

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

NO : 500-11-067100-269

IN THE MATTER OF THE
RECEIVERSHIP OF:

LA SOCIÉTÉ IMMOBILIÈRE EN
PROPRIÉTÉ MARINE LTÉE / MARINE
PROPERTY LEASEHOLDS LTD

Debtor

-and-

EQUITABLE BANK

Applicant

-and-

DELOITTE RESTRUCTURING INC.

Impleaded party – Proposed Receiver

AMENDED APPLICATION FOR THE APPOINTMENT OF (...) A RECEIVER

(Section (...) 243 ff. of the *Bankruptcy and Insolvency Act*

R.S.C., (1985), ch. B-3)

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT OR THE REGISTRAR SITTING IN COMMERCIAL DIVISION IN BANKRUPTCY AND INSOLVENCY, IN AND FOR THE DISTRICT OF MONTRÉAL, THE APPLICANT RESPECTFULLY SUBMITS AS FOLLOWS:

I. **INTRODUCTION**

1. By the present Application, Equitable Bank (the “**Applicant**” or the “**Bank**”) seeks:

a) (...)

- b) (...) the appointment of Deloitte Restructuring Inc. ("**Deloitte**") as receiver pursuant to section 243 of BIA with full powers, including the power to implement and conduct a solicitation and sale process ("**Sale Process**") for the Marine Property, the whole in pursuant to the terms of the draft receivership order communicated as **Exhibit P-1** (the "**Proposed Receivership Order**").
2. The Applicant files in support of this Application, as **Exhibit P-2.1**, a redlined version of the Proposed Receivership Order (Exhibit P-2) compared with the model order for the appointment of a receiver prepared by the Barreau de Montréal.
3. (...)
4. The Debtor has been in default of its obligations to the Applicant for several years. Until recently, the parties remained in communication to explore potential solutions, including restructuring the Debtor's affairs or initiating a sale process for the Marine Property.
5. In recent weeks, however, and particularly since the Applicant commenced enforcement proceedings to exercise its rights as a secured creditor, the Debtor has ceased cooperating and has refused or failed to carry out basic property management activities necessary to preserve the Marine Property.
6. For the reasons set out more fully below, the Applicant has lost all confidence in the Debtor and has objective and serious grounds to fear that its position as secured creditor is deteriorating and will continue to deteriorate.
7. In summary, the present Application arises from (i) longstanding and substantial defaults by the Debtor, including the failure to repay the matured loan and to pay several millions of dollars in municipal taxes; (ii) the Applicant's repeated efforts over several years to accommodate the Debtor through forbearance and additional financing to stabilize the Marine Property; (iii) a marked and recent breakdown in the Debtor's cooperation, including its refusal to provide basic financial information and to cooperate in the appointment of a property manager; and (iv) concrete and immediate risks to the preservation of the Marine Property, including the potential non-payment of essential expenses, deterioration of tenant relationships, and loss of value of the Applicant's security.
8. In these circumstances, the appointment of (...) a receiver is necessary (...) to protect and preserve the Marine Property and the interests of all stakeholders.

II. THE PARTIES

9. The Debtor is a corporation carrying on business as owner and operator of the Marine Property, as appears from an extract of the Enterprise Registry communicated as **Exhibit P-2**.

10. Mr. Sheldon Mintzberg serves as the president of the Debtor and is assisted in managing its affairs by his son, Mr. Kyle Mintzberg.
11. The Applicant is a chartered bank that focuses on providing residential and commercial lending, particularly in niche markets such as alternative mortgages, as appears from an extract of the Enterprise Registry communicated as **Exhibit P-3**. The Applicant is in this case a secured lender having granted multiple credit facilities to the Debtor, as more fully detailed below.
12. Deloitte is a licensed insolvency trustee within the meaning of the BIA.

III. THE INITIAL LOAN AND THE SECURITY THEREON

13. On December 8, 2021, the Debtor, as borrower, and the Applicant, as lender, entered into a commitment letter whereby the Applicant made available to Marine a credit facility in the amount of \$45,000,000 (the "**Initial Loan**"), as appears from the commitment letter (the "**Commitment Letter**") communicated as **Exhibit P-4**.
14. Mr. Sheldon Mintzberg, The Mintzberg Family Trust and Marine Properties Ltd. (collectively, the "**Guarantors**") intervened to the Commitment Letter as guarantors and agreed to guarantee the Initial Loan in favour of the Applicant.
15. The Commitment Letter provides *inter alia* the following:
 - a) Term: the term of the Initial Loan is 24 months;
 - b) Interest Rate: the annual interest rate is the Equitable Prime Rate plus 1.75% calculated and compounded monthly, not in advance, both before and after maturity, default and judgment and in any event cannot be less than 4.20%; and
 - c) Security: the Initial Loan shall be secured by *inter alia* a first rank hypothec on the Marine Property in the amount equivalent to 125% of the Initial Loan, namely in the amount of \$56,250,000 including the rents and leases for the Marine Property.
16. On the same day, the Debtor, the Applicant and the Guarantors entered into a Deed of Hypothecary Loan (the "**Deed of Hypothecary Loan**") to secure the performance of the obligations of the Debtor, present or future, direct or indirect, under the terms of the Deed of Hypothecary Loan, the Commitment Letter or any other document to be secured by Deed of Hypothecary Loan. The Deed of Hypothecary Loan is communicated as **Exhibit P-5**.
17. The Deed of Hypothecary Loan has been registered at the Land Register December 21 2021, under number 26 919 416 and at the Register for Personal and Movable Real Rights ("**RPMRR**"), the 21 December 2021, under number

21-1382185-0001, as appears from the proofs of registration communicated *en liasse* as **Exhibit P-6**.

18. Under the Deed of Hypothecary Loan, the Debtor hypothecated in favour of the Bank the Marine Property and the rents, insurance indemnities and movable property relating to the Marine Property (“**Hypothecated Property**”), to the extent of \$56,250,000, with interest thereon at the rate of 25.00% per annum, as provided at Section 13 thereof.
19. Pursuant to Section 15 of the Deed of Hypothecary Loan, the Debtor also granted an additional hypothec on the Hypothecated Property for an amount equal to 25% of the principal hypothecs in order to secure the payment of all amounts due to the Bank under the Commitment Letter and the Deed of Hypothecary Loan and which are not secured by the principal hypothecs.
20. The Deed of Hypothecary Loan further provides at Section 16.7 that the Debtor is responsible for the cost of all levies and taxes, including those relating to the Hypothecated Property.
21. Section 19.1 of the Deed of Hypothecary Loan sets out various events of default, including any failure by the Debtor to perform its obligations or undertakings under the Deed of Hypothecary Loan or the Commitment Letter.
22. The Guarantors also intervened to the Deed of Hypothecary Loan as guarantors to bind themselves with the Debtor solidarily for the performance of all the Debtor’s obligations under the Commitment Letter and the Deed of Hypothecary Loan.

IV. THE INITIAL DEFAULTS AND THE FORBEARANCE AGREEMENT

23. On May 10, 2023, the Applicant’s attorneys served onto the Debtor a notice of default (the “**First Notice of Default**”) raising events of default under the Deed of Hypothecary Loan because of the Debtor’s failure to pay:
 - a) the municipal taxes for the Marine Property for the year 2022 in the amount of \$1,779,922.92, plus interest and penalties; and
 - b) the first installment of the municipal taxes for the Marine Property for the year 2023 in the amount of \$799,097.46, plus interest and penalties,

the whole as appears from the notice of default communicated as **Exhibit P-7**.

24. The Debtor failed to cure the defaults denounced in the First Notice of Default. As such, on July 19, 2023, the Applicant served the Debtor with a Notice of Intention to Enforce a Security pursuant to Section 244 of the BIA (the “**First 244 Notice**”), communicated as **Exhibit P-8**.

25. Despite service of the First notice of Default and of the First 244 Notice, the Debtor's defaults continued.
26. Notably, the term of the Initial Loan expired, and the Debtor failed to repay the amounts owed on the due date.
27. Also, The Debtor failed to pay, when due, all municipal taxes due for the 2023 calendar year in the amount of 1,848,945.17, including interest and penalties, and failed to pay, when due, the first and second installments of the municipal taxes for the 2024 calendar year in the amount of \$1,445,146.98, including interest and penalties regarding the Marine Property.
28. At the Debtor's request, the Applicant agreed to refrain from enforcing its rights to allow the Debtor to continue its efforts to attract new tenants and thereby stabilize its financial situation and enhance the value of the Marine Property, which is heavily dependent on the quality, stability and number of its tenants, as these directly impact occupancy levels, revenue generation, and the overall marketability of the property.
29. Indeed, during the summer of 2024, the Debtor advised the Applicant that it had entered serious discussions with a prospective new tenant, Lululemon Athletica Canada Inc. ("**Lululemon**"), regarding a potential lease of premises in the Marine Property.
30. In this context, the Applicant and the Debtor agreed to enter into a formal forbearance agreement on August 29, 2024 (the "**Forbearance Agreement**"), communicated as **Exhibit P-9**. The Forbearance Agreement notably stipulated the following:
 - a) Section 2.1: the Debtor acknowledged and agreed that, as of July 31, 2024, it was indebted to the Applicant in an amount of not less than \$45,800,000.00, that such amounts were due and payable, and that it had no right of compensation, set-off, defence, or counterclaim in respect of these obligations;
 - b) Section 2.2: the Debtor acknowledged and agreed that:
 - i it was in default under the Commitment Letter and the Deed of Hypothecary Loan because of the existing defaults;
 - ii timely and proper notice of these defaults had been given by the Applicant;
 - iii the time to cure any of the defaults had expired;
 - iv the Forbearance Agreement, the Commitment Letter and the Deed of Hypothecary Loan are valid, binding upon the Debtor

- and enforceable in accordance with their respective terms;
and
- v the Debtor did not have any right of compensation, offset, defence, counterclaim, deduction or claim of any kind or character whatsoever;
- c) Section 3.1: the Applicant agreed to:
- i temporarily refrain from exercising any of its rights and remedies under the Commitment Letter and the Deed of Hypothecary Loan;
 - ii grant the Debtor an interest deferral on the Loan for unpaid interest as at the date of the Forbearance Agreement and for the period up to and including the termination date thereof, it being understood that the amount representing this interest would be added to the principal amount of the Initial Loan and interest would continue to accrue during the interest deferral; and
 - iii increase the amount of the Initial Loan by an additional amount of \$2,547,217.28, which amount had to be used exclusively to pay outstanding municipal taxes relating to the Marine Property for the 2023 calendar year and the first installment of the municipal taxes for the 2024 calendar year, including interest and, and would be added as of the date of its disbursement to the principal amount of the Initial Loan and would be subject to the same terms and conditions as the Initial Loan (the “**First Additional Loan**”);
- d) Section 5.1: a company related to the Debtor and controlled by Mr. Sheldon Mintzberg, 9044-0744 Québec Inc., agreed to grant a first-ranking hypothec in favour of the Applicant on the immovable known and designated as being lot number SIX MILLION ONE HUNDRED NINETY-SEVEN THOUSAND FOUR HUNDRED SIXTY-FOUR (6 197 464) of the Cadastre du Québec, Registration Division of Montréal, being a vacant lot fronting on avenue de l’Esplanade (the “**Esplanade Property**”) in an amount of \$5,000,000.00, plus an additional hypothec of 25%, with interest thereon at the rate of twenty-five percent (25%) per annum, to secure the performance of the obligations of the Debtor, present or future, direct or indirect, under the terms of the Initial Loan and the First Additional Loan;
- e) Section 5.5: the Debtor agreed to provide the Applicant with regular updates regarding the progress of discussions with Lululemon, as

well as with any other potential tenant, regarding the lease to be entered into for the rental of premises in the Marine Property; and.

- f) Section 5.16: the Debtor (and the Guarantors) agreed to reimburse the Applicant for all costs and expenses incurred by the Applicant in connection with the negotiation, preparation and enforcement of the relevant agreements.

- 31. It should also be noted that the Debtor specifically agreed, at Section 6.3 of the Forbearance Agreement, that it irrevocably and unconditionally consented to the Applicant obtaining a court order appointing a receiver, interim receiver or similar official over the Debtor's property or enforcement. The Debtor further agreed that it shall not, in any manner, contest or otherwise delay any motion filed by the Applicant in that respect and would consent to judgment in writing and voluntary surrender the Marine Property and the Esplanade Property.
- 32. The term of the Forbearance Agreement expired on December 31, 2024, at which time the Debtor was required to repay in full all amounts owing to the Applicant. The Debtor failed to do so.

V. THE SECOND ADDITIONAL LOAN AND THE SECOND HYPOTHEC

- 33. Following the expiry of the Forbearance Agreement, the Debtor and the Applicant continued discussions regarding the existing defaults and the possible execution of a new forbearance agreement, with a view to allowing the Debtor to pursue its efforts to secure new tenants for the Marine Property and thereby enhance the prospects of refinancing or selling the property in order to fully repay all amounts owing to the Applicant.
- 34. On April 25, 2025, the Applicant delivered to the Debtor a reservation of rights letter, reiterating that its agreement to suspend enforcement of its rights and remedies did not constitute a waiver thereof or an agreement to forbear from exercising any such rights and remedies. The letter was countersigned by the Debtor and the Guarantors, who acknowledged and agreed to its contents, the whole as appears from the letter communicated as **Exhibit P-10**.
- 35. In the meantime, the Debtor continued its discussions with Lululemon and the parties entered into a lease agreement (the "**Lululemon Lease**") on September 25, 2025, as appears from the lease communicated under seal as **Exhibit P-11**.
- 36. Pursuant to Sections 27.1 and 27.2 of the Lululemon Lease, the Debtor agreed to provide Lululemon with tenant improvement allowances in an amount of \$2,500,000, plus applicable taxes (the "**Tenant Allowances**").

37. The Debtor requested additional financing from the Applicant to provide Lululemon with the Tenant Allowances, which were an essential condition for the Debtor to be able to attract this new anchor tenant in the Marine Property.
 38. As such, on November 25, 2025, the Applicant and the Debtor entered into a letter agreement relating to an additional financing for the payment of the Tenant Allowances (the “**Letter Agreement**”), communicated as **Exhibit P-12**.
 39. Pursuant to the Letter Agreement, the Applicant agreed to pay the amounts of the Tenant Allowances directly to Lululemon on behalf of the Debtor (the “**Second Additional Loan**”). The Second Additional Loan was to be treated as an increase to, and an extension of, the credit facilities provided under the Commitment Letter and therefore be subject to the same terms and covenants, including as regards interest.
 40. The parties further agreed in the Letter Agreement that the Second Additional Loan shall be secured by the Deed of Hypothecary Loan.
 41. In addition, the Letter Agreement provides that the Debtor agreed to grant a new hypothec in favour of the Applicant on the Marine Property in an amount of \$65,000,000, plus an additional hypothec of 25%, with interest at the rate of 25% per annum, to secure the performance of all obligations of the Debtor, present or future, direct or indirect, toward the Applicant.
 42. Consequently, the parties entered an *Acte d’hypothèque* on November 27, 2025, communicated as **Exhibit P-13** (the “**Second Hypothec**”).
 43. The Second Hypothec has been registered at the Land Register on November 27, 2025, under number 29 928 315 and at the RPMRR on November 28, 2025, under number 25-1560720-0001, as appears from the proofs of registration communicated as **Exhibit P-14**.
 44. A copy of the Debtor's certified statement of rights issued by the RPMRR is communicated as **Exhibit P-15** and a copy of the index of immovables for the Marine Property is communicated as **Exhibit P-16**.
- VI. THE EVENTS FOLLOWING THE SECOND ADDITIONAL LOAN AND THE LOSS OF CONFIDENCE IN THE DEBTOR AND ITS PRINCIPALS**
45. Concurrently with the finalization and execution of the Letter Agreement and the Second Hypothec, the Debtor entered into an exclusive office listing mandate with the real estate agencies Michal White Realities Inc. and Groupe Sutton Excellence Inc. for the leasing of premises within the Marine Building (the “**Listing Mandate**”), communicated as **Exhibit P-17**.

46. It should be noted that the Applicant was not consulted prior to the Debtor agreeing to the Listing Mandate, which occurred one day before the execution of the Letter Agreement.
47. Indeed, the Letter Agreement specifically provided that the Debtor was required to appoint, within 10 days of its date, a real estate broker approved by the Applicant for the leasing of the vacant premises within the Marine Property.
48. This situation was of significant concern to the Applicant, which had demonstrated considerable patience over the years in working with the Debtor to protect and preserve its security. The Debtor's unilateral actions, coupled with its failure to disclose such material information while the Applicant was in the process of advancing substantial additional funds to support the Debtor's restructuring efforts, understandably gave rise to serious concerns.
49. On December 15, 2025, a representative of the Applicant wrote to Messrs. Mintzberg to raise concerns regarding the situation and to transmit a draft of a new forbearance agreement for discussion purposes only, as appears from the email exchange communicated as **Exhibit P-18**.
50. In that correspondence, the Applicant requested that the Debtor provide its comments on the draft forbearance agreement no later than December 19, 2025. The Applicant further advised that, in the circumstances, failing a prompt agreement on new forbearance terms, it would have no alternative but to initiate enforcement proceedings to realize upon its secured rights.
51. In response, Mr. Sheldon Mintzberg advised that additional time was required to review the proposed forbearance terms and indicated that a response would be provided during the week of January 5, 2026, as appears from Exhibit P-19.
52. The Debtor, however, failed to respond regarding the proposed forbearance terms.
53. On January 23, 2026, Mr. Kyle Mintzberg sent an email simply stating that the Debtor was "*currently in discussions with another lender who has expressed interest in financing the property*" and that "*an offer is being presented for a potential sale*", as appears from Exhibit P-19.
54. On the same day, the Applicant replied, noting that it had not received any details, term sheets, binding offers, or proof of financing or execution to substantiate the Debtor's assertions regarding an imminent refinancing or sale of the Marine Property. Accordingly, the Applicant advised the Debtor that it had instructed its legal counsel to serve and register the requisite prior notices to commence enforcement proceedings and realize upon its secured rights, as appears from Exhibit P-19.
55. On February 18, 2026, the Applicant served upon the Debtor and the tenants of the Marine Property a Notice of Withdrawal of the Right to Collect Rents pursuant

to article 2745 CCQ (the “**2745 Notice**”), as appears from the notice and the proof of service thereof, communicated *en liasse* as **Exhibit P-19**.

56. On March 16, 2026, the Applicant served the Debtor with a prior notice of exercise of the Applicant’s hypothecary rights pursuant to Section 2758 CCQ (the “**Prior Notice**”), which Prior Notice included the statements required by section 244 of the BIA (the “**Second 244 Notice**”), communicated as **Exhibit P-20**. The Prior Notice was registered:
- a) on the land registry under inscription number 3 174 775 on March 23, 2026, as appears from the *État certifié d’inscription de droit au Registre foncier du Québec*; and
 - b) on the *Registre des droits personnels et réels mobiliers* (RDPRM) on March 23, 2026, under inscription number 26-0347021-0001 and 26-0347021-0002.
57. On February 26, 2026, counsel for the Applicant sent a letter to the Debtor requesting *inter alia* the disclosure of various financial and operational information relating to the Debtor’s financial management, operations, and the status of the secured assets, as appears from the letter communicated as **Exhibit P-21**. The request included, *inter alia*:
- a) financial information, including financial statements, bank statements, general ledgers, accounts payable, and cash flow statements;
 - b) rental and property-related information, including a rent roll for each lease, a summary of rent collected over the preceding 12 months, copies of all leases, confirmation of the status of municipal and school taxes, and confirmation that all utilities have been paid and are current; and
 - c) information relating to the insurance coverage of the Marine Property.
58. Mr. Kyle Mintzberg responded on February 27, 2026, indicating that the Debtor would not be able to provide the requested information within the prescribed timeframe. He further advised that, following service of the 2745 Notice, the Debtor was experiencing difficulties in meeting expenses related to the Marine Property, including insurance, electricity, and salaries, as appears from the email communicated as **Exhibit P-22**.
59. On March 5, 2026, counsel for the Applicant sent a letter to the Debtor requesting its consent to the appointment of a property manager to ensure that the Marine Property would be properly administered and managed, and that all related obligations would be fulfilled, as appears from the letter communicated as **Exhibit P-23**. Considering the circumstances disclosed by the Debtor following

service of the 2745 Notice, the appointment of a property manager is indeed essential to preserve the value of the Marine Property securing the Debtor's obligations to the Applicant.

60. Despite having countersigned the letter and thereby consenting to the appointment of a property manager on March 12, 2026, the Debtor indicated in an email dated March 17, 2026 that it would require the terms of engagement for approval, as appears from the email communicated as **Exhibit P-24**.
61. The Debtor has however failed to cooperate and act reasonably in the review and approval of the terms of the property manager's engagement. The Debtor has also failed to provide any meaningful financial or operational information that would afford the Applicant visibility into the preservation of the secured assets.
62. On or around March 14, 2026, the Applicant received an offer to purchase its first ranking hypothecary loan from Prime Properties Inc. ("**PPI**"), communicated under seal as **Exhibit P-25**. By this offer, PPI offered to purchase the totality of the Applicant's secured loan (the "**PPI Offer**"), subject, *inter alia*, to the Applicant providing substantial financing to PPI. The PPI Offer was, however, entirely unacceptable to the Applicant given, *inter alia*, the financing conditions it imposed.
63. In the days and weeks that followed, the Applicant continued its efforts to secure the Debtor's cooperation in agreeing to the appointment of a property manager, without success. On April 8, 2026, counsel for the Applicant wrote to counsel for the Debtor advising that, unless the Debtor consented to the appointment of the property manager by no later than April 10, 2026, the Applicant would have no alternative but to bring an application before the Court for the appointment of an interim receiver, as appears from the email communicated as **Exhibit P-26**.
64. Counsel for the Debtor did not respond to this email. However, Mr. Sheldon Mintzberg sent an email to a representative of the Applicant on April 8, 2026, in which he stated the following, as appears from the email communicated as **Exhibit P-27**:

We wish to advise you that since you seized all the rents since March 1st, you should be paying all invoices directly and advise your lawyer that you are doing so.

Furthermore, with respect to appointing a manager, we object to being faced with those costs as we are prepared to manage and pay all the bills as we have in the past. If you want to approve all bank transactions, we are agreeable to that as we feel any costs for a manager are not necessary, especially as it increases our debt which is totally unwarranted.

65. On April 10, 2026, Mr. Mintzberg sent an email indicating that the Debtor was still reviewing the proposed terms of engagement for the property manager and was

unable to provide a confirmed timeline in that regard, as evidenced by the email filed as **Exhibit P-28**.

66. Later that same day, the Debtor provided an extensive list of business points to be addressed in connection with the engagement of the property manager, which includes several unrealistic and unreasonable requests, such as a commitment from the Applicant to refrain from appointing a receiver, conditions tied to the payment of the property manager's fees, and a substantial reduction of those fees, as evidenced by the email and attachment filed as **Exhibit P-29**.
67. The Debtor has therefore clearly demonstrated its refusal to cooperate in ensuring the preservation of the Marine Property.
68. It also appears that the Debtor has ceased performing basic property management functions, including:
 - a) communicating with its anchor tenant, Lululemon, to facilitate the completion of the signage permitting process with the City of Montréal, as evidenced by an email dated March 30, 2026 from Lululemon to the Applicant, which states, *inter alia*, that "*This has caused a real risk in delaying our opening here*", filed as **Exhibit P-30**;
 - b) responding to tenants seeking the issuance of invoices for the payment of rent, as appears from email exchanges between March 31, 2026 and April 13, 2026 communicated as **Exhibit P-31**; and
 - c) there is no confirmation that the Debtor is making the required remittances of applicable sales taxes and source deductions to the competent authorities, which raises serious concerns regarding its compliance with statutory obligations and the potential accrual of additional liabilities, including interest and penalties.
69. As of the date hereof, the Debtor's total indebtedness to the Applicant amounts to more than \$58 million.

70. (...)

VII. DEVELOPMENTS SINCE THE APPOINTMENT OF THE INTERIM RECEIVER

- 70.1 On April 16, 2026, the Honourable Martin Castonguay, JSC, issued an order appointing Deloitte as interim receiver in the present matter (the "**Interim Receivership Order**"), as appears from the Court record.
- 70.2 Since its appointment on April 16, 2026, Deloitte has undertaken various measures pursuant to the Interim Receivership Order with a view to preserving, protecting and maintaining the value of the Marine Property pending further order of this Court

as follows, the whole as more amply disclosed in Deloitte's report as interim receiver and as proposed receiver, which shall be presented to the Court at the hearing of this application (the "Report"):

- a) Upon its appointment, Deloitte took steps to assume control, oversight and protection of the Marine Property. In this regard, Deloitte reviewed the information made available to it, established communications with relevant stakeholders and implemented procedures designed to safeguard the Marine Property and monitor ongoing operations relating thereto.
- b) For example, Deloitte requested from the Debtor copies of its books and records, including electronic records relating to the ownership, management and operation of the Marine Property. Moreover, Deloitte has made efforts to obtain complete and up-to-date information from the Debtor in order to assess the Debtor's affairs and preserve relevant records.
- c) Deloitte also undertook a review of the Debtor's financial position and liquidity. This review included an analysis of available financial information, cash flow requirements and ongoing obligations relating to the Marine Property, with the objective of assessing the financial condition of the Debtor and identifying any issues that could affect the preservation of the Marine Property.
- d) In furtherance of its mandate, Deloitte implemented various conservatory measures intended to protect and preserve the value of the Marine Property. Such measures included monitoring operations relating to the Marine Property and taking steps considered necessary to ensure their continued maintenance and preservation.
- e) Deloitte contacted the existing tenants occupying the Marine Property and reviewed the terms of their respective occupancy arrangements, including maintenance, repair and operating responsibilities.
- f) Deloitte has supervised the collection of rents generated by the Marine Property and monitored cash disbursements relating thereto. Deloitte has also reviewed expenditures associated with the operation and maintenance of the Marine Property to ensure that disbursements are appropriate and consistent with the preservation thereof.
- g) In order to ensure the proper day-to-day administration of the Marine Property, Deloitte retained a third-party property management firm to provide temporary property management services.

- h) Deloitte reviewed the insurance coverage relating to the Marine Property and confirmed that the applicable insurance policy was in good standing and remained in force, thereby ensuring the continued protection of the Marine Property against potential risks.
- i) Deloitte also sent notices to each of the nine known tenants at their last known addresses as provided by the Debtor. The notices advised the tenants of the issuance of the Interim Receiver Order and provided the tenants with Deloitte's contact information, including its dedicated email address and website.

70.3 In addition to the foregoing, Deloitte commenced preparatory work and discussions with key stakeholders to facilitate an orderly transition to a national receivership.

70.4 In this regard, Deloitte has negotiated a proposed property management agreement with CBRE Limited ("CBRE"), pursuant to which CBRE would act as property manager during the receivership.

70.5 The appointment of an experienced property manager is necessary to ensure the ongoing operation, protection and preservation of the Marine Property. Daily conservatory measures are required to maintain the value of the Marine Property, and the involvement of a qualified property manager with the necessary expertise and resources will assist in protecting the interests of stakeholders.

70.6 Deloitte has also negotiated a proposed exclusive listing agreement with CBRE Limited ("CBRE"), pursuant to which CBRE would act as sole and exclusive real estate broker for the marketing and sale of the Marine Property, subject to Court approval. The proposed listing agreement is communicated, in draft form, as **Exhibit P-35**.

VIII. ORDERS SOUGHT

A. Appointment of the Interim Receiver

71. (...)

72. (...)

73. (...)

74. (...)

75. (...)

76. (...)

77. (...)

- 78. (...)
- 79. (...)
- 80. (...)
- 81. (...)

B. Appointment of the Receiver

- 82. (...) The Applicant (...) seeks (...) the appointment of Deloitte as national receiver, pursuant to section 243 of the BIA, to proceed with the sale of the Marine Property in accordance with the best offer received through a sale process conducted with the authorization of this Court.
- 82.1 Under the proposed sale process, CBRE would be responsible for implementing the marketing process under Deloitte's supervision, including preparing marketing materials, contacting prospective purchasers and cooperating brokers, arranging visits, maintaining a virtual data room, supervising due diligence and assisting with negotiations relating to any proposed transaction.
- 82.2 CBRE has the necessary local and national market expertise, industry relationships and resources to act as broker and to assist in maximizing realizations for stakeholders. The contemplated six-month sale process is expected to provide prospective purchasers with sufficient time to complete due diligence and submit offers, while allowing flexibility to extend the process if required.
- 82.3 CBRE's proposed compensation as broker is success-based and payable only upon the closing of a Court-approved transaction, and is reasonable, appropriate and competitive with market standards. The appointment of CBRE in such capacity will also limit other professional fees that would normally be incurred in a sale process run by the receiver.

C. Termination of Previous Brokerage Listing Agreements

- 82.4 As mentioned above, the Debtor entered into the Listing Mandates for the leasing of premises within the Marine Property (Exhibit P-18) without the prior written consent of the Applicant.
- 82.5 Given that the Listing Mandates seek to canvas the market to find potential tenants rather than potential purchasers of the Marine Property, the Applicant submits that the Listing Mandates should be terminated, as these mandates are incompatible with the sale process.

D. Stay of Proceedings

83. The Proposed Interim Receivership Order provides for a stay of proceedings with respect to the Marine Property and the Debtor (the “**Stay of Proceedings**”).
84. The Stay of Proceedings is intended to preserve the status quo for the duration of these proceedings and is consistent with the objectives of insolvency legislation in Canada.
85. In this case, the Stay of Proceedings will prevent a “race to the assets” of the Debtor.
86. Ultimately, the Stay of Proceedings will benefit all stakeholders of the Debtor. Absent such a stay and a controlled environment, it is difficult to see how these proceedings could be successfully carried out.

E. Administration Charge

87. The involvement of the Interim Receiver and of the lawyers representing the Applicant and the Interim Receiver is essential to the proper conduct of these proceedings.
88. The Applicant requests that, as security for professional fees and disbursements incurred both before and after the date of the orders to be rendered in this proceeding, a charge and security over the Marine Property be granted in favour of the proposed Receiver, the Receiver’s counsel, and other advisors, as well as the fees of CBRE pursuant to the property management agreement in an aggregate amount not exceeding \$250,000 (hereinafter, the “**Administration Charge**”).
89. The Administration Charge will rank in priority to all other charges, including any deemed trusts in favour of the federal and provincial governments.

IX. CONFIDENTIALITY ORDERS SOUGHT

- 89.1 The Applicant also requests that confidentiality orders be rendered with respect to the financial terms of the listing agreement with CBRE (Exhibit P-35).
- 89.2 The redaction of the financial terms seeks to preserve the integrity of the sale process and preclude a prospective purchaser from adjusting the value of its bid in function of the fees to be charged by CBRE, particularly those arising from the sale of the Marine Property as well as the anticipated purchase price of same.
- 89.3 The confidentiality order sought is limited to what is necessary to preserve the integrity of the sale process, and there is no other viable alternative. Moreover, any creditor wishing to obtain copy of the full version of the listing agreement can do so subject to a satisfactory confidentiality undertaking.

X. PROVISIONAL EXECUTION NOTWITHSTANDING ANY APPEAL

90. The Applicant submits that it is appropriate to order provisional execution of the order sought notwithstanding appeal, considering that the relief sought is for the benefit of all stakeholders, and that the absence of provisional execution would be detrimental to the efforts undertaken and contemplated, as well as to the potential recovery of the creditors involved, and would render the timely implementation of the order sought illusory.

WHEREOF, MAY THIS COURT :

ABRIDGE the delays for service of this Application and **ORDER** that any delay for its presentation be shortened and validated, such that the Application is properly returnable on April 16, 2026, with any further service dispensed with;

GRANT the Application;

(...)

(...)

(...)

ISSUE an order substantially in the form of the draft order communicated as **Exhibit P-2**;

THE WHOLE without costs, save and except in the event of contestation.

Montreal, June 2, 2026

Langlois Lawyers, LLP.

Langlois Lawyers LLP

Lawyers for the Applicant

(Me Gerry Apostolatos and Me Rémi Leprévost)

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remi.leprevost@langlois.ca

Our reference: 344674.0001

AFFIDAVIT

I, the undersigned, **GAETAN GAUTHIER**, associate director at Equitable Bank, having a workplace at 2200-25, ONTARIO STREET, TORONTO (ONTARIO) M5A 0Y9, solemnly declare that:

1. I am the duly authorized representative of the Applicant in the present case;
2. All the facts alleged in the present *Amended Application for the Appointment of a Receiver* are true.

And I have signed :

Gaetan Gauthier

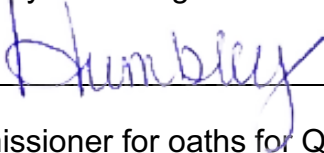
Digitally signed by Gaetan

Gauthier

Date: 2026.06.02 14:08:20 -04'00'

GAETAN GAUTHIER

Sworn by technological means, this June 2, 2026





Commissioner for oaths for Québec

NOTICE OF PRESENTATION

TAKE NOTICE that the present *Amended Application for the Appointment of a Receiver* will be presented for adjudication, at the interim receivership stage, before one of the Honourable Justices of the Superior Court of Quebec, sitting in the commercial division for the district of Montreal, at the Montréal Courthouse located as 1 rue Notre-Dame Est, Montréal, Québec, H2Y 1B6, on June 4, 2026, at 14:00 p.m. in room 16.04.

DO GOVERN YOURSELVES ACCORDINGLY.

Montreal, June 2, 2026

Langlois Lawyers, LLP.

Langlois Lawyers LLP

Lawyers for the Applicant

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remi.leprevost@langlois.ca

Our reference: 344674.0001

NO : 500-11-067100-269

**SUPERIOR COURT (Commercial division)
DISTRICT OF MONTREAL**

IN THE MATTER OF RECEIVERSHIP OF:

**LA SOCIÉTÉ IMMOBILIÈRE EN PROPRIÉTÉ MARINE LTÉE / MARINE
PROPERTY LEASEHOLDS LTD**, legal person duly constituted having its
head office at 1411, rue Peel, suite 700, Montréal (Québec) H3A 1S5;

Debtor

-and-

EQUITABLE BANK, chartered bank duly constituted having its head office
at 25 Ontario Street, suite 2200, Toronto (Ontario) M5A 0Y9;

Applicant

-and-

DELOITTE RESTRUCTURING INC., legal person duly constituted having
its head office at 207-2320 rue Ward Montréal (Québec) H4M2V5 Canada;

Impleaded party – Proposed Receiver

**AMENDED APPLICATION FOR THE
APPOINTMENT OF (...) A RECEIVER**
(Section (...) 243 ff. of the Bankruptcy and
Insolvency Act, R.S.C., (1985), ch. B-3)

ORIGINAL



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