

## **ENDORSEMENT SHEET FOR CIVIL MOTION/APPLICATION**

**SHORT TITLE OF PROCEEDINGS:** Duca Financial Services Credit Union Ltd. v. Ashcroft Homes

**COURT FILE NO.:** CV-24-95337

**BEFORE:** Madam Justice S. Corthorn

**HEARD ON:** September 3, 2024, by videoconference

**COUNSEL:** Fraser Mackinnon-Blair and Sara-Ann Wilson, for the court-appointed receiver, BDO Canada Ltd.  
Timothy Dunn and Stephen Gaudreau, for the applicant corporation  
Sarah DelVillano, for the respondent corporations

☒ **ORDER SIGNED**

☒ **ON CONSENT**

☒ **UNOPPOSED**

☐ **NO ONE APPEARED**

☐ **ADJOURNED TO**

### **ENDORSEMENT**

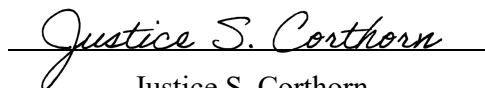
[1] In its capacity as the court-appointed receiver of the respondent corporations, BDO Canada Limited (“BDO”) brings a motion for (a) an order amending and restating the Receivership Order of MacLeod R.S.J. dated May 2024, and (b) an order approving the proposed sale process, BDO’s First Report, and BDO’s interim statement of receipts and disbursements.

[2] The applicant corporation consents to the relief sought. The respondents do not oppose the relief sought.

[3] The court has reviewed the factum filed on BDO’s behalf and the respondents’ factum. The court is satisfied that the relief requested is reasonable and that BDO’s entitlement to the relief requested is supported by the record.

[4] The court makes two orders: (a) the amending and restating order, and (b) the sales process/approval order. The two orders made are on the terms set out in the documents attached as Schedules ‘A’ and ‘B’, respectively.

**Date:** September 4, 2024

  
Justice S. Corthorn

**SCHEDULE 'A'**

Court File No. CV-24-00095337-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BEFORE THE HONOURABLE  
MADAM JUSTICE S. CORTHORN

)  
)

TUESDAY, the 3<sup>rd</sup> DAY  
OF SEPTEMBER, 2024

B E T W E E N:

**DUCA FINANCIAL SERVICES CREDIT UNION LTD.**

Applicant

- and -

**ASHCROFT HOMES – 101 RICHMOND ROAD INC.,  
ASHCROFT HOMES – 108 RICHMOND ROAD INC., AND ASHCROFT  
HOMES – 111 RICHMOND ROAD INC.**

Respondents

**AMENDED AND RESTATED ORDER  
(Appointing Receiver)**

**THIS APPLICATION** for an order 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 (the “**CJA**”) appointing BDO Canada Limited as receiver (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Ashcroft Homes – 101 Richmond Road Inc., Ashcroft Homes – 108 Richmond Road Inc. (“**108 Richmond**”) and Ashcroft Homes – 111 Richmond Road Inc. (collectively, the “**Debtors**” and individually, a “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtors (not including the 114 Richmond Property, defined below), was heard on May 16, 2024 at the Courthouse, located at 161 Elgin Street, Ottawa, Ontario.

**ON READING** the application record of DUCA, which includes the affidavit of Ivan Bogdanovich, sworn April 23, 2024, the responding record of the Debtors, the motion Record of the Receiver dated August 22, 2024, the First Report of the Receiver, dated August 21, 2024, the responding motion record of DUCA dated August 28, 2024, the Supplemental Report to First Report the of the Receiver, dated August 30, 2024 and on hearing submissions of counsel for DUCA (who advised that DUCA consents to the amended and restated order), counsel for the Receiver, counsel for the Respondents (who advised that the Respondents neither oppose nor consent to the amended and restated order) and such other counsel listed on the Counsel Slip, no one appearing for any other party although duly served as appears from the affidavits of service of Russell Crawford affirmed May 1, 2024, Ariyana Botejue affirmed May 2, 2024, Hanqiong (Joan) Xu affirmed August 19 & 26, 2024, Amanda Campbell sworn August 22 & 30, 2024, and on reading the consent of BDO Canada Limited to act as the Receiver,

## **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

## **APPOINTMENT**

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors and all proceeds thereof, including, without limitation, the real properties registered in the names of the Debtors located in Ottawa, Ontario and more particularly described in Schedule “A” to this order (the “**Property**”).

3. **THIS COURT ORDERS** that the Property does not include the real property municipally known as 114 Richmond Road, Ottawa, Ontario and bearing legal description PART OF LOT 13 PLAN 449 AND PART OF BLOCK C PLAN 152, BEING PARTS 2, 3 AND 7 ON PLAN 4R-28155.; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 2 AND 3 ON PLAN 4R-28155 AS IN OC1430889; SUBJECT TO AN EASEMENT IN GROSS OVER PART 3 ON PLAN 4R-28155 AS IN OC1455884; SUBJECT TO AN EASEMENT AS IN OC1455885; SUBJECT TO AN EASEMENT AS IN OC1457862; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1595888; CITY OF OTTAWA, all of which is PIN 04021-0451 (LT) (being the “**114 Richmond Property**”).

4. **THIS COURT ORDERS** that this order is without prejudice to any security, priority, or other claims DUCA may have to the personal property assets of 108 Richmond as the same relate to the 114 Richmond Property or otherwise.

#### **RECEIVER’S POWERS**

5. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, on and after the 17th day of June, 2024, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of

Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of a Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of a Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of a Debtor, for any purpose pursuant to this order;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to a Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
  - (ii) with the approval of this court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the *Ontario Personal Property Security Act* or section 31 of the *Ontario Mortgages Act*, as the case may be, shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this order and any other orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of a Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of a Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by a Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which a Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person. In the interim, being as of the date of this order until June 16, 2024 (the “**Interim Period**”), prior to exercising these powers, the Receiver may monitor the business and affairs of the Debtors in such manner as the Receiver may consider to be appropriate, and the Debtors shall fully cooperate in a timely manner with the Receiver to fulfill its monitoring role. The Receiver, in its monitoring role during the Interim Period, shall be afforded all protections otherwise afforded to it in this order, and without limiting the generality of the foregoing, including the limitation of liability as set out in paragraph 19 of this order.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

6. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

7. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media



containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 7 or in paragraph 8 of this order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

8. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

9. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least

seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further order of this court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

10. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this court.

#### **NO PROCEEDINGS AGAINST A DEBTOR OR THE PROPERTY**

11. **THIS COURT ORDERS** that no Proceeding against or in respect of a Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this court and any and all Proceedings currently under way against or in respect of a Debtor or the Property are hereby stayed and suspended pending further order of this court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

12. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from

compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH THE RECEIVER**

13. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by a Debtor, without written consent of the Receiver or leave of this court.

#### **CONTINUATION OF SERVICES**

14. **THIS COURT ORDERS** that all Persons having oral or written agreements with a Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to a Debtor are hereby restrained until further order of this court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of a Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this order are paid by the Receiver in accordance with normal payment practices of a Debtor or such other practices as may

be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this court.

### **RECEIVER TO HOLD FUNDS**

15. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “Post Receivership Accounts”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this order or any further order of this court.

### **EMPLOYEES**

16. **THIS COURT ORDERS** that all employees of a Debtor shall remain the employees of that Debtor until such time as the Receiver, on the Debtors behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

### **PIPEDA**

17. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal

information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

18. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “Environmental Legislation”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this order or anything done in pursuance of the Receiver’s duties and powers under this order, be

deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

19. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

#### **RECEIVER'S ACCOUNTS**

20. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver's Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

22. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this court.

#### **FUNDING OF THE RECEIVERSHIP**

23. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver's Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this order shall be enforced without leave of this court.

25. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “B” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this order.

26. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this order or any further order of this court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver’s Certificates.

### **SERVICE AND NOTICE**

27. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at [https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part\\_III\\_The\\_E-Service\\_List](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part_III_The_E-Service_List)) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/ashcroft-homes>.

28. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this order, any



other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

29. **THIS COURT ORDERS** that the Receiver may from time to time apply to this court for advice and directions in the discharge of its powers and duties hereunder.

30. **THIS COURT ORDERS** that nothing in this order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

31. **THIS COURT ORDERS** that the Receiver is hereby authorized and empowered, but not obligated, to cause one or more of the Debtors to make an assignment in bankruptcy and nothing in this order shall prevent the Receiver from acting as a trustee in bankruptcy of any Debtor.

32. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this order and to assist the Receiver and its agents in carrying out the terms of this order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this court, as may be necessary or desirable to give effect to this order or to assist the Receiver and its agents in carrying out the terms of this order.

33. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this order and for assistance in carrying out the terms of this order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

34. **THIS COURT ORDERS** that DUCA may recover costs incurred in bringing this Application and obtaining this order as may be provided by the terms of DUCA's security or, if not so provided by DUCA's security, and subject to the rights, if any, of the Respondents to dispute those costs.

35. **THIS COURT ORDERS** that any interested party may apply to this court to vary or amend this order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this court may order.

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## **SCHEDULE “A”**

### **LEGAL DESCRIPTIONS OF THE PROPERTY**

#### **101 Richmond Properties:**

1. Unit 6, Level 1, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0006(LT), in LRO #4.
2. Unit 8, Level 1 Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0008 (LT), in LRO #4.
3. Unit 9, Level 1 Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0009 (LT), in LRO #4.
4. Unit 10, Level 1 Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0010 (LT), in LRO #4.
5. Unit 11, Level 1, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0011(LT), in LRO #4.
6. Unit 12, Level 1, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0012(LT), in LRO #4.
7. Unit 13, Level 1, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0013(LT), in LRO #4.
8. Unit 14, Level 1, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0014(LT), in LRO #4.
9. Unit 15, Level 1, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0015(LT), in LRO #4.
10. Unit 20, Level 3, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0056(LT), in LRO #4.

**108 Richmond Properties:**

1. Unit 1, Level 1, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0001 (LT), in LRO #4.
2. Unit 2, Level 1, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0002(LT), in LRO #4.
3. Unit 3, Level 1, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0003(LT), in LRO #4.
4. Unit 1, Level 2, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0004(LT), in LRO #4.
5. Unit 11, Level 2, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0014(LT), in LRO #4.
6. Unit 37, Level 4, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0089(LT), in LRO #4.
7. Unit 6, Level 5, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0106(LT), in LRO #4.
8. Unit 16, Level 6, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0166(LT), in LRO #4.
9. Unit 34, Level 6, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0184(LT), in LRO #4.
10. Unit 37, Level 6, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0187(LT), in LRO #4.
11. Unit 7, Level 7, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0207(LT), in LRO #4.

12. Unit 15, Level 9, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0315(LT), in LRO #4.
13. Unit 34, Level 9, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0334(LT), in LRO #4.
14. Unit 47, Level 4, Ottawa-Carleton Standard Condominium Plan No. 963 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1653772; City of Ottawa, being all of PIN 15963-0099 (LT), in LRO #4.

#### **111 Richmond Properties:**

1. Unit 2, Level 1, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657; City of Ottawa, being all of PIN 15937-0002(LT), in LRO #4.
2. Unit 7, Level 1, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657; City of Ottawa, being all of PIN 15937-0007(LT), in LRO #4.
3. Unit 9, Level 1, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657; City of Ottawa, being all of PIN 15937-0009(LT), in LRO #4.
4. Unit 1, Level 2, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657; City of Ottawa, being all of PIN 15937-0010(LT), in LRO #4.
5. Unit 6, Level 2, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657; City of Ottawa, being all of PIN 15937-0015(LT), in LRO #4.
6. Unit 11, Level 2, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657; City of Ottawa, being all of PIN 15937-0020(LT), in LRO #4.
7. Unit 24, Level 3, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657; City of Ottawa, being all of PIN 15937-0048(LT), in LRO #4.
8. Unit 20, Level 8, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657; City of Ottawa, being all of PIN 15937-0164(LT), in LRO #4.

9. Unit 1, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0113 (LT), in LRO #4.
10. Unit 2, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0114 (LT), in LRO #4.
11. Unit 3, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0115 (LT), in LRO #4.
12. Unit 4, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0116 (LT), in LRO #4.
13. Unit 5, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0117 (LT), in LRO #4.
14. Unit 10, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0122 (LT), in LRO #4.
15. Unit 11, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688; City of Ottawa, being all of PIN 15889-0123 (LT), in LRO #4.
16. Unit 12, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0124 (LT), in LRO #4.
17. Unit 13, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0125 (LT), in LRO #4.
18. Unit 14, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0126 (LT), in LRO #4.
19. Unit 15, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0127 (LT), in LRO #4.

20. Unit 16, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0128 (LT), in LRO #4.
21. Unit 17, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0129 (LT), in LRO #4.
22. Unit 18, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0130 (LT), in LRO #4.
23. Unit 19, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0131 (LT), in LRO #4.
24. Unit 20, Level A, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0132 (LT), in LRO #4.
25. Unit 52, Level B, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0225 (LT), in LRO #4.
26. Unit 125, Level C, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0367 (LT), in LRO #4.
27. Unit 133, Level C, Ottawa-Carleton Standard Condominium Plan No. 889 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1315688, City of Ottawa, being all of PIN 15889-0375 (LT), in LRO #4.
28. Unit 110, Level B, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657, City of Ottawa, being all of PIN 15937-0360 (LT), in LRO #4.
29. Unit 55, Level D, Ottawa-Carleton Standard Condominium Plan No. 937 and its appurtenant interest; subject to easements as set out in Schedule A as in OC1551657, City of Ottawa, being all of PIN 15937-0536 (LT), in LRO #4.

**SCHEDULE “B”**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO.

AMOUNT \$

1. THIS IS TO CERTIFY that BDO Canada Limited, the receiver (the “**Receiver**”) of the assets, undertakings and properties of Ashcroft Homes – 101 Richmond Road Inc., Ashcroft Homes – 108 Richmond Road Inc. and Ashcroft Homes – 111 Richmond Road Inc. (collectively, the “**Debtors**” and individually, a “**Debtor**”) acquired for, or used in relation to a business carried on by a Debtor, including all proceeds thereof (collectively, the “**Property**”) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the 16th day of May, 2024 (the “**Order**”) made in an action having Court file number CV-24-0009537-0000, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the \_\_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the



Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

1. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

2. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

3. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

4. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_\_, day of \_\_\_\_\_, 20\_\_.

BDO Canada Limited, solely in its capacity as  
Receiver of the Property, and not in its personal  
capacity

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

Name:

Title:

**SCHEDULE 'B'**

Court File No. CV-24-00095337-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BEFORE THE HONOURABLE  
MADAM JUSTICE CORTHORN

)  
)

TUESDAY, the 3<sup>rd</sup> DAY  
OF SEPTEMBER, 2024

B E T W E E N:

**DUCA FINANCIAL SERVICES CREDIT UNION LTD.**

Applicant

- and -

**ASHCROFT HOMES – 101 RICHMOND ROAD INC.,  
ASHCROFT HOMES – 108 RICHMOND ROAD INC., AND ASHCROFT  
HOMES – 111 RICHMOND ROAD INC.**

Respondents

**ORDER**

**(Approval of Sales Process for Residential Units and Additional Properties)**

**THIS MOTION**, made by BDO Canada Limited (“**BDO**”), in its capacity as the court-appointed receiver (the “**Receiver**”) of the assets, undertakings, and properties (the “**Property**”) of Ashcroft Homes – 101 Richmond Road Inc., Ashcroft Homes – 108 Richmond Road Inc. and Ashcroft Homes – 111 Richmond Road Inc. (the “**Debtors**”), appointed pursuant to an order of this court dated May 16, 2024, as amended and restated pursuant to the order of this court, dated September 3, 2024 (the “**Receivership Order**”), was heard this day, by videoconference, at the Courthouse located at 161 Elgin Street, Ottawa, Ontario.

**ON READING** the motion record of the Receiver including the First Report of the Receiver dated August 21, 2024 (the “**First Report**”), the responding motion record of DUCA Financial Services Credit Union Ltd. (“**DUCA**”) dated August 28, 2024, the Supplemental Report to First Report of the Receiver, dated August 30, 2024 (the “**Supplemental First Report**”), and on hearing submissions of counsel for DUCA (who advised that DUCA consents to the Sales Process Order), counsel for the Receiver, counsel for the Respondents (who advised that the Respondents neither

oppose nor consent to this Sales Process Order), and such other counsel listed on the Counsel Slip, no one else appearing although properly served as appears from the affidavits of service of Hanqiong (Joan) Xu affirmed August 19 & 26, 2024, and Amanda Campbell sworn August 22 & 30, 2024 filed,

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the notice of motion and the motion record is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this order and not otherwise defined herein shall have the meanings ascribed to them in the First Report.

### **APPROVAL OF REPORT AND R&D**

3. **THIS COURT ORDERS** that the First Report and the activities and conduct of the Receiver described therein be and are hereby approved.
4. **THIS COURT ORDERS** that the Receiver's interim statements of receipts and disbursements, as of August 18, 2024, be and are hereby approved.

### **APPROVAL OF SALES PROCESS**

5. **THIS COURTS ORDERS** that the sales process (the "**Sales Process**") in respect of the Occupied Residential Units, the Vacant Residential Units, and the parking spaces, lockers and bike racks owned by the Debtors (collectively, the "**Residential Units and Additional Properties**"), as described in the First Report and the Supplemental First Report, is hereby approved and the Receiver is hereby authorized and directed to implement the Sales Process in respect of the Residential Units and Additional Properties pursuant to the terms thereof. The Receiver is hereby authorized and directed to do all things reasonably necessary or desirable to give full effect to the Sales Process and to perform its obligations thereunder, including entering into listing agreements with Colliers Macaulay Nicolls Inc., Brokerage ("**Colliers Brokerage**") to list the Residential Units and Additional Properties for sale, subject to prior approval of the court being obtained before completion of any transaction(s) under the Sales Process.

6. **THIS COURT ORDERS** that the Receiver and its affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Sales Process, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of any such person (with respect to such person alone), in performing their obligations under the Sales Process, as determined by this court in a final order that is not subject to appeal or other review and all risk to seek any such appeal or other review shall have expired.

7. **THIS COURT ORDERS** that in overseeing the Sales Process, the Receiver shall have all of the benefits and protections granted to it pursuant to the Receivership Order, and any other order of this court in the within proceedings, or otherwise provided by law.

8. **THIS COURT ORDERS** that the Receiver may from time to time apply to this court for advice and directions in connection with the Sales Process or the implementation thereof.

#### **PIPEDA**

9. **THIS COURT ORDERS** that in connection with the Sales Process and pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and any similar legislation in any other applicable jurisdictions, the Receiver, Colliers Brokerage and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective purchasers and their respective advisors personal information of identifiable individuals, but only to the extent required to facilitate diligence in respect of, negotiate or attempt to complete a transaction pursuant to the Sales Process (a “**Transaction**”). Each prospective purchaser to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and, if it does not complete a Transaction, shall return all such information to the Receiver, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Receiver. Any bidder with a successful bid shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the successful bid(s), shall be entitled to use the personal information provided to it that is related to the Property acquired pursuant to the Sales Process in a manner that is in all material respects identical to the prior use

of such information by the Receiver, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

## **GENERAL**

10. **THIS COURT ORDERS** that this order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, or any other jurisdiction, to give effect to this order and to assist the Receiver and its agents in carrying out the terms of this order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this court, as may be necessary or desirable to give effect to this order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this order.

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

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