Court File No. CV-23-00700695-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	FRIDAY, THE 24TH
	)	
JUSTICE J. DIETRICH	)	DAY OF JULY, 2026

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

LA PUE INTERNATIONAL INC.

Respondent

APPLICATION UNDER section 243(1) of the *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, as amended

ORDER

(APS Termination and DRP Approval)

THIS MOTION, made by AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.), in its capacity as receiver (in such capacity, the "**Receiver**") appointed pursuant to section 243 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, without security, of all

of the assets, undertakings and properties of La Pue International Inc. (the "**Debtor**"), including the real property municipally known as 5528 Ferry Street, Niagara Falls, Ontario and legally described in **Schedule "B"** hereto (the "**Real Property**"), for an order, *inter alia*: (i) approving the Fourth DRP (as defined below) in respect of pre-construction Deposits paid for proposed condominium units in the "Stanley District" condominium project to be built on the Real Property (the "**Project**"); (ii) authorizing and directing Miller Thomson LLP, in its capacity as replacement escrow agent and administrator of the applicable Deposits for the Project (in such capacity, the "**Replacement Escrow Agent**"), and such other parties as are identified in the Fourth DRP, to implement the terms and payments contemplated under the Fourth DRP; (iii) terminating certain remaining agreements of purchase and sale for units in the Project that were not assigned to or assumed by the Asset Purchaser (as defined below); and (iv) granting related Deposit administration relief, was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the Motion Record of the Receiver dated July 17, 2026, including the Tenth Report of the Receiver dated July 17, 2026 (the "**Tenth Report**") and the appendices thereto, and on hearing the submissions of counsel for the Receiver and such other parties as were present, no one appearing for any other party although duly served as appears from the affidavits of service of Alex Bernicchia-Freeman sworn July 17, 2026, and July 21, 2026, as 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 and validated 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 (including in the preamble above) and not otherwise defined herein shall have the meanings ascribed to them in the Tenth Report.

APPROVAL OF FOURTH DEPOSIT RETURN PROTOCOL

3. **THIS COURT ORDERS** that the Deposit Return Protocol, substantially in the form attached as **Schedule "A"** hereto (the "**Fourth DRP**"), together with the schedules attached thereto, is hereby approved.

4. **THIS COURT ORDERS** that, in respect of the Fourth DRP, the Replacement Escrow Agent is authorized and directed to return the applicable Deposits to the Homebuyers addressed by the Fourth DRP, to the extent such Deposits are held by the Replacement Escrow Agent and are authorized to be released, in accordance with the Fourth DRP and this Order.

5. **THIS COURT ORDERS** that, notwithstanding the foregoing, the Receiver may, from time to time, make minor changes to the Fourth DRP, including the schedules and forms attached thereto, in its sole discretion, as may be necessary or desirable, without further Order of this Court, provided that such changes are not materially inconsistent with this Order and, where applicable, are made with the consent of the Replacement Escrow Agent and 1000835091 Ontario Inc. (the "**Asset Purchaser**").

ASSUMED AND REMAINING AGREEMENTS OF PURCHASE AND SALE

6. **THIS COURT ORDERS AND DECLARES** that nothing in this Order shall affect, amend, release, terminate or disclaim any agreements of purchase and sale assigned by the Receiver to, and assumed by, the Asset Purchaser pursuant to the Assignment and Assumption of

Assumed Agreements of Purchase and Sale dated July 17, 2026 (the "**Assignment Agreement**") between the Receiver and the Asset Purchaser (the "**Assumed APSs**").

7. **THIS COURT ORDERS** that, subject to the payments required to be made to Homebuyers under the Fourth DRP, the agreements of purchase and sale listed in Schedule "A" to the Fourth DRP (collectively, the "**Remaining APSs**") are hereby terminated effective as of the date of this Order and that such Remaining APSs shall cease to be continuing obligations enforceable against the Debtor, the Receiver, the Replacement Escrow Agent, the Real Property and any Deposits held by the Replacement Escrow Agent, except to the extent expressly provided in this Order or the Fourth DRP, and the Replacement Escrow Agent is authorized and directed to make the payments to the Homebuyers listed in Schedule "A" to the Fourth DRP as contemplated therein, subject to the terms and conditions of the Fourth DRP and this Order. For greater certainty, in no circumstances shall the Asset Purchaser or the Replacement Escrow Agent have any liability for any delayed occupancy compensation or any other similar amount owing or payable in respect of the Remaining APSs.

RELEASES AND ADMINISTRATION

8. **THIS COURT ORDERS** that, for greater certainty, no Deposit or accrued interest shall be released under the Fourth DRP in respect of any Assumed APS, except to the extent expressly provided in: (a) the Assignment Agreement; (b) the DTA Release and Indemnity Agreement dated July 17, 2026 among Sullivan Mahoney LLP (in its capacity as solicitors for the Debtor and original escrow agent), The Sovereign General Insurance Company, the Receiver, the Asset Purchaser and the Replacement Escrow Agent (the "**Release**"); (c) any applicable escrow or trust arrangements; or (d) any further Order of this Court.

9. **THIS COURT ORDERS** that nothing in this Order shall amend, modify, release or otherwise affect the Assignment Agreement, the Release, or any separate escrow, trust, deposit-transfer, surety, Tarion bond, release letter or related arrangement among any applicable parties in respect of the Real Property, the Fourth DRP or the Deposits addressed therein, except to the extent expressly provided in this Order or the Fourth DRP.

10. **THIS COURT ORDERS** that the Debtor, the Receiver, the Replacement Escrow Agent, the Asset Purchaser, Aird & Berlis LLP, and each of their respective 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 Fourth DRP, the termination of the Remaining APSs, the return of Deposits, or the implementation of this Order, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of such person in performing its obligations under the Fourth DRP or this Order, as determined by this Court in a final order that is not subject to appeal or other review.

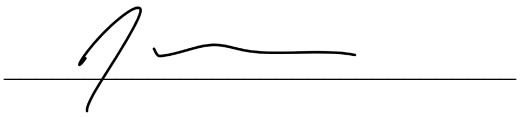
11. **THIS COURT ORDERS** that the Replacement Escrow Agent, in carrying out its role under this Order and the Fourth DRP, is authorized to rely on this Order, the Fourth DRP, the purchaser information and deposit records available to it, and any direction or consent provided by the Receiver in accordance with this Order or the Fourth DRP.

GENERAL

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any other Canadian and foreign court, tribunal, regulatory or administrative body ("**Judicial Bodies**") to give effect to this Order and to assist the Receiver, the Replacement Escrow Agent and their respective agents in

carrying out the terms of this Order. All Judicial Bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver and the Replacement Escrow Agent, 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, the Replacement Escrow Agent and their respective agents in carrying out the terms of this Order.

13. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order.



Schedule "A" – Fourth DRP

[See attached]

COURT-ORDERED DEPOSIT RETURN PROTOCOL

RE: STANLEY DISTRICT PROJECT and TERMINATED AGREEMENTS OF PURCHASE AND SALE

THIS AGREEMENT (the "**Protocol**") is made as of the ____ day of July, 2026.

BETWEEN:

ALIXPARTNERS RESTRUCTURING, INC.
(formerly KSV RESTRUCTURING INC.),
in its capacity as Court-appointed receiver of La Pue International Inc.
(the "**Receiver**")

- and -

MILLER THOMSON LLP,
in its capacity as replacement escrow agent and administrator of deposits for the Stanley District Project
(the "**Replacement Escrow Agent**")

- and -

1000835091 ONTARIO INC.
(the "**Asset Purchaser**")

WHEREAS:

A. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), the Receiver[1] was appointed as receiver over all property, assets and undertakings of La Pue International Inc. (the "**Company**"), including the real property municipally known as 5528 Ferry Street, Niagara Falls, Ontario and known as the "Stanley District" condominium project (the "**Project**").

B. The Company intended to develop and construct the Project and, pursuant to agreements of purchase and sale in respect of proposed condominium units in the Project (the "**Unit APSs**"), sold proposed units to purchasers who paid deposits pursuant to the Unit APSs (the "**Deposits**").

C. The Deposits were originally paid to Sullivan Mahoney LLP ("**SM**"), in trust, in its capacity as solicitors for the Company and original escrow agent pursuant to a deposit trust agreement

[1] Effective June 1, 2026, KSV Restructuring Inc. became AlixPartners Restructuring, Inc.

entered into between the Company, The Sovereign General Insurance Company, as former surety (the "**Former Surety**") and SM dated August 31, 2020.

D. On and subject to the terms of an asset purchase agreement dated April 4, 2024, as amended, assigned and restated, the Asset Purchaser agreed to purchase the Project from the Receiver.

E. As part of the purchase of the Project, the Asset Purchaser agreed to assume, and the Receiver agreed to assign, certain of the Unit APSs (the "**Assumed APSs**").

F. Certain Unit APSs were not assumed by the Asset Purchaser and, subject to those Unit APSs that were already terminated pursuant to previously implemented deposit return protocols, remain to be addressed by the Receiver (the "**Remaining APSs**").

G. Following the return and cancellation of the Tarion Warranty Corporation ("**Tarion**") bonds issued by the Former Surety and the transfer of the Deposits by SM to the Replacement Escrow Agent, SM's role as escrow agent was terminated and the Replacement Escrow Agent assumed responsibility for administering the Deposits.

H. The parties wish to establish a protocol for the return of Deposits held by the Replacement Escrow Agent in respect of the Remaining APSs as expressly listed in Schedule "A" hereto, following the issuance of an Order of the Court terminating, disclaiming or otherwise addressing the Remaining APSs and approving this Protocol and the return of such Deposits (the "**Order**").

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby acknowledge and agree as follows:

1. Capitalized terms used but not otherwise defined in this Protocol have the meanings given to them in the recitals hereto.

2. The Receiver intends to seek the Order, among other things:

    a. approving this Protocol;

    b. terminating the Remaining APSs;

    c. authorizing and directing the Replacement Escrow Agent to return the Deposits held in respect of the Remaining APSs in accordance with this Protocol and the Order;

    d. approving the form of notice attached as Schedule "B" hereto; and

    e. granting releases in favour of the Company, the Receiver, the Receiver's legal counsel, the Replacement Escrow Agent, the Asset Purchaser, Tarion and any applicable sureties or the Former Surety.

3. Upon the issuance and entry of the Order, the Remaining APSs shall be terminated in accordance with the terms of the Order.

4. Following the issuance and entry of the Order, the Replacement Escrow Agent shall send an email or letter, substantially in the form attached as Schedule "B" hereto, to each purchaser under the Remaining APSs expressly listed in Schedule "A" hereto (each, a "**Remaining Purchaser**") notifying them that:

    a. the applicable Remaining APS has been terminated pursuant to the Order;

    b. the Replacement Escrow Agent has been authorized and directed to return the Deposit held in respect of the applicable Remaining APS in accordance with the Order and this Protocol;

    c. the Remaining Purchaser is required to provide reasonable information and documentation required to confirm identity, mailing address and payment instructions; and

    d. the Deposit will be returned in the amount and manner authorized by the Order.

5. The documentation to be requested by the Replacement Escrow Agent from each Remaining Purchaser shall include, where applicable and available, the following (collectively, the "**Requested Documents**"):

    a. a copy of government-issued photo identification;

    b. a current mailing address for service;

    c. payment delivery instructions;

    d. a signed receipt and payment direction substantially in the form attached as Schedule "C" hereto;

    e. a clear copy of the first page of the applicable Unit APS that discloses the name of the purchaser, the unit number, the deposit amount and the signature page, and, if necessary and available, the second page of the Unit APS; and

    f. a clear copy of any assignment of the applicable Unit APS in the possession of the Remaining Purchaser or the Replacement Escrow Agent.

6. The Replacement Escrow Agent shall assemble the Requested Documents, to the extent available, and shall provide the Receiver with a copy of same for each Remaining Purchaser before releasing the applicable Deposit, unless otherwise directed by the Receiver or the Court.

7. Subject to paragraph 8 below, after receipt of the documentation reasonably required by the Replacement Escrow Agent and the Receiver, the Replacement Escrow Agent shall release the applicable Deposit to the applicable Remaining Purchaser, or as such Remaining Purchaser may otherwise direct in writing, to the extent such Deposit is held by the Replacement Escrow Agent and is authorized to be released pursuant to the Order.

8. The Replacement Escrow Agent shall not be required to release any Deposit unless and until:

a. the Order has been issued and entered;

b. the Replacement Escrow Agent has received such information and documentation as it reasonably requires to confirm the identity of the Remaining Purchaser and the proper payee;

c. the Receiver has provided any direction or consent required under the Order or this Protocol;

d. the sureties have provided any direction or consent required, if applicable in the opinion of the Replacement Escrow Agent; and

e. the Replacement Escrow Agent is satisfied, acting reasonably, that it has sufficient information to process the payment.

9. The return of each Deposit pursuant to this Protocol shall be in the principal amount held by the Replacement Escrow Agent in respect of the applicable Remaining APS, together with the applicable interest payable under the *Condominium Act, 1998* (Ontario), unless otherwise ordered by the Court.

10. The releases contemplated by this Protocol shall be those set out in the Order and, unless otherwise ordered by the Court, shall not be conditional upon the execution of a separate release by any Remaining Purchaser, except as provided for in paragraph 11.

11. The Replacement Escrow Agent may require a Remaining Purchaser to sign a receipt, acknowledgement, payment direction or other administrative confirmation reasonably required to process the return of the applicable Deposit, provided that such document shall not amend, derogate from or otherwise limit the terms of the Order.

12. The Replacement Escrow Agent shall prepare the refund cheques or other payments in respect of the Deposits made payable to the applicable Remaining Purchaser or as such Remaining Purchaser may direct in writing pursuant to a signed direction acceptable to the Replacement Escrow Agent, acting reasonably, and shall advise the applicable Remaining Purchaser when such refund cheque is available for pick-up or delivery or when such other approved method of payment is available or has been completed.

13. The Replacement Escrow Agent shall provide written confirmation to the Receiver after the Deposits have been returned pursuant to this Protocol.

14. For greater certainty, this Protocol does not apply to:

a. any Assumed APSs;

b. any Unit APSs that have been or are hereafter terminated by mutual consent pursuant to a separate deposit return protocol or acknowledgement and release; or

c. any Unit APSs removed from Schedule "A" prior to the issuance and entry of the Order.

15. The Receiver may amend Schedule "A" prior to the hearing of the motion approving this Protocol to remove any Unit APSs that are resolved by mutual consent, acknowledgement and release, further deposit return protocol or further order of the Court.

16. Nothing in this Protocol shall require the Replacement Escrow Agent to release any Deposit except to the extent such Deposit is held by the Replacement Escrow Agent and is authorized to be released pursuant to the Order. For greater certainty, no Deposit or accrued interest shall be released under this Protocol in respect of any Assumed APS. For greater certainty, in no circumstances shall the Asset Purchaser or the Replacement Escrow Agent have any liability for any delayed occupancy compensation or any other similar amount owing or payable in respect of the Remaining APSs.

17. This Protocol may be amended only by written agreement of the Receiver, the Replacement Escrow Agent and the Asset Purchaser, or by further Order of the Court.

18. This Protocol shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

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

20. This Protocol may be executed in counterparts and by electronic transmission, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

SCHEDULE "A"

REMAINING APSs

Suite No.	**Purchaser(s)**
307	Fatima Jose Dos Santos Moniz
404	Carlos E. Mendez Blanco
504	Raimundo Flavio Dos Santos
509	Jayashri Raghunathan and Phaneendra R Rallapalli
513	Ferduse Bari and Misbah Meshbahul Bari
601	Lindsay Vo

SCHEDULE "B"

FORM OF NOTICE TO REMAINING PURCHASERS

Dear [Purchaser Name],

Re: Stanley District Project — Suite _____

We are writing to advise that, pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) dated _____, 2026 (the "**Order**"), the agreement of purchase and sale between you and La Pue International Inc. in respect of Suite _____ at the Stanley District condominium project has been terminated.

Pursuant to the Order, Miller Thomson LLP, in its capacity as replacement escrow agent and administrator of deposits for the Stanley District project, has been authorized and directed to return the deposit held in respect of your agreement of purchase and sale, together with any applicable interest payable under the *Condominium Act, 1998* (Ontario), in accordance with the Order and the Court-Ordered Deposit Return Protocol approved by the Court.

In order to process the return of your deposit and any applicable interest, please provide the following:

1. a copy of government-issued photo identification;

2. your current mailing address for service;

3. a signed receipt and payment direction in the form enclosed with this letter; and

4. a copy of the first page and signature page of your agreement of purchase and sale, together with any assignment of your agreement of purchase and sale.

No deposit or applicable interest will be released until the required information has been received and verified, and we have received the requisite authorizations pursuant to the Order. We will notify you once your cheque is available for pick-up, from either our Toronto or Vaughan offices.

Yours truly,

Miller Thomson LLP, in its capacity as replacement escrow agent and administrator of deposits for the Stanley District project

SCHEDULE "C"

FORM OF RECEIPT AND PAYMENT DIRECTION

TO: Miller Thomson LLP, in its capacity as replacement escrow agent and administrator of deposits for the Stanley District project (the "**Escrow Agent**")

AND TO: AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.), in its capacity as Court-appointed receiver of La Pue International Inc. (the "**Receiver**")

RE: **La Pue International Inc. (the "Vendor") sale of Suite _____ in the Stanley District Project**

The undersigned purchaser acknowledges that, pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) dated _____, 2026 (the "**Order**"), the Escrow Agent has been authorized and directed to return the deposit held in respect of the agreement of purchase and sale for Suite _____ at the Stanley District condominium project, together with any applicable interest payable under the *Condominium Act, 1998* (Ontario), as authorized by the Order.

The undersigned purchaser directs the Escrow Agent to return the applicable deposit, together with any applicable interest payable under the *Condominium Act, 1998* (Ontario), as authorized by the Order, as follows:

Payee Name(s): _____

Mailing Address: _____

Delivery Instructions: _____

The undersigned purchaser acknowledges and agrees that the Escrow Agent has refunded and remitted the sum of $_____, representing the aggregate of all deposit monies paid by the undersigned (the "Deposit"), and it is expressly understood and agreed that upon repayment of the Deposit the purchaser shall not make or pursue any claim(s) or proceeding(s) with respect to the Deposit against the Vendor, the Receiver, the Escrow Agent, Westmount Guarantee Services Inc., Aviva Insurance Company of Canada and/or Tarion Warranty Corporation, nor against any other person or corporation entitled to claim (or which might claim) contribution or indemnity from the aforementioned parties.

The undersigned purchaser acknowledges that the information provided above is true and correct and may be relied upon by the Escrow Agent and the Receiver for the purpose of processing the return of the applicable deposit, together with any applicable interest payable under the *Condominium Act, 1998* (Ontario).

For greater certainty, this receipt and payment direction is provided for administrative purposes only and does not amend, derogate from or otherwise limit the terms of the Order.

DATED this ___ day of _____, 2026.

Witness Name:	**Purchaser Name:**

Schedule "B" – Real Property

Municipal Address:	5528 Ferry Street, Niagara Falls, Ontario
PIN:	64349-0258 (LT)
Property Description:	Firstly: Lots 46, 51, 52, 61, 62, 63, 64 & 65, Plan 273 & Part Lots 43, 44, 45, 47, 48, 49 & 50, Plan 273, Village of Niagara Falls, Parts 1 & 3 Plan 59R17206; Secondly: Surface Rights Only (as in RO718049), Part Lots 47, 48, 49 & 50 Plan 273, Village of Niagara Falls, Part 2 Plan 59R17206; subject to an Easement over Parts 1 & 2 59R17292 in favour of Part Lots 41 & 42 Plan 273 as in RO441658 as in SN754703; City of Niagara Falls.

MARSHALLZEHR GROUP INC.
Applicant

and

LA PUE INTERNATIONAL INC.
Respondent

Court File No. CV-23-00700695-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at TORONTO

ORDER

(APS Termination and DRP Approval)

AIRD & BERLIS LLP
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Kyle Plunkett (LSO # 61044N)
Tel: 416-865-3406
Email: kplunkett@airdberlis.com

Miranda Spence (LSO # 60621M)
Tel: 416-865-3414
Email: mspence@airdberlis.com

Alex Bernicchia-Freeman (LSO # 93556P)
Tel: 416-865-7735
Email: afreeman@airdberlis.com

Lawyers for AlixPartners Restructuring, Inc., in its capacity as Court-appointed receiver of La Pue International Inc.

G106