



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-25-00738703-00CL DATE: September 22, 2025

NO. ON LIST: 3

TITLE OF PROCEEDING: **CERRUTI INVESTMENTS INC. v. 2616766 ONTARIO LIMITED**

BEFORE JUSTICE: **J. DIETRICH**

PARTICIPANT INFORMATION

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For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
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For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
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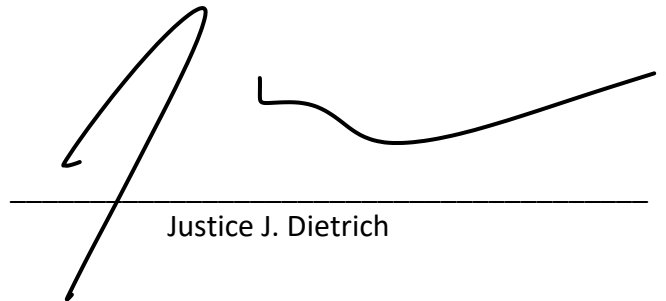
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ENDORSEMENT OF JUSTICE J. DIETRICH:

- [1] This case conference was booked to address the scheduling of a motion by Mr. Chauser, a shareholder of the Debtor.
- [2] On April 17, 2025, I granted an order (the "**Receivership Order**") appointing KSV Restructuring Inc. as receiver (the "**Receiver**") of all of the assets, undertakings and properties of 2616766 Ontario Limited (the "**Debtor**"). On September 9, 2025, I made an order, among other things, approving a sale process for the property held by the Debtor. That sale process commences at the end of September and is a bid deadline is to be set for approximately 6 weeks later.
- [3] In the material filed for use at this case conference, Mr. Chauser indicated that he sought to schedule a motion to lift the stay of proceedings contained in the Receivership Order to commence an action (the "**Proposed Action**") against the applicant, Cerruti Investments Inc. ("**CII**"), it's principal Mr. Lou Cerruti and certain shareholders/directors/officers of the Debtor being Hira Dhillon and Mahan Dhillon. Mr. Chauser alleges as a basis for the Proposed Action he was not aware of various agreements between CII and the Debtor which gave rise to the secured debt claimed to be to CII in the amount of approximately \$20 million. He alleges his signatures on those documents were forged. He alleges fraud against not only the Dhillons (who were the other shareholders in the Debtor) but also CII as alleged lender and Mr. Cerruti as the principal of CII. Certain of the parties or parties related to them are also involved in two other pieces of litigation, one commenced in Milton (CV-25-00002981-0000) and one commenced in Windsor (CV-25-00034836-0000)
- [4] Mr. Chauser also states that he wishes to pay the amount allegedly owed to CII into Court, but disputes the amount claimed by CII claiming it is grossly inflated. Accordingly, he says he needs a determination of amounts owing to CII by the Debtor urgently so that he may redeem that debt – given the ongoing sales process being conducted by the Receiver.
- [5] During the case conference it became clear that counsel to Mr. Chauser and counsel to the Respondents admit that at least \$9 million was advanced by CII, but claim the amount owing of approximately \$20 million is grossly inflated. Counsel advised that they have all the relevant loan documents, but not evidence of advances.
- [6] The debt which Mr. Chauser takes issue with (owing to CII) is subordinate to amounts owed by the Debtor to 2763161 Ontario Limited who is also a secured creditor of the Debtor owed approximately

\$17 million. Construction liens of approximately \$11 million are also registered on title to the property owed by the Debtor.

- [7] CII therefore takes the position that the exact amount owing to CII may never become relevant. It is not clear what proceeds will be available from the sales process being conducted by the Receiver – and whether or not the proceeds will satisfy the amounts owing to 161 (of \$17 million) and construction liens in priority to CII (of potentially \$11 million). Further, although Mr. Chauser indicates he may wish to redeem the debt owing to CII, it is not clear Mr. Chauser has funds available to address the amounts owing in priority to CII as well.
- [8] Mr. Chauser advised that he now has a commitment letter which was uploaded to Case Center just this morning for \$47 million. Although it is not in evidence before me, counsel advises that it is subject to a number of conditions. It is also not clear that amount is sufficient to repay all creditors.
- [9] Counsel for the respondent, who advised they appeared based on a ‘limited retainer’ only for this case conference, supports Mr. Chauser’s position.
- [10] Counsel for Noble Corp understandably expressed concerns that the back and forth was increasing costs of the receivership which his client as a creditor will ultimately bear.
- [11] To move this matter forward an an efficient way, it is necessary to understand the exact amounts in dispute and the basis for the dispute. The Receiver has advised that it is prepared to work with CII and the records of the Respondent to prepare a report to Court indicating the amounts advanced by CII and amounts claimed as owing by CII. That report is to be delivered by October 15, 2025.
- [12] Following receipt of that report, Mr. Chauser (or the Respondents) are to file material outlining the specific amounts in dispute and the specific reasons for the dispute. That material is to be delivered by October 22, 2025. Following that exchange, a case conference is scheduled for **October 28, 2025. for 60 minutes starting at 12:00 noon** to address next steps.
- [13] Aide Memoire for use at that case conference are to be uploaded no later than October 24, 2025.



Justice J. Dietrich

Date: September 22, 2025