

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

**IN THE MATTER OF THE *BANKRUPTCY AND*
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED**

**AND IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL
OF SIREG 700 PARKHILL INC., SIREG 1-4 BALMORAL INC., SIREG 4 CARTIER
INC., SIREG 6 CARTIER INC., SIREG 8 CARTIER INC., SIREG 10 CARTIER INC.,
SIREG 12 CARTIER INC., SIREG 14 CARTIER INC., SIREG 16 CARTIER INC.,
SIREG 1390 KENSINGTON INC., SIREG 1400-1410 KENSINGTON INC., 1000001856
ONTARIO INC., and 1000366987 ONTARIO CORPORATION**

AIDE MEMOIRE OF MONARCH REALTY FUND LLP

October 12, 2026

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Lawyers for Monarch Realty Fund LLP.

TO: **THE SERVICE LIST**

I. OVERVIEW

1. Monarch Realty Fund LLP (“**Monarch**”) seeks an order under section 69.4 of the *Bankruptcy and Insolvency Act* (the “**BIA**”) declaring that the stay of proceedings arising from the Notices of Intention to Make a Proposal (the “**NOIs**”) of SIREG 1-4 Balmoral Inc. (“**Balmoral**”) and 1000001856 Ontario Inc. (“**Kipps**”) no longer operates in respect of Monarch as second-ranking mortgagee of 1-4 Balmoral Place, Brockville and 758 Kipps Lane, London (together, the “**Monarch Properties**”). The draft order sought by Monarch proceeds with the consent of the Debtors and Proposal Trustee and is not opposed by Firm Capital. It is appended to this Aide Memoire as **Tab “A”**

2. Monarch is owed more than \$7 million, plus accrued interest, fees and costs, under a loan that is in default. That debt is secured by registered mortgages and general assignments of rents over each of the Monarch Properties.¹

II. BACKGROUND

3. Under a commitment letter dated November 26, 2024, Monarch advanced a mortgage loan to Kipps in the principal amount of \$5,000,000, with a repayment obligation of \$7,000,000 (the “**Monarch Loan**”). The loan was fully advanced and used for the benefit of the Brockville development, including Balmoral.²

4. The Monarch Loan was not repaid at maturity and is in default. As of July 31, 2026, \$7,011,362.49 was outstanding, plus fees and costs. The last payment, received July 30, 2026, was

¹ Affidavit of Robert Klimov (the “**Klimov Affidavit**”) at paras 6, 13, 16, and 20, Amended Motion Record of Monarch Realty Fund LLC dated October 12, 2026 (the “**MR**”), Tab 2, pp. [8-11](#).

² Klimov Affidavit at paras 8-12, MR, Tab 2, pp. [8-9](#).

limited to repayments from condominium unit sales and discharges. In August 2026, Mr. Klimov repeatedly demanded that Mr. Slater satisfy the Monarch Loan, without success.³

5. Monarch holds, among other things: (a) a second-ranking mortgage of \$7,000,000 and a general assignment of rents registered on title to Kipps; (b) a second-ranking charge of \$7,800,000, registered September 18, 2026, and a general assignment of rents, registered September 22, 2026, on title to Balmoral; (c) a general security agreement over Kipps' personal property, perfected under the *Personal Property Security Act*; and (d) guarantees from SIREG Holdings Inc. and Todd C. Slater.⁴

6. Among other things, Firm Capital holds a first mortgage on Kipps and a first blanket mortgage over the Brockville properties, including Balmoral.⁵

7. Balmoral and Kipps filed NOIs on September 25, 2026, and AlixPartners Restructuring, Inc. was named proposal trustee (the "**Proposal Trustee**"). Several other SIREG group entities filed NOIs on the same date or the following business day.⁶

8. Late on October 7, 2026, Monarch learned that Firm Capital was seeking to lift the stay in respect of all of those properties at a scheduling attendance booked for the morning of October 8, even though creditors had received no information from the Proposal Trustee, including appraisals.⁷ Monarch brought this motion by Notice of Motion dated October 9, 2026.⁸

³ Klimov Affidavit at paras 13-18, MR, Tab 2, pp. [9-10](#).

⁴ Klimov Affidavit at para 20, MR, Tab 2, pp. [10-11](#).

⁵ Klimov Affidavit at para 21, MR, Tab 2, p. [11](#).

⁶ Klimov Affidavit at paras 3-5, MR, Tab 2, pp. [7-8](#).

⁷ Klimov Affidavit at paras 22-24, MR, Tab 2, p. [12](#).

⁸ Klimov Affidavit at para 27, MR, Tab 2, p. [13](#).

III. THE STAY SHOULD BE LIFTED IN FAVOUR OF MONARCH

9. Under section 69.4 of the BIA, the Court may declare that the stay no longer operates in respect of a creditor if satisfied that (a) the creditor is likely to be materially prejudiced by the continued operation of the stay, or (b) it is equitable on other grounds to make the declaration.⁹ The grounds are disjunctive: the Court may grant relief under section 69.4(b) whether or not material prejudice is established.

10. It is equitable to lift the stay. Monarch is the second-ranking secured creditor of Kipps and Balmoral, the same properties against which Firm Capital seeks to enforce. If the stay is lifted for Firm Capital, the only question is whether Monarch should be able to exercise its rights as secured creditor. The most equitable outcome is that all secured creditors of these properties be treated alike, each able to protect and enforce its own registered security, subject to priority.

11. Moreover, Monarch is likely to be materially prejudiced by the continued stay. Monarch is owed more than \$7 million and holds registered security over these properties, including general assignments of rents. If the stay is lifted only for Firm Capital, Firm Capital alone will decide when and which properties are listed for sale, with which broker, at what price, for how long and on what terms, while Monarch bears the risk of any shortfall and cannot enforce its own security or seek relief on short notice.¹⁰

⁹ *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, [s. 69.4](#).

¹⁰ Klimov Affidavit at para 25, MR, Tab 2, p. [12](#).

12. The relief is limited to Balmoral and Kipps and to the property subject to Monarch's security. It does not affect Firm Capital's priority, and any enforcement by Monarch remains subject to prior-ranking interests.

IV. RELIEF REQUESTED

13. Monarch respectfully requests an order substantially in the form of the draft order:

- (a) abridging and validating the time for service of the motion materials;
- (b) declaring that the stay under section 69.1(1) of the BIA no longer operates in respect of Monarch as second-ranking mortgagee of the Monarch Properties and such further property subject to its security; and
- (c) making the order effective immediately without further need for entry or filing.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 12th day of October, 2026.



Matthew Lerner / Derek Knoke / Noam Epstein Roth

October 12, 2026

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Lawyers for Monarch Realty Fund LLP

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) TUESDAY, THE 13TH
)
JUSTICE STEELE) DAY OF OCTOBER, 2026

B E T W E E N:

(Court Seal)

IN THE MATTER OF THE *BANKRUPTCY AND*
***INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED**

**AND IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL
OF SIREG 700 PARKHILL INC., SIREG 1-4 BALMORAL INC., SIREG 4 CARTIER
INC., SIREG 6 CARTIER INC., SIREG 8 CARTIER INC., SIREG 10 CARTIER INC.,
SIREG 12 CARTIER INC., SIREG 14 CARTIER INC., SIREG 16 CARTIER INC.,
SIREG 1390 KENSINGTON INC., SIREG 1400-1410 KENSINGTON INC., 1000001856
ONTARIO INC., and 1000366987 ONTARIO CORPORATION**

ORDER
(Lifting Stay of Proceedings)

THIS MOTION, made by Monarch Realty Fund LLC (“**Monarch**”) was heard this day
via judicial videoconference at the courthouse located at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of Monarch, the affidavit of Robert Klimov
sworn October 9, 2026, and on hearing the submissions of counsel for Monarch, counsel
for the debtors, counsel for AlixPartners Restructuring, Inc., in its capacity as proposal
trustee (in such capacity, the “**Proposal Trustee**”), and such other counsel as were present,
no one else appearing although duly served as evidenced by the Certificate of Service of
Derek Knoke, filed,

1. **THE COURT HEREBY ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THE COURT FURTHER ORDERS**, on consent of the debtors and Proposal Trustee that, pursuant to section 69.4 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended (the “**BIA**”), the automatic stay of proceedings under section 69.1(1) of the BIA in favour of (i) SIREG 1-4 Balmoral Inc. (Estate No.: 32-3429058); and (ii) 1000001856 Ontario Inc. (Estate No.: 32-3429053) (collectively, the “**Monarch NOI Entities**”) no longer operates in respect of Monarch as second-ranking mortgagee of the real properties owned by the respective Monarch NOI Entities and set out in **Schedule “A”** hereto and such further property, rights and assets subject to its security; thereby permitting Monarch to exercise all of its rights and remedies as mortgagee and secured party against such properties and the respective Monarch NOI Entities.

3. **THIS COURT ORDERS** that this Order is effective immediately and all of its provisions are effective as of 12:01 a.m. on the date hereof and is enforceable without further need for entry or filing.

(Signature of Judge)

Schedule “A”

SIREG Entity	Monarch Mortgages	Estate No.
SIREG 1-4 Balmoral Inc.	1-4 Balmoral Place, Brockville, Ontario	Estate No.: 32-3429058
1000001856 Ontario Inc.	758 Kipps Lane, London, Ontario	Estate No.: 32-3429053

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF SIREG 700 PARKHILL INC. et al.

Court File No.: BK-26-03429084-0032

Estate No.: 32-3429084

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER
(Lifting Stay of Proceedings)

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IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED
IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF SIREG 700 PARKHILL INC.

Court File No.: BK-26-03429084-0032
Estate No.: 32-3429084

ONTARIO
SUPERIOR COURT OF JUSTICE
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PROCEEDING COMMENCED AT TORONTO

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