it or any of its property or debt, or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws (including, without limitation, any application under the *Companies' Lenders Arrangement Act* (Canada) or any reorganization, arrangement or compromise of debt under the laws of the jurisdiction of incorporation of the Borrower); or
  - (iii) seeking to amalgamate or merge it, or enter into an arrangement, with any other entity; or
  - (iv) seeking appointment of a receiver, trustee, agent, custodian or other similar official for it or for any substantial part of its properties and assets or for any part of the Collateral;
- (f) any proceeding is commenced against or affecting the Borrower:

- (i) seeking to adjudicate it a bankrupt or insolvent;
- (ii) seeking liquidation, dissolution, winding up, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws (including, without limitation, any reorganization, arrangement or compromise of debt under the laws of the jurisdiction of incorporation of Borrower);
- (iii) seeking to amalgamate or merge it with any other entity; or
- (iv) seeking appointment of a receiver, trustee, agent, custodian or other similar official for it or for any substantial part of its properties and assets or for any part of the Collateral;

and such proceeding is not being contested in good faith by appropriate proceedings or, if so contested remains outstanding, undismissed and unstayed more than 30 days from the institution of such first mentioned proceeding provided, however, that notwithstanding any such 30 day period shall not have elapsed, an Event of Default shall be deemed to have occurred if such proceeding remains outstanding and, after the date of commencement of such proceeding, the Borrower does not satisfy a payroll obligation; or

- (g) any Lender of the Borrower or any other Person shall privately appoint a receiver, trustee or similar official for any substantial part of the Borrower's properties and assets or for any part of the Collateral; or
- (h) if any execution, distress or other enforcement process, whether by court order or otherwise, becomes enforceable against any property of the Borrower; or
- (i) the Lender in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of the Obligations is or is about to be impaired or that the Collateral is or is about to be placed in jeopardy.

## **Article 10 - REMEDIES**

10.1 **Appointment of Receiver** Upon the occurrence of an Event of Default, the Lender may appoint by instrument any Person, whether an officer or an employee of the Lender or not, to be any of a receiver, manager, receiver-manager and receiver and manager (a "Receiver") of Collateral and may remove any Receiver so appointed and

appoint another in place of such Receiver in the same manner. Any such Receiver shall be deemed the agent of the Borrower and not of the Lender for the purpose of (i) carrying on and managing the business and affairs of the Borrower, and (ii) establishing liability for all acts or omissions of the Receiver while acting as such, and the Lender shall not be in any way responsible for any acts or omissions on the part of any such Receiver, its officers, employees and agents. The Borrower hereby irrevocably authorizes the Lender to give instructions to the Receiver relating to the performance of its duties. The Borrower hereby irrevocably waives any right it may have now or in the future under any applicable law, including, without limitation, the PPSA, to make application to a court for the removal, replacement or discharge of the Receiver or for directions on any matter relating to the duties of the Receiver (unless such duties are not being performed in a commercially reasonable manner) or in respect of the Receiver's accounts or remuneration or in respect of any other matter.

Subject to the provisions of the instrument appointing it, any such Receiver shall have the power to take possession of Collateral, to preserve Collateral or its value in such manner as it considers appropriate, to carry on or concur in carrying on all or any part of the business of the Borrower and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of Collateral in such manner and on such terms as it considers to be commercially reasonable. To facilitate the foregoing powers, any such Receiver may enter upon, use and occupy all premises owned or occupied by the Borrower wherein Collateral may be situate to the exclusion of all others to the extent permitted by law, including the Borrower, maintain Collateral upon such premises, borrow money on a secured or unsecured basis, incur reasonable expenses in the exercise of the rights, powers and remedies set out in this Agreement and use Collateral directly in carrying on the Borrower's business or as security for loans or advances to enable it to carry on the Borrower's business or otherwise, as such Receiver shall, in its discretion, determine. In addition, the Receiver shall have the following rights, powers and remedies:

- (a) to make payments to Persons having prior rights or Liens on properties on which the Borrower may hold a Lien and to Persons having prior rights or Liens on the Collateral; and
- (b) to demand, commence, continue or defend proceedings in the name of the Lender or of the Receiver or in the name of the Borrower for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral and to give effectual receipts and discharges therefor.

Except as may be otherwise directed by the Lender, all Proceeds received from time to time by such Receiver in carrying out its appointment shall be received in trust for and

paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.

- 10.2 **Exercise of Remedies by Lender** Upon the occurrence of an Event of Default, the Lender may, either directly or through its agents or nominees, exercise all the powers and rights available to a Receiver by virtue of section 10.1. In addition to the rights granted in this Agreement and in any other agreement now or hereafter in effect between the Borrower and the Lender and in addition to any other rights the Lender may have at law or in equity or otherwise, the Lender shall have, both before and after the occurrence of an Event of Default, all rights and remedies of a secured party under the PPSA.
- 10.3 **Possession of Collateral** The Borrower acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Borrower agrees upon request from the Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.
- 10.4 **Remedies Not Exclusive** All rights, powers and remedies of the Lender under this Agreement may be exercised separately or in combination and shall be in addition to, and not in substitution for, any other security now or hereafter held by the Lender and any other rights, powers and remedies of the Lender however created or arising. No single or partial exercise by the Lender of any of the rights, powers and remedies under this Agreement or under any other security now or hereafter held by the Lender shall preclude any other and further exercise of any other right, power or remedy pursuant to this Agreement or any other security or at law, in equity or otherwise. The Lender shall at all times have the right to proceed against Collateral or any other security in such order and in such manner as it shall determine without waiving any rights, powers or remedies which the Lender may have with respect to this Agreement or any other security or at law, in equity or otherwise. No delay or omission by the Lender in exercising any right, power or remedy hereunder or otherwise shall operate as a waiver thereof or of any other right, power or remedy.
- 10.5 **Notice of Sale** Unless required by law, neither the Lender nor any Receiver appointed by it shall be required to give the Borrower any notice of any sale, lease or other disposition of the Collateral, the date, time and place of any public sale of Collateral or the date after which any private disposition of Collateral is to be made
- 10.6 **Collection of Debts** Before or after the occurrence of an Event of Default, the Lender may give notice of the Security Interest to any Person obligated to pay any debt or liability constituting Collateral and may also direct such Person to make all payments on

account of any such debt or liability to the Lender. The Borrower acknowledges that any payments received by the Borrower from such Persons, whether before or after notification of the Security Interest to such Persons and whether before or after the occurrence of an Event of Default, shall be received and held by the Borrower in trust for the Lender and shall be turned over to the Lender upon request.

- 10.7 **Application of Funds** All money collected or received by the Lender in respect of the Collateral may be applied on account of such parts of the Obligations as the Lender in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Lender may be released to the Borrower, all without prejudice to the Lender's rights against the Borrower.
- 10.8 **Borrower Liable for Deficiency** The Borrower shall remain liable to the Lender for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by the Lender.
- 10.9 **Exclusion of Liability of Lender and Receiver** The Lender shall not, nor shall any Receiver appointed by it, be liable for any failure to exercise its rights, powers or remedies arising hereunder or otherwise, including without limitation any failure to take possession of, collect, enforce, realize, sell, lease or otherwise dispose of, preserve or protect the Collateral, to carry on all or any part of the business of the Borrower relating to the Collateral or to take any steps or proceedings for any such purposes. Neither the Lender nor any Receiver appointed by it shall have any obligation to take any steps or proceedings to preserve rights against prior parties to or in respect of Collateral including without limitation any Instrument, Chattel Paper or Securities, whether or not in the Lender's or the Receiver's possession, and neither the Lender nor any Receiver appointed by it shall be liable for failure to do so. Subject to the foregoing, the Lender shall use reasonable care in the custody and preservation of the Collateral in its possession.
- 10.10 **Indemnity** The Borrower shall indemnify and save the Lender harmless from any and all costs, expenses, liabilities and damages which may be incurred by the Lender in connection with the Collateral and the enforcement of its rights hereunder, save only any costs, expenses, liabilities or damages resulting from any wilful misconduct or gross negligence by the Lender or its servants or agents.

## **Article 11 - APPLICATION OF PROCEEDS**

- 11.1 **Application of Proceeds** The Proceeds arising from the enforcement of the Security Interest as a result of the possession by the Lender or the Receiver of the Collateral or from any sale, lease or other disposition of, or realization of security on, the Collateral

(except following acceptance of Collateral in satisfaction of the Obligations) shall be applied by the Lender or the Receiver in the following order, except to the extent otherwise required by law:

- (a) first, in payment of the Lender's reasonable costs, charges and expenses (including legal fees on a solicitor and his own client basis) incurred in the exercise of all or any of the rights, powers or remedies granted to it under this Agreement, and in payment of the reasonable remuneration of the Receiver, if any, and the reasonable costs, charges and expenses incurred by the Receiver, if any, in the exercise of all or any of the rights, powers or remedies granted under this Agreement;
- (b) second, in payment of amounts paid by the Lender or the Receiver pursuant to clause 10.1(a);
- (c) third, in payment of all money borrowed or advanced by the Lender or the Receiver, if any, pursuant to the exercise of the rights, powers or remedies set out in this Agreement and any interest thereon;
- (d) fourth, in payment of the remainder of the Obligations in such order of application as the Lender may determine;
- (e) fifth, subject to sections 11.2 and 11.3, to any Person who has a security interest in Collateral that is subordinate to that of the Lender and whose interest,
  - (i) was perfected by possession, the continuance of which was prevented by the Lender or the Receiver taking possession of Collateral, or
  - (ii) was, immediately before the sale, lease or other disposition by the Lender or the Receiver, perfected by registration;
- (f) sixth, subject to sections 11.2 and 11.3, to any other Person with an interest in such Proceeds who has delivered a written notice to the Lender or the Receiver of the interest before the distribution of such Proceeds; and
- (g) last, subject to sections 11.2 and 11.3, to the Borrower or any other Person who is known by the Lender or the Receiver to be an owner of the Collateral.

11.2 **Proof of Interest** The Lender or the Receiver may require any Person mentioned in clauses 11.1(e), 11.1(f) or 11.1(g) to furnish proof of that Person's interest, and unless the proof is furnished within ten days after demand by the Lender or the Receiver, the

Lender or the Receiver need not pay over any portion of the Proceeds referred to therein to such Person.

- 11.3 **Payment Into Court** Where there is a question as to who is entitled to receive payment under clauses 11.1(e), 11.1(f) or 11.1(g), the Lender or the Receiver may pay the Proceeds referred to therein into court.
- 11.4 **Monies Actually Received** The Borrower shall be entitled to be credited only with the actual Proceeds arising from the possession, sale, lease or other disposition of, or realization of security on, the Collateral when received by the Lender or the Receiver and such actual Proceeds shall mean all amounts received in cash by the Lender or the Receiver upon such possession, sale, lease or other disposition of, or realization of security on, the Collateral.
- 11.5 **Indemnity** The Borrower shall indemnify and save the Lender harmless from any and all costs, expenses, liabilities and damages which may be incurred by the Lender in connection with the Collateral and the enforcement of its rights hereunder, save only any costs, expenses, liabilities or damages resulting from any wilful misconduct or gross negligence by the Lender or its servants or agents.
- (a) **Limitations of Liability** The Lender shall not be liable by reason of any entry into or taking possession of any of the Collateral hereby charged or intended to be charged or any part thereof, to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or any act or omission for which a secured party in possession might be liable. The Borrower hereby releases and discharges the Lender and any Receiver appointed by the Lender from every claim of every nature, whether in damages or otherwise, which may arise or be caused to the Borrower or any person claiming through the Borrower by reason or as a result of anything done by the Lender or any successor or assign claiming through the Lender or the Receiver under the provisions of this Agreement unless the claim is as a result of wilful misconduct or gross negligence

## **Article 12 - GENERAL**

- 12.1 **Power of Attorney** The Borrower hereby appoints the Lender as the Borrower's attorney, with full power of substitution, in the name and on behalf of the Borrower, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Borrower has herein agreed to execute, deliver and do or as may be required by the Lender or any Receiver to give effect to this Agreement or in the

exercise of any rights, powers or remedies hereby conferred on the Lender, and generally to use the name of the Borrower in the exercise of all or any of the rights, powers or remedies hereby conferred on the Lender. This appointment, coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Borrower or for any other reason.

- 12.2 **Set-Off** The Lender may at any time and from time to time, without notice to the Borrower or to any other Person, set-off, appropriate and apply any and all deposits, general or special, matured or unmatured, held by or for the benefit of the Borrower by the Lender, and any other indebtedness and liability of the Lender to the Borrower, matured or unmatured, against and on account of the Obligations when due, in such order of application as the Lender may from time to time determine.
- 12.3 **Dealings with Others** The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, make settlements, grant releases and discharges and otherwise deal with the Borrower, Borrowers of the Borrower, sureties and other Persons and with Collateral and other security as the Lender sees fit, without prejudice to the liability of the Borrower to the Lender or the rights, powers and remedies of the Lender under this Agreement.
- 12.4 **No Obligation to Advance** Nothing herein contained shall in any way obligate the Lender to advance any funds, or otherwise make or continue to make any credit available, to the Borrower.
- 12.5 **Perfection of Security** The Borrower authorizes the Lender to file such financing statements and other documents and do such acts, matters and things as the Lender may consider appropriate to perfect and continue the Security Interest, to protect and preserve the interest of the Lender in Collateral and to realize upon the Security Interest.
- 12.6 **Additional Continuing Security** This Agreement and the security interest, assignment and mortgage and charge granted hereby are in addition to, and not in substitution for, any other security now or hereafter held by the Lender and this Agreement and the security interest, assignment and mortgage and charge granted hereby shall continue and remain in full force and effect until discharged by the Lender.
- 12.7 **Discharge** Upon payment, performance and satisfaction in full of the Obligations and upon written request by the Borrower, the Lender shall, at the Borrower's expense, execute and deliver to the Borrower such documents as may reasonably be required to discharge the Security Interest created by this Agreement.

- 12.8 **Invalidity of Provisions** Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- 12.9 **Waiver, Amendment** Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.
- 12.10 **Communication** Any notice or other communication, including a demand or a direction, required or permitted to be given hereunder shall be in writing and shall be given by prepaid first-class mail, by facsimile or other means of electronic communication or by hand-delivery as hereinafter provided. Any such notice or other communication, if mailed by prepaid first-class mail at any time other than during or within three business days (which will exclude Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to a general discontinuance of postal service due to strike, lockout or otherwise, shall be deemed to have been received on the fourth business day after the post-marked date thereof, or if sent by facsimile or other means of electronic communication, shall be deemed to have been received on the business day following the sending, or if delivered by hand shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to a senior employee of the addressee at such address with responsibility for matters to which the information relates. Notice of change of address shall also be governed by this section. In the event of a general discontinuance of postal service due to strike, lock-out or otherwise, notices or other communications shall be delivered by hand or sent by facsimile or other means of electronic communication and shall be deemed to have been received in accordance with the foregoing. Notice and other communications shall be addressed as follows:

(a) if to the Lender:

169 Lexington Court, Unit B-1, Waterloo, Ontario N2J 4R3

Attention: Ian Cook

Email: [icook@cookhomes.ca](mailto:icook@cookhomes.ca)

(b) if to the Borrower:

1515 Gordon Street, Suite 203 , Guelph, ON. N1L 1C9

Attention: Scott Reid

Email: scott@reidsproperties.com

Notwithstanding the foregoing, if the PPSA requires that a notice or other communication be given in a specified manner, then any such notice or communication shall be given in such manner.

- 12.11 **Successors and Assigns** This Agreement shall be binding on the Borrower and its successors and shall enure to the benefit of the Lender and its successors and assigns. This Agreement shall be assignable by the Lender free of any set-off, counter-claim or equities between the Borrower and the Lender, and the Borrower shall not assert against an assignee of the Lender any claim or defense that the Borrower has against the Lender.
- 12.12 **Governing Law and Attornment** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Borrower hereby irrevocably attorns to the jurisdiction of the courts of Ontario.
- 12.13 **Counterparts and Electronic Signature** This Agreement may be executed (including by electronic means) in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one (1) and the same Agreement; and may be transmitted and delivered by electronic transmission. Any such delivery of this Agreement so executed shall be deemed to be the equivalent of the delivery of an executed original of this Agreement. The parties consent and agree to the use of electronic signatures pursuant to the Electronic Commerce Act, 2000 as amended from time to time with respect to the execution of this Agreement.
- 12.14 **Copy Received** The Borrower hereby acknowledges receipt of a copy of this Agreement and a copy of the financing statement/verification statement registered under the PPSA in respect of the Security Interest.

*(The signature page immediately follows.)*

**IN WITNESS WHEREOF** the Borrower has executed this Agreement as of the date first written above.

**RHH RENTAL PROPERTIES LTD.**

By:

DocuSigned by:  
*Scott Reid*

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\_\_\_\_\_  
Scott Reid, President

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS  
AMENDED AND**

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

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

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

Proceedings commenced at London

**SECOND REPORT OF THE  
TRUSTEE (December 9, 2025)**

**RECONSTRUCT LLP**

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Lawyers for BDO Canada Limited, in its  
capacity as the Trustee in Bankruptcy

# TAB 3

**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**

**ORDER  
(*re Directions re Third Party Transfer*)**

**THIS MOTION**, made by BDO Canada Limited, in its capacity as trustee in bankruptcy (the “**Trustee**”) of SF Square GP Corp. (the “**Square GP**”), and of the property, assets, and undertakings of SF Square LP (“**Square LP**”, together with Square GP, “**Square GP/LP**”), for an order among other things declaring that a payment made by Square LP, by its general partner, Square GP to 1000931276 Ontario Inc. (“**1000 Ontario**”) in December 2024 (the “**1000 Transfer**”) was heard this day by judicial video conference.

**ON READING** the Motion Record of the Trustee, the Responding Motion Record of 1000 Ontario, the Reply Motion Record of the Trustee, the Factum of the Trustee, the Responding Factum of 1000 Ontario, and the Reply Factum of the Trustee, and on hearing the submissions of counsel and such other counsel as were present, as indicated on the counsel sheet, with no one appearing for any other person on the service list although properly served, as evidenced by the Affidavit of Service of ● sworn ●, filed:

**SERVICE**

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

**PAYMENT OF FUNDS TO TRUSTEE**

2. **THIS COURT DECLARES** that the 1000 Transfer is:

- (a) A transfer at undervalue for the purposes of section 96 of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c B-3, as amended (the "**BIA**");
- (b) A conveyance of personal property with intent to defeat, hinder, delay, or defraud creditors or others for the purposes of section 2 of the *Fraudulent Conveyances Act*, R.S.O. 1990, c F.29;
- (c) A preference or preferences for the purposes of section 95 of the BIA;
- (d) A preference or preferences for the purposes of the *Assignments and Preferences Act*, R.S.O. 1990, c. A. 33; and
- (e) An unjust enrichment.

3. **THIS COURT ORDERS** that the 1000 Transfer is void.

4. **THIS COURT ORDERS** that 1000 Ontario shall immediately transfer \$4,500,000, the full amount of the 1000 Transfer, to the Trustee for the benefit of the Estate.

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IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS  
AMENDED AND

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

IN THE MATTER OF THE BANKRUPTCY OF SF SQUARE GP CORP., OF THE CITY OF  
GUELPH, IN THE PROVINCE OF ONTARIO

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

Proceedings commenced at London

**DRAFT ORDER  
(re Directions re Third Party Transfer)**

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Lawyers for BDO Canada Limited, in its  
capacity as the Trustee in Bankruptcy

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS  
AMENDED AND**

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

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

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

Proceedings commenced at London

**MOTION RECORD OF THE BANKRUPTCY  
TRUSTEE  
(Returnable May 13, 2025)**

**RECONSTRUCT LLP**

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Lawyers for BDO Canada Limited, in its  
capacity as the Trustee in Bankruptcy