

2019

Hfx No. 494188

Supreme Court of Nova Scotia  
In Bankruptcy and Insolvency

IN THE MATTER OF: the Receivership of Civic Homes Limited

Between:

Royal Bank of Canada



Applicant

-and-

Civic Homes Limited

Respondent



ORDER

BEFORE THE HONOURABLE JUSTICE DARLENE JAMIESON IN CHAMBERS

WHEREAS Deloitte Restructuring Inc. in its capacity as the court appointed receiver of the Respondent (the "Receiver") filed a Notice of Motion on February 18, 2021 (the "Distribution Motion") seeking approval of the actions of the Receiver; approval of accounts and expense; distribution of funds and discharge of the Receiver;

AND WHEREAS following a hearing in chambers before Justice Jamie S. Campbell on February 26, 2021, an order was issued approving distribution of funds to the Applicant and Dexter Construction Company Limited and adjourning the balance of the motion;

AND WHEREAS following a Motion for Directions held on March 12, 2021, a hearing was heard on June 22, 2021 in respect of the preliminary objections by Loon Lake Development Limited ("Loon Lake") that the arguments advanced by Mr. Mohsen Teimouri, the principal of the Respondent ("Mr. Teimouri") were barred by reason of *res judicata* and constituted an abuse of process (the "Preliminary Objections");

UPON HEARING and considering the written and oral submissions by Gavin Macdonald on behalf of the Receiver, Stephen Kingston on behalf of Loon Lake, and Matthew Moir on behalf of Mr. Teimouri, the Court issued an oral Decision on June 22, 2021 dismissing the Preliminary Objections raised by Loon Lake;

IT IS HEREBY ORDERED that:

1. Mr. Teimouri's objections to the distribution of funds by the Receiver to Loon Lake are not barred by the doctrine of *res judicata* and do not constitute an abuse of process.

IN THE SUPREME COURT  
COUNTY OF HALIFAX, N.S.

I hereby certify that the foregoing document,  
identified by the seal of the court, is a true  
copy of the original document on the file herein.

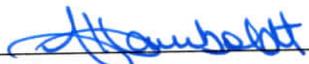
JUN 28 2021



Deputy Prothonotary

2. Loon Lake shall pay to Mr. Teimouri forthwith costs as regards the June 22, 2021 Motion in the amount of One Thousand Five Hundred Dollars (\$1,500.00).
3. Loon Lake shall pay to the Receiver forthwith costs as regards the June 22, 2021 Motion in the amount of One Thousand Five Hundred Dollars (\$1,500.00).
4. The Receiver, in its capacity as the licensed insolvency trustee of the Respondent, shall admit or disallow the proof of claim filed by Mr. Teimouri in the bankruptcy on or before July 9, 2021.
5. If Mr. Teimouri's proof of claim is allowed, he shall file his motion pursuant to Section 38 of the *Bankruptcy and Insolvency Act* on or before July 23, 2021 (the "Section 38 Motion").
6. Mr. Teimouri shall commence the action authorized by the Section 38 Motion against Loon Lake within 10 days of the issuance of order resulting from the Section 38 Motion.
7. Following the commencement of an action by Mr. Teimouri, the Receiver has leave to set down a hearing on the balance of their Distribution Motion and amend the original Discharge Motion to seek authorization to pay the disputed sum of Fifty Thousand Dollars (\$50,000.00) into Court.

DATED at Halifax, in the Province of Nova Scotia, this 28 day of June, 2021.

  
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Prothonotary  
**AMANDA HAWBOLDT**  
Deputy Prothonotary