

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE, of the City of
Hamilton, in the Province of Ontario**

**MOTION RECORD
(Motion to Transfer to the Commercial List)
(Returnable October 15, 2025)**

October 7, 2025

MILLER THOMSON LLP
Scotia Plaza,
40 King Street West, Suite 6600
P.O. Box 1011
Toronto, Ontario M5H 3S1

David S. Ward LSO#: 33541W
dward@millerthomson.com
Tel: 416.595.8625

Mryam Sarkis LSO #88660C
msarkis@millerthomson.com
Tel: 416.597.6001

Armando S. Ranjbar LSO #: 93408B
aranjbar@millerthomson.com
Tel: 416.595.8610

Counsel for Grant Thornton Limited, in its
capacity as Trustee in Bankruptcy of
Douglas Grozelle

TO: Service List

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE, of the City of
Hamilton, in the Province of Ontario SERVICE LIST**

(as at October 6, 2025)

TO:	Klotz & Associates Barristers & Solicitors 405 - 121 Richmond St. West Toronto, Ont. M5H 2K1 Robert A. Klotz LSO #: 206661G Email: bobklotz@klotzassociates.com Tel: 416-360-4500 x 206 Fax: 416-360-4501 Lawyers for the Applicants
AND TO:	Masterson Law 205-1016B Sutton Drive Burlington, ON L7L 6B8 Crys Masterson Email: crys@mastersonlaw.ca Tel: 905.633.5800 Fax: 289.348.2769 Karen Morimoto Email: karen@mastersonlaw.ca Tel: 905.633.5800 Fax: 289.348.2769 Co-counsel for the Applicants

AND TO:	Miller Thomson LLP Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON M5H 3S1 David Ward Tel: 416.595.8625 Email: dward@millerthomson.com Larry Ellis Tel: 416-595-8639 Email: lellis@millerthomson.com Mryam Sarkis Tel: 416.597-6001 Email: msarkis@millerthomson.com Armando S. Ranjbar Tel: 416.595.8610 Email: aranjbar@millerthomson.com Counsel to the Receiver
AND TO:	Grant Thornton Limited 11th Floor, 200 King Street West Toronto, ON M5H 3T4 Daniel Wootton Email: dan.wootton@doane.gt.com Roman Konovalov Email: roman.konovalo@doane.gt.ca Receiver of Douglas Grozelle and Douglas Grozelle o/a Grozelle Enterprises
AND TO:	TWL Law Professional Corporation 3240 Yonge Street Toronto, ON M4N 2L4 Shana Nodel Tel: 416.570-2789 Email: shana.nodel@twllaw.ca Counsel for Douglas Grozelle, Ross Grozelle, and 2823295 Ontario Inc.

AND TO:	Cassels Brock & Blackwell LLP Suite 3200, Bay Adelaide Centre – North Tower 40 Temperance St. Toronto, ON M5H 0B4, Canada John Birch Tel : 416.860.5225 Email: jbirch@cassels.com Counsel for Chelsea Prince
AND TO:	George Street Law Group LLP 10 George Street Suite 200 Hamilton, ON L8P 1C8 Samuel Nash Email: snash@georgestreetlaw.ca Tel: 905.526.2106 Counsel for George Street Law
AND TO:	Necpal Litigation Professional Corporation 65 Front Street East, Suite 300 Toronto, ON M5E 1B5 Justin Necpal Tel: 416.613.7630 Email: justin@necpal.com Counsel for John McMullan, Krista McMullan, K&M Venture Capital Group Inc., 2841291 Ontario Inc., 2808227 Ontario Inc., JMCM Investments Inc., and Hardial Singh
AND TO:	Alan Stanwick Barrister & Solicitor 329 George Street Sydney, NS B1P 1J7 alanstanwicklaw@gmail.com Tel: 902-564-6066 Nova Scotia counsel to John McMullan

AND TO:	Refcio & Associates 380 York Street London, ON N6B 1P9 Rod Refcio Tel: 519-858-1800 Email: rrefcio@rrlaw.ca William Chapman Tel: 519-858-1800 Email: wchapman@rrlaw.ca Counsel for L7M Development Inc.
AND TO:	Aragon Restaurants Inc. 130 Adelaide Street West, Suite 701 Toronto, ON M5H 2K4 John Garbe, President of Aragon Restaurants Email: john@aragonrestaurants.com
AND TO:	2569611 Ontario Inc. Email: prohairlines@gmail.com
AND TO:	Dimitri Vasiliadis 3080 Yonge Street, Suite 6060, Toronto, ON, M4N 3N1 Email: prohairlines@gmail.com
AND TO:	Jenny Altagracia Contreras Inoa Email: jc@xkabogados.com Counsel to Dimitri Vasiliadis
AND TO:	Jorge Luis Amador Castillo Email: Jlamador1985@gmail.com Counsel to John and Krista McMullan

AND TO:	Kaufman Law 15 Prince Arthur Ave., Suite 200 Toronto, ON M5R 1B2 Jeff Kaufman Tel: 416.400.4158 jeff@kaufman.law Brad Adams Tel: 416.795.5166 brad@kaufman.law Counsel for Anthony Rossi, QQ21 Fund Inc., 13176100 Canada Ltd., Force One Marketing Corporation, and Christopher Chetty
AND TO:	Naymark Law 30 Duncan Street, 5 th Floor Toronto, ON M5V 2C3 Daniel Naymark Tel: 416.640.6078 dnaymark@naymarklaw.com Counsel for Robyn Lee
AND TO:	Longo Lawyers 4950 Yonge Street, Suite 401 Toronto, ON M2N 6K1 Bryan Fromstein Tel: 416.800.4232 bryan@longolawyers.ca Counsel for Ganesh Singh
AND TO:	Nicholas Tansley n.tansley@hotmail.com nick.tansley60@gmail.com
AND TO:	Delaney Ramos delaneycr@gmail.com
AND TO:	Brian Byrne brianbyrnesings@gmail.com
AND TO:	Sean Javed sjaved@grandtouringautos.com

AND TO:	Cox and Palmer Nova Centre - South Tower 1500 - 1625 Grafton Street Halifax, NS B3J 0E8 Richard Norman rnorman@coxandpalmer.com Tel: 902.491.4128 Counsel for Carabin Woodworks Limited
AND TO:	Duboff Edwards Schachter LC 1900-155 Carlton Street Winnipeg, MB R3C 3H8 Kaisha Thompson thompson@deslaw.ca Tel: 204-594-1309
AND TO:	Mercy Roldan mercy.d.roldan@outlook.com
AND TO:	Ryan J. McMackin Pc 109 Liberty St. N Bowmanville, ON L1C 2L8 Ryan McMackin Tel: 647.451.3232 ryan@mcmackinlaw.ca Counsel for Tanya Crepulja and Steven D. Fontes
AND TO:	Pallett Valo LLP 77 City Centre Dr, Suite 300 Mississauga, ON L5B 1M5 John Russo Tel: 289-805-4625 jrusso@pallettvalo.com Counsel for Anthony Dourado and Justin Dourado
AND TO:	1000131924 Ontario Incorporated 835 Cederbrae Avenue Milton, ON L9T 3WT

AND TO:	14114299 Canada Incorporated shehan.yoganathan@gmail.com
AND TO:	2756893 Ontario Inc davidafarris11@gmail.com
AND TO:	2813634 Ontario Inc jon@williamsventurecapital.com jon.k.williams@hotmail.com
AND TO:	2830912 Ontario Inc 121 Taylor Avenue Rockwood, ON N0B 2K0
AND TO:	Alaa Saleh lsaleh@northwoodmortgage.com
AND TO:	Allan Craig akcraig09@yahoo.ca
AND TO:	Amanda Pidberezny apidberezny@hotmail.com
AND TO:	Amena Hopkins amenacas@hotmail.com
AND TO:	Andrew Ivanhoe Wildman drewjamesmusic@gmail.com
AND TO:	Angela Begin angelasepicure@gmail.com nick@yuwire.com
AND TO:	Angelique McDonald randombunny2012@gmail.com
AND TO:	Anna Zagorowicz bmzagorowicz@gmail.com
AND TO:	Anne Masterson crys.masterson@gmail.com
AND TO:	Anthony Lee info@hologramconcertslive.com
AND TO:	Anthony R Bacchus tony.bacchus@hotmail.com

AND TO:	Arvin Singh Dhaliwal arvin@peelfinancial.ca
AND TO:	Ben Rispin ben_rispin@hotmail.com
AND TO:	Billie Jo Tokat goshabby@hotmail.com
AND TO:	Blake Louise Prince blakelouisprince@gmail.com
AND TO:	Brad Casarin brad@cazlogisticsinc.com
AND TO:	Bradley Hutchinson brad.hutchinson@amd.com
AND TO:	Brian Stewart stewart360@gmail.com
AND TO:	Candido Botelho Moniz candido.moniz@gmail.com
AND TO:	Chad B Cox chadbenjamin85@gmail.com
AND TO:	Chantelle Poisson ms_mystery017@hotmail.com
AND TO:	Chris Battaglia (household) joe@battagliateam.com
AND TO:	Chris Richardson crichardson@live.ca
AND TO:	Christopher Chivers chrischivers34@outlook.com
AND TO:	Christy-Lee D Oliveira christy@thefreshapproach.ca
AND TO:	Clark Adam Johns Lns/Pre adam@absoluteasiapacific.com
AND TO:	CoinBerry transfers@coinberry.com
AND TO:	Collin Macleod collin_macleod@hotmail.com

AND TO:	Comprehensive Travel 16623 W Saguaro Lane Surprise, Arizona 85388 US
AND TO:	Conrad Floyd everydayguy905@gmail.com
AND TO:	Constantin Mundo cmundo66@hotmail.com
AND TO:	Crystal Diane Masterson crys.masterson@gmail.com
AND TO:	Crystal Masterson crys.masterson@gmail.com
AND TO:	Daniel Bishop 16623 W Saguaro Lane Surprise, Arizona 85388 US
AND TO:	Darin Samai 126 Copley Street Pickering, ON L1V 6S8
AND TO:	David Callahan (n) davidcallahan2001@gmail.com
AND TO:	David D Knight info@knightrem.com
AND TO:	David Fraser Hughes 31 Nantucket Close, Beach Bay, Grand Cayman KY11502, KY
AND TO:	David Glenfield (Shane David Glenfield) sdglenfield@hotmail.com
AND TO:	David Mennie mennie9151@gmail.com
AND TO:	David Sciara sciarathebarber@hotmail.com
AND TO:	David Turner davidturner.nbr@gmail.com

AND TO:	Davis Wright 865 South Figueroa Street 2400 Los Angeles, CA 90017
AND TO:	Debbie Williams debbiewilliams16@gmail.com
AND TO:	Deijahna Thomas dei4dd@hotmail.com
AND TO:	Denise Tansley denise.tansley85@gmail.com
AND TO:	Dikran Tokat (K&M) goshabby@hotmail.com
AND TO:	Drew Davenport teamdport@gmail.com
AND TO:	Elaine Marie Cruz elainemariacruz0@gmail.com
AND TO:	Erin Woodburn drerinwoodburn@gmail.com
AND TO:	Gopaul Kandhai (Paul) 1612 Sandhurst Cres Pickering, ON L1V 6W2
AND TO:	Goran Kosanovic gkosanovic@outlook.com
AND TO:	Gordon C S Fyfe guru8899@gmail.com
AND TO:	Greg Phinney glphinney@gmail.com
AND TO:	Hayleigh Masterson hay.masterson@gmail.com
AND TO:	Helen Thai mhtobias08@gmail.com
AND TO:	Hinesh Bharatkumar Mistry hineshmistry16@gmail.com

AND TO:	Iris Fal iriscarla.fal@gmail.com
AND TO:	Ivanka Sucic 1021jenakka@gmail.com
AND TO:	James Crayford sammrawthstein@gmail.com
AND TO:	James Lowe bigguy24ca@yahoo.ca
AND TO:	Janis R Abbott janisabbott1388@gmail.com
AND TO:	Jason Hachey mrjasonhachey@gmail.com
AND TO:	Jay Rydzewski (Jason) jay.rydzewski@gmail.com
AND TO:	JD Restoration And Co jdionne@jdrestorations.ca
AND TO:	Jeannie Vuksinic gwiazdka55@hotmail.com
AND TO:	Jehad Ibrahim jay.ibrahim@integritytree.ca
AND TO:	Jenny Richardson crichardson@live.ca
AND TO:	Jesse Bye bye.jesse@gmail.com
AND TO:	Jim Lowe bigguy24ca@yahoo.ca
AND TO:	Jlk Contracting MARK@bestpricerroof.com
AND TO:	Jody Ann McKenzie twiggjody@yahoo.ca
AND TO:	Joe Topic joetopic@hotmail.com

AND TO:	Joel Wilson 29 Union Street Waterdown, ON L0R 1R0
AND TO:	John Alldis j.alldis@hotmail.com
AND TO:	John Dionne jdionne@jdrestorations.ca
AND TO:	Jon Williams jon@williamsventurecapital.com
AND TO:	Jonathan Williams and Deborah Williams jon@williamsventurecapital.com jon.k.williams@hotmail.com
AND TO:	Jose Antonio Martin antonio.martin@outlook.com
AND TO:	Joseph Battaglia joe@battagliateam.com
AND TO:	Justin Bilar 2900 Warden Ave Scarborough, ON M1W 2S8
AND TO:	Justin Lee Kavanagh jofthek@gmail.com
AND TO:	Karen L Craig ma.craig2955@gmail.com
AND TO:	Karlyn Eacrett karlyn.eacrett@gmail.com
AND TO:	Karyn Eacrett Real Estate Corp Karlyn@karlyneacrett.ca
AND TO:	Katrina Hizon (v) (Consulting) katrinamshizon@gmail.com
AND TO:	Kayla Longmuir miss_longmuir@live.ca
AND TO:	Kelly McKenzie kel.mckenzie@yahoo.ca

AND TO:	Kevin Vella kevinvella@outlook.com
AND TO:	Kiritkumar Bhakta kiritfalguni@gmail.com
AND TO:	Klaudia Nabialek nabialek.realtor@gmail.com
AND TO:	Knight Real Estate info@knightrem.com
AND TO:	Kris Sbranchella thesbranchman@hotmail.ca
AND TO:	Kyle Kolpin kyle@kolpintraining.com
AND TO:	L7M Development Inc. wchapman@rrlaw.ca
AND TO:	Lauren Michelle Mazur info@yoururbancore.com
AND TO:	Lisa Marie Topic lisatopic@hotmail.com
AND TO:	Louise McLaughlin l.mclaughlin@live.com
AND TO:	Lynda Mcardle (Cardlee) lyndamcardlee@gmail.com
AND TO:	Marco Pereira marcopaulpereira00@gmail.com
AND TO:	Marie Helene Maheu mhmaheux@hotmail.com
AND TO:	Marie-Pierre Guay emmepieguay@hotmail.com
AND TO:	Mark Craig ma.craig2955@gmail.com
AND TO:	Mark E Budic mark@bestpricerroof.com
AND TO:	Mark Vonkalckreuth von7635@gmail.com

AND TO:	Martha A Mennie mmennie@me.com
AND TO:	Masterson Law in Trust hay.masterson@gmail.com
AND TO:	Mercy Roldan mercy.d.roldan@outlook.com
AND TO:	Michael and Andrea Crawford mike.g.crawford@gmail.com
AND TO:	Michael Gibson mgibson5228@gmail.com
AND TO:	Michael M Todic miketodic@gmail.com
AND TO:	Michael Sforza mforza@hotmail.com
AND TO:	Michelle Bozyk michelle.bozyk@gmail.com
AND TO:	Michelle Serpa nelsonserpa25@gmail.com
AND TO:	Mike Mitchell mikemitchell87@gmail.com
AND TO:	Mithuran Manogaran Real Estate Corporation 79 Chestermere Blvd Toronto, ON M1J 2Y2
AND TO:	Muhammad Khalid Yousaf khalidyousaf67@hotmail.com
AND TO:	Neelanand Sukhdeo tyesukhdeo17@gmail.com
AND TO:	Nichlas Palmieri npalmieri88@gmail.com
AND TO:	Nicole Colterman nicole.colterman23@gmail.com

AND TO:	Nomad Mechanix Inc. 2 Willow Avenue Steady Brook, Newfoundland and Labrador A2H 2N2
AND TO:	Nushy Vuksinic nushy@vuksinic.com
AND TO:	Paul McQuillan 2greenelectra@gmail.com
AND TO:	Philippe Bibawi phil.bibawi@haltonpolice.ca
AND TO:	Paul Moysiuk p.moysiuk@tcclegal.com
AND TO:	Richard Szabo richardcszabo@gmail.com
AND TO:	Ryan Cartier ryan.cartier@gmail.com
AND TO:	Sadaf Younge ssobhani@shaw.ca
AND TO:	Sal Battaglia sal@battagliateam.com
AND TO:	Saraswati Devi Bachan sarabachanthomas@gmail.com
AND TO:	Saroj Singh singhsaroj1@gmail.com
AND TO:	Sasa Sljivo sashasljivo@gmail.com
AND TO:	Serg Curovic scurovic@pfaffbmw.com
AND TO:	Sergio Filicie nynyformen.burlington@gmail.com
AND TO:	Shan Singh 246 Dufferin Hill Dr Concord, ON L4K 5K5

AND TO:	Shawn Evans shawn@revelrealty.ca
AND TO:	Shehansaffe Yoganathan shehan.yoganathan@gmail.com
AND TO:	Sienna Battaglia sienna@battagliateam.com
AND TO:	Simara Mundo simara@live.ca
AND TO:	SISI Travel Technology Chase House City Junction Business Northern Cross Malahide Road Dublin, IE
AND TO:	Spencer Abbott sabbott1388@hotmail.com
AND TO:	Steven Zangrando steve.zangrando@gmail.com
AND TO:	Stohn Hay Cafazzo Dembroski 133 King Street East - 2 nd Floor Toronto, ON M5C 1G6
AND TO:	Tomislav Rukavina rukavinatomislav@yahoo.ca
AND TO:	Veronique Audette info@spiritov.com
AND TO:	Veronique Marie Cathe info@spiritov.com
AND TO:	Vincent Lucyk vincelucyk@gmail.com
AND TO:	Wendy McDonald wendymac41@hotmail.com
AND TO:	William King billking905@hotmail.com
AND TO:	Williams Venture Capital Inc jon@williamsventurecapital.com jon.k.williams@hotmail.com

AND TO:	Wizba Technologies LLC 1000 Genter St. Unit 203 La Jolla, CA 92037, US
AND TO:	Wray Chivers wraychivers@gmail.com
AND TO:	Zaheer Cheema zaheer.a.cheema@gmail.com

Email Service List

bobklotz@klotzassociates.com; crys@mastersonlaw.ca; karen@mastersonlaw.ca;
dward@millerthomson.com; lellis@millerthomson.com; ecraddock@millerthomson.com;
grhodes@millerthomson.com; Dan.Wootton@doane.gt.ca; Roman.Konovalov@doane.gt.ca;
shana.nodel@twllaw.ca; snash@georgestreetlaw.ca; justin@necpal.com; rrefcio@rrlaw.ca;
wchapman@rrlaw.ca; john@aragonrestaurants.com; prohairlines@gmail.com;
jc@xkabogados.com; Jlamador1985@gmail.com; jeff@kaufman.law; brad@kaufman.law;
dnaymark@naymarklaw.com; bryan@longolawyers.ca; brianbyrnesings@gmail.com;
carabinwoodworks@gmail.com; sjaved@grandtouringautos.com; thompson@deslaw.ca;
mercy.d.rolan@outlook.com; ryan@mcmackinlaw.ca; alanstanwicklaw@gmail.com;
rnorman@coxandpalmer.com; Candido.moniz@gmail.com; delaneycr@gmail.com;
n.tansley@hotmail.com; nick.tansley60@gmail.com; jbirch@cassels.com;
shansingh1204@gmail.com

shehan.yoganathan@gmail.com; davidafarris11@gmail.com; jon@williamsventurecapital.com;
jon.k.williams@hotmail.com; Isaleh@northwoodmortgage.com; akcraig09@yahoo.ca;
apidberezny@hotmail.com; amenacas@hotmail.com; angelasepicure@gmail.com;
nick@yuwire.com; randombunny2012@gmail.com; bmzagorowicz@gmail.com;
crys.masterson@gmail.com; info@hologramconcertslive.com; tony.bacchus@hotmail.com;
arvin@peelfinancial.ca; ben_rispin@hotmail.com; shabbyfufu@gmail.com;
blakelouisprince@gmail.com; brad@cazlogisticsinc.com; brad.hutchinson@amd.com;
stewart360@gmail.com; candido.moniz@gmail.com; chadbenjamin85@gmail.com;
ms_mystery017@hotmail.com; joe@battagliateam.com; crichardson@live.ca;
chrischivers34@outlook.com; christy@thefreshapproach.ca; adam@absoluteasiapacific.com;
transfers@coinberry.com; collin_macleod@hotmail.com; everydayguy905@gmail.com;
cmundo66@hotmail.com; crys.masterson@gmail.com; crys.masterson@gmail.com;
davidcallahan2001@gmail.com; info@knightrem.com; sdglenfield@hotmail.com;
mennie9151@gmail.com; sciarathebarber@hotmail.com; davidturner.nbr@gmail.com;
debbiewilliams16@gmail.com; dei4dd@hotmail.com; denise.tansley85@gmail.com;
goshabby@hotmail.com; teamdport@gmail.com; elainemariecruz0@gmail.com;
drerinwoodburn@gmail.com; gkosanovic@outlook.com; guru8899@gmail.com;
glphinney@gmail.com; hay.masterson@gmail.com; mhtobias08@gmail.com;
hineshmistry16@gmail.com; irisarla.fal@gmail.com; 1021jenakka@gmail.com;
sammrawthstein@gmail.com; bigguy24ca@yahoo.ca; janisabbott1388@gmail.com;
mrjasonhachey@gmail.com; jay.rydzewski@gmail.com; jdionne@jdrestorations.ca;
gwiazdka55@hotmail.com; jay.ibrahim@integritytree.ca; crichardson@live.ca;
bye.jesse@gmail.com; bigguy24ca@yahoo.ca; MARK@bestpricerroof.com;
twiggyjody@yahoo.ca; joetopic@hotmail.com; j.alldis@hotmail.com; jdionne@jdrestorations.ca;
jon@williamsventurecapital.com; jon@williamsventurecapital.com; jon.k.williams@hotmail.com;
antonio.martin@outlook.com; joe@battagliateam.com; jofthek@gmail.com;
ma.craig2955@gmail.com; karlyn.eacrett@gmail.com; Karlyn@karlyneacrett.ca;
katrinamshizon@gmail.com; miss_longmuir@live.ca; kel.mckenzie@yahoo.ca;
kevinvella@outlook.com; nabialek.realtor@gmail.com; info@knightrem.com;
thesbranchman@hotmail.ca; kyle@kolpintraining.com; wchapman@rrlaw.ca;
info@yoururbancore.com; lisatopic@hotmail.com; l.mclaughlin@live.com;
lyndamcardlee@gmail.com; marcopaulpereira00@gmail.com; mhmaheux@hotmail.com;
emmepieguay@hotmail.com; ma.craig2955@gmail.com; mark@bestpricerroof.com;
von7635@gmail.com; mmennie@me.com; hay.masterson@gmail.com;
mercy.d.rolan@outlook.com; mike.g.crawford@gmail.com; mgibson5228@gmail.com;
miketodic@gmail.com; mforza@hotmail.com; michelle.bozyk@gmail.com;

nelsonserpa25@gmail.com; mikemitchell87@gmail.com; khalidyouusaf67@hotmail.com;
tyesukhdeo17@gmail.com; npalmieri88@gmail.com; nicole.colterman23@gmail.com;
nushy@vuksinic.com; 2greenelectra@gmail.com; phil.bibawi@haltonpolice.ca;
richardcszabo@gmail.com; ryan.cartier@gmail.com; ssobhani@shaw.ca;
sal@battagliateam.com; calisaand1967@gmail.com; sarabachanthomas@gmail.com;
singhsaroj1@gmail.com; sashasljivo@gmail.com; scurovic@pfaffbmw.com;
nynyformen.burlington@gmail.com; shawn@revelrealty.ca; shehan.yoganathan@gmail.com;
sienna@battagliateam.com; simara@live.ca; sabbott1388@hotmail.com; steve@tcteam.ca;
steve.zangrando@gmail.com; rukavinatomislav@yahoo.ca; info@spiritov.com;
info@spiritov.com; vincelucyk@gmail.com; wendymac41@hotmail.com;
billking905@hotmail.com; jon@williamsventurecapital.com; jon.k.williams@hotmail.com;
wraychivers@gmail.com; zaheer.a.cheema@gmail.com; drewjamesmusic@gmail.com;
kiritfalguni@gmail.com; p.moysiuk@tcclegal.com

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE, of the City of
Hamilton, in the Province of Ontario**

INDEX

TAB	Description
1	Notice of Motion, returnable October 15, 2025
2	Fifth Report of the Trustee, dated October 6, 2025
Appendix	
A	Notice of Motion (Clawback of Profits) dated November 29, 2024
B	Order of Justice Valente re: substituted service, dated June 11, 2025
C	Endorsement of Justice Valente scheduling Clawback Motion and Motion for Directions, dated June 19, 2025
D	Trustee's Protective Statement of Claim
E	Letter from Miller Thomson LLP to counsel of the Respondents re: timetable dated July 11, 2025
F	Notice of Cross-Motion (for Directions) dated August 21, 2025
G	Email from Hamilton Court re: adjournment of Clawback Motion and Cross-Motion for Directions, dated September 23, 2025
H	Letter to Justice Kimmel and Justice Osborne from Counsel for the Trustee, dated September 25, 2025, without attachments
I	Email from Commercial List Trial Coordinator, dated September 26, 2025
J	Applicants' 2023 Requests to Commercial List regarding Eligibility for Commercial List and Transfer

TAB 1

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE, of the City of
Hamilton, in the Province of Ontario**

**NOTICE OF MOTION
(Motion to Transfer to the Commercial List)**

Grant Thornton Limited (“**Grant Thornton**”), in its capacity as Trustee in Bankruptcy (“**Trustee**”) of Douglas Grozelle (“**Grozelle**”) will make a motion to this Court on October 15, 2025 at 9:30 a.m., or as soon after that time as the motion can be heard via Zoom videoconference.

PROPOSED METHOD OF HEARING: The Motion is to be heard

☐ in writing

☐ in writing as an opposed motion under subrule 37.12.1(4);

☐ in person;

☐ by telephone conference;

☒ by video conference pursuant to the September 26, 2025 directions of the
Commercial List team leads.

at the following location:

Zoom link to be provided by the Court.

THE MOTION IS FOR:

1. The Trustee seeks an order:
 - a. transferring the court proceeding bearing Court File No. CV-23-00082142-0000 in respect of the Estate File No. 32-3126798 commenced in Hamilton ("**Bankruptcy Proceeding**") to the Ontario Superior Court of Justice (Commercial List) ("**Commercial List**");
 - b. scheduling a hearing date for the Clawback Motion and the Cross-Motion for Directions (both as defined below); and
 - c. such further and other relief as counsel may request and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

Background

1. This bankruptcy involves a multi-million-dollar Ponzi scheme orchestrated over a two-year period between November 2020 and November 2022.
2. Grant Thornton, in its capacity as receiver of Grozelle, Grozelle operating as Grozelle Enterprises, and K&M Venture Capital Group Inc., and subsequently in its capacity as Trustee, has pursued the investigation, accounting, and reconciliation of more than \$24.5 million in investor funds contributed by approximately 236 participants to an investment strategy operated by Grozelle with the assistance of others ("**Scheme**").

3. Investors were persuaded to contribute capital by promises of high rates of returns with minimal risk. Their contributions were usually characterized as “borrowings”, and were minimally and haphazardly documented through hundreds of promissory notes created by Grozelle.
4. Very little was actually invested. None of the investments, save for two, resulted in any returns or income.
5. Rather, Grozelle repaid early investors their promised extraordinary returns with funds received from later investors. Doing so appeased Grozelle’s early investors and created the impression that the Scheme was successful thereby inducing others to contribute funds.
6. The operation was unsustainable. When the sources of continued financing dried up (i.e. new investors), the Scheme collapsed into litigation and ultimately receivership and bankruptcy.
7. In the result, 116 of 236 investors suffered “losses” in that the payments they received from Grozelle were less than the principal amount of their “investment” or capital contribution. These “Net Loser” investors incurred estimated aggregate losses of \$24,555,704.
8. The remaining investors received reimbursement of their initial investment and additional amounts totaling in excess of their investment. In total, these “Net Winners” received approximately \$21,517,650 in “excess” of their “investment in” or “capital contribution” to Grozelle.

9. In the circumstances outlined below, this motion seeks a transfer of the Bankruptcy Proceeding to the Commercial List in order to secure the just, most expeditious, and least expensive determination of the proceeding on its merits.

Procedural History

10. The Bankruptcy Proceeding is a successor proceeding to receivership proceedings initiated in Hamilton in respect of Grozelle in July 2023.
11. On September 11, 2024, Grozelle was assigned into bankruptcy by Grant Thornton in its capacity as court-appointed receiver of Grozelle. Grant Thornton was appointed as the Trustee.
12. On November 29, 2024, the Trustee served a motion seeking to clawback funds received by investors in the Scheme to the extent that such funds exceeded the “principal” amount advanced by them to Grozelle (“**Clawback Motion**”).
13. On June 11, 2025, the Honourable Justice Valente granted a Substituted Service Order permitting the Trustee, among other things, to serve any motions and documents in respect of the Bankruptcy Proceeding by way of email, regular mail, or publishing the applicable materials on the Receiver/Trustee’s webpage dedicated to this proceeding.
14. On June 19, 2025, Justice Valente scheduled the Clawback Motion and a Cross-Motion for Directions (described below) to be heard on September 26, 2025. Justice Valente directed the two motions to be heard at the same time and

without further delay for reasons explained at paragraph 20 of His Honour's endorsement:

I agree with the Trustee's submission that it is contrary to the purpose of the *Bankruptcy and Insolvency Act* R.S.C., 1985, c. B-3, to require the many creditors of the bankrupt estate to continue to wait for the Claw Back Motion to be heard so that the Responding Parties can insist on a procedural motion for undisclosed relief that will be heard more than three months from now. Many people have lost significant sums as a result of the Grozelle investment scheme, and I conclude for the above noted reasons that as beneficiaries of the bankrupt estate, these investors are entitled to have the Claw Back Motion's threshold legal question heard without further delay.

15. On July 4, 2025, the Trustee sought to issue a "protective" statement of claim on the Commercial List (seeking substantially the same relief as that sought on the Clawback Motion) so as to preserve any potential limitation periods ("**Statement of Claim**"). The Commercial List accepted the Statement of Claim for filing and issued the pleading.
16. On August 21, 2025, certain investors (who have been identified as Net Winners by the Receiver) in Grozelle's scheme served a notice of motion for wide-ranging relief including, among other things, an order requiring that any clawback claims be pursued through legal actions against all relevant parties on a loan-by-loan basis ("**Cross-Motion for Directions**"). The Cross-Motion for Directions also seeks various directions and orders regarding the Trustee's methodology for determining creditor status and voting rights, as well as a new first meeting of creditors.

17. The Cross-Motion for Directions levels very serious and completely unsubstantiated allegations of collusion, non-disclosure, bias and impropriety as against the Trustee.
18. On September 23, 2025, counsel was advised by the Hamilton Court Office that the Clawback Motion and Cross-Motion for Directions were adjourned because Justice Valente was sitting on a jury trial on September 26, 2025. The next hearing date offered by the Hamilton Court is January 13, 2026, *being 14 months since the Clawback Motion was served.*
19. This matter involves a bankruptcy proceeding under the *Bankruptcy and Insolvency Act* and is eligible under section F.2 of the Commercial List Practice Direction.

Request for Transfer to the Commercial List

20. There have unfortunately been inordinate delays in the progress of the Bankruptcy Proceeding due to limited court resources in Hamilton.
21. Grozelle and others, including a member of the Halton Regional Police Service (Jonathan Williams) and a lawyer (Crystal Masterson), have been charged criminally in relation to the alleged Ponzi Scheme. Both the Bankruptcy

Proceeding and the criminal proceedings have prominent public profiles and have been subject to ongoing media attention.

22. The Bankruptcy Proceeding (and attendant motions, particularly the Clawback Motion) are relatively complex bankruptcy matters that engage the rights of hundreds of stakeholders.
23. Bankruptcy clawback motions occupy a developing niche in Canadian insolvency jurisprudence and would greatly benefit from the expertise of a dedicated commercial court. The limited precedential framework (five or six cases) underscores the desirability of adjudication by courts with specialized insolvency expertise.
24. The Bankruptcy Proceedings will extend beyond the disposition of the Clawback Motion and Cross-Motion for Directions. Issue of quantification of liabilities and distribution matters may well need to be addressed.
25. All court proceedings to date have been conducted by Zoom hearings. With one or two exceptions, all counsel are in Toronto.
26. The proceedings would otherwise greatly benefit from the “hands on” case management and insolvency expertise of the Commercial List.
27. The Bankruptcy Proceeding involves matters that are of general importance to the area of insolvency law and the profession including:
 - a. the applicable limitations period for actions by trustees;

- b. the appropriate form of proceeding for the relief sought by the Trustee;
- c. the role of the single proceedings model in insolvency proceedings;
- d. the procedural rights of parties in the single proceedings model;
- e. the implications of the Supreme Court of Canada's decision in *Scott v. Golden Oaks Enterprises Inc.*; and
- f. whether the Trustee has the requisite authority to pursue the Clawback Motion.

28. The Statement of Claim was deemed eligible and accepted for issuance on the Commercial List.

29. Transferring the proceeding to the Commercial List would secure the just, most expeditious and least expensive determination of the proceeding on its merits.

30. Rules 1.04, 2.03, 13.1.02, 37, and 39 of the *Rules of Civil Procedure*.

31. Section 187(7) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B.3, as amended;

32. Consolidated Practice Direction – Toronto Region, effective June 30, 2025;

33. Such further and other grounds as counsel may advise and this Honourable Court deems just.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

1. The Fifth Report of the Trustee, to be filed, and the exhibits attached thereto;
and
2. Such further and other documents as counsel may advise and this Honorable Court may permit.

October 7, 2025

MILLER THOMSON LLP
Scotia Plaza,
40 King Street West, Suite 6600
P.O. Box 1011
Toronto, Ontario M5H 3S1

David S. Ward LSO#: 33541W
dward@millerthomson.com
Tel: 416.595.8625

Mryam Sarkis LSO #88660C
msarkis@millerthomson.com
Tel: 416.597.6001

Armando S. Ranjbar LSO #: 93408B
aranjbar@millerthomson.com
Tel: 416.595.8610

Counsel for Grant Thornton Limited, in its
capacity as Trustee in Bankruptcy of
Douglas Grozelle

TO: Service List

IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS
GROZELLE, of the City of Hamilton, in the Province of Ontario

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Hamilton

**NOTICE OF MOTION
(Motion to Transfer to the Commercial List)**

MILLER THOMSON LLP
Scotia Plaza, 40 King St. W., Suite 6600
P.O. Box 1011
Toronto, ON Canada M5H 3S1

David S. Ward LSO# 33541W
dward@millerthomson.com
Tel: 416.595.8625

Mryam Sarkis LSO #88660C
msarkis@millerthomson.com
Tel: 416.597.6001

Armando S. Ranjbar LSO #: 93408B
aranjbar@millerthomson.com
Tel: 416.595.8610

Lawyers for Grant Thornton Limited, in its capacity
as Trustee in Bankruptcy of Douglas Grozelle

TAB 2

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE of the City of
Hamilton, Province of Ontario**

**FIFTH REPORT OF THE TRUSTEE
(MOTION TO TRANSFER TO THE COMMERCIAL LIST)**

October 6, 2025



200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

Table of Contents

I.	OVERVIEW OF PROCEEDINGS	1
II.	PURPOSE OF THIS REPORT	2
III.	SCOPE AND TERMS OF REFERENCE	2
IV.	PROCEDURAL HISTORY	4
V.	MOTION TO TRANSFER THE BANKRUPTCY PROCEEDING.....	6
VI.	RECOMMENDATION.....	8

APPENDICES

Tab	Document
A.	Notice of Motion (Clawback of Profits) dated November 29, 2024
B.	Order of Justice Valente re: substituted service, dated June 11, 2025
C.	Endorsement of Justice Valente scheduling Clawback Motion and Motion for Directions, dated June 19, 2025
D.	Trustee's Protective Statement of Claim
E.	Letter from Miller Thomson LLP to counsel of the Respondents re: timetable dated July 11, 2025
F.	Notice of Cross-Motion (for Directions) dated August 21, 2025
G.	Email from Hamilton Court re: adjournment of Clawback Motion and Cross-Motion for Directions, dated September 23, 2025
H.	Letter to Justice Kimmel and Justice Osborne from Counsel for the Trustee, dated September 25, 2025, without attachments
I.	Email from Commercial List Trial Coordinator, dated September 26, 2025
J.	Applicants' 2023 Requests to Commercial List regarding Eligibility for Commercial List and Transfer

I. OVERVIEW OF PROCEEDINGS

1. This bankruptcy involves a multi-million-dollar Ponzi scheme orchestrated over a two-year period between November 2020 and November 2022.
2. Grant Thornton Limited (“**Grant Thornton**”), in its capacity as receiver of Douglas Grozelle (“**Grozelle**”), Grozelle operating as Grozelle Enterprises, and K&M Venture Capital Group Inc. (“**K&M**”), and subsequently in its capacity as trustee-in-bankruptcy of Grozelle (in such capacity, the “**Trustee**”), has pursued the investigation, accounting, and reconciliation of more than \$24.5 million in investor funds contributed by approximately 236 participants in an investment scheme (“**Investors**”) operated by Grozelle with the assistance of others (“**Scheme**”).
3. Investors were persuaded to contribute capital by promises of high rates of returns with minimal risk. Their contributions were usually characterized as “borrowings”, and were minimally and haphazardly documented through hundreds of promissory notes created by Grozelle.
4. Very little was actually invested. None of the investments, save for two, resulted in any returns or income.
5. Rather, Grozelle repaid early Investors their promised extraordinary returns with funds received from later Investors. Doing so appeased Grozelle’s early Investors and created the impression that the Scheme was successful thereby inducing others to contribute funds.
6. The operation was unsustainable. When the sources of continued financing dried up (i.e. new Investors), the Scheme collapsed into litigation and ultimately receivership and bankruptcy.

7. In the result, 116 of 236 Investors suffered “losses” in that the payments they received from Grozelle were less than the principal amount of their “investment” or capital contribution. These “Net Loser” Investors incurred estimated aggregate losses of \$24,555,704.

8. The remaining Investors received reimbursement of their initial investment and additional amounts totaling in excess of their investment. In total, these “Net Winners” received approximately \$21,517,650 in “excess” of their “investment in” or “capital contribution” to Grozelle (“**Excess Funds**”).

9. In the circumstances outlined below, this motion seeks to transfer the Bankruptcy Proceeding (defined below) to the Commercial List in order to secure the just, most expeditious, and least expensive determination of the proceeding on its merits.

II. PURPOSE OF THIS REPORT

10. The Trustee files this report in support of its motion for an order:

- (a) transferring the court proceeding bearing Court File No. CV-23-00082142-0000 in respect of Estate File No. 32-3126798 commenced in Hamilton (“**Bankruptcy Proceeding**”) to the Ontario Superior Court of Justice (Commercial List) (“**Commercial List**”); and
- (b) that the Clawback Motion and Cross-Motion for Directions (both defined below) be scheduled for a hearing before this Court at the earliest available date.

III. SCOPE AND TERMS OF REFERENCE

11. In preparing this Report, the Trustee has relied upon unaudited financial information obtained through public searches, requests for information including from financial institutions, Grozelle, K&M, Krista McMullan, John McMullan (including from their respective legal counsel), Grozelle’s creditors, and known business partners of Grozelle.

12. While the Trustee believes that the financial information reviewed provides a fair summary of the transactions as reflected in the documents, such work does not constitute an audit or verification of such information for accuracy, completeness, or compliance with Generally Accepted Assurance Standards (“**GAAS**”), Generally Accepted Accounting Principles (“**GAAP**”), or International Financial Reporting Standards (“**IFRS**”). Accordingly, the Trustee expresses no opinion or other form of assurance pursuant to GAAS, GAAP, or IFRS with respect to such information.

13. This Report provides the Trustee’s current and best analysis based on the information available of the business and financial dealings of Grozelle and K&M and other parties. It has been prepared for the use of this court and Bankruptcy Proceeding stakeholders and is intended to assist the court in considering such directions and relief as may be sought. The reader is cautioned that this report may not be appropriate for any other purpose. The Trustee will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction, or use of this Report contrary to the provisions of this paragraph.

14. All references to dollars are in Canadian currency unless otherwise noted.

15. Defined terms that are not specifically defined in this report shall have the meanings as defined in the Receivership Order and prior reports of the Receiver and Trustee.

16. Further details regarding Grozelle, K&M, and these proceedings may be found on the Receiver/Trustee’s case webpage at: <https://www.grantthornton.ca/grozelle>.

17. The defined terms “Receiver” and “Trustee” are used throughout this report and the accompanying motion materials. Grant Thornton is both a Receiver and a Trustee in this case. Generally speaking, the term “Receiver” is used to describe the pre-bankruptcy work of the Grant Thornton, and the term “Trustee” is used in reference to post-bankruptcy filing work.

IV. PROCEDURAL HISTORY

18. The Bankruptcy Proceeding is a successor proceeding to receivership proceedings initiated in Hamilton in respect of Grozelle in July 2023.

19. On September 11, 2024, Grozelle was assigned into bankruptcy by Grant Thornton in its capacity as court-appointed receiver of Grozelle. Grant Thornton was appointed as the Trustee (the Bankruptcy Proceeding was a successor proceeding to receivership proceedings initiated in July 2023).

20. On November 29, 2024, following an 18-month investigation commencing during the receivership, the Trustee brought a motion to clawback funds received by Investors to the extent that such funds exceeded the “principal” amount advanced by them to Grozelle (“**Clawback Motion**”). The notice of motion in respect of the Clawback Motion is attached as **Appendix “A”**.

21. On June 11, 2025, the Honourable Justice Valente granted a substituted service order permitting the Trustee, *inter alia*, to serve any motions and documents in respect of the Bankruptcy Proceeding by way of email, regular mail, or publishing the applicable materials on the Trustee’s webpage dedicated to this proceeding. The June 11, 2025 Order is attached as **Appendix “B”**.

22. On June 19, 2025, Justice Valente scheduled a full day hearing for both the Clawback Motion, and a cross-motion for directions (“**Cross-Motion for Directions**”) that was proposed by certain respondent Investors (“**Respondents**”) to be heard on September 26, 2025. The motions were **directed to be heard at the same time and without further delay** for reasons explained at paragraph 20 of His Honour’s endorsement:

I agree with the Trustee’s submission that it is contrary to the purpose of the *Bankruptcy and Insolvency Act* R.S.C., 1985, c. B-3, to require the many creditors of the bankrupt estate to continue to wait for the Claw Back Motion to be heard so that the Responding Parties can insist on a procedural motion for

undisclosed relief that will be heard more than three months from now. Many people have lost significant sums as a result of the Grozelle investment scheme, and I conclude for the above noted reasons that as beneficiaries of the bankrupt estate, these investors are entitled to have the Claw Back Motion's threshold legal question heard without further delay.

The June 19, 2025 endorsement is attached as **Appendix "C"**.

23. Justice Valente's June 19th endorsement provides a concise summary of the relevant procedural history of these matters beginning at paragraph 4.

24. On July 4, 2025, the Trustee applied to issue a "protective" statement of claim on the Commercial List (seeking substantially the same relief as that sought on the Clawback Motion) so as to preserve any potential limitation periods ("**Statement of Claim**"). The Commercial List accepted the Statement of Claim for filing. The Statement of Claim is attached as **Appendix "D"**.

25. On August 21, 2025, certain Investors (who have been identified as Net Winners by the Receiver) brought a notice of motion seeking, among other things, an order requiring that any clawback claims be pursued through legal actions against all relevant parties on a loan-by-loan basis ("**Cross-Motion for Directions**"). The Cross-Motion for Directions also seeks broad ranging orders and directions regarding the Trustee's methodology for determining creditor status and voting rights as well as a new first meeting of creditors. The notice of motion for the Cross-Motion for Directions is attached as **Appendix "E"**.

26. The Cross-Motion for Directions levels very serious and completely unsubstantiated allegations of collusion, bias, non-disclosure and impropriety as against the Trustee. For example, at paragraph 19 of the notice of motion, the moving parties allege that the Trustee has "not acted impartially", has "favoured and masked the role of the Appointing Creditors (Williams/Foley/Masterson) who were involved in fraud", and has "targeted selected lenders". Paragraph 20 asserts that the "Trustee has not been forthright or honest". Paragraph 21 alleges that the Trustee has withheld information that

does not accord with the Trustee's position. Paragraph 22 asserts that the Trustee has "selected methodologies and time periods that mask the Appointing Creditors' misconduct". Paragraph 23 accuses the Trustee of making process decisions that prioritize its own fees rather than the best interests of creditors.

27. On September 23, 2025, the parties were advised by the Hamilton Court Office that the motions were adjourned because Justice Valente was sitting on a jury trial on September 26, 2025. The next hearing date offered by the Hamilton Court before Justice Valente is January 13, 2026, being 14 months since the Clawback Motion was served. The September 23, 2025 email is attached as **Appendix "F"**.

V. MOTION TO TRANSFER THE BANKRUPTCY PROCEEDING

28. On September 25, 2025, counsel for the Trustee wrote to the Honourable Justice Osborne and the Honourable Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) requesting that the within Bankruptcy Proceeding, as well as the Clawback Motion and Motion for Directions be transferred to the Commercial List to avoid further delay. The September 26, 2025 letter is attached as **Appendix "G"**.

29. On September 26, 2025, the Trial Coordinator for the Commercial List wrote to counsel for the Trustee and the Respondents and advised that the co-leads of the Commercial List had requested that the Trustee bring a motion on notice to transfer the Bankruptcy Proceeding to the Commercial List. The September 26, 2025 email is attached as **Appendix "H"**.

30. On September 29, 2025, counsel for the Trustee wrote to counsel for the Respondents to canvas their availability for the return of this motion on the dates provided by the Trial Coordinator for the Commercial List. A lawyer for two of the Respondents has advised that his clients would not be opposing the motion to transfer the Bankruptcy Proceeding. Two other lawyers, who are counsel for a combined total of six Respondents, advised that they intend to oppose the relief sought by the Trustee. Attached as **Appendix "I"** is a copy of the relevant email exchange.

31. By way of additional background, the applicants in Grozelle's receivership proceedings sought a transfer of these proceedings to the Commercial List on two prior occasions, the most recent being in September 2023. The Commercial List declined to accept the receivership proceedings at that time. Copies of the requests, as well as the related endorsements from the Commercial List are attached as **Appendix "J"**.¹

32. The Trustee is of the view that circumstances have materially changed since September 2023 when the last transfer request to the Commercial List was made. There has been a significant expansion of proceeding and parties and complexities over the intervening two years.

33. There have unfortunately been inordinate delays in the progress of the Bankruptcy Proceedings due to limited court resources in Hamilton.

34. Grozelle and others, including a member of the Halton Regional Police Service (Jonathan Williams) and lawyer (Crystal Masterson), have been charged criminally in relation to the alleged Ponzi Scheme. Both the Bankruptcy Proceeding and the criminal proceedings have prominent public profiles and have been subject to ongoing media attention.

35. The Bankruptcy Proceeding is relatively complex and will extend beyond the disposition of the Clawback Motion and Cross-Motion for Directions. The Clawback Motion contemplates a two-phase process of which the pending motion is the first phase. If the Trustee is successful on the first phase of the motion, a second phase will be required to determine the amount of Excess Funds received by each Investor. The two-phase process adopts an approach approved of by the Honourable Justice Fitzpatrick in the Martel ponzi case (*My Mortgage Auction Corp. (Re)*, 2025 BCSC 1520). The Martel case is one of only a handful of reported ponzi cases in Canada.

¹ The Trustee notes that there are potential cost submissions pending on a matter adjourned *sine die* by Justice Valente in July 2024. This matter relates to a motion by the Receiver to recover alleged estate property in Punta Cana, Dominican Republic.

36. Bankruptcy clawback motions occupy a developing niche in Canadian insolvency jurisprudence and would greatly benefit from the expertise of a dedicated commercial court. The limited precedential framework (five or six reported cases) underscores the desirability of adjudication by courts with specialized insolvency expertise.

37. All court proceedings to date have been conducted by Zoom hearing. With one or two exceptions all counsel are in Toronto.

38. The Bankruptcy Proceeding, including the two motions, involve matters that are of general importance to the area of insolvency law and the profession including:

- (a) the applicable limitations period for actions by trustees;
- (b) the appropriate form of proceeding for the relief sought by the Trustee;
- (c) the role of the single proceedings model in insolvency proceedings;
- (d) the procedural rights of parties in the single proceedings model;
- (e) the implications of the Supreme Court of Canada's decision in *Scott v. Golden Oaks Enterprises Inc.*; and
- (f) whether the Trustee has the requisite authority to pursue the Clawback Motion.

VI. RECOMMENDATION

39. Based on the foregoing, the Trustee respectfully requests that the Court grant an order:

- (a) transferring the Bankruptcy Proceeding to the Commercial List;

- (b) scheduling the Clawback Motion and Cross-Motion for Directions to be heard at the same time on the earliest available date; and
- (c) such further and other relief as the Honourable Court may deem just.

All of which is respectfully submitted,

GRANT THORNTON LIMITED

*In its capacity as Trustee in Bankruptcy of
Douglas Grozelle, and not in its personal
or corporate capacity*

Per:



Daniel Wootton, LIT, CIRP

APPENDIX “A”

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE, of the City of
Hamilton, in the Province of Ontario**

**NOTICE OF MOTION
(Clawback of Profits)
(returnable on a date to be scheduled)**

Grant Thornton Limited (“**Grant Thornton**”), in its capacity as trustee in bankruptcy (“**Trustee**”) of Douglas Grozelle (“**Grozelle**”), will make a motion to the court on a date to be scheduled by the Honourable Mr. Justice Valente.

PROPOSED METHOD OF HEARING: The motion is to be heard in person at the following location:

45 Main Street East, Hamilton, Ontario L8N 2B7

THE MOTION IS FOR:

1. An order, *inter alia*,
 - (a) declaring that the Profits paid to the Net Winners (both as defined below) constitute preferences under the *Assignments and Preferences Act*, R.S.O. 1990, c. A. 33, as amended (“**APA**”);
 - (b) declaring that the Profits paid to Net Winners are void as against the Trustee based on section 2 of the *Fraudulent Conveyances Act*, R.S.O. 1990, c. F 29 (“**FCA**”)

- (c) in addition, or in the alternative, declaring that the Net Winners have been unjustly enriched by the Profits;
- (d) in the event that an order is made as sought in subparagraphs (a), (b) or (c), above, and the Profits are determined to void as against creditors and repayable to the Trustee:
 - (i) an order directing that the Net Winners forthwith repay the Profits received by them to the Trustee;
 - (ii) in the alternative to subparagraph (i), an order directing the Net Winners to repay the Profits received by them to the Trustee in an amount and in accordance with a timetable as may be agreed upon in writing between a Net Winner and the Trustee within thirty days, which settlement agreement shall be subject to court approval on further motion; and
 - (iii) additionally, and in the event that payment arrangements are not made as contemplated by subparagraph (d)(ii), above, an order granting the Trustee leave to return to court for a determination of the quantum of Profits repayable to the estate, with judgment to go in accordance with such determination;
- (e) alternatively, and in the event that the submission is made that certain promissory notes given by Grozelle in connection with the scheme should be recognized as valid and enforceable, or otherwise accorded with some legal effect, a declaration that such promissory notes are unlawful agreements and are void as against the Trustee on the basis that they

prescribe an effective rate of interest that exceeds 60% and is accordingly a “criminal rate” of interest contrary to section 347 of the *Criminal Code*, R.S.C. 185, c. C-46, together with an appropriate remedy up to and including an order clawing back any and all payments made pursuant to such unlawful agreements;

- (f) costs of this motion on a full indemnity basis, inclusive of applicable taxes;
- (g) pre- and post-judgment interest in accordance with sections 128 and 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended; and
- (h) such further and other relief as counsel may request and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. Capitalized terms not defined herein have the meanings given to them in the order of the Honourable Mr. Justice Goodman, dated July 20, 2023 (“**Receivership Order**”).

Overview

2. This bankruptcy involves a multi-million dollar Ponzi scheme orchestrated over a two year period between November 2020 and November 2022.
3. Grant Thornton Limited, in its capacity as receiver (“**Receiver**”) of Douglas Grozelle, Douglas Grozelle operating as Grozelle Enterprises (together, “**Grozelle**”), and K&M Venture Capital Group Inc. (“**K&M**”), and subsequently in its capacity Trustee, has pursued an investigation, accounting, and reconciliation of the more than \$24.5 million in investor funds contributed by approximately 236

participants (“**Investors**”)¹ to an investment strategy operated by Grozelle with the assistance of others.

4. Investors were persuaded to contribute capital by promises of high returns with minimal risk. Their contributions (“**Investor Funds**”) were usually characterized as “borrowings”, and were minimally and haphazardly documented through hundreds of promissory notes issued by Grozelle.
5. Very little was actually invested. None of the investments, save for two, resulted in any returns or income.
6. Rather, Grozelle repaid early Investors their promised extraordinary returns with funds received from later Investors. Doing so appeased Grozelle’s early Investors and created the impression that the scheme was successful thereby inducing others to contribute funds.
7. The scheme was insolvent from its inception. Indeed, the obligations and associated losses grew over time as Grozelle solicited more and more Investors to participate.
8. The operation was unsustainable. When the sources of continuing financing dried up (i.e. new Investors), the scheme collapsed into litigation and ultimately receivership and bankruptcy.

¹ The total number of Investors is calculated by taking the total number of persons who transferred money to Grozelle, and adding the total number of persons who received money from Grozelle but did not transfer money to Grozelle.

9. It has been a significant challenge for the Receiver to identify participants who profited from the scheme and those who lost because Grozelle maintained minimal and inadequate records. This lack of accountability has complicated the task of reconstructing transactions.
10. Over the course of 16 months, through an analysis of banking records, the Receiver has been able to track the flow of funds and determine the end financial position of participants.
11. In the result, 116 of 236 Investors suffered “losses” in that the payments they received were less than the principal amount of their “investment” or capital contribution (“**Net Losers**”). These Net Losers incurred estimated aggregate losses of \$24,555,704.
12. The remaining Investors received reimbursement of their initial investment and additional amounts totaling in excess of their investment (“**Net Winners**”).
13. Some Net Winners contributed little or no money at all.
14. In total, approximately 120 Net Winners contributed an aggregate of \$28,361,446 and received payments of \$49,314,233, thereby receiving \$21,576,505 in “excess” of their “investment in” or capital contribution (“**Profits**”). Net Winners achieved realizations ranging from approximately 5% to 6,700% of their principal contributions.
15. Some of the Net Winners were not parties to and perhaps had no knowledge of the Ponzi aspect of the investment scheme. Still, their gains came at the direct

expense of Net Losers. It is the Trustee's position that a lack of knowing participation in a Ponzi scheme is not an answer to fraudulent preferences law and restitutionary based claims for disgorgement of what amount to "false profits" or "Ponzi profits".²

16. The purpose of this motion is to clawback the Profits received by the Net Winners for the benefit of the Grozelle bankruptcy estate.
17. The Profits paid by Grozelle to the Net Winners constitute preferences and fraudulent conveyances. The Net Winners were unjustly enriched by such Profits to the corresponding detriment of the Net Losers. There is no juristic reason for the Net Winners to retain the Profits.

Receivership Proceedings

18. On July 7, 2023, the Honourable Madam Justice Sheard granted an order ("**Interim Order**") appointing Grant Thornton as the interim receiver ("**Interim Receiver**") of all of the assets, undertaking, and property acquired for or used in relation to any business carried on by Grozelle ("**Property**").
19. On July 20, 2023, Justice Goodman granted the Receivership Order expanding the Interim Receiver's powers such that they accord with those in the Commercial List Model Receivership Order.
20. The Receivership Order appointed Grant Thornton as receiver of the Property ("**Receiver**") and granted additional authority and powers to the Receiver,

² *Den Haag Capital LLC v. Correia*, 2010 ONSC 5339 at para 70 [Commercial List]; *Boale, Wood & Company Ltd. v. Whitmore*, 2017 BCSC 1917 at para 111.

including the ability to take possession of the Property, collect any and all funds owed to Grozelle, and to sell the Property.

21. On February 13, 2024, Justice Valente granted an order appointing Grant Thornton as receiver of all of the assets, undertaking, and property acquired for or used in relation to any business carried on by K&M.

Grozelle Bankruptcy

22. On September 11, 2024, Grozelle was assigned into bankruptcy by the Receiver. Grant Thornton was appointed Trustee.
23. The first meeting of Grozelle's creditors was held on October 2, 2024. During that meeting, Grozelle's creditors appointed inspectors. The first meeting of inspectors was held immediately following the creditors meeting. During that meeting, the inspectors instructed the Trustee to pursue the relief sought on this motion.

Ponzi Scheme

24. In or about November 2020, Grozelle began soliciting Investor Funds from Investors. In doing so, Grozelle promised Investors above market rates of interest and a prompt return of their capital.
25. The loans were generally documented by short-term (1-95 days) unsecured promissory notes that were issued to the Investors by Grozelle personally.
26. The principal amount of the investments ranged from \$3,000 to \$1,795,000 for any one promissory note, with a specified premium to be paid at maturity.

27. Investors understood that the loans would be used for legitimate investment activities, including providing short-term bridge financing for real estate transactions, and would not be used by Grozelle personally.
28. Grozelle typically declined to disclose the identities of the end borrowers, or where the money would be held, for “privacy” reasons.
29. In a few instances Grozelle invested Investor Funds directly in his own name and on his own account.
30. In the vast majority of cases, however, Grozelle transferred the monies raised from Investors to private investment companies that either invested the monies directly for their own account, or further transferred the monies to other individuals and corporate affiliates (“**Transferee Entities**”).
31. Grozelle transferred Investor Funds to at least 25 companies and 264 individuals. Recipients of Investor Funds include Transferee Entities (particularly K&M), associates of Grozelle, Investors, and a host of third parties.
32. There were a significant number of transfers (i.e. approximately 8,500) back and forth between Grozelle and the beneficiaries of Investor Funds, including the Transferee Entities.

33. The investments, such as they were, were of a *de minimis* nature, quality and extent, and could not reasonably have been expected to yield returns sufficient to fulfil promises made to Investors.³
34. While Grozelle did place a small fraction of Investor Funds in investments, the investment strategy was limited and unprofitable. The vast majority of funds were never put to work in a conventional sense and did not generate returns.
35. It appears that only two of the investments generated any returns at all. Such returns totaled \$103,403 and fell far short of the amounts required to service or repay obligations to Investors, even leaving aside the promised extraordinary rates of interest.
36. In short, there was no sustainable underlying financial or investment model.
37. Instead of creating wealth through investment avenues, Grozelle maneuvered funds to repay early and/or favoured Investors using the monies received from newer participants.
38. For a time, Grozelle's ability to rely on a steady influx of new Investors created an illusion of profitability.
39. The initial reward of attractive returns led to widespread word-of-mouth referrals.

³ Almost all of the investments were high risk and involved pre-revenue nascent businesses that operated in inherently risky industries such as cryptocurrency, non-fungible tokens, film and television, and high-tech start-ups.

40. Grozelle positioned early Investor returns as evidence of his competence and the viability of his program, despite the fact that a mere fraction of the funds raised was actually put into legitimate investments.
41. By late November 2022, Grozelle found himself unable to attract sufficient new capital to maintain liquidity and meet the growing withdrawal demands of existing Investors. According to Grozelle, it was in or around this time that he began to tell Investors that he had not received payments in connection with his investments for several months.
42. Shortly thereafter, in and around March 2023, the scheme collapsed.
43. As of the date of this motion, the Trustee estimates that there are 116 Investors owed more than \$24.5 million
44. Although Grozelle raised at least \$24.5 million from Investors, the aggregate dollar amount of deposits cycled through bank accounts held in Grozelle's name totals over \$103 million. The discrepancy is attributable to Investors agreeing to "roll" their investments, as well as the frequent transfers of funds between Grozelle's accounts and those of his business associates.

Flow of Funds Analysis

45. The flow of funds between Grozelle and Transferee Entities is complex. Bank statements reveal an extremely large volume of transactions. The high volume of transactions is attributable to the cyclical nature of the scheme with contributions from investors being continually allocated to pay, or partially repay,

other investors. The cycle is amplified by investors believing in the legitimacy of their own returns and electing to “roll” (or carry-forward) their investments rather than withdraw them.

46. Grozelle did not maintain proper or contemporaneous accounting records. He was not able to provide the Receiver with a reliable ledger of amounts contributed by or owed to Investors, and apparently did not maintain such a ledger.
47. In furtherance of its mandate, the Receiver has developed a “flow of funds analysis” (“**Flow of Funds Analysis**”) that documents the source, inter-account transfer, and disposition of Investor Funds through financial institutions, intermediaries, and, where possible, to the ultimate beneficiaries.
48. The Receiver has reconciled approximately 8,500 bank transactions from November 2020 to October 2022, in three bank accounts held in Grozelle’s name (collectively, the “**Grozelle Accounts**”): two held by Bank of Montreal (“**BMO**”) and one held by The Toronto-Dominion Bank (“**TD**”).
49. The Receiver’s efforts to complete a reconciliation of Investor Funds have involved, among other things:
 - (a) the receipt, review, and analysis of bank statements for the Grozelle Accounts;
 - (b) the creation of a chronological financial tracking sheet using these account statements; and

- (c) the request, review, and analysis of supporting documentation (e.g. wire transfer forms, copies of deposited cheques, electronic funds transfer records) from BMO and TD to identify the sources and recipients of Investor Funds.
50. The Trustee has reconciled over 99% of the \$103 million in transactions in the Grozelle Accounts.
51. The Receiver has also met with and sought information and documents from Grozelle and K&M. Grozelle and K&M have produced approximately 2,600 documents to the Receiver in response to the Receiver's inquiries. These documents have included:
- (a) communications between Grozelle and Investors (e.g. emails, texts, and WhatsApp messages);
 - (b) promissory notes between Grozelle and Investors;
 - (c) agreements related to investments;
 - (d) pitch decks for various investments;
 - (e) invoices for alleged business expenses incurred by K&M;
 - (f) wire transfer forms; and
 - (g) voice memorandums.
52. The Flow of Funds Analysis demonstrates that the Profits paid to Net Winners were not funded by investment returns and were instead funded by the capital contributions of other participants.

Investors, Net Winners and Losers

53. Grozelle raised an estimated net total of approximately \$24.5 million from 236 Investors.
54. 120 individuals and related entities were Net Winners in Grozelle's scheme. Net Winners contributed \$28,361,446 in capital and received \$49,314,233 in Investor Funds, resulting in Profits of \$21,576,505. Attached as **Schedule "A"** to this notice of motion is a list of all Net Winners the Receiver has identified to date.
55. The largest Net Winners, being those persons who received Profits exceeding \$750,000, are:⁴
- (a) Krista and John McMullan (and associated corporations, excluding K&M): \$3,047,237.52;⁵
 - (b) QQ21 Fund Inc. (and associated corporations): \$2,997,940;
 - (c) Robyn Lee (and associated corporations): \$1,971,700;
 - (d) Christopher Chetty (and associated corporations): \$1,735,690;
 - (e) Ganesh Singh: \$1,610,010;
 - (f) Nicholas Tansley (and associated corporations and former spouse): \$1,029,479.83;
 - (g) Grozelle (and family): \$939,899.59; and
 - (h) Brian Byrne (and associated companies): \$780,008.39.

⁴ The Third Report identified Candido Moniz ("**Moniz**") and his family as Net Winners over \$750,000. While Moniz and his family remain Net Winners, Delaney Ramos has advised the Receiver that she is married to Moniz. Delaney Ramos was listed as a Net Loser in the Third Report. Adding her net loss to Moniz's Profits reduces the total amount of Profits received by Moniz and his family to below \$750,000.

⁵ The Receiver has considered all of the documents the McMullans have provided to the Receiver to date. The McMullans have claimed that the Investor Funds they received were passed on to other investors and were used to fund business expenses. However, the documents produced by the McMullans to date do not satisfy the Receiver that the funds were so disbursed.

56. A total of 116 individuals and related entities were Net Losers in Grozelle's scheme. The Net Losers contributed \$51,221,896 in capital and received \$26,666,192 in Investor Funds, resulting in losses of \$24,555,704. Attached as **Schedule "B"** to this Notice of Motion is a list of the Net Losers.
57. In reconciling the Investor Funds, the Receiver has grouped together those Investors who appear to be closely related to each other (e.g. spouses, children, and companies the Investor owns, controls, or directs), and Investors who share common promissory notes.
58. The eight largest Net Winners received more than 65% of all Profits in the scheme.
59. The Receiver has interviewed, corresponded with, and/or examined under oath significant Net Winners including John and Krista McMullan, Anthony Rossi (the principal of QQ21 Fund Inc., Rossi Ventures, and Force One Marketing Corporation), Robyn Lee, Christopher Chetty, Ganesh Singh, Nicholas Tansley, and Grozelle. These efforts were undertaken to provide Net Winners with an opportunity to more fully account for and/or contest the Receiver's accounting of profits, or overpayments, received by them.
60. After reviewing and analyzing the accounting and other information provided by the Net Winners, the Trustee remains of the view that the Net Winners all profited in varying degrees, and in some cases enormously, on the basis of their involvement in the scheme.

61. The bank records for the Grozelle Accounts and K&M's account with BMO reflect that there were little if any returns on investments from actual business ventures or legitimate investments of any kind. Rather, re-payments to Investors were made from money invested by others, which distributions furthered the fiction that there was an actual profitable business venture.
62. Net Winners may not have appreciated the source of their distributions, or the lack of any legitimate underlying investment activity, or other aspects of the investment scheme. They may not have intended to receive a preference. Regardless, the Net Winners all benefitted directly from the operation and outcome of the investment scheme.
63. The Net Winners did not provide any consideration for the Profits received by them other than their initial investments in the scheme, if any.
64. Moreover, in most cases, the payments made to Net Winners far exceed and do not bear any fair or reasonable monetary value relative to consideration that they may have provided.
65. There is no evidence of a legitimate or sustainable underlying business enterprise of any kind. In the circumstances, it cannot reasonably be contended that the Net Winners provided good or valuable consideration in exchange for what may be characterized as the "fictitious profits" that they received. What the Net Winners received was the principal invested by others in the scheme, rather than real returns from a legitimate or viable enterprise.

Profits are Preferences

66. The Profits paid to Net Winners are preferences under the APA because they were transfers made when Grozelle was insolvent with the intent to prefer Net Winners over Net Losers.
67. The scheme was a Ponzi scheme. There were little to no actual returns on investment, and Grozelle used new funds advanced by new Investors to pay amounts purportedly owed to existing Investors.
68. As the scheme was a Ponzi scheme, Grozelle is deemed to have been insolvent from the outset of the scheme.
69. Grozelle made preferential payments of Profits to the Net Winners while ignoring the requests for redemption by Net Losers. He selected which Investors would be repaid over others, and paid those Investors when there were insufficient funds to repay all Investors.

Profits are Fraudulent Conveyances

70. The Profits paid to Net Winners are fraudulent conveyances because Grozelle made the transfers to Net Winners with the intent to hinder the Net Losers.
71. As noted above, Grozelle made payments of Profits to the Net Winners while ignoring the requests for redemption by Net Losers. He selected which Investors would be repaid over others, and paid those Investors when there were insufficient funds to repay all Investors.

Net Winners were Unjustly Enriched

72. The Net Winners were unjustly enriched by the Profits they received from Grozelle.
73. The source of funds for the Profits were monies raised from the Net Losers in the scheme, who suffered a corresponding deprivation of funds.
74. There is no juristic reason for the Net Winners to retain the Profits: participation in a Ponzi scheme vitiates any juristic reason to deny recovery under a theory of unjust enrichment. Contracts between net winners and debtors in a Ponzi scheme that mandate the return of capital under the guise of an investment, are not a legitimate juristic reason for the enrichment.
75. Allowing the Net Winners to retain the Profits would contravene public policy, because these payments are artificial transfers rather than legitimate returns.
76. In the circumstances of this case, restitution to Net Losers is a just and equitable result. The repayment of false profits re-allocates resources back to the pool of Investors adversely effected and enhances trust and integrity within the financial and investment community. It also serves as a deterrent against passive complicity in fraudulent investment schemes.

General

77. Sections 97 and 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43;
78. Section 4 of the APA;

79. Section 2 of the FCA;
80. Rules 1.04, 2.03, 20, 37, and 39 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended;
81. Sections 30, 95, and 96 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B.3, as amended;
82. Rule 11 of the *Bankruptcy and Insolvency General Rules*, C.R.C. c. 368, as amended;
83. Sections 4 and 5 of the *Interest Act*, R.S.C. 1985, c. I-15, as amended;
84. The inherent and equitable jurisdiction of this Honourable Court; and
85. Such further and other grounds as counsel may advise and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

- (a) The First Report of the Receiver, dated January 30, 2024, and the appendices thereto;
- (b) The Second Report of the Receiver, dated June 19, 2024, and the appendices thereto;
- (c) The Third Report of the Receiver, dated September 9, 2024, and the appendices thereto;
- (d) The Fourth Report of the Receiver, dated October 21, 2024, and the appendices thereto;

- (e) The Report of the Trustee, dated November 29, 2024, and the appendices thereto;
- (f) All supplementary reports to Court of the Receiver, and the appendices thereto;
- (g) The affidavit of Michael Foley, affirmed July 3, 2023, and the exhibits thereto;
- (h) The affidavit of Jonathan Williams, affirmed July 3, 2023, and the exhibits thereto;
- (i) The affidavit of Betty Moffat, sworn November 28, 2024, and the exhibits thereto;
- (j) The affidavit of Justin Lee Kavanagh, sworn November 28, 2024, and the exhibits thereto;
- (k) The Affidavit of Hardial Singh, sworn April 8, 2024, and the exhibits thereto;
- (l) The Affidavit of John McMullan, sworn April 12, 2024, and the exhibits thereto;
- (m) The Affidavit of Krista McMullan, sworn April 12, 2024, and the exhibits thereto;
- (n) The Affidavit of Brian McMullan, sworn April 9, 2024, and the exhibits thereto;
- (o) The affidavit of John McMullan, sworn July 8, 2024, and the exhibits thereto;
- (p) The transcript of the examination of Anthony Rossi dated May 14, 2024;

- (q) The pleadings and proceedings in the receivership administration and the bankruptcy proceeding of Grozelle, to be filed;
- (r) Such further and other evidence as counsel may advise and as this Honourable Court may admit.

November 29, 2024

MILLER THOMSON LLP
Scotia Plaza, 40 King Street West, Suite
5800
P.O. Box 1011
Toronto, ON Canada M5H 3S1

David S. Ward LSO# 33541W
dward@millerthomson.com
Tel: 416.595.8625

Erin Craddock LSO #: 62828J
ecraddock@millerthomson.com
Tel: 416.595.8631

Lawyers for Grant Thornton Limited, in its
capacity as trustee in bankruptcy of Douglas
Grozelle

TO: Service List

IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE, of the
City of Hamilton, in the Province of Ontario

Court File No.: 32-3126798

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Hamilton

NOTICE OF MOTION

MILLER THOMSON LLP

Scotia Plaza, 40 King Street West, Suite
5800

P.O. Box 1011

Toronto, ON Canada M5H 3S1

David Ward LSO# 33541W

dward@millerthomson.com

Tel: 416.595.8625

Erin Craddock LSO #: 62828J

ecraddock@millerthomson.com

Tel: 416.595.8631

Lawyers for Grant Thornton Limited, in its
capacity as Trustee of Douglas Grozelle

APPENDIX “B”

Civil Court File No.: CV-23-00082142-0000
Estate No.: 32-3126798

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE MR.

JUSTICE VALENTE

)
)
)
)

WEDNESDAY, THE 11TH

DAY OF JUNE, 2025

**IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE of the City of
Hamilton, Province of Ontario**



**ORDER
(Substituted Service)**

THIS MOTION by Grant Thornton Limited, in its capacity as trustee in bankruptcy of Douglas Grozelle ("**Trustee**") for an order granting the Trustee leave to serve the persons listed in Schedule "A" via substituted service was heard this day via Zoom videoconference.

ON READING the Trustee's Second Report, dated March 25, 2025, the Supplement to the Second Report of the Trustee, dated June 3, 2025, and the Second Supplement to the Second Report of the Trustee, dated June 10, 2025, and on hearing submissions of counsel for the Trustee, counsel for Chelsea Prince, counsel for John McMullan, Krista McMullan, K&M Venture Capital Group Inc., 2841291 Ontario Inc., 2808227 Ontario Inc., JMCM Investments Inc., and Hardial Singh, counsel for Anthony Rossi, QQ21 Fund Inc., 13176100 Canada Ltd., Force One Marketing Corporation, and Christopher Chetty, counsel for Robyn Lee, and counsel for Ganesh Singh, no one else appearing for any other party although duly served,

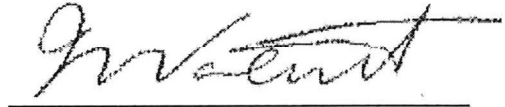
1. **THIS COURT ORDERS** that the Trustee is granted leave to serve any motions and documents in respect of these proceedings on those persons with email addresses listed in Schedule "A" ("**Recipients With Emails**") by emailing a copy of the applicable materials to the email address listed for that person in Schedule "A". Service of the materials on the Recipients With Emails shall be deemed effective on the date the materials are transmitted by email to the Recipient With Emails

2. **THIS COURT ORDERS** that the Trustee is granted leave to serve any motions and documents in respect of these proceedings on those persons with physical mailing addresses listed in Schedule "A" ("**Recipients With Addresses**") by sending a copy of the applicable materials to the address listed for that person in Schedule "A" by regular mail. Service of the materials on Recipients With Addresses shall be deemed effective on the date that is three (3) business days from the date of mailing of the materials by the Trustee to the address listed for the particular Recipient With Addresses.

3. **THIS COURT ORDERS** that the Trustee is granted leave to serve any motions and documents in respect of these proceedings on those persons without email or physical mailing addresses listed in Schedule "A" ("**Recipients Without Contact Information**") by publishing the applicable materials on its webpage dedicated to this proceeding at www.grantthornton.ca/grozelle. Service of the materials on Recipients Without Contact Information shall be deemed effective on the date that is three (3) business days from the date on which the materials are published on the Webpage.

4. **THIS COURT ORDERS** the Trustee may from time to time apply to this Court for advise and directions in the discharge of its powers and duties hereunder.

5. **THIS COURT ORDERS** that, to the extent any of the provisions of this Order affect parties who did not receive notice of the within motion, such parties may bring a motion to vary the terms of this order on seven (7) days notice to the Trustee.



Issued and entered electronically by

Local Registrar
45 Main St East
Hamilton, ON
L8N 2B7

Schedule "A"

Recipient Name	Email Address	Mailing Address
1000131924 Ontario Inc	N/A	835 Cederbrae Avenue Milton, ON L9T 3WT
14114299 Canada Incorporated	shehan.yoganathan@gmail.com	180 Glenwood Crescent, Oshawa ON L1G 3B1
2830912 Ontario Inc	N/A	121 Taylor Avenue, Rockwood, ON N0B 2K0
Allan Craig	akcraig09@yahoo.ca	N/A
Amanda Pidberezny	apidberezny@hotmail.com	N/A
Andrew Ivanhoe Wildman	drewjamesmusic@gmail.com	N/A
Angelique McDonald	randombunny2012@gmail.com	N/A
Anthony Lee	info@hologramconcertslive.com	N/A
Anthony R Bacchus	tony.bacchus@hotmail.com	N/A
Ben Rispin	ben_rispin@hotmail.com	N/A
Blake Louise Prince	blakelouisprince@gmail.com	N/A
Brian Byrne	brianbrynesings@gmail.com	N/A
Brad Casarin	brad@cazlogisticsinc.com	N/A
Candido Botelho Moniz	candido.moniz@gmail.com	N/A
Chad B Cox	chadbenjamin85@gmail.com	N/A
Chantelle Poisson	ms_mvsterv017@hotmail.com;	N/A
Chris Battaglia	joe@battagliateam.com	N/A
Chris Richardson	crichardson@live.ca	N/A
Christopher Chivers	chrischivers34@outlook.com	N/A
Comprehensive Travel	N/A	16623 W Saguaro Lane Surprise, Arizona 85388 US

<u>Recipient Name</u>	<u>Email Address</u>	<u>Mailing Address</u>
Conrad Floyd	everydayguy905@gmail.com	N/A
Constantin Mundo	cmundo66@hotmail.com	N/A
Daniel Bishop	N/A	16623 W Saguaro Lane Surprise, Arizona 85388 US
Darin Samai	N/A	126 Copley Street, Pickering, ON L1V 6S8
David Callahan	davidcallahan2001@gmail.com	N/A
David Fraser Hughes	N/A	31 Nantucket Close, Beach Bay, Grand Cayman KY11502, KY
David Sciara	sciarathebarber@hotmail.com	N/A
Davis Wright	N/A	865 South Figueroa Street, 2400 Los Angeles, CA 90017
Dejahna Thomas	dei4ddd@hotmail.com	N/A
Denise Tansley	denise.tansley85@gmail.com	N/A
Dikran Tokat	goshabby@hotmail.com	N/A
Elaine Marie Cruz	elainemariecruz0@gmail.com	N/A
Gopaul Kandhai (Paul)	N/A	1612 Sandhurst Cres, Pickering, ON, L1V 6W2
Greg Phinney	glphinney@gmail.com	N/A
Helen Thai	mhtobias08@gmail.com	N/A
James Crayford	sammrawthstein@gmail.com	N/A
James Lowe	bigguy24ca@yahoo.ca	N/A
Jason Hachey	mrjasonhachey@gmail.com	N/A
Jay Rydzewski (Jason)	jay.rydzewski@gmail.com	N/A
Jeannie Vuksinic	gwiadzka55@hotmail.com	N/A
Jenny Richardson	crichardson@live.ca	N/A
Jesse Bye	bve.jesse@gmail.com	N/A

Recipient Name	Email Address	Mailing Address
Jim Lowe	bigguy24ca@yahoo.ca	N/A
Jody Ann McKenzie	twiggviody@yahoo.ca	N/A
Joel Wilson	N/A	29 Union Street, Waterdown, ON, L0R 1R0
John Alldis	j.alldis@hotmail.com	N/A
John Dionne	jidionne@jrestorations.ca	N/A
Joseph Battaglia	joe@battagliateam.com	N/A
Justin Bilar	N/A	2900 Warden Ave Scarborough, ON M1W 2S8 CA
Karen L Craig	ma.craig2955@gmail.com	N/A
Katie Banks	Ddanch29@gmail.com	N/A
Katrina Hizon	katrinamshizon@gmail.com	N/A
Kayla Longmuir	miss_longmuir@live.ca	N/A
Kelly McKenzie	kel.mckenzie@yahoo.ca	N/A
Kiritkumar Bhakta	kiritfalguni@gmail.com	N/A
Kris Sbranchella	thesbranchman@hotmail.ca	N/A
Louise McLaughlin	l.mclaughlin@live.com	N/A
Lynda Mcardle (Cardlee)	lyndamcardlee@gmail.com	N/A
Marie-Pierre Guay	emmepeguay@hotmail.com	N/A
Mark Craig	ma.craig2955@gmail.com	N/A
Michael Gibson	mgibson5228@gmail.com	N/A
Michelle Bozyk	michelle.bozyk@gmail.com	N/A
Mike Mitchell	mikemitchell87@gmail.com	N/A
Mithuran Manogaran Real Estate Corporation	N/A	79 Chestermere Blvd Toronto, ON M1J 2Y2
Muhammad Khalid Yousaf	khalidyousof67@hotmail.com	N/A
Neelanand Sukhdeo	tyesukhdeo17@gmail.com	N/A
Nicole Colterman	nicole.colterman23@gmail.com	N/A

Recipient Name	Email Address	Mailing Address
Nomad Mechanix Inc.	N/A	2 Willow Avenue Steady Brook, Newfoundland and Labrador A2H 2N2
Nushy Vuksinic	nushy@vuksinic.com	N/A
Paul Moysiuk	p.moysiuk@tcclegal.com	9/F, Room 975, Eco city Building No. 1788 West Nanjing Road Jing'an District, Shanghai, 200040
Richard Szabo	richardcszabo@gmail.com	N/A
Saraswati Devi Bachan	sarabachanthomas@gmail.com	N/A
Saroj Singh	singhsaroj1@gmail.com	N/A
Shan Singh	N/A	246 Dufferin Hill Dr, Concord, ON, L4K 5K5
Sienna Battaglia	sienna@battagliateam.com	N/A
Simara Mundo	simara@live.ca	N/A
SISI Travel Technology	N/A	Chase House City Junction Business, Northern Cross Malahide Road, Dublin, IE
Steven D Fontes	steve@tcteam.ca	N/A
Steven Zangrando	steve.zangrando@gmail.com	N/A
Stohn Hay Cafazzo Dembroski	N/A	133 King Street East 2nd Floor, Toronto, ON M5C 1G6
Veronique Audette	info@spiritov.com	N/A
Wendy McDonald	wendymac41@hotmail.com	N/A
William King	billking905@hotmail.com	N/A
Wizba Technologies LLC	N/A	1000 Genter St. Unit 203, La Jolla, CA, 92037, US

Recipient Name	Email Address	Mailing Address
Wray Chivers	wraychivers@gmail.com	N/A

IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE, of the
City of Hamilton, in the Province of Ontario

Civil Court File No.: CV-23-00082142-0000
Court File No.: 32-3126798

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Hamilton

**ORDER
(Substituted Service)**

MILLER THOMSON LLP
Scotia Plaza, 40 King Street West, Suite
5800

P.O. Box 1011
Toronto, ON Canada M5H 3S1

David Ward LSO# 33541W
dward@millerthomson.com
Tel: 416.595.8625

Erin Craddock LSO #: 62828J
ecraddock@millerthomson.com
Tel: 416.595.8631

Lawyers for Grant Thornton Limited, in its
capacity as Trustee of Douglas Grozelle

APPENDIX “C”

CITATION: Foley et al. v. Grozelle et al., 2025 ONSC 3635

COURT FILE NO.: CV-23-82142

COURT NO.: 32-3126798

DATE: 2025-06-19

ONTARIO SUPERIOR COURT OF JUSTICE

In the Matter of the Bankruptcy of Douglas Grozelle, of the city of Hamilton, in the
Province of Ontario

COUNSEL: K. Morimoto, counsel for Michael Foley, Jonathan Williams, Williams
Venture Capital Inc., and Crystal Masterson

A. Chughtai, counsel for Douglas Grozelle

G. Finlayson, counsel for Grant Thornton Limited, in its capacity as
trustee in bankruptcy for Douglas Grozelle

E. Craddock, counsel for Grant Thornton Limited, in its capacity as
trustee in bankruptcy for Douglas Grozelle

D. Naymark, counsel for Robyn Lee and 13877035 Canada Inc.

B. Fromstein, counsel for Ganesh Singh

B. Adams, counsel for QQ21 Fund Inc., 13176100 Canada Ltd.,
Force One Marketing Corporation, Chris Chetty Financial Inc.

J. Birch, counsel for Chelsea Fay Prince

HEARD: June 11th, 2025

BEFORE: Valente, J.

ENDORSEMENT ON SCHEDULING MOTION

[1] Grant Thornton Limited ('Grant Thornton'), in its capacity as trustee in bankruptcy (the 'Trustee') for Douglas Grozelle ('Grozelle'), seeks a hearing date of September 26, 2025 for its Claw Back Motion (as defined in the Fourth Report of Grant Thornton, in its capacity as receiver of Grozelle and Grozelle operating as Grozelle Enterprises, dated October 21, 2024 (the 'Fourth Report')). The relief sought in the Claw Back Motion requests firstly, a determination as to whether amounts received by the Net Winners (as defined in the Fourth Report) in an investment scheme orchestrated by Grozelle constitute preferences, fraudulent, conveyances, and/or an unjust enrichment such that the monies ought to be repaid to the bankrupt estate, and secondly, if required, quantification of any repayment by each Net Winner to the estate.

[2] For their part, certain of the Net Winners (hereinafter referred to as the 'Responding Parties') seek an order that their Motion for Directions with respect to the Claw Back Motion proceed on September 26, 2025, in advance of the Trustee's Motion which ought to be scheduled at a later date.

[3] The Responding Parties have yet to deliver their Motion for Directions; nor have they stipulated to the court the directions that they seek.

[4] A summary of the relevant procedural history is helpful to put this scheduling motion into context.

[5] In September 2024, the Trustee gave notice that it intended to bring the Claw Back Motion. At an October 24, 2024 case conference the Responding

Parties stated their intention to bring the Motion for Directions. Based on the submissions of counsel, I agreed that the Responding Parties' proposed motion was appropriate. At that time, it was contemplated by the parties and the court that the Motion for Directions would proceed well in advance of the Claw Back Motion.

[6] At a case conference convened on November 7, 2024, it was agreed that the Claw Back Motion would be served on or before November 29, 2024, and a timetable was established for the Motion for Directions which included service of the Responding Parties' Motion for Directions on or before January 31, 2025. It was understood by the parties that service of the Motion for Directions was premised on the Trustee providing "full disclosure to the responding parties in terms of the accounting upon which it relies in support of the Clawback Motion". It was also understood that a confidentiality agreement would be required as a condition to the Trustee's disclosure.

[7] The parties agreed to the form of a confidentiality order on March 4, 2025, and the formal order was issued by the court on March 27, 2025.

[8] The Trustee provided access to the virtual data room that it had created to those persons who provided signed confidentiality undertakings within ten days of the undertaking. Counsel to the Responding Parties received access to the data room between April 11 and 16, 2025.

[9] An issue arose with respect to the Trustee's production of its working papers but ultimately on May 20, 2022, the Trustee delivered the Excel spreadsheets that constitute its working papers.

[10] The parties agree that by May 20, 2025, the Trustee had provided the Responding Parties with all the accounting upon which it relies in support of the Claw Back Motion, including investor-specific ledgers for all investors.

[11] In the meantime, however, by the end of January, 2025, counsel for the Responding Parties had received the Trustee's accounting with respect to each of their respective clients.

[12] The Trustee delivered its Claw Back Motion by November 29, 2024, as agreed at the November 7, 2024 case conference but the Responding Parties have yet to serve the Motion for Directions.

[13] The Responding Parties submit that they have been hampered in serving their motion as originally agreed because of the Trustee's delayed production and only now have had an opportunity to begin a meaningful review of the Trustee's accounting with their expert. Presumably for the same reason, the Responding Parties have not provided the court with any particulars of the directions they are seeking in advance of the Claw Back Motion.

[14] Based on the material before me and the submissions of counsel for the Responding Parties, however, I have determined that the Responding Parties seek this court's direction with respect to the appropriateness of the Trustee

proceeding by way of motion and the effect of the Supreme Court of Canada's recent decision in *Scott v. Golden Oaks Enterprises Inc.*, 2024 SCC 32 ('*Golden Oaks Enterprises*') on the Claw Back Motion. Specifically, the Responding Parties submit that the Trustee's claim should not proceed by way of motion but rather by way of an action as was the case in *Golden Oaks Enterprises*.

Furthermore, the Responding Parties submit that the approach taken by the Trustee on the Claw Back Motion contravenes the finding of the Supreme Court in *Golden Oaks Enterprises* to the extent that claw backs are to be determined on a loan-by-loan basis, and not on an investor-by-investor basis as proposed by the Trustee.

[15] I am unable to determine, however, how the accounting materials produced by the Trustee, their complexity and the need for expert opinion inform the Motion for Directions and why the individual accounting packages provided to each of the Responding Parties in January 2025 were not sufficient to formulate their motion.

[16] Given this lack of explanation by the Responding Parties, I conclude that the Trustee's omnibus accounting, including investor-specific ledgers for all investors, and the Responding Parties' expert's opinion with respect to that accounting is not necessary to crystallize the Motion for Directions. I reach this conclusion particularly because of the staged approach proposed by the Trustee with respect to the Claw Back Motion. Any detailed and specific accounting

issues can be addressed at the qualification of damages stage of the Claw Back Motion.

[17] In the meantime, I find that the manner in which the Trustee seeks its claw back relief, and the impact of the *Golden Oaks Enterprises* decision can be determined without difficulty at the same time as the court decides the threshold legal issue regarding the Trustee's ability to recover amounts received by the Net Winners as preferences, fraudulent, conveyances, and/or an unjust enrichment.

[18] Whereas in the fall of last year, the preferred course was that the Motion for Directions precede the Trustee's motion, circumstances do change, and they have changed in this instance such that a change of course is required.

[19] Therefore, the Motion for Directions will be heard in tandem with the Trustee's Claw Back Motion on September 26, 2025.

[20] I agree with the Trustee's submission that it is contrary to the purpose of the *Bankruptcy and Insolvency Act* R.S.C., 1985, c. B-3, to require the many creditors of the bankrupt estate to continue to wait for the Claw Back Motion to be heard so that the Responding Parties can insist on a procedural motion for undisclosed relief that will be heard more than three months from now. Many people have lost significant sums as a result of the Grozelle investment scheme, and I conclude for the above noted reasons that as beneficiaries of the bankrupt estate, these investors are entitled to have the Claw Back Motion's threshold legal question heard without further delay.

[21] The Responding Parties propose a timetable for the Motion for Directions in their Aide Memoire, dated June 5, 2025. I endorse that timetable, subject to certain amendments, for the Motion for Directions to be heard at the same time as the Claw Back Motion. The revised timetable will be as follows:

July 31, 2025 – Net Winners complete expert review

August 15, 2025 – Net Winners deliver Motion for Directions

August 29, 2025 – Trustee delivers its responding record for Directions

September 5, 2025 – Net Winners deliver reply record, if any, for
Directions

September 10, 2025 – Net Winners deliver factum respecting Motions
for Directions

September 17, 2025 – Trustee delivers factum respecting Motion for
Directions

September 26, 2025 – Hearing Date for Motion for Directions and Claw
Back Motion

[22] Should the parties encounter any issues with respect to finalizing a timetable for the balance of the materials to be filed on the Claw Back Motion, they may arrange a case conference through the trial coordinator.

A handwritten signature in dark ink, appearing to read 'J. Valente', written over a horizontal line.

Valente, J.

DATE: June 19, 2025

APPENDIX “D”



Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

B E T W E E N:

**GRANT THORNTON LIMITED, IN ITS CAPACITY AS TRUSTEE IN BANKRUPTCY
OF DOUGLAS GROZELLE and IN ITS CAPACITY AS COURT-APPOINTED
RECEIVER OF DOUGLAS GROZELLE, DOUGLAS GROZELLE o/a GROZELLE
ENTERPRISES and K&M VENTURE CAPITAL GROUP INC.**

Plaintiffs

- and -

**13176100 CANADA LTD., d/b/a ROSSI VENTURES, THOSE PARTIES LISTED IN
SCHEDULE "A", JOHN DOE, and JANE DOE**

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiffs. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date: July 4, 2025

Issued by _____

Local Registrar

Address of 330 University Avenue
Court Office Toronto, ON M5G 1R7

TO: Service List

CLAIM

1. The plaintiff, Grant Thornton Limited (“**Grant Thornton**”) in its capacity as Trustee in Bankruptcy (“**Trustee**”) of Douglas Grozelle (“**Grozelle**”), and court-appointed receiver (“**Receiver**”) of Grozelle, Grozelle o/a Grozelle Enterprises, and K&M Venture Capital Group Inc. (“**K&M**”) claims the following:

- a. a declaration that the transfers of the Excess Funds (as defined below) paid to the defendants listed in Schedule “B” to this statement of claim (“**Schedule “B”**”) constitute preferences in accordance with the *Assignments and Preferences Act*, R.S.O. 1990, c. A. 33, as amended (“**APA**”);
- b. a declaration that the Excess Funds paid to the defendants as listed in Schedule “B” are void as against the Trustee pursuant to section 2 of the *Fraudulent Conveyances Act*, R.S.O. 1990, c. F.29 (“**FCA**”);
- c. in addition, or in the alternative, declaring that the defendants have been unjustly enriched by the Excess Funds paid to them as listed in Schedule “B”;
- d. in addition, or in the alternative, declaring that the Excess Funds constitute money had and received by the defendants in the amounts listed in Schedule “B”;
- e. damages as against each defendant in the amount of the Excess Funds attributable to such defendant, as set out in Schedule “B”;
- f. a declaration that that certain promissory notes given by Grozelle in connection with the Scheme (defined below) are unlawful agreements and

are void as against the Trustee on the basis that they prescribe an effective rate of interest that exceeds 60% and is accordingly a “criminal rate” of interest contrary to section 347 of the *Criminal Code*, R.S.C. 185, c. C-46, as amended, together with an appropriate remedy up to and including an order clawing back any and all payments made pursuant to such unlawful agreements;

- g. pre- and post-judgment interest pursuant to the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- h. costs of this action on a full indemnity basis, inclusive of applicable taxes; and
- i. such further and other relief as counsel may advise and this Honourable Court may deem just.

Overview

2. This action is by the Trustee and the Receiver on behalf of both Grozelle’s bankruptcy estate and the receivership estates of Grozelle, Grozelle o/a Grozelle Enterprises, and K&M to recover Excess Funds received by the defendants in an investment scheme operated by Grozelle with the assistance of others (“**Scheme**”).

3. Grant Thornton, in its capacity as receiver of Grozelle, Douglas Grozelle operating as Grozelle Enterprises, and K&M, and subsequently in its capacity as Trustee, has pursued the investigation, accounting, and reconciliation of more than \$26 million in funds contributed by approximately 236 participants (“**Investors**”) in the Scheme.

4. The Scheme was orchestrated over a three year period between approximately June 2020 and March 2023.

5. Investors were persuaded to contribute capital by promises of high returns with minimal risk. Their contributions ("**Investor Funds**") were usually characterized as "borrowings", and were minimally and haphazardly documented through hundreds of promissory notes issued by Grozelle.

6. Very little was actually invested. None of the investments, save for two, resulted in any returns or income.

7. Rather, Grozelle repaid early Investors their promised extraordinary returns with funds received from later Investors. Doing so appeased Grozelle's early Investors and created the impression that the Scheme was successful, thereby inducing others to contribute funds.

8. The Scheme was insolvent from its inception. Indeed, the obligations and associated losses grew over time as Grozelle solicited more and more Investors to participate.

9. The operation was unsustainable. When the sources of continuing financing dried up (i.e. new Investors), the Scheme collapsed into litigation and ultimately receivership and bankruptcy.

10. The purpose of this action is to claw back the Excess Funds received by the defendants for the benefit of the Grozelle bankruptcy estate and the receivership estates of Grozelle, Grozelle o/a Grozelle Enterprises and K&M.

Parties

11. Grozelle resides in Burlington, Ontario. He holds himself out as a businessman and has operated several companies over the years, including a travel company.

12. At the time of the receivership application in July 2023, Grozelle operated a sole proprietorship under the business name Grozelle Enterprises.

13. K&M is an Ontario corporation that was incorporated on May 20, 2021. K&M was founded by Grozelle and John McMullan.

14. K&M's directors are John McMullan and his wife Krista McMullan (together, the "**McMullans**"), both of whom are defendants. Krista McMullan is the sole officer of the corporation.

15. Grozelle and his father apparently held a 49% interest in K&M during the relevant time period.

16. There is no indication that K&M had any independent economic activity of its own, apart from acting as a holding company from which funds were disbursed.

17. Grant Thornton was appointed interim receiver of all of the assets, undertaking, and property acquired for or used in relation to any business carried on by Grozelle on July 7, 2023, by the Ontario Superior Court of Justice ("**Court**").

18. On July 20, 2023, the Court expanded the interim receiver's powers and appointed Grant Thornton as receiver of all of the assets, undertaking, and property of Grozelle ("**Property**") and granted additional authority and powers to the Receiver including the ability to take possession of the Property, collect any and all funds owed to Grozelle, and to sell the Property.

19. Grant Thornton was appointed receiver of all of the assets, undertaking, and property of K&M on February 13, 2024.

20. Grant Thornton was later appointed trustee in bankruptcy of Grozelle on September 11, 2024.

21. The defendants, of which there are 162, invested in the Scheme and/or received funds in excess of their principal investments (“**Excess Funds**”) in the amounts specified in Schedule “B”, which total approximately \$21.8 million.¹ The defendants achieved realizations ranging from approximately 5% to 6,700%.

Ponzi Scheme

22. In or about November 2020, Grozelle began soliciting investment capital from Investors. In doing so, he promised Investors above market rates of interest and a prompt return of their capital.

23. The loans were generally documented by short-term (1 to 95 days) unsecured promissory notes that were issued to Investors by Grozelle personally.

24. The principal amount of the investments ranged from \$3,000 to \$1,795,000 for any one promissory note, with a specified premium to be paid at maturity.

25. Some Investors understood that the loans would be used as short-term bridge financing for real estate transactions and would not be used by Grozelle personally.

26. Grozelle typically declined to disclose the identities of the end borrowers, or where the money would be held for “privacy” reasons.

¹ The Plaintiffs reserve the right to revise the amounts claimed against each defendant should the Plaintiffs receive additional information regarding the amounts received by the defendants from the Scheme.

27. In a few instances Grozelle invested Investor Funds directly in his own name and on his own account, or transferred the funds to K&M who either invested the monies directly for its own account, or further transferred the monies to other individuals and corporate affiliates.

28. In the vast majority of cases, however, Grozelle used new Investor Funds to make payments to existing Investors.

29. Grozelle transferred Investor Funds to at least 25 companies and 264 individuals. Recipients of Investor Funds include K&M, associates of Grozelle, Investors, and a host of third parties.

30. Grozelle did not maintain proper or contemporaneous accounting records: he did not maintain a ledger of amounts contributed by or owed to Investors.

31. The Scheme was insolvent from its inception. The investments, such as they were, were of a *de minimis* nature, quality and extent, and could not reasonably have been expected to yield returns sufficient to fulfil promises made to Investors.

32. While Grozelle and K&M did place a small fraction of Investor Funds in investments, the investment strategy was limited and unprofitable. The vast majority of funds were never put to work in a conventional sense. The negligible returns that were generated fell far short of the amounts required to service or repay obligations to Investors, even leaving aside the promised extraordinary rates of interest. Many of the investments made by K&M were to entities and parties controlled by or affiliated with the defendants.

33. There was no sustainable underlying financial or investment model.

34. Instead of creating wealth through investment avenues, Grozelle maneuvered funds to repay early and/or favoured Investors using the monies received from newer participants.

35. For a time, Grozelle's ability to rely on a steady influx of new Investors created an illusion of profitability.

36. Grozelle positioned early Investor returns as evidence of his competence and the viability of his program, despite the fact that a mere fraction of the funds raised was actually put into legitimate investments.

37. By late November 2022, Grozelle found himself unable to attract sufficient new capital to maintain liquidity and meet the growing withdrawal and payment demands of existing Investors. It was in or around this time that Grozelle began to tell Investors that he had not received payments in connection with his investments for several months.

38. Shortly thereafter, in and around March 2023, the Scheme collapsed.

39. The Trustee estimates that 129 Investors are owed approximately \$26.1 million.

40. On or about March 27, 2025, the Ontario Provincial Police charged Grozelle with two counts of fraud over \$5,000.

Promissory Notes

41. As noted above, the loans from Investors to Grozelle were often (but not always) documented by short-term unsecured promissory notes that were issued to Investors by Grozelle personally ("**Promissory Notes**"). The Promissory Notes appear to have been employed primarily as fundraising or marketing tools.

42. The Promissory Notes cannot be reconciled with the underlying banking activity in Grozelle's bank accounts and are of little to no assistance in explaining the movement of

funds through the accounts. This is true because, among other things, Grozelle did not always issue promissory notes in connection with advances from Investors, and the payments made by Grozelle to Investors bear little if any resemblance to the principal “advanced” or “interest” owed on a given promissory note or the due date reflected on the note.

43. The vast majority of the Promissory Notes are also flawed because they are incomplete, and partially signed (if signed at all).

44. Certain of the Promissory Notes contain key terms that are undefined, and/or they otherwise suffer from language that is confounding if not incomprehensible.

45. Further, most of the Promissory Notes bear usurious interest rates. The annualized interest rates of the Promissory Notes range from 0% to 18,250%, with an average rate of 460%.

Flow of Funds Analysis

46. The Receiver identified and obtained statements relating to nine bank accounts that were held for the benefit of Grozelle and K&M for the period from December 2019, when Grozelle started his investment operations, to June 2023 when all of the bank accounts were closed. While the Receiver identified nine separate bank accounts, Grozelle only used three of these accounts for the majority of his banking transactions in connection with the Scheme: two held by Bank of Montreal (“**BMO**”), and one held by The Toronto-Dominion Bank (“**TD**” collectively, the “**Grozelle Accounts**”). TD held one account for the benefit of K&M (“**K&M Account**”).

47. Using bank account statements and the underlying supporting documents (including cheques, wire transfer receipts, and deposit slips) for the Grozelle Accounts

and the K&M Account, the Receiver compiled and categorized over 8,500 transactions to determine the sources and uses of Investor Funds (“**Flow of Funds Analysis**”).

48. The flow of funds is complex. Bank statements reveal an extremely large volume of transactions. The high volume of banking activity in the Grozelle Accounts is attributable to the cyclical nature of the Scheme with contributions from Investors being continually allocated to pay, or partially repay, other Investors. The cycle is amplified by Investors believing in the legitimacy of their own returns and electing to “roll” (or carry-forward) their investments rather than withdraw them.

49. As a factual matter:

- a. Investors, including the defendants, purported (with some exceptions) to enter into promissory notes with Grozelle;
- b. Grozelle raised an estimated net total of approximately \$26 million from approximately 236 Investors;
- c. total deposits of \$6,846,897 were made in the K&M Account, and were sourced as follows: \$4,426,653 from the Grozelle Accounts, and \$2,240,244 directly from other Investors;
- d. the defendants contributed approximately \$23,411,873 in capital and received \$45,244,712 in Investor Funds, resulting in Excess Funds of \$21,832,838;
- e. 129 Investors contributed approximately \$56,132,206 in capital and received \$29,987,862 in Investor Funds, resulting in losses of \$26,176,291 (collectively, the “**Net Losers**”);

- f. Grozelle invested \$1,936,592 in eight investments and received \$0 in returns on those investments;
 - g. K&M invested \$1,534,144 in thirteen investments and received \$103,438 in returns on those investments; and
 - h. the estimated \$21,832,838 in Excess Funds sent to the defendants were sourced entirely from funds invested by Investors.
50. The bank records for the Grozelle Accounts and the K&M Account reflect that there were little if any returns on investments from actual business ventures or legitimate investments of any kind. Rather, re-payments to Investors were made from money invested by others, which distributions furthered the fiction that there was an actual profitable business venture.
51. The defendants may not have appreciated the source of their distributions, or the lack of any legitimate underlying investment activity, or other aspects of the investment Scheme. They may not have intended to receive a preference. Regardless, the defendants all benefited directly from the operation and outcome of the Scheme.
52. The defendants did not provide any consideration for the Excess Funds received by them other than their initial investments in the Scheme, if any.
53. Moreover, in most cases, the payments to the Defendants far exceed and do not bear any fair or reasonable monetary value relative to the consideration that they may have provided.
54. There is no evidence of a legitimate or sustainable underlying business enterprise of any kind. In the circumstances, it cannot reasonably be contended that the defendants provided good or valuable consideration in exchange for what may be characterized as

the “fictitious profits” that they received. What the defendants received was the principal invested by others in the Scheme, rather than real returns from a legitimate or viable enterprise.

Excess Funds are Preferences

55. The Excess Funds constitute preferences under the APA because they were transfers made when Grozelle and K&M were insolvent with the intent to prefer the defendants over Net Losers.

56. The Scheme was a Ponzi scheme. There were little to no actual returns on investment, and Grozelle used new funds advanced by new Investors to pay amounts purportedly owed to existing Investors.

57. As the Scheme was a Ponzi scheme, Grozelle and K&M are deemed to have been insolvent from the outset of the Scheme.

58. Grozelle made preferential payments of the Excess Funds to the defendants while ignoring requests for redemption by Net Losers. He selected which Investors would be repaid over others and paid those Investors when there were insufficient funds to repay all Investors.

Excess Funds were Fraudulent Conveyances

59. The transfers of the Excess Funds constitute fraudulent conveyances in accordance with the FCA and are void as against the Trustee.

60. Transfers of the Excess Funds to the defendants constitute conveyances of property. Further, those conveyances of property were made with the intent to delay, or hinder creditors and others, and in fact had that effect. These payments perpetrated and

continued a Scheme in which many Investors incurred significant losses and did not recoup their principal investments.

61. Grozelle selected which Investors would be repaid over others, and paid those Investors when there were insufficient funds to repay all Investors.

62. The intention to defraud Grozelle's creditors may also be inferred from the fact that various badges of fraud are present, including the following:

- a. Grozelle and K&M were operating a Ponzi scheme and were therefore insolvent from their inception;
- b. the Excess Funds were sourced entirely from funds invested by others with the objective of defeating their respective investments; and
- c. at all material times, Grozelle and K&M knew, or ought to have known, that each transfer of the Excess Funds to a defendant had the effect of further defrauding investors.

Defendants Were Unjustly Enriched by the Excess Funds

63. The Excess Funds also constitute an unjust enrichment of the defendants.

64. The source of funds for the Excess Funds were monies raised from the Net Losers in the Scheme who suffered a corresponding deprivation of the funds.

65. There is no juristic reason for the Excess Funds received by the defendants. Participation in a Ponzi scheme vitiates any juristic reason to deny recovery under a theory of unjust enrichment. Contracts between the defendants and debtors in a Ponzi scheme that mandate the return of capital under the guise of an investment are not a legitimate juristic reason for the enrichment.

66. Allowing the defendants to retain the Excess Funds would contravene public policy, because these payments are artificial transfers rather than legitimate returns.

67. In the circumstances of this case, restitution to Net Losers is a just and equitable result. The repayment of false profits re-allocates resources back to the pool of Investors adversely affected and enhances trust and integrity within the financial and investment community. It also serves as a deterrent against passive complicity in fraudulent investment schemes.

Money Had and Received

68. The Excess Funds also constitute money had and received.

69. Money had and received is a claim for the return of money that a plaintiff has a property interest in, that has come into a defendant's hands, and it would be unjust and against good conscience to allow the defendant to keep the funds.

70. The Excess Funds are funds paid into the Scheme by Net Losers.

71. The Excess Funds are not payouts of returns from a legitimate business. Instead, they are payments made from Investor Funds for the purpose of creating the appearance of a profitable business venture in order to perpetuate the Scheme.

72. In all of the circumstances, it is not just for the defendants to keep the Excess Funds.

73. The plaintiffs plead and rely upon the following statutes:

- a. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B. 3, as amended;
- b. *Fraudulent Conveyances Act*, R.S.O. 1990, c. F. 29, as amended;
- c. *Assignments and Preferences Act*, R.S.O. 1990, c. A. 33, as amended;
- d. *Courts of Justice Act*, R.S.O. 1990, c. C. 43, as amended; and

e. The Receiver's authority to commence actions under paragraph 3 of the
February 13, 2024 order of the Honourable Justice Valente.

74. The Trustee proposes that this action be tried in the City of Toronto.

July 4, 2025

MILLER THOMSON LLP

Scotia Plaza, 40 King Street West, Suite
5800

P.O. Box 1011

Toronto, ON Canada M5H 3S1

David S. Ward LSO# 33541W

dward@millerthomson.com

Tel: 416.595.8625

Erin Craddock LSO #: 62828J

ecraddock@millerthomson.com

Tel: 416.595.8631

Lawyers for Grant Thornton Limited, in its
capacity as trustee in bankruptcy of
Douglas Grozelle and court appointed
receiver of K&M

SCHEDULE "A"
DEFENDANTS

Defendant

13877035 Canada Inc. (o/a Construction Financing Consultant)

Krista McMullan

QQ21 Fund Inc.

Ganesh Singh

Douglas Grozelle

Masterson Law LLP

14114299 Canada Incorporated

DC Syndicate Inc.

Jared Griego

Robyn Lee

Christopher Chetty, aka Chis Chetty

Chris Chetty Financial

NFT Cards Canada Inc.

1000131924 Ontario Inc

Brian Byrne

Root Host Ltd.

Veronique Audette, aka Veronique Marie Cather., aka Vera

Candido Botelho Moniz

James Crayford

Nicholas Tansley, aka Nick Tansley

2844381 Ontario Inc

Too Far Gone Inc.

Christopher Chivers

S.S Singh Enterprises Inc.

David Callahan

Shan Singh

Sammy Bertucci

Dikran Tokat

Allan Craig

Richard Szabo

John McMullan

Mark Craig

Neelanand Sukhdeo

Lokrroom Inc.

David Fraser Hughes

James Lowe

William King

Denise Tansley

CCSS Fin Fund Inc

Michelle Bozyk

Greg Phinney

Whats Inside Inc., aka Whant Inc.

Gopaul Kandhai (Paul)

John Dionne
John Aldis
Simara Mundo
Wizba Technologies LLC
Debbie Williams, aka Deborah Williams
Justin Bilar
Nomad Mechanix Inc.
Constantin Mundo
Deijahna Thomas
Blake Louise Prince
Mithuran Manogaran Real Estate Corporation
2830912 Ontario Inc
Katrina Hizov (Consulting)
Kiritkumar Bhakta
Jody Ann Mckenzie
Michael Gibson
Daniel Bishop
Chad B Cox
Minor child of Candido Moniz (RM)
Kelly Elizabeth Chivers
Eric A Doyle
Kayla Longmuir
Jon Williams, aka Jonathan Williams
Molly Crayford
Karen Craig
Jay Rydzewski, aka Jason Rydzewski
Comprehensive Travel
Frances Crayford
Minor child of Candido Moniz (LM)
Paul M Moysiuk
Georgia Godber
Christina Battaglia
Angelique McDonald
Saraswati Devi Bachan
Wendy McDonald
Wray Chivers
JMCM Investments Inc.
Kris Sbranchella
Joel Wilson
Kayla Hunter
Mike Mitchell
Conrad Floyd
Paul Crevar
Jordan Miller
Nushy Vuksinic
Talic Holdings Inc.
Stellar Forge Mining Ltd.

Saroj Singh
Sienna
Samantha May Williams
Steven D Fontes
2808227 Ontario Inc.
Amanda Pidberezny
Patricia Ruth French Schultz
Davis Wright
Jessica Evans
Elaine Marie Cruz
Joseph Battaglia
Chune at Rawthsteins Inc., aka Chune at Rawthstein's
SISI Travel Technology
Jsm Web3 Consulting
MC Licensing Group
Brian McMullan
Brad Casarin
Jaclyn Elliott
Karyn Eacrett Real Estate Corp
Jeannie Vuksinic
Scarlet Delgado
Gell Communications LLC, aka Gel Communications LLC
James H Chapman
One of Two for 102
Ryan Zoth
Darin Samai
Shawn Michael Graham
Minor child of Chris Battaglia (EB)
Minor child of Chris Battaglia (AB)
Ben Rispin
Joseph Cole
Andrew Ivanhoe Wildman
Stohn Hay Cafazzo Heim Finlay LLP
Lynda Mcardle, aka Lynda Cardlee
Wendy McQuillan
Wendal Jones
David Sciara
Jason Hachey
Helen Thai
Marie-Pierre Guay
Jesse Bye
Chantelle Poisson
Alan Nolan
Nicole Colterman
Louise McLaughlin
Steven Zangrando
Eldon Moses

Minor child of Joe Battaglia (NB)
Muhammad Khalid Yousaf
Lindsay Ballard
Peeraporn Muenngoen
Kelly McKenzie
Jason Cumming
Anthony R Bacchus
Anthony Rossi
Shehan Yoganathan
Shane David Glenfield, aka Shane Glenfield
Hardial Singh
John-Paul Borchardt
Crystal Masterson, aka Crys Masterson
Guy Lavallee
Ryan Cartier
Elena Dyagileva
Jim Grosso
Scott Byrne
Emily Pittman
Mithuran Manogaran
Karlin Eacrett

SCHEDULE "B"
EXCESS PROFITS RECEIVED BY DEFENDANTS

Defendant	Excess Profit Received
13877035 Canada Inc. (o/a Construction Financing Consultant)	\$1,885,950.00
Krista McMullan	\$1,836,990.83
QQ21 Fund Inc.	\$1,624,700.00
Ganesh Singh	\$1,610,010.00
13176100 Canada Ltd., d/b/a Rossi Ventures	\$1,437,250.00
Douglas Grozelle	\$898,609.04
Masterson Law LLP	\$704,250.00
14114299 Canada Incorporated	\$677,500.00
DC Syndicate Inc.	\$655,700.00
Jared Griego	\$941,187.63
Robyn Lee	\$2,397,200.00
Christopher Chetty, aka Chis Chetty	\$1,735,690.00
Chris Chetty Financial	\$466,380.00
NFT Cards Canada Inc.	\$392,578.39
1000131924 Ontario Inc	\$373,621.25
Brian Byrne	\$841,666.44
Root Host Ltd.	\$320,813.74
Veronique Audette, aka Veronique Marie Cather., aka Vera	\$198,000.00
Candido Botelho Moniz	\$300,142.00
James Crayford	\$304,900.00
Nicholas Tansley, aka Nick Tansley	\$920,763.17
2844381 Ontario Inc	\$276,675.00
Too Far Gone Inc.	\$250,000.00
Christopher Chivers	\$228,900.00
S.S Singh Enterprises Inc.	\$227,499.00
David Callahan	\$224,343.50
Shan Singh	\$219,300.00
Sammy Bertucci	\$210,000.00
Dikran Tokat	\$204,643.57
Allan Craig	\$182,090.00
Richard Szabo	\$134,650.00
John McMullan	\$1,231,919.33
Mark Craig	\$479,191.25
Neelanand Sukhdeo	\$120,800.00
Lokrroom Inc.	\$115,869.75
David Fraser Hughes	\$113,443.34
James Lowe	\$112,500.00
William King	\$109,536.50
Denise Tansley	\$108,716.66
CCSS Fin Fund Inc	\$102,500.00

Michelle Bozyk	\$102,000.00
Greg Phinney	\$101,792.00
Whats Inside Inc., aka Whant Inc.	\$100,000.00
Gopaul Kandhai (Paul)	\$95,000.00
John Dionne	\$90,000.00
John Alldis	\$72,500.00
Simara Mundo	\$69,904.90
Wizba Technologies LLC	\$61,658.05
Debbie Williams, aka Deborah Williams	\$60,000.00
Justin Bilar	\$60,500.00
Nomad Mechanix Inc.	\$60,000.00
Constantin Mundo	\$56,600.00
Deijahna Thomas	\$56,000.00
Blake Louise Prince	\$54,980.00
Mithuran Manogaran Real Estate Corporation	\$52,500.00
2830912 Ontario Inc	\$50,928.30
Katrina Hizov (Consulting)	\$50,000.00
Kiritkumar Bhakta	\$50,000.00
Jody Ann Mckenzie	\$46,562.00
Michael Gibson	\$45,987.17
Daniel Bishop	\$45,789.43
Chad B Cox	\$45,750.00
Minor child of Candido Moniz (RM)	\$43,100.00
Kelly Elizabeth Chivers	\$42,000.00
Eric A Doyle	\$40,000.00
Kayla Longmuir	\$37,500.00
Jon Williams, aka Jonathan Williams	\$36,542.51
Molly Crayford	\$35,000.00
Karen Craig	\$35,022.50
Jay Rydzewski, aka Jason Rydzewski	\$34,500.00
Comprehensive Travel	\$33,541.95
Frances Crayford	\$32,500.00
Minor child of Candido Moniz (LM)	\$32,325.00
Paul M Moysiuk	\$31,219.70
Georgia Godber	\$30,000.00
Christina Battaglia	\$30,000.00
Angelique McDonald	\$29,300.00
Saraswati Devi Bachan	\$28,363.00
Wendy McDonald	\$25,117.00
Wray Chivers	\$25,000.00
JMCM Investments Inc.	\$25,000.00
Kris Sbranchella	\$23,900.00
Joel Wilson	\$22,365.00
Kayla Hunter	\$21,000.00
Mike Mitchell	\$20,300.00
Conrad Floyd	\$20,000.00
Paul Crevar	\$20,000.00

Jordan Miller	\$20,000.00
Nushy Vuksinic	\$17,085.00
Talic Holdings Inc.	\$16,700.00
Stellar Forge Mining Ltd.	\$16,629.10
Saroj Singh	\$15,750.00
Sienna	\$15,000.00
Samantha May Williams	\$15,000.00
Steven D Fontes	\$15,000.00
2808227 Ontario Inc.	\$14,850.00
Amanda Pidberezny	\$14,000.00
Patricia Ruth French Schultz	\$13,770.00
Davis Wright	\$12,814.20
Jessica Evans	\$12,500.00
Elaine Marie Cruz	\$9,288.00
Joseph Battaglia	\$9,220.00
Chune at Rawthsteins Inc., aka Chune at Rawthstein's	\$9,000.00
SISI Travel Technology	\$8,853.42
Jsm Web3 Consulting	\$8,500.00
MC Licensing Group	\$8,249.22
Brian McMullan	\$8,034.48
Brad Casarin	\$7,975.00
Jaclyn Elliott	\$7,500.00
Karyn Eacrett Real Estate Corp	\$7,400.00
Jeannie Vuksinic	\$7,235.00
Scarlet Delgado	\$6,000.00
Gell Communications LLC, aka Gel Communications LLC	\$5,325.04
James H Chapman	\$5,317.76
One of Two for 102	\$5,250.00
Ryan Zoth	\$5,000.00
Darin Samai	\$5,000.00
Shawn Michael Graham	\$5,000.00
Minor child of Chris Battaglia (EB)	\$4,500.00
Minor child of Chris Battaglia (AB)	\$4,500.00
Ben Rispin	\$4,250.00
Joseph Cole	\$4,250.00
Andrew Ivanhoe Wildman	\$4,000.00
Stohn Hay Cafazzo Heim Finlay LLP	\$3,791.15
Lynda Mcardle, aka Lynda Cardlee	\$9,025.00
Wendy McQuillan	\$3,000.00
Wendal Jones	\$3,000.00
David Sciara	\$2,824.00
Jason Hachey	\$2,700.00
Helen Thai	\$2,500.00
Marie-Pierre Guay	\$2,050.00
Jesse Bye	\$2,000.00
Chantelle Poisson	\$2,000.00

Alan Nolan	\$2,000.00
Nicole Colterman	\$1,800.00
Louise McLaughlin	\$1,675.00
Steven Zangrando	\$1,600.00
Eldon Moses	\$1,525.50
Minor child of Joe Battaglia (NB)	\$1,500.00
Muhammad Khalid Yousaf	\$1,450.00
Lindsay Ballard	\$1,250.00
Peeraporn Muenngoen	\$1,200.00
Kelly McKenzie	\$1,200.00
Jason Cumming	\$1,200.00
Anthony R Bacchus	\$1,190.00
Anthony Rossi	\$3,061,950.00
Shehan Yoganathan	\$677,500.00
Shane David Glenfield, aka Shane Glenfield	\$250,000.00
Hardial Singh	\$227,499.00
John-Paul Borchardt	\$50,928.30
Crystal Masterson, aka Crys Masterson	\$704,250.00
Guy Lavallee	\$188,000.00
Ryan Cartier	\$100,000.00
Elena Dyagileva	\$100,000.00
Jim Grosso	\$5,325.04
Scott Byrne	\$60,000.00
Emily Pittman	\$60,000.00
Mithuran Manogaran	\$52,500.00
Karlin Eacrett	\$7,400.00

as TRUSTEE IN BANKRUPTCY OF

DOUGLAS GROZELLE et al

Plaintiffs

00 CANADA LTD., et al.

Defendants

Court File No./N° du dossier du greffe : CV-25-00746878-00CL

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

STATEMENT OF CLAIM

MILLER THOMSON LLP

Scotia Plaza, 40 King Street West, Suite 6600
P.O. Box 1011
Toronto, ON Canada M5H 3S1

David Ward LSO# 33541W

dward@millerthomson.com

Tel: 416.595.8625

Erin Craddock LSO #: 62828J

ecraddock@millerthomson.com

Tel: 416.595.8631

Lawyers for Grant Thornton Limited, in its capacity as Trustee of Douglas Grozelle and court-appointed receiver of Douglas Grozelle, Douglas Grozelle o/a Grozelle Enterprises, and K&M Venture Capital Group Inc.

APPENDIX “E”



MILLER THOMSON LLP
SCOTIA PLAZA
40 KING STREET WEST, SUITE 6600
P.O. BOX 1011
TORONTO, ON M5H 3S1
CANADA

T 416.595.8500
F 416.595.8695

MILLERTHOMSON.COM

July 11, 2025

Erin Craddock
Direct Line: +1 416.595.8631
ecraddock@millerthomson.com

File No. 0250038.0007

Email

Justin Necpal
Necpal Litigation Professional Corporation
65 Front Street East, Suite 300
Toronto, ON M5E 1B5

Nick Tansley
nick.tansley60@gmail.com
n.tansley@hotmail.com

Bryan Fromstein
Longo Lawyers
4950 Yonge Street, Suite 401
Toronto, ON M2N 6K1

Jeffrey Kaufman
Brad Adams
Kaufman Law
15 Prince Arthur Avenue, Suite 200
Toronto, ON M5R 1B2

Daniel Naymark
Naymark Law
30 Duncan Street, 5th Floor
Toronto, ON M5V 2C3

Dear Counsel:

Re: Bankruptcy of Douglas Grozelle: September 26, 2025 Hearing

We write further to the endorsement of the Honourable Justice Valente, dated June 19, 2025.

Paragraph 21 of His Honour's timetable and endorsement directs that the "Net Winners complete expert review" will occur by July 31, 2025. We assume that the intention was that such expert review (or report) be produced to our client by July 31, 2025. Kindly confirm that this will happen. Alternatively, if you are of the view that nothing is required to be served by July 31, 2025, kindly advise us immediately as His Honour's clarification would presumably then need to be sought.

Further to paragraph 22 of His Honour's endorsement, below please find our proposed timetable for the exchange of materials for the Claw Back motion.

Event	Date
Net Winners' Responding Motion Record, if any	July 25, 2025
Trustee's Reply Motion Record, if any	August 15, 2025
Cross-Examinations, if any*	Week of August 18, 2025
Trustee's Factum	August 29, 2025
Net Winners' Responding Factum	September 12, 2025
Trustee's Reply Factum, if any	September 22, 2025
Claw Back Hearing Date	September 26, 2025

* The Trustee is not subject to oral cross-examination. Appropriate arrangements regarding written questions and answers may be discussed.

As the parties copied on this letter are the parties most likely to file responding materials to the Claw Back Motion, we would like to reach an agreed timetable before providing the timetable to the wider service list.

Please note that we will be seeking court approval of the proposed Claw Back Motion Timetable, once agreed.

Kindly advise whether or not you are agreeable to this timetable, or propose any changes, by end of day July 16, 2025. If we do not hear from you by then we will arrange a case conference with Justice Valente to address a schedule.

Yours truly,

MILLER THOMSON LLP

Per:



Erin Craddock
EC/dm

- c. David S. Ward, Miller Thomson LLP
Daniel Wootton, Grant Thornton Limited
Roman Konovalov, Grant Thornton Limited



APPENDIX “F”

District of Ontario
Division No. 07-Hamilton
Court No. 32-3126798
Estate No. 32-3126798

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE,
of the City of Hamilton, in the Province of Ontario

**NOTICE OF MOTION
(Motion for Directions returnable September 26, 2025)**

The Moving Parties, Anthony Rossi, QQ21 Fund Inc., 13176100 Canada Ltd., Force One Marketing Corporation, Christopher Chetty, Robyn Lee, John McMullan, Krista McMullan, and Ganesh Singh (collectively the “**Moving Creditors**”) will make a motion to the Court, on September 26, 2025, at the same time as, or immediately before, the Clawback Motion by the trustee in bankruptcy of Douglas Grozelle (“**Grozelle**”), Grant Thornton Limited (the “**Trustee**”), at the courthouse, 45 Main Street East, Hamilton.

PROPOSED METHOD OF HEARING: The motion is to be heard in person.

THE MOTION IS FOR:

1. An order that this motion be heard and determined on the scheduled date and prior to the hearing of the Trustee’s Clawback Motion, and that all further steps in the Clawback Motion be held in abeyance until these determinations are made;

Form of Clawback Claims

2. An order directing that the relief sought by the Trustee in its Clawback Motion be pursued by way of one or more properly constituted actions, not by summary motion;
3. An order directing that, if the Trustee elects to pursue any such clawback claims, the Trustee must pursue the claims from all recipients of interest payments from Grozelle on a loan-by-loan basis, not based on “estimated” or incomplete aggregates or net amounts by lender or lender groups;

Directions on Creditor Methodology and Creditor Status

4. The advice and directions of this Honourable Court regarding the Trustee’s methodology and creation of its own creditor list based on “estimated” “Net Losers” or “Net-Net Losers” and deriving its authority on that basis, which included:
 - (a) using an arbitrary start and end date and admittedly incomplete records to estimate “net” amounts for creditors;
 - (b) not requiring proper proofs of claim from “Net Loser” creditors in accordance with the *BIA*;
 - (c) excluding “Net Winners” as creditors, who are owed principal and interest under separate, unpaid loans;
 - (d) grouping distinct “Net Winner” and “Net Loser” entities for creditor and voting rights;
 - (e) including parties as creditors whose claims arise from loans made directly to the appointing creditors, Jonathan Williams (and his companies), Michael

Foley, or Crystal Masterson (together, the “**Appointing Creditors**”), or directly to other parties who are not Grozelle;

5. An order directing that any lender who has been labelled a “Net Winner” is entitled to be treated as a creditor for amounts owed under any unpaid loans;
6. An order directing that any “Net Winner” or “Net Loser” creditor whose claim arises from loans made directly to the Appointing Creditor or any other borrower aside from Grozelle — in which Grozelle was not the actual debtor/promisor— is not a proper creditor of the Grozelle estate for the purposes of this bankruptcy and must be excluded from creditor voting entitlements;
7. An order directing that all creditor claims, whether or not characterized by the Trustee as “Net Losers,” must be proved by proper proofs of claim in accordance with the *BIA* and not be based on estimates from incomplete records;

Directions on Non-arm’s-length Voting and Appointment of Inspectors

8. The advice and directions of the Court regarding the Trustee permitting the Appointing Creditors, who were directly involved with Grozelle and his scheme and subsequently charged with fraud, to control the vote and appoint the inspectors;
9. An order directing that the creditor votes of Williams (and his companies), Michael Foley, and Crystal Masterson, who did not deal at arm’s length with Grozelle, should have been excluded pursuant to *BIA* s. 109(6), with consequential directions;

10. An order directing that the foundation for the first (and only) meeting of creditors — including voting entitlements and inspector appointments — was improper and contrary to the *BIA* and is set aside;
11. An order directing that Chelsea Prince, who loaned money directly to Michael Foley is not a proper creditor of Grozelle, and was improperly labelled a creditor/Net Loser and improperly appointed inspector in that basis;
12. An order directing that the Trustee did not have authority to commence the Clawback Motion under the *BIA*;

New First Meeting of Creditors

13. An order directing a new first meeting of creditors based on (i) a corrected creditor list; (ii) removal of voting rights of parties charged with fraud in connection with the Grozelle fraud (pending determination of their creditor status and arm's-length issues); and (iii) proper disclosure to actual creditors and any new inspectors of the conflicts and classification issues determined by the Court;

Disclosure from Trustee

14. An order compelling the Trustee to deliver the documents and information previously requested by the Moving Creditors, including:
 - (a) Copies of all communications between the Trustee (or its counsel), including in its previous capacity as receiver, on the one hand, and Jonathan Williams, Crystal Masterson, Michael Foley, and Ms. Garlow on the other, including written communications, meeting notes, memos, and any other records;

- (b) Copies of the minutes of all inspectors' and creditors' meetings to date, and recordings of those meetings if they exist;
 - (c) Copies of all creditor communications in the bankruptcy;
 - (d) Confirmation as to who authorized the clawback litigation, and whether any individual now facing criminal charges had a role in those instructions;
 - (e) A description of the steps taken by the Trustee, including in its previous capacity as receiver, to investigate the concerns raised regarding the Appointing Creditors/Inspectors in the Moving Creditors' letter of October 21, 2024, and their involvement or potential involvement in the underlying fraud more generally, together with all related documents; and
 - (f) Any communications between Trustee, including in its previous capacity as receiver, and police regarding the involvement or potential involvement of the Appointing Creditors/Inspectors in the underlying fraud;
15. An order compelling the Trustee to deliver a detailed accounting of all fees and disbursements of the Trustee and counsel (1) since the inception of the receivership, and (2) since the inception of the bankruptcy, in a form suitable for court approval; and
16. Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THIS MOTION ARE:

Serious Issues in the Bankruptcy Proceeding

1. The Trustee's Clawback Motion is premised on disputed classifications, voting, inspector eligibility, and litigation authority. Unless these threshold procedural and

methodological issues are determined first, the merits hearing will proceed on a flawed footing, causing prejudice and unnecessary cost.

2. The Moving Creditors, and other parties “estimated” as “Net Winners”, are lenders to Grozelle with unpaid principal and interest and remain creditors under separate loan agreements.
3. The Moving Creditors and other parties “estimated” as “Net Winners”, advanced funds under discrete promissory notes/loan agreements at arm’s length. They advanced money without knowledge of any fraud and remain out-of-pocket on a loan-by-loan basis.
4. The Trustee adopted a global “netting” model that obscures the transaction-level realities, using admittedly incomplete records and an inability to reconcile.
5. Rather than assess each advance and repayment, the Trustee grouped all dealings with a party and applied “Net Winner/Net Loser” (and “Net-Net Winner/Net-Net Loser”) labels. This aggregation masks interest received by “Net Losers”, ignores unpaid loans to “Net Winners”, re-casts contractual interest as “profits”, and mischaracterizes ordinary-course repayments.
6. Substantial loans were made by parties labelled as “Net Loser” creditors directly to the Appointing Creditors and other parties who are not Grozelle. The Appointing Creditors were the borrowers and promisors under those transactions. The Trustee nevertheless included such third-party claims in the Grozelle creditor/voting tallies, distorting outcomes.

7. Proofs of claim filed by parties labelled “Net Winners” (including “Negative Net Winners”) were denied or not recognized.
8. Unproven “Net Loser” claims were treated as valid.
9. Creditor voting was set using the Trustee’s “estimates” from incomplete records rather than proven claims.
10. Numerous parties who were shown by the Trustee to have a net loss were treated as a “negative Net Winner” and denied voting.
11. Despite repeated requests, the Trustee has not sufficiently disclosed its accounting and supporting documentation with respect to its categorizations of the loans and the Net Winners and Net Losers.
12. In the disclosure produced in the Trustee’s reports, the Trustee has failed or refused to acknowledge certain advances made by lenders to Grozelle, which alter even the Trustee’s categorization of Net Winners and Net Losers.
13. The first meeting of creditors proceeded on defective classifications and conflicts.
14. The first (and only) meeting of creditors on or about October 2, 2024 used the disputed lists and estimates described above, excluded or minimized certain lenders with unpaid loans, and included claims properly against third parties. Voting entitlements and the inspectors were determined on that basis.
15. The Appointing Creditors (Williams/Foley/Masterson) did not deal at arm’s length with Grozelle, and their votes were used to control the creditor meeting, materially affecting the inspector list and subsequent instructions to the Trustee.

16. Persons charged with fraud and who had clear involvement in impugned transactions of Grozelle (including Masterson and Williams), and an employee of Masterson's firm, were advanced or appointed as inspectors. These conflicts were not fully disclosed to creditors.
17. Chelsea Prince was appointed as an inspector even though her lending was directly to an Appointing Creditor, Foley, and not to Grozelle; she was nevertheless treated as a Grozelle creditor/"Net Loser" for voting and eligibility. These conflicts were not fully disclosed before voting.
18. The original Inspectors were in a conflict of interest with respect to instructing the Trustee on the commencement of clawback proceedings.
19. The Trustee has not acted impartially among interested parties and has favoured, and masked the role of, the Appointing Creditors (Williams/Foley/Masterson) who were involved in the fraud, while targeting selected lenders labelled "Net Winners."
20. The Trustee has not been forthright or honest with creditors regarding the Appointing Creditors' connection to the alleged fraud and allowed those appointing creditors to control creditor voting and the appointment of inspectors.
21. The Trustee has wrongfully withheld information received from Grozelle and others that does not accord with the Trustee's position.
22. The Trustee selected methodologies and time periods that mask the Appointing Creditors' misconduct and are inconsistent with the note-by-note analysis recognized in *Golden Oaks*, thereby avoiding a transaction-level reckoning of

usurious interest the appointing creditors and other estimated “Net Losers” received on a note-by-note basis over many years.

23. The Trustee (and its counsel) have accrued substantial unpaid professional fees that may render them material – if not the largest – creditors other than parties charged with fraud. This raises serious concerns that decisions about process and priorities are being made to expedite recovery of their own fees rather than in the best interests of all creditors.
24. The Trustee has not shown specific inspector authorization to commence/continue the Clawback Motion; any purported approvals were blanket and/or given by conflicted or ineligible inspectors, calling the Trustee’s litigation authority into question.
25. A corrected process is required to restore fairness.
26. Given misclassifications, conflicts, defective voting, lack of disclosure, and the concerns above, a new first meeting on a corrected creditor list, recalculated voting based on proved claims only, and a reconstituted, conflict-free inspector slate is required. Until then, the Clawback Motion should be held in abeyance.

Threshold Issues on Clawback Motion

27. The Trustee’s categorization of lenders as either “estimated” “Net Winners” or “Net Losers” (or “Net Net” groupings of creditors) does not take into account individual loan agreements, enforceability of the individual agreements, or validity of claims by the lenders against Grozelle in the Bankruptcy.

28. The Trustee's methodologies and time periods to "clawback" certain creditors and not other creditors based on "estimated" gains are inconsistent with the note-by-note analysis recognized in *Golden Oaks*, thereby avoiding a transaction-level reckoning of usurious interest the Appointing Creditors and other estimated "Net Losers" received on a note-by-note basis over many years.
29. The Trustee has taken the position that Grozelle was perpetuating a fraud and a "Ponzi scheme" from "the beginning" and that he was insolvent from November of 2020, but this is not proven and is a triable issue.
30. There are substantial triable issues with respect to the individual claims, which issues are not all in common among all lenders or lender groups, let alone all loans made by them.
31. The Trustee has taken the position that all payments pursuant to promissory notes or loan agreements during the period in question are fraudulent conveyances, preferences to creditors, and/or unjust enrichments which is not proven and is a triable issue as against each lender and requires a determination of the intention of the lender.
32. The Trustee has taken the position that all loan agreements and the promissory notes securing them contain terms charging illegal interest, but this has not been proven and is a triable issue.
33. Some actual rates of interest agreed-upon or paid are admitted by the Trustee to be legal rates and interest rates above the legal rates can be "blue penciled" by the Court to up to 60 percent (%) per annum on a loan-by-loan basis.

34. The Trustee has taken the position that all interest payments pursuant to agreements between Grozelle and the respective lenders or lender groups during the period in question must be repaid to the bankrupt's estate; however, the Trustee wrongfully seeks clawbacks only from those it has deemed to be Net Winners, and purports to distribute the proceeds of the clawback only to the Net Losers, and primarily those parties charged with fraud or lenders to those parties.
35. The substantive issues involve individual facts and issues requiring individual proceedings and the contested issues require discovery and trial.
36. The individual lenders will be prejudiced if not given the opportunity to confront properly pleaded claims against them, to defend those claims, and commence third party claims and to have their particular issues given proper consideration at trial.
37. The individual lenders should be entitled to claim over or third-party claim against the parties responsible for the alleged fraud, or parties who owed a duty of care.
38. The Appointing Creditors and other parties involved in any fraudulent scheme may be defendants in claims by the lenders and lender groups.
39. The individual lenders will be denied procedural fairness if the Trustee's potential claim(s) are not pursued through a properly constituted action in the appropriate court, and without the benefit of the *Rules* for proper pleading of claims, counter-, cross-, and third-party claims, and the discovery process, among others.
40. The following statutory provisions:
 - (a) Rules 1.04, 1.05, and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended;

(b) Sections 4.2, 30, 109, 121, 124, 135, 183, 187 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;

(c) Rules 11, 14, 38, and 39 of the *Bankruptcy and Insolvency General Rules*, C.R.C., c. 368 as amended.

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

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

1. All reports to the Court of the Receiver and Trustee, and appendices thereto;
2. All affidavits filed in connection with the Clawback Motion, and the appendices thereto, including:
 - (a) The Affidavit of Anthony Rossi sworn August 16, 2025;
 - (b) The Affidavit of Robyn Lee sworn August 15, 2025;
 - (c) The Affidavit of Ganesh Singh affirmed August 15, 2025;
 - (d) The Affidavit of John McMullan sworn August 20, 2025;
 - (e) The Affidavit of Krista McMullan sworn August 20, 2025;
 - (f) The Affidavit of Lynda McArdle sworn August 14, 2025;
3. Such further and other evidence as counsel may advise and this Honourable Court may admit.

August 21, 2025

**NECPAL LITIGATION
PROFESSIONAL CORPORATION**

NAYMARK LAW
30 Duncan Street, 5th Floor

65 Front Street East, Suite 300
Toronto, ON M5E 1B5
Tel: 416.294.7505

Justin Necpal (LSO# 56126J)
justin@necpal.com

Lawyers for John McMullan and Krista McMullan

**JEFFREY KAUFMAN LAW
Professional Corporation**
15 Prince Arthur Ave., Suite 200
Toronto, ON M5R 1B2
Tel: 416.400.4158

Jeffrey Kaufman (LSO# 21717N)
jeff@kaufman.law

Bradley Adams (LSO# 64689L)
brad@kaufman.law

Lawyers for QQ21 Fund Inc., 13176100
Canada Ltd., Force One Marketing
Corporation, Chris Chetty Financial Inc.

Toronto, ON M5V 2C3
Tel: 416.640.6078

Daniel Naymark (LSO# 56889G)
dnaymark@naymarklaw.com

Lawyers for Robyn Lee and 13877035
Canada Inc.

LONGO LAWYERS
4950 Yonge Street, Suite 401
Toronto, ON M2N 6K1
Tel: 416.800.4232

Bryan Fromstein (LSO# 50747F)
bryan@longolawyers.ca

Lawyers for Ganesh Singh

TO: **MILLER THOMSON LLP**
Scotia Plaza, 40 King Street West,
Suite 5800
P.O. Box 1011
Toronto, ON Canada M5H 3S1

David S. Ward (LSO# 33541W)
dward@millerthomson.com
Tel: 416.595.8625

Erin Craddock (LSO# 62828J)
ecraddock@millerthomson.com
Tel: 416.595.8631

Lawyers for Grant Thornton Limited,
in its capacity as trustee in bankruptcy of Douglas Grozelle

AND TO: The Service List

IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS GROZELLE, of the City of
Hamilton, in the Province of Ontario

Court File No. 32-3126798

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at HAMILTON

**NOTICE OF MOTION
(Motion for Directions returnable
September 26, 2025)**

Necpal Litigation Professional Corporation
65 Front Street East, Suite 300
Toronto, Ontario M5E 1B5

Justin Necpal (LSO# 56126J)
Tel: 416.294.7505
justin@necpal.com

Lawyers for John McMullan and Krista
McMullan

APPENDIX “G”

Ranjbar, Armando

From: Illes, Elisabeth (JUD) <Elisabeth.Illes@ontario.ca>
Sent: September 23, 2025 4:23 PM
To: Ward, David; Brad Adams
Cc: Daniel Naymark; Jeffrey Kaufman; Alexis Beale; Craddock, Erin; Dan Wootton; Roman Konovalov; shana.nodel@twllaw.ca; Jlamador1985@gmail.com; rnorman@coxandpalmer.com; prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca; wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson; Ellis, Larry; bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com; brianbyrnesings@gmail.com; Arslan Chughtai; john@aragonrestaurants.com; jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca; Finlayson, Gavin; justin@necpal.com; Chelsea Prince; Mercy Roldan; ryan@mcmackinlaw.ca; Rick Carabin; Sean Javed; Daniell@SimpsonWigle.com; candido.moniz@gmail.com; Delaney Ramos; Nick Tansley
Subject: [**EXT**] FRIDAY, SEPTEMBER 26, 2026 AT 10 A.M. CIVIL MOTIONS Foley et al v. Grozelle | Court File No. CV-23-00082142
Importance: High

Good afternoon,

I write to advise Justice Valente will not be available to hear this motion on Friday, September 26, 2026 because he will still be sitting on the Jury trial.

I can offer January 13, 2026 at 10 a.m. Please confer amongst yourselves and confirm whether this date and time is suitable.

I apologize for any inconvenience this has caused and thank you for your patience.

Thank you.

Elisabeth Illes

Trial Coordinator | Superior Court of Justice
Ministry of the Attorney General | Ontario Public Service
45 Main St. East, Hamilton, Ontario L8N 2B7 Suite #621
905-645-5252 Ext 3628 | elisabeth.illes@ontario.ca



Taking pride in strengthening Ontario, its places and its people

From: Illes, Elisabeth (JUD)
Sent: September 15, 2025 11:30 AM
To: Ward, David <dward@millerthomson.com>; Brad Adams <brad@kaufman.law>
Cc: Daniel Naymark <dnaymark@naymarklaw.com>; Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale

<abeale@rosemountlaw.com>; Craddock, Erin <ecraddock@millerthomson.com>; Dan Wootton <Dan.Wootton@ca.gt.com>; Roman Konovalov <Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca; Jlamador1985@gmail.com; rnorman@coxandpalmer.com; prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca; wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson <crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>; bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com; brianbyrnesings@gmail.com; Arslan Chughtai <arslan.chughtai@twllaw.ca>; john@aragonrestaurants.com; jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca; Finlayson, Gavin <gfinlayson@millerthomson.com>; justin@necpal.com; Chelsea Prince <Chelsea.f.prince@outlook.com>; Mercy Roldan <mercy.d.roldan@outlook.com>; ryan@mcmackinlaw.ca; Rick Carabin <carabinwoodworks@gmail.com>; Sean Javed <sjaved@pfaffbmw.com>; DanielL@SimpsonWigle.com; candido.moniz@gmail.com; Delaney Ramos <delaneycr@gmail.com>; Nick Tansley <nick.tansley60@gmail.com>

Subject: FRIDAY, SEPTEMBER 26, 2026 AT 10 A.M. CIVIL MOTIONS Foley et al v. Grozelle, Court File No. CV-23-00082142

Good morning,

I write to confirm the following zoom link will be used for the hearing, as well as this being in person attendance:

SCJvirtual **courtroom122** is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://ca01web.zoom.us/j/65581155809?pwd=by9VbVdDTG81K3hQMkxSVUNxMHpidz09>

Meeting ID: 655 8115 5809

Passcode: 443945

855 703 8985 Canada Toll-free

Meeting ID: 655 8115 5809

Passcode: 443945

Elisabeth Illes

Trial Coordinator | Superior Court of Justice

Ministry of the Attorney General | Ontario Public Service

45 Main St. East, Hamilton, Ontario L8N 2B7 Suite #621

905-645-5252 Ext 3628 | elisabeth.illes@ontario.ca



Taking pride in strengthening Ontario, its places and its people

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.

Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

APPENDIX “H”



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
SCOTIA PLAZA
40 KING STREET WEST, SUITE 5800
P.O. BOX 1011
TORONTO, ON M5H 3S1
CANADA

T 416.595.8500
F 416.595.8695

MILLERTHOMSON.COM

September 25, 2025

David S. Ward
Direct Line: +1 416.595.8625
dward@millerthomson.com

Via Email

File No. 0250038.0007

The Honourable Peter J. Osborne
Judge of the Superior Court of Justice (Commercial List)
Ontario Superior Court of Justice (Commercial List)
330 University Avenue, 9th Floor
Toronto, ON M5G 1R7

The Honourable Jessica Kimmel
Judge of the Superior Court of Justice (Commercial List)
Ontario Superior Court of Justice (Commercial List)
330 University Avenue, 9th Floor
Toronto, ON M5G 1R7

Dear Justice Osborne and Justice Kimmel:

Re: Foley et al v. Grozelle, Court File No. CV-23-00082142-0000 (“Bankruptcy Proceeding”) – TRANSFER REQUEST

We write to you as counsel for Grant Thornton Limited in its capacity as Trustee-in-Bankruptcy (“**Trustee**”) of Douglas Grozelle (“**Grozelle**”).

The purpose of this letter is to request the transfer to the Commercial List of the above-noted Bankruptcy Proceeding and a motion within the proceeding brought by the Trustee to “clawback” \$21.5 million in funds alleged to be “false profits” of an international Ponzi scheme.

The Bankruptcy Proceeding seeks to unwind a fraudulent investment scheme involving upwards of 120 individual victims holding approximately \$24.5 million in claims (“**Scheme**”). The matters at issue involve members of the legal profession and law enforcement who are facing charges in related criminal proceedings. The matter has public profile and is receiving ongoing media attention.

The Bankruptcy Proceeding is a successor proceeding to receivership proceedings initiated in Hamilton, Ontario in July 2023. (On July 7, 2023, the Honourable Justice Sheard appointed Grant Thornton Limited as an interim receiver of Grozelle. On July 20, 2023, the interim receivership was expanded to a full receivership).

On September 11, 2024, Grozelle was assigned into bankruptcy and Grant Thornton Limited was appointed trustee.

On November 29, 2024, the Trustee brought a motion seeking to clawback funds received by investors in the Scheme to the extent that such funds exceeded the “principal” amount advanced by them to Grozelle (“**Clawback Motion**”).

The receivership and bankruptcy proceedings are being case managed by the Honourable Justice Valente in Hamilton.

The Clawback Motion, and a Cross-Motion for Directions by certain respondent investors, were scheduled on June 19, 2025 to be heard this Friday, September 26, 2025. On September 23, 2025, counsel were advised by the Hamilton Court Office that the motions were adjourned because Justice Valente is sitting on a jury trial on September 26, 2025. The next hearing date offered by the Hamilton Court is January 13, 2026. (This being nearly 14 months since the Clawback Motion was served).

All motion materials exchanged are available on Case Center and we can facilitate the court's access to that resource if required.

In July 2025, the Trustee issued a "protective" statement of claim on the Commercial List (seeking substantially the same relief as that sought on the Clawback Motion) so as to preserve any potential limitation periods ("**Statement of Claim**"). The Commercial List accepted the Statement of Claim. Enclosed is a copy of the Statement of Claim.

The Trustee respectfully requests that consideration be given to the Commercial List assuming jurisdiction of the Bankruptcy Proceeding so that the Clawback Motion (and the Cross-Motion for Directions) can progress without further delay.

- This matter now involves a bankruptcy proceeding under the *Bankruptcy and Insolvency Act* and is eligible under section F.2 of the Commercial List Practice Direction;
- This Court has accepted the Statement of Claim for filing on the Commercial List;
- There have unfortunately been several delays in the Bankruptcy Proceedings, including most recently again this week, due to limited court resources in Hamilton;
- Transferring this matter to the Commercial List will secure the "just, most expeditious and least expensive determination of the proceeding on its merits" pursuant to Rule 13.1.02(2); and
- The Clawback Motion involves several matters that are of general importance to the area of insolvency law and the profession including: the applicable limitations period for actions by trustees, the appropriate form of proceeding for the relief sought by the Trustee, the role of the single proceedings model in insolvency proceedings, the procedural rights of the parties in the single proceedings model, the implications of the Supreme Court of Canada's decision in *Scott v. Golden Oaks Enterprises Inc.*, and whether the Trustee has the requisite authority to pursue the Clawback Motion.

Thank you for your kind consideration of this request.

Yours sincerely,



David S. Ward

encl.

c. Counsel Service List



APPENDIX “I”

From: [Jeffrey Kaufman](#)
To: [Ward, David](#)
Cc: [Daniel Naymark](#); [Craddock, Erin](#); [James Gibson](#); jeff@kaufman.law; justin@necpal.com; bryan@longolawyers.ca; brad@kaufman.law
Subject: [**EXT**] Re: [**EXT**] Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]
Date: Tuesday, September 30, 2025 8:14:15 AM
Attachments: [image001.png](#)
[imagef50b96.PNG](#)

Yes, as explained several times, I will be opposing and need to attend. 45 minutes will be tight. Please obtain alternate dates and advise.

Jeffrey Kaufman

Kaufman Law
15 Prince Arthur Ave, Suite 200
jeffkaufmanlaw@gmail.com

On Tue, Sep 30, 2025 at 9:54 AM Ward, David <dward@millerthomson.com> wrote:

Again, the court has offered **45 minutes**, not 15 minutes. If your are instructed to oppose we will go back to the court office and seek new dates on the basis of your clients' opposition and limited availability. Please confirm, otherwise we will take the dates that work for the majority of counsel who have responded – those dates being October 8 or 10.

DAVID S. WARD
Partner

MILLER THOMSON LLP
Scotia Plaza
[40 King Street West, Suite 6600](#)
[Toronto, Ontario | M5H 3S1](#)
T +1 416.595.8625

dward@millerthomson.com

Providing services on behalf of a Professional Corporation

Miller Thomson LLP

[Subscribe to our newsletters](#)

From: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>
Sent: Tuesday, September 30, 2025 9:18 AM
To: Ward, David <dward@millerthomson.com>
Cc: Daniel Naymark <dnaymark@naymarklaw.com>; Craddock, Erin <ecraddock@millerthomson.com>; James Gibson <jgibson@naymarklaw.com>; jeff@kaufman.law; justin@necpal.com; bryan@longolawyers.ca; brad@kaufman.law
Subject: [**EXT**] Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

That is fundamentally unfair and given the range of opposition I doubt this can be done in 15 minutes.

Jeffrey Kaufman

Kaufman Law
[15 Prince Arthur Ave, Suite 200](#)
jeffkaufmanlaw@gmail.com

On Tue, Sep 30, 2025 at 9:15 AM Ward, David <dward@millerthomson.com> wrote:

Court has offered 45, not 15 minutes. We are going to proceed with the dates that the majority of parties can accomodate which are October 8 or 10.

DAVID S. WARD

Partner

MILLER THOMSON LLP

Scotia Plaza

[40 King Street West, Suite 6600](#)

[Toronto, Ontario | M5H 3S1](#)

T +1 416.595.8625

dward@millerthomson.com

Providing services on behalf of a Professional Corporation

[Miller Thomson LLP](#)



[Subscribe to our newsletters](#)

From: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>

Sent: Tuesday, September 30, 2025 9:10 AM

To: Ward, David <dward@millerthomson.com>

Cc: Daniel Naymark <dnaymark@naymarklaw.com>; Craddock, Erin <ecraddock@millerthomson.com>; James Gibson <jgibson@naymarklaw.com>; jeff@kaufman.law; justin@necpal.com; bryan@longolawyers.ca; brad@kaufman.law

Subject: Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

I am only available the morning of October 15 and I agree that more than 15 minutes is required.

Jeffrey Kaufman

Kaufman Law
[15 Prince Arthur Ave, Suite 200](#)
jeffkaufmanlaw@gmail.com

On Tue, Sep 30, 2025 at 8:50 AM Ward, David <dward@millerthomson.com> wrote:

Thanks Dan, following up now with Jeff. Jeff is your client opposing the motion such that we need to request additional dates from the Commercial List on the basis of intended opposition? Do we need more than 45 minutes? We are trying to accommodate 131 parties and it appears that October 10 or 8 work for the majority so we are inclined to go with one of those dates.

DAVID S. WARD
Partner

MILLER THOMSON LLP
Scotia Plaza
[40 King Street West, Suite 6600](#)
[Toronto, Ontario | M5H 3S1](#)
T +1 416.595.8625

dward@millerthomson.com

Providing services on behalf of a Professional Corporation

[Miller Thomson LLP](#)



[Subscribe to our newsletters](#)

From: Daniel Naymark <dnaymark@naymarklaw.com>

Sent: Tuesday, September 30, 2025 8:39 AM

To: Craddock, Erin <ecraddock@millerthomson.com>

Cc: James Gibson <jgibson@naymarklaw.com>; Ward, David <dward@millerthomson.com>

Subject: Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

Hi Erin,

Sorry for the belated response. I was in a discovery yesterday. Robyn Lee and 138 will not be taking a position on the Trustee's motion to transfer to the Commercial List, so you need not schedule around our availability.

--

Daniel Naymark*

NAYMARK LAW

(416) 640-6078

dnaymark@naymarklaw.com

*practising as Naymark Law Professional Corporation

From: Craddock, Erin <ecraddock@millerthomson.com>

Date: Monday, September 29, 2025 at 5:18 PM

To: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>

Cc: Justin Necpal <justin@necpal.com>, Daniel Naymark <dnaymark@naymarklaw.com>, Bryan Fromstein <bryan@longolawyers.ca>, Brad Adams <brad@kaufman.law>, Ward, David <dward@millerthomson.com>

Subject: RE: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

Hi Jeffrey,

Some of the other parties are not available on the 15th and we are trying to accommodate the greatest number of respondents (Trustee can do any date). Will you be opposing the transfer such that your attendance is required? If that

is the case we can go back to the Commercial List and seek additional dates and a longer hearing(?) to accommodate your availability and intended opposition. Please let us know.

Thank you,

Erin

From: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>
Sent: September 29, 2025 3:32 PM
To: Craddock, Erin <ecraddock@millerthomson.com>
Cc: Justin Nepal <justin@necpal.com>; Daniel Naymark <dnaymark@naymarklaw.com>; Bryan Fromstein <bryan@longolawyers.ca>; Brad Adams <brad@kaufman.law>
Subject: Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

I am only available on the morning of October 15. Given that the motion is set for 45 minutes, that shouldn't be an issue.

Jeffrey Kaufman

Kaufman Law
[15 Prince Arthur Ave, Suite 200](#)
jeffkaufmanlaw@gmail.com

ERIN CRADDOCK
Associate Counsel

Pronouns: She, Her, Hers

MILLER THOMSON LLP
Scotia Plaza
[40 King Street West, Suite 6600](#)
[Toronto, Ontario | M5H 3S1](#)
T +1 416.595.8631

ecraddock@millerthomson.com

Miller Thomson LLP



[Subscribe to our newsletters](#)

On Mon, Sep 29, 2025 at 2:41 PM Craddock, Erin <ecraddock@millerthomson.com> wrote:

Please reply directly to me to limit the number of responses for counsel on this list.

Thank you,

Erin

ERIN CRADDOCK

Associate Counsel

Pronouns: She, Her, Hers

MILLER THOMSON LLP

Scotia Plaza

[40 King Street West, Suite 6600](#)

[Toronto, Ontario | M5H 3S1](#)

T +1 416.595.8631

ecraddock@millerthomson.com

Miller Thomson LLP



[Subscribe to our newsletters](#)

From: Justin Necpal <justin@necpal.com>
Sent: September 29, 2025 2:25 PM
To: Craddock, Erin <ecraddock@millerthomson.com>
Cc: Daniel Naymark <dnaymark@naymarklaw.com>; Ward, David <dward@millerthomson.com>; Brad Adams <brad@kaufman.law>; Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale <abeale@rosemountlaw.com>; Dan Wootton <Dan.Wootton@ca.gt.com>; Roman Konovalov <Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca; Jlamador1985@gmail.com; rnorman@coxandpalmer.com; prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca; wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson <crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>; bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com; brianbyrnesings@gmail.com; Arslan Chughtai <arslan.chughtai@twllaw.ca>; john@aragonrestaurants.com; jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca; Finlayson, Gavin <gfinlayson@millerthomson.com>; Chelsea Prince <Chelsea.f.prince@outlook.com>; Mercy Roldan <mercy.d.roldan@outlook.com>; ryan@mcmackinlaw.ca; Rick Carabin <carabinwoodworks@gmail.com>; Sean Javed <sjaved@pfaffbmw.com>; Daniell@simpsonwagle.com; Candido.moniz@gmail.com; Delaney Ramos <delaneycr@gmail.com>; Nick Tansley <nick.tansley60@gmail.com>; jbirch@cassels.com
Subject: Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

I am available on those dates.

Justin Necpal

NECPAL LITIGATION PROFESSIONAL CORPORATION

[65 Front Street East, Suite 300, Toronto, Ontario M5E 1B5](#)

Tel 416.613.7630 | justin@necpal.com | www.necpal.com

This email and any attachments are for the sole use of the intended recipients and may be privileged or confidential. Any distribution, printing or other use by anyone else is prohibited. If you are not an intended recipient, please contact the sender immediately, and permanently delete this email and attachments.

On Sep 29, 2025, at 12:21 PM, Craddock, Erin
<ecraddock@millerthomson.com> wrote:

Dear Counsel,

I have removed the Court from this list. The Trustee is available on all three dates listed below. The Trustee will accept the date that the majority of parties who respond advise that they are available. We intend to email the court by 5pm today with the parties' availability so that we do not lose the date.

Regards,

Erin

ERIN CRADDOCK
Associate Counsel

Pronouns: She, Her, Hers

MILLER THOMSON LLP
Scotia Plaza
[40 King Street West, Suite 6600](#)
[Toronto, Ontario | M5H 3S1](#)
T +1 416.595.8631

ecraddock@millerthomson.com

[<imageb5e1a2.PNG>](#)

[Subscribe to our newsletters](#)

From: JUS-G-MAG-CSD-[Toronto](#)-SCJ Commercial List
<MAG.CSD.To.SCJCom@ontario.ca>
Sent: September 29, 2025 12:09 PM
To: Craddock, Erin <ecraddock@millerthomson.com>; Daniel Naymark
<dnaymark@naymarklaw.com>; Illes, Elisabeth (JUD)
<Elisabeth.Illes@ontario.ca>; Ward, David
<dward@millerthomson.com>; Brad Adams <brad@kaufman.law>
Cc: Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale
<abeale@rosemountlaw.com>; Dan Wootton
<Dan.Wootton@ca.gt.com>; Roman Konovalov
<Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca;
Jlamador1985@gmail.com; rnorman@coxandpalmer.com;
prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca;
wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson
<crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>;
bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com;
brianbyrnesings@gmail.com; Arslan Chughtai
<arslan.chughtai@twllaw.ca>; john@aragonrestaurants.com;
jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca;
Finlayson, Gavin <gfinlayson@millerthomson.com>;
justin@necpal.com; Chelsea Prince <Chelsea.f.prince@outlook.com>;
Mercy Roldan <mercy.d.rolدان@outlook.com>;
ryan@mcmackinlaw.ca; Rick Carabin
<carabinwoodworks@gmail.com>; Sean Javed
<sjaved@pfaffbmw.com>; Daniell@SimpsonWigle.com;
candido.moniz@gmail.com; Delaney Ramos <delaneycr@gmail.com>;
Nick Tansley <nick.tansley60@gmail.com>; jbirch@cassels.com
Subject: RE: Bankruptcy of Douglas Grozelle [MTDMS-
Legal.FID12177656]

Hello!

We have October 8, 10, 15 available .

Thank you

Alsou Anissimova

Superior Court of Justice

Commercial list Trial coordinator

330 University Ave 7th floor

Civil Trial office

Toronto, Ontario

M5G 1R7

Tel: (416) 327-5047

Email: MAG.CSD.To.SCJCOM@ONTARIO.CA

*Toronto Commercial List – Commencing May 9, 2022 ,
Ministry Zoom coordinates will be used, created and
uploaded by court staff into CaseLines. Zoom coordinates
for hearings will no longer need to be provided by the
parties.*

Please note that counsel for the moving party is
responsible for inviting all required counsel/parties on a
file to CaseLines for upcoming hearings.

**Please note when providing the request form for scheduling via e-
mail , please copy (cc) request form to all required counsel.**

From: Craddock, Erin <ecraddock@millerthomson.com>
Sent: September 29, 2025 11:04 AM
To: JUS-G-MAG-CSD-[Toronto](#)-SCJ Commercial List
<MAG.CSD.To.SCJCom@ontario.ca>; Daniel Naymark
<dnaymark@naymarklaw.com>; Illes, Elisabeth (JUD)
<Elisabeth.Illes@ontario.ca>; Ward, David
<dward@millerthomson.com>; Brad Adams <brad@kaufman.law>
Cc: Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale
<abeale@rosemountlaw.com>; Dan Wootton
<Dan.Wootton@ca.gt.com>; Roman Konovalov
<Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca;
Jlamador1985@gmail.com; rnorman@coxandpalmer.com;
prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca;
wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson
<crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>;
bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com;
brianbyrnesings@gmail.com; Arslan Chughtai
<arslan.chughtai@twllaw.ca>; john@aragonrestaurants.com;
jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca;
Finlayson, Gavin <gfinlayson@millerthomson.com>;
justin@necpal.com; Chelsea Prince <Chelsea.f.prince@outlook.com>;
Mercy Roldan <mercy.d.rolدان@outlook.com>;
ryan@mcmackinlaw.ca; Rick Carabin
<carabinwoodworks@gmail.com>; Sean Javed
<sjaved@pfaffbmw.com>; Daniell@SimpsonWigle.com;
candido.moniz@gmail.com; Delaney Ramos <delaneycr@gmail.com>;
Nick Tansley <nick.tansley60@gmail.com>; jbirch@cassels.com
Subject: RE: Bankruptcy of Douglas Grozelle [MTDMS-
Legal.FID12177656]

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Hi Alsou,

Further to your email below, can you please provide some possible motion hearing dates (before Justice Osborne or Justice Kimmel) during the weeks of October 6 or October 13?

Thank you,

Erin

ERIN CRADDOCK

Associate Counsel

Pronouns: She, Her, Hers

MILLER THOMSON LLP

Scotia Plaza

[40 King Street West, Suite 6600](#)

[Toronto, Ontario | M5H 3S1](#)

T +1 416.595.8631

ecraddock@millerthomson.com

[<image001.png>](#)

[Subscribe to our newsletters](#)

From: JUS-G-MAG-CSD-[Toronto](#)-SCJ Commercial List

<MAG.CSD.To.SCJCom@ontario.ca>

Sent: September 26, 2025 4:20 PM

To: Daniel Naymark <dnaymark@naymarklaw.com>; Illes, Elisabeth (JUD) <Elisabeth.Illes@ontario.ca>; Ward, David

<dward@millerthomson.com>; Brad Adams <brad@kaufman.law>;

JUS-G-MAG-CSD-Toronto-SCJ Commercial List

<MAG.CSD.To.SCJCom@ontario.ca>

Cc: Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale

<abeale@rosemountlaw.com>; Craddock, Erin

<ecraddock@millerthomson.com>; Dan Wootton

<Dan.Wootton@ca.gt.com>; Roman Konovalov

<Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca;

Jlamador1985@gmail.com; rnorman@coxandpalmer.com;

prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca;

wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson

<crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>;

bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com;

brianbyrnesings@gmail.com; Arslan Chughtai

<arslan.chughtai@twllaw.ca>; john@aragonrestaurants.com;

jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca;

Finlayson, Gavin <gfinlayson@millerthomson.com>;

justin@necpal.com; Chelsea Prince <Chelsea.f.prince@outlook.com>;

Mercy Roldan <mercy.d.rolدان@outlook.com>;

ryan@mcmackinlaw.ca; Rick Carabin

<carabinwoodworks@gmail.com>; Sean Javed
<sjaved@pfaffbmw.com>; Daniell@SimpsonWigle.com;
candido.moniz@gmail.com; Delaney Ramos <delaneycr@gmail.com>;
Nick Tansley <nick.tansley60@gmail.com>
Subject: **[**EXT**]** RE: Bankruptcy of Douglas Grozelle

Hello!

Per CL co team leads,

Counsel to proceed by way of motion on notice to transfer the Hamilton matters to the Commercial List in [Toronto](#).

Commercial list Court can book a motion date/time for minimum 45 minutes before one of the co team leads. Once confirmed, the trustee must serve the motion so all stakeholders are on notice and provide an Aide Memoire or factum in advance of the hearing setting out reasons (per his letter), applicable rules, and the positions of other stakeholders. In the same motion/request he should also notify the parties that if the transfer is approved a hearing date may be set at this attendance.

Thank you

Thank you

Alsou Anissimova

Superior Court of Justice

Commercial list Trial coordinator

[330 University Ave](#) 7th floor

Civil Trial office

[Toronto, Ontario](#)

M5G 1R7

Tel: (416) 327-5047

Email: MAG.CSD.To.SCJCOM@ONTARIO.CA

*Toronto Commercial List – Commencing May 9, 2022 ,
Ministry Zoom coordinates will be used, created and
uploaded by court staff into CaseLines. Zoom coordinates
for hearings will no longer need to be provided by the
parties.*

Please note that counsel for the moving party is
responsible for inviting all required counsel/parties on a
file to CaseLines for upcoming hearings.

Please note when providing the request form for scheduling via e-
mail , please copy (cc) request form to all required counsel.

From: Daniel Naymark <dnaymark@naymarklaw.com>
Sent: September 26, 2025 3:51 PM
To: Illes, Elisabeth (JUD) <Elisabeth.Illes@ontario.ca>; Ward, David
<dward@millerthomson.com>; Brad Adams <brad@kaufman.law>;
Anissimova, Alsou (JUD) <Alsou.Anissimova@ontario.ca>; JUS-G-
MAG-CSD-Toronto-SCJ Commercial List
<MAG.CSD.To.SCJCom@ontario.ca>
Cc: Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale
<abeale@rosemountlaw.com>; Craddock, Erin
<ecraddock@millerthomson.com>; Dan Wootton
<Dan.Wootton@ca.gt.com>; Roman Konovalov
<Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca;
Jlamador1985@gmail.com; rnorman@coxandpalmer.com;
prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca;

wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson
<crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>;
bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com;
brianbyrnesings@gmail.com; Arslan Chughtai
<arslan.chughtai@twllaw.ca>; john@aragonrestaurants.com;
jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca;
Finlayson, Gavin <gfinlayson@millerthomson.com>;
justin@necpal.com; Chelsea Prince <Chelsea.f.prince@outlook.com>;
Mercy Roldan <mercy.d.roldan@outlook.com>;
ryan@mcmackinlaw.ca; Rick Carabin
<carabinwoodworks@gmail.com>; Sean Javed
<sjaved@pfaffbmw.com>; Daniell@SimpsonWigle.com;

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.
Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information
sensible qui vous semblent suspectes.

From: [Justin Necpal](#)
To: [Ward, David](#); [Jeffrey Kaufman](#)
Cc: [Daniel Naymark](#); [Craddock, Erin](#); [James Gibson](#); jeff@kaufman.law; bryan@longolawyers.ca; brad@kaufman.law
Subject: Re: **[**EXT**]** Re: **[**EXT**]** Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]
Date: Tuesday, September 30, 2025 9:28:07 AM
Attachments: [image001.png](#)

David, we found out about this intended motion only yesterday and I haven't had an opportunity to obtain instructions. Also, until we have the Trustee's notice of motion and motion record, it is not clear what grounds the Trustee is relying on for the transfer request; it certainly isn't obvious that this is a better way to proceed than January dates before Justice Valente in Hamilton. So, it might be that my client will oppose, too. From our perspective, there's significant benefit in having the matter continue in Hamilton under the management of His Honour who has been dealing with this case for the past two years. We also have concerns about how a transfer would impact cost matters, and in any event, we'll have to ensure that those matters are dealt with appropriately if the transfer is permitted.

Finally, if I'm not mistaken, the Receiver sought a transfer of the matter to the Commercial List some time ago and the request was denied. If that's the case, I assume we'll see the relevant correspondence in your forthcoming motion record.

Thanks,
Justin

Justin Necpal

NECPAL LITIGATION PROFESSIONAL CORPORATION

65 Front Street East, Suite 300, Toronto, Ontario M5E 1B5

Tel 416.294.7505 | justin@necpal.com | www.necpal.com

This email and any attachments are for the sole use of the intended recipients and may be privileged or confidential. Any distribution, printing or other use by anyone else is prohibited. If you are not an intended recipient, please contact the sender immediately, and permanently delete this email and attachments.

From: Ward, David <dward@millerthomson.com>
Date: Tuesday, September 30, 2025 at 10:16 AM
To: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>
Cc: Daniel Naymark <dnaymark@naymarklaw.com>, Craddock, Erin <ecraddock@millerthomson.com>, James Gibson <jgibson@naymarklaw.com>, jeff@kaufman.law <jeff@kaufman.law>, Justin Necpal <justin@necpal.com>, bryan@longolawyers.ca <bryan@longolawyers.ca>, brad@kaufman.law <brad@kaufman.law>
Subject: RE: **[**EXT**]** Re: **[**EXT**]** Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

This is the first time you have advised of your opposition Jeff. Noted. Will seek additional time and/or dates on that basis.

DAVID S. WARD
Partner

MILLER THOMSON LLP

Scotia Plaza
40 King Street West, Suite 6600
Toronto, Ontario | M5H 3S1
T +1 416.595.8625

dward@millerthomson.com

Providing services on behalf of a Professional Corporation

Miller Thomson LLP



[Subscribe to our newsletters](#)

From: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>

Sent: Tuesday, September 30, 2025 10:14 AM

To: Ward, David <dward@millerthomson.com>

Cc: Daniel Naymark <dnaymark@naymarklaw.com>; Craddock, Erin <ecraddock@millerthomson.com>; James Gibson <jgibson@naymarklaw.com>; jeff@kaufman.law; justin@necpal.com; bryan@longolawyers.ca; brad@kaufman.law

Subject: **[**EXT**]** Re: **[**EXT**]** Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

Yes, as explained several times, I will be opposing and need to attend. 45 minutes will be tight. Please obtain alternate dates and advise.

Jeffrey Kaufman

Kaufman Law
15 Prince Arthur Ave, Suite 200
jeffkaufmanlaw@gmail.com

On Tue, Sep 30, 2025 at 9:54 AM Ward, David <dward@millerthomson.com> wrote:

Again, the court has offered **45 minutes**, not 15 minutes. If your are instructed to oppose we will go back to the court office and seek new dates on the basis of your clients' opposition and limited availability. Please confirm, otherwise we will take the dates that work for the majority of counsel who have responded – those dates being October 8 or 10.

DAVID S. WARD
Partner

MILLER THOMSON LLP

Scotia Plaza
[40 King Street West, Suite 6600](#)
[Toronto, Ontario | M5H 3S1](#)
T +1 416.595.8625

dward@millerthomson.com

Providing services on behalf of a Professional Corporation

Miller Thomson LLP



[Subscribe to our newsletters](#)

From: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>
Sent: Tuesday, September 30, 2025 9:18 AM
To: Ward, David <dward@millerthomson.com>
Cc: Daniel Naymark <dnaymark@naymarklaw.com>; Craddock, Erin <ecraddock@millerthomson.com>; James Gibson <jgibson@naymarklaw.com>; jeff@kaufman.law; justin@necpal.com; bryan@longolawyers.ca; brad@kaufman.law
Subject: [**EXT**] Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

That is fundamentally unfair and given the range of opposition I doubt this can be done in 15 minutes.

Jeffrey Kaufman

Kaufman Law
[15 Prince Arthur Ave, Suite 200](#)
jeffkaufmanlaw@gmail.com

On Tue, Sep 30, 2025 at 9:15 AM Ward, David <dward@millerthomson.com> wrote:

Court has offered 45, not 15 minutes. We are going to proceed with the dates that the majority of parties can accomodate which are October 8 or 10.

DAVID S. WARD
Partner

MILLER THOMSON LLP
Scotia Plaza
[40 King Street West, Suite 6600](#)
[Toronto, Ontario | M5H 3S1](#)
T +1 416.595.8625

dward@millerthomson.com

Providing services on behalf of a Professional Corporation

Miller Thomson LLP



[Subscribe to our newsletters](#)

From: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>

Sent: Tuesday, September 30, 2025 9:10 AM

To: Ward, David <dward@millerthomson.com>

Cc: Daniel Naymark <dnaymark@naymarklaw.com>; Craddock, Erin <ecraddock@millerthomson.com>; James Gibson <jgibson@naymarklaw.com>; jeff@kaufman.law; justin@necpal.com; bryan@longolawyers.ca; brad@kaufman.law

Subject: Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

I am only available the morning of October 15 and I agree that more than 15 minutes is required.

Jeffrey Kaufman

Kaufman Law

[15 Prince Arthur Ave, Suite 200](#)

jeffkaufmanlaw@gmail.com

On Tue, Sep 30, 2025 at 8:50 AM Ward, David <dward@millerthomson.com> wrote:

Thanks Dan, following up now with Jeff. Jeff is your client opposing the motion such that we need to request additional dates from the Commercial List on the basis of intended opposition? Do we need more than 45 minutes? We are trying to accommodate 131 parties and it appears that October 10 or 8 work for the majority so we are inclined to go with one of those dates.

DAVID S. WARD
Partner

MILLER THOMSON LLP
Scotia Plaza
[40 King Street West, Suite 6600](#)
[Toronto, Ontario | M5H 3S1](#)
T +1 416.595.8625

dward@millerthomson.com

Providing services on behalf of a Professional Corporation

Miller Thomson LLP



[Subscribe to our newsletters](#)

From: Daniel Naymark <dnaymark@naymarklaw.com>
Sent: Tuesday, September 30, 2025 8:39 AM
To: Craddock, Erin <ecraddock@millerthomson.com>
Cc: James Gibson <jgibson@naymarklaw.com>; Ward, David <dward@millerthomson.com>
Subject: Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

Hi Erin,

Sorry for the belated response. I was in a discovery yesterday. Robyn Lee and 138 will not be taking a position on the Trustee's motion to transfer to the Commercial List, so you need not schedule around our availability.

--

Daniel Naymark*
NAYMARK LAW
(416) 640-6078
dnaymark@naymarklaw.com

*practising as Naymark Law Professional Corporation

From: Craddock, Erin <ecraddock@millerthomson.com>
Date: Monday, September 29, 2025 at 5:18 PM
To: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>
Cc: Justin Necpal <justin@necpal.com>, Daniel Naymark <dnaymark@naymarklaw.com>, Bryan Fromstein <bryan@longolawyers.ca>, Brad Adams <brad@kaufman.law>, Ward, David <dward@millerthomson.com>
Subject: RE: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

Hi Jeffrey,

Some of the other parties are not available on the 15th and we are trying to accommodate the greatest number of respondents (Trustee can do any date). Will you be opposing the transfer such that your attendance is required? If that is the case we can go back to the Commercial List and seek additional dates and a longer hearing(?) to accommodate your availability and intended opposition. Please let us know.

Thank you,

Erin

From: Jeffrey Kaufman <jeffkaufmanlaw@gmail.com>

Sent: September 29, 2025 3:32 PM

To: Craddock, Erin <ecraddock@millerthomson.com>

Cc: Justin Necpal <justin@necpal.com>; Daniel Naymark <dnaymark@naymarklaw.com>; Bryan Fromstein <bryan@longolawyers.ca>; Brad Adams <brad@kaufman.law>

Subject: Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

I am only available on the morning of October 15. Given that the motion is set for 45 minutes, that shouldn't be an issue.

Jeffrey Kaufman

Kaufman Law

[15 Prince Arthur Ave, Suite 200](#)

jeffkaufmanlaw@gmail.com

ERIN CRADDOCK

Associate Counsel

Pronouns: She, Her, Hers

MILLER THOMSON LLP

Scotia Plaza

[40 King Street West, Suite 6600](#)

[Toronto, Ontario | M5H 3S1](#)

T +1 416.595.8631

ecraddock@millerthomson.com

[Miller Thomson LLP](#)



[Subscribe to our newsletters](#)

On Mon, Sep 29, 2025 at 2:41 PM Craddock, Erin <ecraddock@millerthomson.com> wrote:

Please reply directly to me to limit the number of responses for counsel on this list.

Thank you,

Erin

ERIN CRADDOCK

Associate Counsel

Pronouns: She, Her, Hers

MILLER THOMSON LLP

Scotia Plaza

[40 King Street West, Suite 6600](#)

[Toronto, Ontario | M5H 3S1](#)

T +1 416.595.8631

ecraddock@millerthomson.com

[Miller Thomson LLP](#)



[Subscribe to our newsletters](#)

From: Justin Necpal <justin@necpal.com>

Sent: September 29, 2025 2:25 PM

To: Craddock, Erin <ecraddock@millerthomson.com>

Cc: Daniel Naymark <dnaymark@naymarklaw.com>; Ward, David <dward@millerthomson.com>; Brad Adams <brad@kaufman.law>; Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale <abeale@rosemountlaw.com>; Dan Wootton <Dan.Wootton@ca.gt.com>; Roman Konovalov <Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca; Jlamador1985@gmail.com; rnorman@coxandpalmer.com; prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca; wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson <crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>; bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com; brianbyrnesings@gmail.com; Arslan Chughtai <arslan.chughtai@twllaw.ca>; john@aragonrestaurants.com; jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca; Finlayson, Gavin <gfinlayson@millerthomson.com>; Chelsea Prince <Chelsea.f.prince@outlook.com>; Mercy Roldan <mercy.d.roldan@outlook.com>; ryan@mcmackinlaw.ca; Rick Carabin <carabinwoodworks@gmail.com>; Sean Javed <sjaved@pfaffbmw.com>; Daniell@simpsonwagle.com; Candido.moniz@gmail.com; Delaney Ramos <delaneycr@gmail.com>; Nick Tansley <nick.tansley60@gmail.com>; jbirch@cassels.com

Subject: Re: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

I am available on those dates.

Justin Necpal

NECPAL LITIGATION PROFESSIONAL CORPORATION

[65 Front Street East, Suite 300, Toronto, Ontario M5E 1B5](#)

Tel 416.613.7630 | justin@necpal.com | www.necpal.com

This email and any attachments are for the sole use of the intended recipients and may be privileged or confidential. Any distribution, printing or other use by anyone else is prohibited. If you are not an intended recipient, please contact the sender immediately, and permanently delete this email and attachments.

On Sep 29, 2025, at 12:21 PM, Craddock, Erin
<ecraddock@millerthomson.com> wrote:

Dear Counsel,

I have removed the Court from this list. The Trustee is available on all three dates listed below. The Trustee will accept the date that the majority of parties who respond advise that they are available. We intend to email the court by 5pm today with the parties' availability so that we do not lose the date.

Regards,

Erin

ERIN CRADDOCK
Associate Counsel

Pronouns: She, Her, Hers

MILLER THOMSON LLP
Scotia Plaza
[40 King Street West, Suite 6600](#)
[Toronto, Ontario | M5H 3S1](#)
T +1 416.595.8631

ecraddock@millerthomson.com

[<imageb5e1a2.PNG>](#)

[Subscribe to our newsletters](#)

From: JUS-G-MAG-CSD-[Toronto](#)-SCJ Commercial List

<MAG.CSD.To.SCJCom@ontario.ca>

Sent: September 29, 2025 12:09 PM

To: Craddock, Erin <ecraddock@millerthomson.com>; Daniel Naymark

<dnaymark@naymarklaw.com>; Illes, Elisabeth (JUD)

<Elisabeth.Illes@ontario.ca>; Ward, David <dward@millerthomson.com>;

Brad Adams <brad@kaufman.law>

Cc: Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale

<abeale@rosemountlaw.com>; Dan Wootton <Dan.Wootton@ca.gt.com>;

Roman Konovalov <Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca;

Jlamador1985@gmail.com; rnorman@coxandpalmer.com;

prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca;

wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson

<crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>;
bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com;
brianbyrnesings@gmail.com; Arslan Chughtai <arslan.chughtai@twllaw.ca>;
john@aragonrestaurants.com; jc@xkabogados.com; thompson@deslaw.ca;
karen@mastersonlaw.ca; Finlayson, Gavin
<gfinlayson@millerthomson.com>; justin@necpal.com; Chelsea Prince
<Chelsea.f.prince@outlook.com>; Mercy Roldan
<mercy.d.rolan@outlook.com>; ryan@mcmackinlaw.ca; Rick Carabin
<carabinwoodworks@gmail.com>; Sean Javed <sjaved@pfaffbmw.com>;
DaniellL@SimpsonWigle.com; candido.moniz@gmail.com; Delaney Ramos
<delaneycr@gmail.com>; Nick Tansley <nick.tansley60@gmail.com>;
jbirch@cassels.com

Subject: RE: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

Hello!

We have October 8, 10, 15 available .

Thank you

Alsou Anissimova

Superior Court of Justice

Commercial list Trial coordinator

330 University Ave 7th floor

Civil Trial office

Toronto, Ontario

M5G 1R7

Tel: (416) 327-5047

Email: MAG.CSD.To.SCJCOM@ONTARIO.CA

*Toronto Commercial List – Commencing May 9, 2022 ,
Ministry Zoom coordinates will be used, created and
uploaded by court staff into CaseLines. Zoom coordinates
for hearings will no longer need to be provided by the
parties.*

Please note that counsel for the moving party is
responsible for inviting all required counsel/parties on a
file to CaseLines for upcoming hearings.

Please note when providing the request form for scheduling via e-mail , please copy (cc) request form to all required counsel.

From: Craddock, Erin <ecraddock@millerthomson.com>

Sent: September 29, 2025 11:04 AM

To: JUS-G-MAG-CSD-[Toronto](#)-SCJ Commercial List

<MAG.CSD.To.SCJCom@ontario.ca>; Daniel Naymark

<dnaymark@naymarklaw.com>; Illes, Elisabeth (JUD)

<Elisabeth.Illes@ontario.ca>; Ward, David <dward@millerthomson.com>;

Brad Adams <brad@kaufman.law>

Cc: Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale

<abeale@rosemountlaw.com>; Dan Wootton <Dan.Wootton@ca.gt.com>;

Roman Konovalov <Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca;

Jlamador1985@gmail.com; rnorman@coxandpalmer.com;

prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca;

wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson

<crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>;

bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com;

brianbyrnesings@gmail.com; Arslan Chughtai <arslan.chughtai@twllaw.ca>;

john@aragonrestaurants.com; jc@xkabogados.com; thompson@deslaw.ca;

karen@mastersonlaw.ca; Finlayson, Gavin

<gfinlayson@millerthomson.com>; justin@necpal.com; Chelsea Prince

<Chelsea.f.prince@outlook.com>; Mercy Roldan

<mercy.d.rolan@outlook.com>; ryan@mcmackinlaw.ca; Rick Carabin

<carabinwoodworks@gmail.com>; Sean Javed <sjaved@pfaffbmw.com>;

DaniellL@SimpsonWigle.com; candido.moniz@gmail.com; Delaney Ramos

<delaneycr@gmail.com>; Nick Tansley <nick.tansley60@gmail.com>;

jbirch@cassels.com

Subject: RE: Bankruptcy of Douglas Grozelle [MTDMS-Legal.FID12177656]

**CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments
unless you recognize the sender.**

Hi Alsou,

Further to your email below, can you please provide some possible motion hearing dates (before Justice Osborne or Justice Kimmel) during the weeks of October 6 or October 13?

Thank you,

Erin

ERIN CRADDOCK

Associate Counsel

Pronouns: She, Her, Hers

MILLER THOMSON LLP

Scotia Plaza

[40 King Street West, Suite 6600](#)

[Toronto, Ontario | M5H 3S1](#)

T +1 416.595.8631

ecraddock@millerthomson.com

[<image001.png>](#)

[Subscribe to our newsletters](#)

From: JUS-G-MAG-CSD-[Toronto](#)-SCJ Commercial List

[<MAG.CSD.To.SCJCom@ontario.ca>](mailto:MAG.CSD.To.SCJCom@ontario.ca)

Sent: September 26, 2025 4:20 PM

To: Daniel Naymark [<dnaymark@naymarklaw.com>](mailto:dnaymark@naymarklaw.com); Illes, Elisabeth (JUD)

[<Elisabeth.Illes@ontario.ca>](mailto:Elisabeth.Illes@ontario.ca); Ward, David [<dward@millerthomson.com>](mailto:dward@millerthomson.com);

Brad Adams [<brad@kaufman.law>](mailto:brad@kaufman.law); JUS-G-MAG-CSD-Toronto-SCJ

Commercial List [<MAG.CSD.To.SCJCom@ontario.ca>](mailto:MAG.CSD.To.SCJCom@ontario.ca)

Cc: Jeffrey Kaufman [<jeff@kaufman.law>](mailto:jeff@kaufman.law); Alexis Beale

[<abeale@rosemountlaw.com>](mailto:abeale@rosemountlaw.com); Craddock, Erin

[<ecraddock@millerthomson.com>](mailto:ecraddock@millerthomson.com); Dan Wootton

[<Dan.Wootton@ca.gt.com>](mailto:Dan.Wootton@ca.gt.com); Roman Konovalov

[<Roman.Konovalov@ca.gt.com>](mailto:Roman.Konovalov@ca.gt.com); shana.nodel@twllaw.ca;

Jlamador1985@gmail.com; rnorman@coxandpalmer.com;

prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca;

wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson

[<crys@mastersonlaw.ca>](mailto:crys@mastersonlaw.ca); Ellis, Larry [<lellis@millerthomson.com>](mailto:lellis@millerthomson.com);

bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com;

brianbyrnesings@gmail.com; Arslan Chughtai [<arslan.chughtai@twllaw.ca>](mailto:arslan.chughtai@twllaw.ca);

john@aragonrestaurants.com; jc@xkabogados.com; thompson@deslaw.ca;

karen@mastersonlaw.ca; Finlayson, Gavin

[<gfinlayson@millerthomson.com>](mailto:gfinlayson@millerthomson.com); justin@necpal.com; Chelsea Prince

[<Chelsea.f.prince@outlook.com>](mailto:Chelsea.f.prince@outlook.com); Mercy Roldan

[<mercy.d.rolan@outlook.com>](mailto:mercy.d.rolan@outlook.com); ryan@mcmackinlaw.ca; Rick Carabin

[<carabinwoodworks@gmail.com>](mailto:carabinwoodworks@gmail.com); Sean Javed [<sjaved@pfaffbmw.com>](mailto:sjaved@pfaffbmw.com);

Daniell@SimpsonWigle.com; candido.moniz@gmail.com; Delaney Ramos

[<delaneycr@gmail.com>](mailto:delaneycr@gmail.com); Nick Tansley [<nick.tansley60@gmail.com>](mailto:nick.tansley60@gmail.com)

Subject: [****EXT****] RE: Bankruptcy of Douglas Grozelle

Hello!

Per CL co team leads.

Counsel to proceed by way of motion on notice to transfer the Hamilton matters to the Commercial List in [Toronto](#).

Commercial list Court can book a motion date/time for minimum 45 minutes before one of the co team leads. Once confirmed, the trustee must serve the motion so all stakeholders are on notice and provide an Aide Memoire or factum in advance of the hearing setting out reasons (per his letter), applicable rules, and the positions of other stakeholders. In the same motion/request he should also notify the parties that if the transfer is approved a hearing date may be set at this attendance.

Thank you

Thank you

Alsou Anissimova

Superior Court of Justice

Commercial list Trial coordinator

[330 University Ave 7th floor](#)

Civil Trial office

[Toronto, Ontario](#)

M5G 1R7

Tel: (416) 327-5047

Email: MAG.CSD.To.SCJCOM@ONTARIO.CA

*Toronto Commercial List – Commencing May 9, 2022 ,
Ministry Zoom coordinates will be used, created and
uploaded by court staff into CaseLines. Zoom coordinates
for hearings will no longer need to be provided by the
parties.*

Please note that counsel for the moving party is responsible for inviting all required counsel/parties on a file to CaseLines for upcoming hearings.

Please note when providing the request form for scheduling via e-mail , please copy (cc) request form to all required counsel.

From: Daniel Naymark <dnaymark@naymarklaw.com>
Sent: September 26, 2025 3:51 PM
To: Illes, Elisabeth (JUD) <Elisabeth.Illes@ontario.ca>; Ward, David <dward@millerthomson.com>; Brad Adams <brad@kaufman.law>; Anissimova, Alsou (JUD) <Alsou.Anissimova@ontario.ca>; JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Cc: Jeffrey Kaufman <jeff@kaufman.law>; Alexis Beale <abeale@rosemountlaw.com>; Craddock, Erin <ecraddock@millerthomson.com>; Dan Wootton <Dan.Wootton@ca.gt.com>; Roman Konovalov <Roman.Konovalov@ca.gt.com>; shana.nodel@twllaw.ca; Jlamador1985@gmail.com; rnorman@coxandpalmer.com; prohairlines@gmail.com; snash@georgestreetlaw.ca; rrefcio@rrlaw.ca; wchapman@rrlaw.ca; bryan@longolawyers.ca; Crys Masterson <crys@mastersonlaw.ca>; Ellis, Larry <lellis@millerthomson.com>; bobklotz@klotzassociates.com; alanstanwicklaw@gmail.com; brianbyrnesings@gmail.com; Arslan Chughtai <arslan.chughtai@twllaw.ca>; john@aragonrestaurants.com; jc@xkabogados.com; thompson@deslaw.ca; karen@mastersonlaw.ca; Finlayson, Gavin <gfinlayson@millerthomson.com>; justin@necpal.com; Chelsea Prince <Chelsea.f.prince@outlook.com>; Mercy Roldan <mercy.d.rolan@outlook.com>; ryan@mcmackinlaw.ca; Rick Carabin <carabinwoodworks@gmail.com>; Sean Javed <sjaved@pfaffbmw.com>; Daniell@SimpsonWigle.com;

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.

Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

You can [subscribe](#) to Miller Thomson's free electronic communications, or [unsubscribe](#) at any time.

CONFIDENTIALITY: This e-mail message (including attachments, if any) is confidential and is intended only for the addressee. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege. If you have received this communication in error, please notify us immediately and delete this. Thank you for your cooperation. This message has not been encrypted. Special arrangements can be made for encryption upon request. If you no longer wish to receive e-mail messages from Miller Thomson, please contact the sender.

Visit our website at www.millerthomson.com for information about our firm and the services we provide.

Il est possible de [s'abonner](#) aux communications électroniques gratuites de Miller Thomson ou

de s'en [désabonner](#) à tout moment.

CONFIDENTIALITÉ: Ce message courriel (y compris les pièces jointes, le cas échéant) est confidentiel et destiné uniquement à la personne ou à l'entité à qui il est adressé. Toute utilisation ou divulgation non permise est strictement interdite. L'obligation de confidentialité et de secret professionnel demeure malgré toute divulgation. Si vous avez reçu le présent courriel et ses annexes par erreur, veuillez nous en informer immédiatement et le détruire. Nous vous remercions de votre collaboration. Le présent message n'a pas été crypté. Le cryptage est possible sur demande spéciale. Communiquer avec l'expéditeur pour ne plus recevoir de courriels de la part de Miller Thomson.

Pour tout renseignement au sujet des services offerts par notre cabinet, visitez notre site Web à www.millerthomson.com

APPENDIX “J”

Moffett, Darlene

From: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Sent: June 29, 2023 5:18 PM
To: Bob Klotz
Cc: Crys Masterson; Karen Morimoto; Rhodes, Gina; Ward, David; Faheim, Monica; Michael Foley; Jonathan Williams
Subject: **[**EXT**]** RE: Proposed Grozelle Receivership

Hello!

This matter not approved for commercial list per Justice Penny , per below :

No. This is not a Toronto matter.

Thank you

Alsou Anissimova

Superior Court of Justice
Commercial & Estates Trial coordinator
330 University Ave **7th floor**
Civil Trial office
Toronto, Ontario
M5G 1R7
Tel: (416) 327-5047
Fax: (416) 327-5697
Email: toronto.commercialist@jus.gov.on.ca

Toronto Commercial List – Commencing May 9, 2022 , Ministry Zoom coordinates will be used, created and uploaded by court staff into CaseLines. Zoom coordinates for hearings will no longer need to be provided by the parties.

Please note that counsel for the moving party is responsible for inviting all required counsel/parties on a file to CaseLines for upcoming hearings.

Please note when providing the request form for scheduling via e-mail , please copy (cc) request form to all required counsel.

From: Bob Klotz <bobklotz@klotzassociates.com>
Sent: June 29, 2023 4:44 PM
To: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>

Cc: Crys Masterson <crys@mastersonlaw.ca>; Karen Morimoto <karen@mastersonlaw.ca>; Rhodes, Gina <grhodes@millerthomson.com>; Ward, David <dward@millerthomson.com>; Faheim, Monica <mfaheim@millerthomson.com>; Michael Foley <Michael.Foley@roofmart.ca>; Jonathan Williams <jon@williamsventurecapital.com>

Subject: RE: Proposed Grozelle Receivership

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Alsou – I just received this blank response from the court. What am I to make of this?

Please let me know.

Bob

... Robert A. (Bob) Klotz

Klotz Associates, Barristers & Solicitors

Tel: 416-360-4500 x 206. Cell: 647-409-9231

bobklotz@klotzassociates.com

From: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>

Sent: Thursday, June 29, 2023 4:20 PM

To: Bob Klotz <bobklotz@klotzassociates.com>

Cc: Crys Masterson <crys@mastersonlaw.ca>; Karen Morimoto <karen@mastersonlaw.ca>; Rhodes, Gina <grhodes@millerthomson.com>; Ward, David <dward@millerthomson.com>; Faheim, Monica <mfaheim@millerthomson.com>; Michael Foley <Michael.Foley@roofmart.ca>; Jonathan Williams <jon@williamsventurecapital.com>

Subject: RE: Proposed Grozelle Receivership

From: Bob Klotz <bobklotz@klotzassociates.com>

Sent: June 29, 2023 4:14 PM

To: Anissimova, Alsou (JUD) <Alsou.Anissimova@ontario.ca>

Cc: Crys Masterson <crys@mastersonlaw.ca>; Karen Morimoto <karen@mastersonlaw.ca>; Rhodes, Gina <grhodes@millerthomson.com>; Ward, David <dward@millerthomson.com>; Faheim, Monica <mfaheim@millerthomson.com>; Michael Foley <Michael.Foley@roofmart.ca>; Jonathan Williams <jon@williamsventurecapital.com>

Subject: Proposed Grozelle Receivership

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Dear Alsou,

I am writing to you as counsel for the Applicants in an urgent intended proceeding. The application is for the immediate appointment of an equitable receiver. The respondent is alleged to have orchestrated an international multi-million dollar Ponzi scheme. The Applicants include a lawyer, a police officer and a Chartered Professional Accountant. Enclosed please find a draft of the Notice of Application. You will see there are circumstances of urgency. We are prepared to file court materials tomorrow and will attempt service on the respondent over the weekend.

The proposed receiver is Grant Thornton, represented by David Ward, Gina Rhodes and Monica Faheim of Miller Thomson LLP (copied).

Please can you let us know if it would be possible to see a Judge on Tuesday July 4th? I appreciate this is very short timing.

Regards,

Robert Klotz

... Robert A. (Bob) Klotz

Klotz Associates, Barristers & Solicitors

405 - 121 Richmond Street West

Toronto, Ontario M5H 2K1

Canada

Tel: 416-360-4500 x 206

Cell: 647-409-9231

Fax: 416-360-4501

Email: bobklotz@klotzassociates.com

Web: www.klotzassociates.com

CONFIDENTIALITY: This email transmission, including any attachments, is confidential and may contain privileged information. It is intended only for the person to whom it is addressed. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege. Any unauthorized use, distribution or copying is strictly prohibited. If you have received this email in error, please delete it immediately and notify us by return e-mail at the above address. Thank you for your cooperation. This transmission was not encrypted. Please advise us if you would prefer to receive secure e-mail or other means of communication in the future. In the event of transmission problems, contact L Feldman at (647) 409-7231.

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.

Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

Moffett, Darlene

From: Bob Klotz <bobklotz@klotzassociates.com>
Sent: June 29, 2023 4:14 PM
To: Anissimova, Alsou (MAG)
Cc: Crys Masterson; Karen Morimoto; Rhodes, Gina; Ward, David; Faheim, Monica; Michael Foley; Jonathan Williams
Subject: **[**EXT**]** Proposed Grozelle Receivership
Attachments: Notice of Application.DRAFT.pdf

Dear Alsou,

I am writing to you as counsel for the Applicants in an urgent intended proceeding. The application is for the immediate appointment of an equitable receiver. The respondent is alleged to have orchestrated an international multi-million dollar Ponzi scheme. The Applicants include a lawyer, a police officer and a Chartered Professional Accountant. Enclosed please find a draft of the Notice of Application. You will see there are circumstances of urgency. We are prepared to file court materials tomorrow and will attempt service on the respondent over the weekend.

The proposed receiver is Grant Thornton, represented by David Ward, Gina Rhodes and Monica Faheim of Miller Thomson LLP (copied).

Please can you let us know if it would be possible to see a Judge on Tuesday July 4th? I appreciate this is very short timing.

Regards,

Robert Klotz

... **Robert A. (Bob) Klotz**
Klotz Associates, Barristers & Solicitors
405 - 121 Richmond Street West
Toronto, Ontario M5H 2K1
Canada

Tel: 416-360-4500 x 206
Cell: 647-409-9231
Fax: 416-360-4501
Email: bobklotz@klotzassociates.com
Web: www.klotzassociates.com

CONFIDENTIALITY: This email transmission, including any attachments, is confidential and may contain privileged information. It is intended only for the person to whom it is addressed. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege. Any unauthorized use, distribution or copying is strictly prohibited. If you have received this email in error, please delete it immediately and notify us by return e-mail at the above address. Thank you for your cooperation. This transmission was not encrypted. Please advise us if you would prefer to receive secure e-mail or other means of communication in the future. In the event of transmission problems, contact L Feldman at (647) 409-7231.

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.

Veillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

MICHAEL FOLEY, JONATHAN WILLIAMS, WILLIAMS VENTURE CAPITAL INC. and
CRYSTAL MASTERSON

Applicants

-and-

DOUGLAS GROZELLE AND DOUGLAS GROZELLE O/A GROZELLE ENTERPRISES

Respondent

APPLICATION UNDER section 101 of the *Courts Of Justice Act*, R.S.O. 1990, C. C.43, as amended, and Rule 14.05(3)(h) of the *Rules Of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended

NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing on ●, 2023 at ● by Zoom video conference.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON

THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: June 1, 2023

Issued by _____
Local registrar

Address of court office 330 University Avenue 7th Floor
Toronto, ON M5G 1R7

TO: Douglas Grozelle
17-10 Pumpkin Pass
Binbrook, ON L0R 1C0

2018 Faversham Avenue
Burlington, ON L7P 1W4

APPLICATION

1. The Applicants make an application for:
 - (a) an order abridging the time for, or dispensing with, service of this Notice of Application and supporting materials and providing that this Application is properly returnable on July 4, 2023;
 - (b) an order under section 101 of the *Courts of Justice Act*, RSO, 1990, c. C43 appointing Grant Thornton Limited as receiver, without security, of all of the assets, undertakings and properties of the respondent, Douglas Grozelle (“**Grozelle**”);
 - (c) in the alternative to the relief sought in subparagraph (b), an order under section 46(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 appointing Grant Thornton Limited as interim receiver of the property of Grozelle immediately upon the filing by the applicant Michael Foley (“**Foley**”) of an application for a bankruptcy order against Grozelle (“**Bankruptcy Application**”);
 - (d) further to subparagraph (c), an order, if necessary, granting Foley leave to file and return the Bankruptcy Application in the Bankruptcy Court in Toronto, Ontario.
 - (e) the costs of this proceeding, plus all applicable taxes; and
 - (f) such further and other relief as counsel may request and this Honourable Court may permit.

THE GROUNDS FOR THE APPLICATION ARE:

A. Overview

1. The Applicants, along with an unknown number of other individual and corporate creditors, have been defrauded by Grozelle by virtue of their participation in a lending arrangement that has turned out to be a complex international Ponzi scheme involving tens of millions of dollars of unsatisfied default judgments and missing and unaccounted for funds.
2. The Applicants are significant judgment creditors of Grozelle (being collectively owed in excess of \$40 million). They seek the urgent appointment of an equitable receiver to investigate, preserve, and, at the appropriate time, oversee the distribution of Grozelle's assets to creditors collectively, in accordance with their respective entitlements.

B. Parties

3. The Applicant, Jonathan Williams ("**Williams**"), is a police officer with Halton Regional Police Service, having served for twenty years and currently holding the rank of Sergeant. Williams is the CEO of the Applicant, Williams Venture Capital Inc. ("**WVC**"). Williams, through WVC, is a \$19,722,797.72 judgment creditor of Grozelle.
4. The Applicant, Foley, is an individual residing in Burlington, Ontario. Foley is a Chartered Professional Accountant. Foley is a \$19,829,629.09 judgment creditor of Grozelle.

5. The Applicant, Crys Masterson (“**Masterson**”), is a practicing lawyer and member in good standing of the Law Society of Ontario since 2013. Masterson is the founder and principal of Masterson Law, a well known boutique law firm in Burlington, Ontario. Masterson and Foley are spouses of one another.
6. Grozelle is an individual, formerly resident of Binbrook, Ontario, and now believed to be residing in Burlington, Ontario. Grozelle is a discharged bankrupt, having been discharged in 2018.
7. Grozelle operates a sole proprietorship under the business name Grozelle Enterprises. He also conducts business under his own name and under the names of relatives and associates.

B. Background of Grozelle’s Fraudulent Scheme

8. Grozelle holds himself out as a businessman. He has operated multiple investment companies over the years, including a travel company and a venture capital company.
9. Grozelle is related to a police officer employed by the Halton Regional Police Service. Many of his investors and contacts stem from this connection.
10. The Applicants, through mutual friends of Grozelle, became aware that Grozelle was in the business of providing short-term private loans to third parties, with high rates of return, for periods ranging between a few weeks and a few months at a time.
11. These mutual friends said that they had been private lending through Grozelle since 2020, and that they had received a full and timely returns on their investments.

12. In or around September 2021, Williams began lending money to Grozelle.
13. In or around May 2022, Foley began lending money to Grozelle through his friend, co-applicant and co-judgment creditor, Williams (through WVC).
14. Grozelle represented to the Applicants that any money invested would provide a high rate of return at minimal risk. He further represented that the loans would be repaid on or before their maturity dates with the premiums, and all other terms, set by Grozelle.
15. The process of the lending scheme was described by Grozelle as follows:
 - (a) Grozelle would borrow money from lenders (i.e. the Applicants and others);
 - (b) Grozelle would issue a promissory note to such lenders, in his personal capacity as borrower, with the maturity date and premium set by Grozelle;
 - (c) Grozelle would then further loan the funds to “end borrowers”; and
 - (d) At the maturity date, Grozelle would repay the lenders’ with a profit made by Grozelle on the differential between the premium he charged the end borrowers and the premium paid back to the lenders.
16. The scheme evolved such that some lender advances were returned with Grozelle’s borrowings from other lenders. This process appears to have accelerated with more and more loans progressively falling into default as capital became more difficult to raise. It was, in short, a classic “Ponzi scheme”.

C. The Applicant's Loans

17. Between October 6, 2022 and November 18, 2022, Grozelle borrowed or renewed thirty-three loans from Foley and 26 loans from Williams' investment company, WVC. Grozelle issued promissory notes in favour of Foley and WVC for each of the loans.
18. The Applicants understood that the loans would be used as, for example, short-term bridge loans for various real estate transactions, and would not be used by Grozelle personally. However, when asked, Grozelle declined to disclose the identities of the end borrowers or where the money would be held for reasons of "privacy".
19. The principal amount of the loans ranged between \$50,000.00 to \$900,000.00 for any one promissory note, with a specified premium to be paid at maturity. The term of the loans was anywhere between 4 and 92 days.
20. Grozelle ultimately failed to pay any of the funds owing for the vast majority of the outstanding loans.
21. The Applicants are aware of approximately 69 additional other lenders who have directly or indirectly loaned money to Grozelle and who have not been repaid.

D. Events Leading up to the Applicants' Judgment

22. By the end of November 2022, Grozelle had defaulted on almost all of loans from a growing list of lenders, including the Applicants.
23. On January 26, 2023, Foley and six other lenders, including Williams, WVC, Masterson, Deborah Williams, Michael Sforza, and Spencer Giles (collectively, "**Co-Judgment**

Creditors”) commenced an action against Grozelle in the Ontario Superior Court of Justice (“**SCJ**”) in Hamilton (court file number CV-23-00080685-0000) for, *inter alia*, (i) liquidated damages for \$34,530,870.00, being the total principal amounts borrowed by Grozelle from the Co-Judgment Creditors and (ii) liquidated damages for \$5,966,971.00, being the total premiums payable by Grozelle to the Co-Judgment Creditors, pursuant to their respective promissory notes. The action alleged, in part, that Grozelle had made representations to the plaintiffs that “constitute or are tantamount to fraud”.

24. Grozelle acknowledged that he was aware of the action, was properly served, did not defend that action, and was noted in default.
25. On April 11, 2023, the Honourable Justice Harper granted an order in favour of the Co-Judgment Creditors (the “**Judgment**”).¹ In aggregate, the Judgment ordered Grozelle to pay the sum of \$\$41,199,287.97 for the total amounts requested in the Statement of Claim, plus costs.
26. Despite demand, Grozelle has failed or refused to pay any portion of the Judgment.

E. Grozelle’s Continued False Representations

27. Towards the end of November 2022, Grozelle began making excuses and further representations, and taking actions that suggested his private lending scheme was fraudulent. The excuses, which still continue, strain credibility and border on the ridiculous.

¹ As set out in the Affidavit of Michael Foley, there is a slight discrepancy in the Judgment. A motion is currently pending for an amended Judgment, which would simply add a paragraph that the Judgment is without prejudice to the Co-Judgment Creditors’ rights to assert a trust claim over any traceable property of Grozelle and to correct a miscalculation of pre-judgment interest.

28. Ultimately, in December 2022, Grozelle conceded, for the first time, that he had not received repayments from end borrowers since October 2022.
29. No details of the purported end borrowers has been provided to the Applicants to date.
30. There is no evidence that Grozelle has taken any legal steps to recover funds from the purported end borrowers.
31. Beginning in March 2023, certain of the Applicants began receiving a series of increasingly bizarre emails from a “Betty M” (grozellelegalassistant@gmail.com) who “formally introduce[d] [her]self as Mr. Grozelle’s Legal Assistant” and promised to be his “main contact” and “advocate for...navigating the full payback with [Grozelle’s] trustee and lawyers”.
32. Betty M subsequently advised the Applicants that Grozelle is working with a lawyer (identified only as “William”), and a trustee (identified only as “Graeme”). Betty M described the trustee as “the paymaster”.
33. The promised repayments were never made. Additional promises, excuses, and emails from Betty M have followed.

F. Additional Judgment and Pending Litigation Against Grozelle

34. Additional court actions have been filed against Grozelle in 2023.
35. On February 24, 2023, Ganesh Singh commenced two actions against Grozelle in the SCJ at Toronto (court file numbers CV-23-00698655-0000 and CV-23-00695305-0000) (together, the “**Singh Actions**”) for damages in the amount of \$1,207,500.00 for unpaid

loans under various promissory notes. Grozelle has been served with the Statements of Claim, but has not defended the Singh Actions.

36. On June 15, 2023, a default judgment was granted, in SCJ Hamilton court file number CV-23-00081463-0000, in favour of Klaudia Nabialek and Rafal Nabialek, against Grozelle for \$54,210.55, plus interest at the rate of 16% pursuant to the promissory note at issue in the action (the “**Nabialek Judgment**”). The Nabialek Judgment also ordered Grozelle pay the sum of \$2,000 in costs, and post-judgment interest at a rate of 16%.
37. On June 16, 2023, George Street Law Group LLP, as plaintiff, issued a Statement of Claim against Grozelle in the SCJ at Hamilton (court file number CV-23-00081996-000) seeking damages for unpaid legal fees in the amount of \$26,445.00 (the “**George Street Action**”). Grozelle has not defended the George Street Action.

G. Urgent Need for the Appointment of a Receiver

38. There is growing evidence that the Applicants, and numerous other parties, were caught up in and deceived by Grozelle in a fraudulent loan program that operated as a Ponzi scheme. In light of the recent undefended judgments, and the multiple undefended actions commenced against Grozelle, these fraudulent actions are now being revealed at a rapid rate.
39. The magnitude (in terms of total dollar value of the loans) and complex business structure (in terms of where the loan advances may have been placed) of Grozelle’s scheme makes continued litigation by individual lenders untenable.

40. Grozelle has taken significant steps that place the Applicants' right to recovery in serious jeopardy and necessitates the immediate appointment of a receiver in order to preserve assets. His course of conduct, as evidenced by the Applicants' supporting affidavits, strongly suggests a considerable risk of asset dissipation if a receiver with appropriate powers is not appointed. Specifically, and as set out in further detail in the Applicants' supporting affidavits, funds raised from lenders appear to have been channeled into assets off-shore, and/or otherwise directly and indirectly funneled into undisclosed "private" investments. The Applicants have learned that Grozelle made significant financial contributions (estimated at \$1.5 million) to assist in a Hollywood movie production. It is believed that other money has been moved to Thailand and China. Some funds may have been frozen by FINTRAC and there is evidence that Grozelle has been "fired" as a customer at at least one major Canadian bank.
41. Absent prompt and substantial intervention from a court-appointed receiver with appropriate powers, it is unlikely that the Applicants will be able to collect from Grozelle. Conventional means of legal execution are not likely to be successful.
42. A court-appointed receiver will be best positioned to move quickly to identify, and help preserve, assets for the benefit of all victims of Grozelle's fraudulent lending scheme.
43. It would appear that there is a dramatic disparity between the amounts owed to the Co-Judgment Creditors and Grozelle's currently known assets. It follows that it will be practically very difficult, if not impossible, to trace funds into specific assets without the aid of the investigative powers of an equitable receiver.

44. Appointing an interim receiver immediately will also ensure that an independent court officer will control the process and address competing claims, while working with authorities to locate and realize upon assets for the benefit of all the creditors.
45. It is otherwise just and convenient to appoint a receiver.

H. General

46. Rules 1.04 2.03, 3.02, 14.05, 16.04, and 38 of the *Rules of Civil Procedure*, RRO 1990, Reg 194, as amended;
47. Section 46(1) and 187(7) of the *Bankruptcy and Insolvency Act*, RSC, 1985, c. B-3, as amended;
48. Section 101 and 106 of the *Courts of Justice Act*, RSO 1990, c. C43; and
49. Such further and other grounds as counsel may advise and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:

- (a) The affidavit of Michael Foley, sworn June ●, 2023, and the exhibits annexed thereto;
- (b) The affidavit of Jonathan Williams, sworn June ●, 2023, and the exhibits annexed thereto;
- (c) The consent of Grant Thornton Limited, to act as receiver; and

- (d) Such further and other evidence as counsel may advise and as this Honourable Court may admit.

June ●, 2023

Klotz & Associates
Barristers & Solicitors
405 - 121 Richmond St. West
Toronto, ON M5H 2K1

Robert A. Klotz (LSO #206661G)
bobklotz@klotzassociates.com

Tel: 416-360-4500 x 206
Cell: 647-409-9231
Fax: 416-360-4501

Lawyers for the Applicants

**ONTARIO
SUPERIOR COURT OF JUSTICE -
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF APPLICATION

Klotz & Associates

Barristers & Solicitors

405 - 121 Richmond St. West Toronto, Ont.
M5H 2K1

Robert A. Klotz LSO #: 206661G

Tel: 416-360-4500

bobklotz@klotzassociates.com

Tel: 416-360-4500 x 206

Cell: 647-409-9231

Fax: 416-360-4501

Lawyers for the Application

Moffett, Darlene

From: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Sent: September 25, 2023 9:29 AM
To: Karen Morimoto
Cc: Rhodes, Gina; Ward, David; Bob Klotz
Subject: **[**EXT**]** RE: Request to transfer receivership to Commercial List

Good morning,

Please see the below endorsement regarding your transfer request:

This request was originally denied on the basis that it involved a Hamilton (Central South) matter and was not of such an exceptional nature as to warrant the exercise of the Team Lead's discretion. Hamilton judges have already issued receivership orders in this matter. The Commercial List Practice Direction stipulates that the Commercial List is for Toronto matters only. The Commercial List is already extremely busy with Toronto matters. I have conferred with my co-Team Lead, Justice Conway, and we are of the view that circumstances have not changed. The request to transfer this matter to the Toronto Commercial List is denied.

Mr. Justice Michael A. Penny

Thank you,

Christina Irwin
Trial Coordinator | Commercial & Estates List

Ministry of the Attorney General
Superior Court of Justice
330 University Ave., 7th Floor
Toronto, ON M5G 1R7



From: JUS-G-MAG-CSD-Toronto-SCJ Commercial List
Sent: September 22, 2023 3:43 PM
To: 'Karen Morimoto' <karen@mastersonlaw.ca>
Cc: Rhodes, Gina <grhodes@millerthomson.com>; Ward, David <dward@millerthomson.com>; Bob Klotz <bobklotz@klotzassociates.com>
Subject: RE: Request to transfer receivership to Commercial List

Good afternoon,

Your request has been sent to the team lead judge.

Thank you,

Christina Irwin
Trial Coordinator | Commercial & Estates List

Ministry of the Attorney General
Superior Court of Justice
330 University Ave., 7th Floor
Toronto, ON M5G 1R7



From: Karen Morimoto <karen@mastersonlaw.ca>
Sent: September 22, 2023 12:21 PM
To: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>
Cc: Rhodes, Gina <grhodes@millerthomson.com>; Ward, David <dward@millerthomson.com>; Bob Klotz <bobklotz@klotzassociates.com>
Subject: Request to transfer receivership to Commercial List

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Good afternoon,

I am writing in respect of a Hamilton court receivership application that we are hoping to have transferred to Toronto's Commercial List (counsel for the appointed Receiver is cc'd). It is a somewhat unusual circumstance and, as such, I have written a more formal letter to His Honour, Justice Penny, requesting consideration of the request.

I am hoping that you might be able to facilitate delivery of the attached letter to Justice Penny for his review.

Thank you in advance for your kind assistance in this matter.

Sincerely,
Karen

Karen Morimoto
Barrister, Solicitor & Notary
T: 905.633.5800 | F: 289.348.2769
205 - 1016B Sutton Drive, Burlington, ON L7L 6B8



This message, including any attachments, is privileged and may contain confidential information intended only for the person(s) named above. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply email and permanently delete the original transmission from us, including any attachments, without making a copy.

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.

Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

Moffett, Darlene

From: Karen Morimoto <karen@mastersonlaw.ca>
Sent: September 22, 2023 12:21 PM
To: MAG.CSD.To.SCJCom@ontario.ca
Cc: Rhodes, Gina; Ward, David; Bob Klotz
Subject: **[**EXT**]** Request to transfer receivership to Commercial List
Attachments: Ltr to PennyJ 2023.09.22.pdf

Good afternoon,

I am writing in respect of a Hamilton court receivership application that we are hoping to have transferred to Toronto's Commercial List (counsel for the appointed Receiver is cc'd). It is a somewhat unusual circumstance and, as such, I have written a more formal letter to His Honour, Justice Penny, requesting consideration of the request.

I am hoping that you might be able to facilitate delivery of the attached letter to Justice Penny for his review.

Thank you in advance for your kind assistance in this matter.

Sincerely,
Karen

Karen Morimoto
Barrister, Solicitor & Notary
T: 905.633.5800 | F: 289.348.2769
205 - 1016B Sutton Drive, Burlington, ON L7L 6B8



This message, including any attachments, is privileged and may contain confidential information intended only for the person(s) named above. Any other distribution, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply email and permanently delete the original transmission from us, including any attachments, without making a copy.

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.

Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

September 22, 2023

The Honourable Justice M. A. Penny

Ontario Superior Court of Justice
330 University Avenue
Toronto, ON M5G 1R7

via email to: *MAG.CSD.To.SCJCom@ontario.ca*

Your Honour:

Re: Foley et al v Grozelle: Receivership Order Granted on July 20, 2023
Hamilton Court File No.: CV-23-00082142-0000
Request to Transfer Matter to the Commercial List in Toronto

We write to you as counsel for the Applicants in the above-noted receivership proceeding (“**Receivership Application**”). We have consulted with the counsel for the receiver, copied here, and they have confirmed their agreement with the contents of this letter.

Further to the enclosed endorsement of the Honourable Justice A.J. Goodman, the purpose of this letter is request Your Honour’s approval to transfer the Receivership Application to Ontario Superior Court of Justice (Commercial List) in Toronto (“**Commercial List**”). We note that the receivership order has already been granted and we are seeking the transfer to facilitate anticipated future motions relating to the exercise of the receiver’s duties.

The Receivership Application relates to an individual debtor who is alleged to have perpetrated an investment fraud in the nature of a Ponzi scheme of international scope.

By way of background, the Applicants had initially requested that this matter be heard on the Commercial List. The request was made prior to the issuance of the application and at time when the proceeding had not been fully briefed. At that time, Your Honour advised that the matter ought to proceed in the Hamilton court as the Respondent was a resident of that jurisdiction. The application was accordingly issued in Hamilton; however, as the pleadings and proceedings have developed, it has become evident that Hamilton court is not best equipped to handle a complex and fast-moving receivership of this nature.

On July 7, 2023, the Honourable Justice Sheard granted an Interim Receivership Order. On July 20, 2023, Justice Goodman granted a full Receivership Order. A copy of the full Receivership Order, and Justice Goodman’s accompanying endorsement, is enclosed for your reference.

In granting the Receivership Order, Justice Goodman “highly recommend[ed] that this matter be traversed over to the Commercial List” noting:

This matter appears to be quite appropriate for the expertise and processes available in the Commercial List in Toronto. The receivership appears to be complex and involves matters reaching into the hundreds of millions of dollars. The real time processes of the Commercial List can handle this case much more effectively than our Hamilton courts. I would highly recommend that this matter be traversed over to the Commercial List though of course this is subject to the discretion of that body.

Briefly, and by way of additional background, the Receivership Application was initiated in an effort to unwind what presents as an international Ponzi scheme involving upwards of 70 individual victims holding tens of millions of dollars in claims. The matters at issue involve members of the bar and law enforcement and are the subject of an ongoing parallel criminal investigation.

We appreciate that the circumstance of this transfer request (being a second request, albeit on changed facts and with the support of the Hamilton Court) are somewhat unusual. Recognizing this, and if it would assist, we are hopeful that Your Honour may entertain a brief chambers appointment with counsel so that further submissions may be made and questions answered.

Thank you for your kind consideration of this request.

Yours truly,
MASTERSON LAW
per:

A handwritten signature in black ink, appearing to read 'KM', is written over a horizontal line.

Karen Morimoto

Encl.

cc: Bob Klotz
David Ward
Gina Rhodes



ENDORSEMENT SHEET FOR CIVIL MOTION/APPLICATION

ACTION COMMENCED AT: Hamilton Superior Court of Justice

SHORT TITLE OF PROCEEDINGS: FOLEY et al v GROZELLE

COURT FILE NO.: CV-23-82142

BEFORE: JUSTICE A.J. GOODMAN

HEARD ON: 20th July 2023

COUNSEL:

R. KLOTZ, K. MORIMOTO for the plaintiff/applicant

D. GROZELL – SELF-REPRESENTED for defendant/respondent

Other counsel present – D. WARD, G. RHODES, D. VANSICKLE, D. WOOTTON, R. KONOVALOV

MOVING PARTY ☒ Plaintiff/Applicant ☐ Defendant/Respondent ☐ Other

RELIEF REQUESTED: -

☐ ORDER SIGNED ☐ ON CONSENT

☐ UNOPPOSED ☐ NO ONE APPEARED

☐ ADJOURNED TO: Click here to enter a date.

ENDORSEMENT:

20th Jul 2023

Unopposed Order for Interim Receivership to be made into a Formal Receivership to go

"Nothing in today's Order appointing a receiver or any previous order in this proceeding, shall entitle the Receiver (or interim receiver) to freeze, take possession, or exercise control over, any net proceeds payable to J.A. McKenzie from the sale of 17-10 Pumpkin Pass, Binbrook, Ontario (being the first \$50,000 of the net sale proceeds and 50% of the remaining amount thereafter) without further order of the court"

"This matter appears to be quite appropriate for the expertise and processes available in the Commercial List in Toronto. The receivership appears to be complex and involves matters reaching into the hundreds of millions of dollars. The real time processes of the Commercial List can handle this case much more effectively than our Hamilton courts. I would highly recommend that this matter be traversed over to the Commercial List, though of course this is subject to the discretion of that body."

Date: 20th Jul 2023


Justice A.J. GOODMAN

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE
JUSTICE GOODMAN

)
)
)

THURSDAY, THE 20TH
DAY OF JULY, 2023

MICHAEL FOLEY, JONATHAN WILLIAMS,
WILLIAMS VENTURE CAPITAL INC. and CRYSTAL MASTERSON

Applicants

- and -

DOUGLAS GROZELLE
and DOUGLAS GROZELLE o/a GROZELLE ENTERPRISES

Respondent

RECEIVERSHIP ORDER

THIS MOTION made by Grant Thornton Limited, in its capacity as interim receiver, for an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (“CJA”), appointing and expanding its powers as receiver (in such capacity, “Receiver”) of all of the assets, undertakings and properties of Douglas Grozelle and Douglas Grozelle o/a Grozelle Enterprises (“Grozelle”) acquired for, or used in relation to a business carried on by Grozelle, was heard this day via Zoom videoconference.

ON READING the affidavits of Michael Foley, affirmed July 3, 2023, and the exhibits thereto, and Jonathan Williams, affirmed July 3, 2023, and the exhibits thereto, the first report of the Receiver dated July 19, 2023, including confirmation that the Motion is unopposed and on the consent of the consent of Grozelle, no one appearing for Grozelle, although duly served as appears from the affidavit of service sworn July 19, 2023,

SERVICE

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

FREEZE

2. **THIS COURT ORDERS** that all cash, investments, assets or accounts held in banks, financial institutions, brokerages or investment firms, held by the Grozelle, whether directly or indirectly, are hereby frozen, and no dealings, transfers, transactions, payments, withdrawals, relocations of assets, encumbrances, or other dispositions thereof shall be made or directed, pending further Order of this Court or by written consent of the Receiver, pursuant to paragraph 19 of this Order, below.

DEPOSITS

3. **THIS COURT ORDERS** that all monies or negotiable instruments received by Grozelle, directly or indirectly, from any third party on or after July 4, 2023, at 4:30 p.m. EST, shall be deposited with or otherwise paid to the Receiver, in Trust. There shall be no other dealings with such funds or instruments pending further order of this Court.

PRODUCTIONS BY RESPONDENT

4. **THIS COURT ORDERS** that Grozelle shall produce to the Applicants and to the Receiver the following information and documentation by no later than 12:00 pm (noon) on July 14, 2023 (or as otherwise provided herein), and thereafter provide updates on a weekly basis until the final disposition of this application to appoint a Receiver, or further Order of this Court:

- (a) On or before 6:00 p.m. on the day before the next hearing of this application, a full accounting, along with all related correspondence, email, and supporting documents, of all transactions, receipts, deposits, payments, seizures and transfers, or alterations or instructions given to any person or business entity, in connection with your assets, liabilities,

investments; loans, debts or other things of value, during the period between 4:30 pm on July 4 2023, and 5:00 pm on the day before the return of this application;

- (b) List of assets in the name of Grozelle or held directly or indirectly on his behalf, anywhere in the world, together with amount invested or price paid, the date paid or invested, documents establishing your interest or investment, correspondence related to the asset/investment since the interest arose;
- (c) List of corporations, partnerships, joint ventures or other business entities, in which the Grozelle holds an interest, directly or indirectly, with a description of the nature of each such business, its contact information, its place of business, any existing shareholders' agreement, names and contact information for all officers, directors and shareholders;
- (d) List of all banks, financial institutions, brokerages or investment firms, worldwide, in which the Grozelle now holds, or within the past two (2) years has held, directly or indirectly, any assets, cash, investments or other financial assets, and for each, particulars of all accounts, i.e. account numbers, name and contact particulars of the institution, current cash amount or cash value;
- (e) Monthly statements since March 1, 2021, and to date, for all accounts held by Grozelle, directly or indirectly, during the period, at any bank, financial institution, brokerage or investment firm;
- (f) List and particulars of any assets/investments, funds or cash held or controlled by the Grozelle, directly or indirectly, since March 1, 2021, but which he no longer holds or controls, including details of the disposition of such assets, with supporting documents;
- (g) List of assets/investments/accounts or other property held in trust for Grozelle, or held for him in the name of another, including: name and contact particulars of the applicable trustee or holder; documentation establishing the trust or holding; terms of the trust or holding; value of the property; and current location of the property;
- (h) List of persons or business entities to whom Grozelle owes money, including contact information, amounts lent, date of last payment by Grozelle, printout of the loan ledgers for all outstanding loans; and any internal reference number(s);

- (i) List of all persons or business entities who owe money to Grozelle as at 4:30 pm on July 4, 2023, directly or indirectly, with contact particulars, amounts owed, amount currently in default, if any; copies of documents evidencing the debt(s) or its terms; correspondence with such parties, directly or indirectly, within the past year; printout of all loan ledgers for each such loan, if such ledgers are available;
- (j) List of payments made, lent, invested or transferred by Grozelle, or on his behalf, to borrowers outside of Canada, since March 1, 2021, with contact particulars, nature of the payment, documentation evidencing the payment and its purpose; and
- (k) List of investments and non-cash assets, owned directly or indirectly by Grozelle, including the nature of the asset/investment, contact particulars, amount invested, current value (or approximate) of asset/investment; documents establishing the nature of Grozelle's interest in the asset/investment; correspondence within the last two (2) years.

5. **THIS COURT ORDERS**, where any of the above documentation is subject to a claim of solicitor-client privilege, Grozelle shall instead provide: the date and time of the communication; the asset or transaction to which the communication relates; the sender and recipient; and the grounds for such privilege claim. Such documents shall be listed in chronological order, describing the sender and recipient of each, and the nature of each such claim for privilege.

APPOINTMENT OF RECEIVER

6. **THIS COURT ORDERS** that pursuant to section 101 of the CJA Grant Thornton Limited is hereby appointed Receiver of all of the assets, undertakings and properties of Grozelle, wherever located, including any assets, undertakings and properties of Grozelle acquired for, or used in relation to any business carried on by Grozelle, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

7. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality

of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable

- (a) to immediately access financial records of Grozelle, including bank statements and accounts;
- (b) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (c) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of Grozelle, for any purpose pursuant to this Order;
- (d) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (e) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;
- (f) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (g) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (h) to manage, operate, and carry on the business of Grozelle, including the powers, on behalf of Grozelle, to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of Grozelle;

- (i) to receive and collect all monies and accounts now owed or hereafter owing to Grozelle and to exercise all remedies of Grozelle in collecting such monies, including, without limitation, to enforce any security held by Grozelle;
- (j) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (k) to settle, extend or compromise any indebtedness owing to Grozelle;
- (l) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to Grozelle, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (m) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (n) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

- (o) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

- (p) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (q) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property, under the *Land Titles Act* and the *Ontario Personal Property Security Act*;
- (r) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of Grozelle;
- (s) to enter into agreements with any trustee in bankruptcy appointed in respect of Grozelle, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by Grozelle;
- (t) to exercise any shareholder, partnership, joint venture or other rights which Grozelle may have; and
- (u) to file an assignment in bankruptcy on behalf of Grozelle in Toronto.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including Grozelle, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

8. **THIS COURT ORDERS** that (i) Grozelle, (ii) all of his employees, agents, accountants, legal counsel, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant

immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

9. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of Grozelle, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 9 or in paragraph 10 or in paragraph 13 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure, in which event such reason shall be communicated to the Receiver.

10. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

11. **THIS COURT ORDERS** that, except for the disclosure provided in paragraphs 4(a) through 4(k), and notwithstanding any other provisions of this Order, the Receiver shall not access,

view, transmit, or otherwise disclose the contents of any electronic Records compelled pursuant to paragraph 10, above, until further order of this Court or written consent is provided by the Person in possession or control of such Records.

12. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

13. **THIS COURT ORDERS** that the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and the Ontario Provincial Police and the Canadian financial institutions listed in Schedule "B" to this Order advise the Receiver of the existence of any Property and Records in their possession or control, and they are hereby authorized and directed to deliver to the Receiver all such Records or documents as they deem fit.

EXAMINATION BY RECEIVER OF GROZELLE AND OTHERS

14. **THIS COURT ORDERS** that Grozelle, and any other person(s) that the Receiver reasonably believes may have knowledge of Grozelle's affairs, attend at an examination under oath before an Official Examiner in Toronto, on a date to be agreed upon or selected by the Receiver, with a minimum of 5-days notice, such notice to include a copy of this Order, and answer questions propounded to them by counsel for the Receiver and provide testimony including, but not limited to, the following matters:

- (a) Grozelle's trade, dealing and Property; and
- (b) the matters described in the Applicants' affidavit filed in support of the within application.

NO PROCEEDINGS AGAINST THE RECEIVER

15. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST GROZELLE OR THE PROPERTY

16. **THIS COURT ORDERS** that no Proceeding against or in respect of Grozelle or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of Grozelle or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

17. **THIS COURT ORDERS** that all rights and remedies against Grozelle, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or Grozelle to carry on any business which Grozelle is not lawfully entitled to carry on, (ii) exempt the Receiver or Grozelle from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien under the Ontario *Construction Act* or any other jurisdictions' similar legislation.

NO INTERFERENCE WITH THE RECEIVER

18. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence

or permit in favour of or held by Grozelle, without written consent of the Receiver or leave of this Court.

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, the Receiver and/or any third party that may have care, control, or be otherwise holding funds for Grozelle, shall be authorized, with the written consent of the Receiver, to release funds in the amount of \$6,000.00 per month, commencing August 1, 2023, for Grozelle's ordinary living expenses and a single payment of \$35,000.00, payable as soon as funds may be identified, in respect of reasonable legal fees, to be paid to counsel for Grozelle. Any surplus of funds at the conclusion of such counsel's retainer, shall be paid to the Receiver. If Grozelle and the Receiver cannot agree on any subsequent amount(s) to be released, then Grozelle and/or the Receiver shall apply for an order, on at least twenty-four (24) hours notice to the other, specifying the amount of funds which Grozelle is entitled to spend on ordinary living expenses and legal advice and representation.

CONTINUATION OF SERVICES

20. **THIS COURT ORDERS** that all Persons having oral or written agreements with Grozelle or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to Grozelle are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of Grozelle's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of Grozelle or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

21. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the

collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

22. **THIS COURT ORDERS** that all employees of Grozelle shall remain the employees of Grozelle until such time as the Receiver, on Grozelle's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

23. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to

the prior use of such information by Grozelle, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

24. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

25. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

26. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in an amount not to exceed \$250,000.00 (or such other amount

as may be fixed from time to time by the Court), in each case at their standard rates and charges unless otherwise ordered by the Court on a passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, trust claims, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

27. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice.

28. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

29. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but

subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

30. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

31. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

32. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

33. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "Guide") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: www.grantthornton.ca/grozelle.

34. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the

Grozelle's creditors or other interested parties at their respective addresses as last shown on the records of the Grozelle and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

35. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

36. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of Grozelle.

37. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

38. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

39. **THIS COURT ORDERS** that, to the extent any of the provisions of this Order affect parties who did not receive notice of the within application (heard on July 20, 2023), such parties may, within seven (7) days of receipt of this Order by email or other means, deliver a Notice of Motion bringing the application back on for hearing. on a date to be fixed by the Registrar or Trial Coordinator, to be followed within seven (7) days by a motion record containing all materials to be relied upon. The hearing date shall be set for the first date convenient to counsel and to the Court,

to determine whether such provisions are appropriate. The onus for establishing the propriety, justification and appropriateness of any challenged provisions, shall remain on the Applicants and upon the Receiver.

40. **THIS COURT ORDERS** that the Applicants shall have their costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a full indemnity basis to be paid by the Receiver from Grozelle's estate with such priority and at such time as this Court may determine. Notwithstanding the above, the Receiver may, at its discretion, pay the Applicants' full indemnity Bill of Costs, in whole or in part, save that such costs shall be subsequently reviewed and approved by this Court. If said costs are, upon approval, reduced below their face value, the Applicants shall forthwith refund such overpayment to the Receiver.



ISSUED AND ENTERED


REGISTRAR

Received/Filed
Hamilton Court Service
JUL 21 2023
Superior Court of Justice
Civil Division

ENTERED AT HAMILTON
IN Book No. 404
as Document No. 348
on JUL 21 2023
by EG

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Grant Thornton Limited, the receiver (the "Receiver") of the assets, undertakings and properties Douglas Grozelle acquired for, or used in relation to a business carried on by Grozelle, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right

Schedule "A" - 2

of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

GRANT THORNTON LIMITED solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name: Daniel Wootton

Title:

SCHEDULE "B"

LIST OF FINANCIAL INSTITUTIONS

Bank of Montreal
Toronto-Dominion Bank
Royal Bank of Canada
Bank of Nova Scotia
National Bank of Canada
Laurentian Bank of Canada
Canadian Imperial Bank of Commerce
Tangerine Bank
Canadian Western Bank
DUCA Financial Services
Meridian Credit Union
Desjardins Ontario Credit Union
Alterna Credit Union

FOLEY et al and DOUGLAS GROZELLE
Applicants Respondent

Court File No.: CV-23-00082142-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Hamilton

RECEIVERSHIP ORDER

MILLER THOMSON LLP
Scotia Plaza, 40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON Canada M5H 3S1

David Ward LSO# 33541W
dward@millerthomson.com
Tel: 416.595.8625

Gina Rhodes LSO#: 78849U
grhodes@millerthomson.com
Tel: 416.597.4321

Lawyers for Grant Thornton Limited

Received/Filed
Hamilton Court Services

JUL 21 2023

Superior Court of Justice
Civil Division

IN THE MATTER OF THE BANKRUPTCY OF DOUGLAS
GROZELLE, of the City of Hamilton, in the Province of Ontario

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Hamilton

**MOTION RECORD
(MOTION TO TRANSFER TO THE COMMERCIAL LIST)
(RETURNABLE OCTOBER 15, 2025)**

MILLER THOMSON LLP

Scotia Plaza, 40 King St. W., Suite 6600
P.O. Box 1011
Toronto, ON Canada M5H 3S1

David S. Ward LSO# 33541W

dward@millerthomson.com

Tel: 416.595.8625

Mryam Sarkis LSO #88660C

msarkis@millerthomson.com

Tel: 416.597.6001

Armando S. Ranjbar LSO #: 93408B

aranjbar@millerthomson.com

Tel: 416.595.8610

Lawyers for Grant Thornton Limited, in its capacity as
Trustee of Douglas Grozelle