

**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**

NOTICE OF MOTION

Monarch Realty Fund LLC (“**Monarch**”), the second mortgagee of the real properties (the “**Monarch Properties**”) owned by the debtor companies listed in Schedule “A” hereto (the “**SIREG Entities**”) will bring an urgent motion before the Honourable Justice Steele presiding over the Ontario Superior Court of Justice, Toronto (Commercial List) on October 13, 2026 at 12:30 pm at the courthouse located at 330 University Avenue, Toronto.

PROPOSED METHOD OF HEARING: The Motion is to be heard via judicial videoconference accessible at the following link:

<https://ca01web.zoom.us/j/67927063702?pwd=c1Z2eFN3NXB1N0xOK0lYSWtCL2ZBZz09#success>

THE MOTION IS FOR:

1. An order substantially in the form included at Tab 3 in the motion record of Monarch dated October 9, 2026 (the “**Motion Record**”), among other things:

- (a) Declaring, pursuant to section 69.4 of the *Bankruptcy and Insolvency Act* (the “BIA”), that the automatic stay of proceedings under section 69.1(1) of the BIA in favour of the SIREG Entities no longer operates in respect of Monarch in its capacity as the second-ranking mortgagee of the Monarch Properties listed in the Schedule “A” hereto, permitting Monarch to exercise all of its rights and remedies as mortgagee as against the Monarch Properties; and
 - (b) Abridging the time for service of the Motion Record and validating service thereof; and
2. Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION:

Overview

1. Each of the SIREG Entities is a single-purpose real estate entity whose principal or exclusive assets are the Monarch Properties. None carries on an independent operating business. There is no operating business to restructure through these proceedings.
2. Monarch is owed in excess of \$7 million by the SIREG Entities under separate mortgage loan facilities secured by second-ranking mortgages over the Monarch Properties.
3. The Monarch Properties comprise two groups of residential rental properties located in Brockville and London, Ontario. Monarch’s mortgage loan facilities are property-specific and are secured by, among other things, second-ranking mortgages over the applicable Monarch Properties and assignments of the rents generated therefrom.

4. The SIREG Entities have failed to make required mortgage payments to Monarch and have defaulted.

NOI Proceedings

5. On September 25, 2026, each of the SIREG Entities filed a notice of intention to make a proposal pursuant to section 50.4(1) of the BIA, thereby commencing these proceedings and staying creditors' enforcement efforts. AlixPartners Restructuring, Inc. (formerly KSV) was appointed as proposal trustee in each of the proceedings (in such capacity, the "**Proposal Trustee**").

6. The continuation of the stay is causing ongoing prejudice to Monarch and prejudice will continue and increase if the stay is not lifted. No payments are being made on Monarch's mortgages, interest continues to accrue, and serious operational and maintenance issues at many of the Monarch Properties remain outstanding, creating an ongoing risk of deterioration and erosion in the value of Monarch's collateral.

Requested Relief

7. Monarch seeks the right to exercise straightforward mortgage enforcement remedies against its collateral.

8. The SIREG Entities and Proposal Trustee consent to the relief sought by Monarch on this motion.

9. Rules 1.04, 1.05, 2.01, 2.03, 3.02, and 37 of the *Rules of Civil Procedure*;

10. Section 69.4 of the BIA;

11. The inherent and equitable jurisdiction of this Honourable Court; and

12. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE:

13. Affidavit of Robert Klimov to be sworn; and

14. Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

October 9, 2026

LENCZNER SLAGHT LLP

Barristers

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Lawyers for Monarch Realty Fund LLP

TO: **SERVICE LIST**

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.	756 and 758 Kipps Lane, London, Ontario	Estate No.: 32-3429053

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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

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PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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