

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. b-3, as amended and section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. c.43, as amended

B E T W E E N:

**COMFORT CAPITAL INC., THE BANK OF NOVA SCOTIA TRUST COMPANY, E. MANSON INVESTMENTS LTD., FENFAM HOLDINGS INC., 593651 ONTARIO LTD., 1031436 ONTARIO INC., ALRAE INVESTMENTS INC., BARRY SPIEGEL, SHARON NIGHTINGALE, DA YID SUGAR, PHYLLIS SUGAR, NATIONAL TIRE LTD., 1119778 ONTARIO LIMITED, 1415976 ONTARIO LIMITED, ALRAE INVESTMENTS INC., BAMBURGH HOLDINGS LTD., BEVERLEY GORDON, DIANE GRAFSTEIN, RICHARD GRUNEIR, B. &M. HANDELMAN INVESTMENTS LTD., RIDGEWAY OCCUPATIONAL CONSULTANTS INC., YER USHA INVESTMENTS INC., MIHAL TYLMAN, A. ELIEZER KIRSHBLUM, 593651 ONTARIO LIMITED, THE BANK OF NOV A SCOTIA TRUST COMPANY IN TRUST FOR BAILEY LEVENSON, THE BANK OF NOVA TRUST COMPANY IN TRUST FOR ROSEMONDE KELLY, ANNE HANDELMAN, YERUSHA INVESTMENTS INC., CELMAR INVESTMENTS CORP., BEVERLEY GORDON, PHILGOR INVESTMENTS LTD., BRILLIANT INVESTCORP INC., MAXOREN INVESTMENTS, 2227046 ONTARIO LIMITED, DAST PROPERTIES LIMITED, TOVA MARKOVZKI, JOSEPH SUCKONIC and B. &M. HANDELMAN INVESTMENTS LIMITED**

Applicants

- and -

**ANNIE YERETSIAN, 2399029 ONTARIO INC.,  
2457674 ONTARIO INC., MOSS DEVELOPMENT LTD. and  
TERRY WILSON**

Respondents

**RESPONDING MOTION RECORD  
OF 2399194 ONTARIO INC.  
(RE: Motion to Strike Returnable October 18, 2018)**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. b-3, as amended and section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. c.43, as amended

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- and -

**ANNIE YERETSIAN, 2399029 ONTARIO INC.,  
2457674 ONTARIO INC., MOSS DEVELOPMENT LTD. and  
TERRY WILSON**

Respondents

**RESPONDING MOTION RECORD  
OF 2399194 ONTARIO INC.  
(RE: Motion to Strike Returnable October 18, 2018)**

October 15, 2018

**BERKOW YOUD LEV-FARRELL DAS LLP**

Barristers

400-141 Adelaide Street West

Toronto, ON M5H 3L5

**Peter Smiley** (67222K) [psmiley@byldlaw.com](mailto:psmiley@byldlaw.com)

Tel: (416) 364-4900

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**Lawyers for the Responding Party,  
2399194 Ontario Inc.**

TO: SERVICE LIST

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# TAB 1

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

IN THE MATTER OF section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

B E T W E E N:

**COMFORT CAPITAL INC., THE BANK OF NOVA SCOTIA TRUST COMPANY,  
E. MANSON INVESTMENTS LTD., FENFAM HOLDINGS INC., 593651 ONTARIO LTD., 1031436 ONTARIO INC., ALRAE INVESTMENTS INC., BARRY SPIEGEL, SHARON NIGHTINGALE, DA YID SUGAR, PHYLLIS SUGAR, NATIONAL TIRE LTD., 1119778 ONTARIO LIMITED, 1415976 ONTARIO LIMITED, ALRAE INVESTMENTS INC., BAMBURGH HOLDINGS LTD., BEVERLEY GORDON, DIANE GRAFSTEIN, RICHARD GRUNEIR, B. &M. HANDELMAN INVESTMENTS LTD., RIDGEWAY OCCUPATIONAL CONSULTANTS INC., YER USHA INVESTMENTS INC., MIHAL TYLMAN, A. ELIEZER KIRSHBLUM, 593651 ONTARIO LIMITED, THE BANK OF NOV A SCOTIA TRUST COMPANY IN TRUST FOR BAILEY LEVENSON, THE BANK OF NOVA TRUST COMPANY IN TRUST FOR ROSEMONDE KELLY, ANNE HANDELMAN, YERUSHA INVESTMENTS INC., CELMAR INVESTMENTS CORP., BEVERLEY GORDON, PHILGOR INVESTMENTS LTD., BRILLIANT INVESTCORP INC., MAXOREN INVESTMENTS, 2227046 ONTARIO LIMITED, DAST PROPERTIES LIMITED, TOVA MARKOVZKI, JOSEPH SUCKONIC and B. &M. HANDELMAN INVESTMENTS LIMITED**

Applicants

- and -

**ANNIE YERETSIAN, 2399029 ONTARIO INC.,  
2457674 ONTARIO INC., MOSS DEVELOPMENT LTD. and  
TERRY WILSON**

Respondents

**AFFIDAVIT OF NADINE CAMPBELL**  
(Sworn October 15, 2018)

I, **NADINE CAMPBELL**, of the City of Oshawa, in the Regional Municipality of Durham, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Law Clerk with Berkow Youd Lev-Farrell Das LLP, the lawyers for the Respondent 2399194 Ontario Inc. in this action, and, as such, have knowledge of the following matters to which I herein depose, except where based on information and belief in which case I have identified the source and verily believe it to be true.

2. I am advised by Peter Smiley, an associate at this firm, and verily believe, that the sole officer and director of the Moving Party, 2457674 Ontario Inc. (“**2457674**”), is one Laila Alizadeh. A true copy of the corporation profile report for 2457676 is attached hereto as **Exhibit “A”**.

3. I am further advised by Mr. Smiley, and verily believe, that on August 15, 2018, Ms. Alizadeh commenced an application in the Ontario Superior Court of Justice, purportedly in the name of the Respondent, 2399194 Ontario Inc. (“**239**”), titled *2399194 Ontario Inc. v. Morteza Katebian and Payam Katebian*, court file no. CV-18-00603185-000. In that proceeding, Ms. Alizadeh seeks, *inter alia*, a declaration that Morteza Katebian and Payam Katebian are not shareholders, directors, or officers of 239. A true copy of the Notice of Application in that proceeding is attached hereto as **Exhibit “B”**.

4. In support of that application, Ms. Alizadeh affirmed an affidavit on August 9, 2018 (the “**Alizadeh Affidavit**”), in part in purported response to the Affidavit of Morteza Katebian sworn July 26, 2018, in the instant proceeding. A true copy of the Alizadeh Affidavit, without exhibits, is attached hereto as **Exhibit “C”**.



5. I am advised that the Affidavit of Morteza Katebian affirmed August 28, 2018 in the instant proceeding was affirmed, in part, in response to the allegations set out in the Alizadeh Affidavit.

6. I swear this Affidavit in response to the motion to strike in this proceeding, and for no other or improper purpose.

**SWORN BEFORE ME**

at the City of Toronto,

in the Province of Ontario

on October 15, 2018



Handwritten signature of Peter Smiley in blue ink.

\_\_\_\_\_  
Commissioner for Taking Affidavits  
(or as may be)


**PETER SMILEY**

Handwritten signature of Nadine Campbell in blue ink.

\_\_\_\_\_  
**NADINE CAMPBELL**

# TAB A

This is **Exhibit "A"** to the  
Affidavit of Nadine Campbell  
Sworn October 15, 2018

  
A Commissioner, etc.

Request ID: 021910089  
 Transaction ID: 68760704  
 Category ID: UN/E

Province of Ontario  
 Ministry of Government Services

Date Report Produced: 2018/07/20  
 Time Report Produced: 09:10:54  
 Page: 1

# CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2457674	2457674 ONTARIO INC.	2015/03/12
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
133 BOAKE TRAIL	NOT APPLICABLE	NOT APPLICABLE
	New Amal. Number	Notice Date
RICHMOND HILL ONTARIO CANADA L4B 3V8	NOT APPLICABLE	NOT APPLICABLE
Mailing Address		Letter Date
133 BOAKE TRAIL		NOT APPLICABLE
	Revival Date	Continuation Date
RICHMOND HILL ONTARIO CANADA L4B 3V8	NOT APPLICABLE	NOT APPLICABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors	
	Minimum	Maximum
	00001	00010
Activity Classification	Date Commenced in Ontario	Date Ceased in Ontario
NOT AVAILABLE	NOT APPLICABLE	NOT APPLICABLE

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Request ID: 021910089  
Transaction ID: 68760704  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2018/07/20  
Time Report Produced: 09:10:54  
Page: 2

# CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>
2457674	2457674 ONTARIO INC.

<b>Corporate Name History</b>	<b>Effective Date</b>
2457674 ONTARIO INC.	2015/03/12

<b>Current Business Name(s) Exist:</b>	NO
<b>Expired Business Name(s) Exist:</b>	NO

<b>Administrator: Name (Individual / Corporation)</b>	<b>Address</b>
LAILA ALIZADEH	133 BOAKE TRAIL  RICHMOND HILL ONTARIO CANADA L4B 3V8

<b>Date Began</b>	<b>First Director</b>	
2017/01/01	NOT APPLICABLE	
<b>Designation</b>	<b>Officer Type</b>	<b>Resident Canadian</b>
DIRECTOR		Y

Request ID: 021910089  
Transaction ID: 68760704  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2018/07/20  
Time Report Produced: 09:10:54  
Page: 3

# CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>
2457674	2457674 ONTARIO INC.

<b>Administrator: Name (Individual / Corporation)</b>	<b>Address</b>
LAILA ALIZADEH	133 BOAKE TRAIL  RICHMOND HILL ONTARIO CANADA L4B 3V8

<b>Date Began</b>	<b>First Director</b>	
2017/01/01	NOT APPLICABLE	
<b>Designation</b>	<b>Officer Type</b>	<b>Resident Canadian</b>
OFFICER	PRESIDENT	Y

<b>Administrator: Name (Individual / Corporation)</b>	<b>Address</b>
LAILA ALIZADEH	133 BOAKE TRAIL  RICHMOND HILL ONTARIO CANADA L4B 3V8

<b>Date Began</b>	<b>First Director</b>	
2017/01/01	NOT APPLICABLE	
<b>Designation</b>	<b>Officer Type</b>	<b>Resident Canadian</b>
OFFICER	SECRETARY	Y

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Request ID: 021910089  
Transaction ID: 68760704  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2018/07/20  
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Page: 4

## CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2457674	2457674 ONTARIO INC.

Administrator: Name (Individual / Corporation)	Address
LAILA ALIZADEH	133 BOAKE TRAIL  RICHMOND HILL ONTARIO CANADA L4B 3V8

Date Began	First Director	Resident Canadian
2017/01/01	NOT APPLICABLE	
Designation	Officer Type	
OFFICER	TREASURER	Y

Request ID: 021910089  
Transaction ID: 68760704  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2018/07/20  
Time Report Produced: 09:10:54  
Page: 5

# CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>
2457674	2457674 ONTARIO INC.

<b>Last Document Recorded</b>		<b>Form</b>	<b>Date</b>
<b>Act/Code</b>	<b>Description</b>		
CIA	CHANGE NOTICE	1	2017/11/20 (ELECTRONIC FILING)

**THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.**

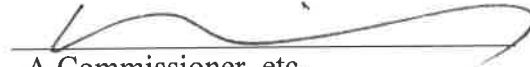
**ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.**

The issuance of this report in electronic form is authorized by the Ministry of Government Services.



**TAB B**

This is **Exhibit "B"** to the  
Affidavit of Nadine Campbell  
Sworn October 15, 2018

  
A Commissioner, etc.

000001

CV. 18. 00603 185. 0000

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

2399194 ONTARIO INC.

Applicant

-and-

MORTEZA KATEBIAN and PAYAM KATEBIAN

Respondents



**NOTICE OF APPLICATION**

APPLICATION UNDER Rules 14.05 (3) (d) and (g), and 40.01 of the *Rules of Civil Procedure* and section 101 of the *Courts of Justice Act*

**TO THE RESPONDENTS:**

**A LEGAL PROCEEDING HAS BEEN COMMENCED** by the applicant. The claim made by the applicant appears in the following pages.

**THIS APPLICATION** will come on for a hearing on the 24<sup>th</sup> day of August, 2018, at 9:00 am, at the courthouse at 393 University Avenue, Toronto, Ontario.

**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 do 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.

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**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.**

August 13, 2018

Issued by

  
Local Registrar

Address of Court Office:

393 University Avenue  
Toronto, Ontario M5G 1E6

**TO: Morteza Katebian**  
122 Kirk Drive  
Thornhill, Ontario  
L3T 3L4

**AND TO: Payam Katebian**  
122 Kirk Drive  
Thornhill, Ontario  
L3T 3L4

**APPLICATION**

1. The applicant makes an application for:
  - (a) a declaration that the respondents Morteza Katebian ("Morteza") and Payam Katebian ("Payam") are not shareholders, directors, or officers of 2399194 Ontario Inc. ("239");
  - (b) an interim, interlocutory and permanent injunction restraining the respondents from holding themselves out or representing to any person that they are shareholders, directors, officers, or in any way affiliated with 239;
  - (c) an order directing a trial on the issue of any damages arising from the respondents' conduct in holding themselves out as shareholders, directors and officers of 239 in efforts to interfere with 239's business interests;
  - (d) costs of this application on a full indemnity scale; and
  - (e) such further and other relief as this Honourable Court may permit.

2. The grounds for this application are:
- (a) Morteza was appointed as director, president, secretary, and treasurer of 239 when the company was incorporated on December 9, 2013;
  - (b) by shareholder resolution of the same date, signed by Morteza, all of the one hundred (100) shares of 239 were allotted to World Corporation Inc., a corporation owned by Laila Alizadeh ("Laila");
  - (c) Morteza submitted his resignation as a director and officer of 239 and nominated Laila as director of 239 on March 15, 2017;
  - (d) Laila consented to act as director of 239 and was appointed as president, secretary, and treasurer on the same date. A Form 1 was thereafter filed with the Ministry recording Laila's appointment and setting out the offices she held as well as recording Morteza's resignation;
  - (e) following a breakdown in the relationship between Morteza and Laila's husband, Arash Missaghi, as well as their business associate Troy Wilson, Morteza filed or caused to be filed a forged Form 1 purporting to reappoint himself as a director of 239;

- (f) thereafter, the respondents repeatedly and deliberately represented to various parties that Morteza is a director of 239. They did so for the purpose of intercepting funds from the proceeds of sale of certain properties in which 239 owns an interest;
- (g) Morteza purports to be the only duly authorized officer and director of 239 in the court proceeding bearing Court File No. CV-18-592103-00CL (the "Receivership Proceeding") and is attempting to defraud the court and the applicant by purporting to instruct counsel on behalf of 239 and purporting to assert that 239 is owed monies from the sale of 7 High Point Road in Toronto (the "High Point Property");
- (h) Payam is actively assisting Morteza, his father, in attempting to hold either Morteza or both of them out as authorized officers and directors of 239, knowing this to be false;
- (i) the respondents' conduct threatens to cause irreparable harm to 239 and ought to be enjoined to prevent the respondents from further interfering with the business activities of 239;
- (j) Rules 14.05 (3)(d) and (g) and 40.01 of the *Rules of Civil Procedure*; and
- (k) section 101 of the *Courts of Justice Act*.

3. The following documentary evidence will be used at the hearing of the application:
- (a) the affidavit of Laila Alizadeh, affirmed August 9, 2018 and
  - (b) such other and further evidence as this Honourable Court may permit.

August 13, 2018

**WAGNER SIDLOFSKY LLP**  
181 University Avenue, Suite 1800  
Toronto, Ontario M5H 3M7

Gregory M. Sidlofsky, LSO No. 43579C  
Mari Maimets, LSO No. 63757Q  
Peter Askew, LSO No. 69906E  
Tel: (416) 366-6743  
Fax: (416) 364-6579

Lawyers for the Applicant



2399194 ONTARIO INC  
Applicant

and

MORTEZA KATEBIAN et al  
Respondents

CV.18.00603185-0000  
Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceedings commenced at Toronto

**NOTICE OF APPLICATION**

**WAGNER SIDLOFSKY LLP**  
181 University Avenue  
Suite 1800  
Toronto, Ontario M5H 3M7


Gregory M. Sidlofsky, LSO No. 43579C  
Mari Maimets, LSO No. 63757Q  
Peter Askew, LSO No. 69906E  
Tel: (416) 366-6743  
Fax: (416) 364-6579

Lawyers for 2399194 Ontario Inc.

000007

TAB C

This is **Exhibit "C"** to the  
Affidavit of Nadine Campbell  
Sworn October 15, 2018



A Commissioner, etc.

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

2399194 ONTARIO INC.

Applicant

-and-

MORTEZA KATEBIAN and PAYAM KATEBIAN

Respondents

**AFFIDAVIT OF LAILA ALIZADEH**

I, **Laila Alizadeh**, of the City of Thornhill, in the Province of Ontario, **AFFIRM AND SAY:**

1. I am the sole director, officer and shareholder of 2399194 Ontario Inc. ("239") and as such have knowledge of the matters to which I hereinafter depose.

**A. BACKGROUND**

2. 239 is in the business of lending funds for private mortgages on residential and commercial properties.

3. The respondents Morteza Katebian ("Morteza") and Payam Katebian ("Payam") are father and son, respectively. Morteza is a former director of 239.

4. Morteza has a long history with my husband, Arash Missaghi ("Ara"), and Ara's business associate, Troy Wilson ("Troy"). Their history is relevant to explaining the context in which this proceeding arises.

5. I am advised by Ara and believe that he met Morteza in the spring of 1990 when Ara was operating a food and discount item distribution company. At the time, Morteza was in the retail store business. I am advised that Morteza would occasionally seek advice from Ara and share business ideas.

6. Later they began working together in a company called Universal Foods Inc. I am advised by Ara and believe that by agreement, Morteza was made the sole director.

7. After a few years in business together, Ara and Morteza had a falling out. I understand from Ara and believe that Morteza stole inventory and falsified company financial statements, which led to their disagreement.

8. In the period following their falling out, I understand that Morteza suffered a number of problems in his personal life. I am aware that his wife passed away and he lost his home under a power of sale.

9. Ara advises me and I believe that during this period Ara helped Morteza and his son, Payam, by providing them with a place to stay at one of Ara's residential investment properties. As such, Ara's and Morteza's relationship improved and Ara was able to help Morteza get back on his feet and able to support himself and his son.

10. Thereafter, Ara helped Morteza start a mortgage investment company that raised capital and invested mortgage funds in first and second mortgages. I am advised by Ara and believe that Ara provided Morteza with seed capital and strategic guidance for the business.

11. The business quickly became very profitable. I am advised by Ara and believe that the attitude of Morteza and his son Payam then changed and they sought more control over the business.

12. I am advised by Ara and believe that Ara's relationship with Morteza again deteriorated when Ara discovered that Morteza and Payam had started lending money to themselves against properties that we owned and they did so without our knowledge and solely to benefit themselves.

13. I believe their conduct to have been fraudulent and in breach of their fiduciary and contractual obligations.

14. Further, they used the company's money for down payments on personal property purchases, which were then financed by way of first or second mortgages from the company. These actions by Morteza and Payam put the business in financial jeopardy and required Ara to step in to prevent the failure of the business. Although I tried to mediate a resolution between Morteza, Ara, and Troy, the relationship was irretrievably broken.

**B. FACTS LEADING TO THE PRESENT APPLICATION**

15. It is Ara who caused 239 to be incorporated on December 9, 2013, but Ara appointed Morteza as a director, president, secretary, and treasurer as his nominee. The Certificate of Incorporation for 239 is attached hereto as **Exhibit "A"**. The resolution of the board of directors appointing Morteza as president, secretary and treasurer of 239, signed December 9, 2013, is attached hereto as **Exhibit "B"**.

16. By shareholder resolution of the same date, signed by Morteza, all of the one hundred (100) shares of 239 were allotted to World Corporation Inc., which is a company that I own. Thus, 239 was always ultimately under my control. The shareholder resolution of December 9, 2013 is attached hereto as **Exhibit "C"**. The shareholder register and ledger for 239 are attached hereto as **Exhibit "D"**. A copy of the share certificate is attached hereto as **Exhibit "E"**.

17. 239 was incorporated to purchase the 2nd mortgage on 7 High Point Road. All the funds required to purchase the mortgage came from my family as well as various businesses that we own. All instructions for the purchase of the mortgage came from myself and/or Ara and it was Ara or I who were dealing with 239's lawyers on the purchase. We also paid 239's lawyers for the legal work done.

18. As a result of the breakdown in the relationship between Morteza on the one hand and Ara and Troy on the other, Morteza resigned as the director of 239 on March 15, 2017. I was nominated to take his place. The resignation document, signed by Morteza, is attached hereto as **Exhibit "F"**. The resolution of the board of directors appointing me as president, secretary and treasurer of 239 on the same date is attached hereto as **Exhibit "G"**.

19. The Form 1 dated March 15, 2017, filed with the Ministry to record Morteza's resignation and my appointment is attached hereto as **Exhibit "H"**.

20. I remain the sole director of 239 and have never resigned from this position.

### C. THE FRAUD

21. Sometime in early 2018, Morteza secretly and without my knowledge or approval, filed a Form 1 fraudulently purporting to reappoint himself as a director of 239.



22. Since that date, Morteza and Payam have repeatedly falsely held out Morteza to be the sole director of 239 for the purpose of intercepting funds from the proceeds of sale of certain properties in which 239 owns an interest.

23. On the basis of his forgery, and omitting to disclose his resignation as director, Morteza now claims to be authorized to control 239 and has taken steps to enrich himself personally using assets of 239.

24. Morteza has sought to intervene in the court proceeding bearing Court File No. CV-18-592103-00CL (the "Receivership Proceeding") and is attempting to defraud the court and 239 by purporting to instruct counsel on behalf of 239. He is trying to intercept monies owing to 239 from the sale of 7 High Point Road in Toronto (the "High Point Property"). The Responding Motion Record that Morteza Katebian filed, dated June 26, 2018, is attached hereto as **Exhibit "I"**.

25. The lawyer that I retained to act for 239 and other companies that I own in the Receivership Proceeding, Catherine Fell of Brauti Thorning Zibarass LLP ("BTZ"), has notified Morteza's lawyers who purport to act for 239, the law firm of Berkow Youd Lev-Farrell Das LLP ("BYLFD"), that Morteza is not a director of 239 and has no authority on behalf of 239. At paragraphs 17-18 of the affidavit of Troy Wilson in the Supplementary Motion Record of July 30, 2018 filed by BTZ, BYLFD is put on notice that Morteza was removed as a director of 239. The Supplementary Motion Record is attached hereto as **Exhibit "J"**.

26. Nevertheless, Morteza continues to falsely assert that (1) he lawfully controls 239 as its director, and (2) that 239 is owed monies from the proceeds of sale of properties subject to the receivership that he should be given control over.

27. Further, Morteza falsely disputes the quantum of entitlement of Canada Investment Corporation ("CCC"), a company owned by Troy and I, to the distribution from the proceeds of sale of the High Point Property on the basis that 239 purportedly paid \$762,000 to CCC towards the first mortgage on the property. In fact, the payment had nothing to do with the mortgage and was instead a repayment for an investment by CCC in a condominium located at 409-1 Emerald Lane, as admitted by Payam under cross-examination in another proceeding. The transcript of Payam's cross-examination of October 5, 2016 is attached hereto as **Exhibit "K"**. The relevant portion is at page 13 of the transcript.

28. Further, the repayment of the \$762,000 was made by cheque from an account held by a numbered company controlled by Payam, not 239. The cheque, dated July 21, 2016, is attached hereto as **Exhibit "L"**.

29. I believe that Morteza is trying to interfere in the Receivership Proceeding to impede the distribution of the proceeds of sale of various properties owed to companies controlled by me and Troy - companies which I own. I believe he is trying to cause damage to us and to 239 and he is abusing the court's process and filing false affidavits in order to do so.

30. Morteza's attempt to mislead the court is highly prejudicial to 239 as it is being used as a means to carry out his personal vendetta against Ara, Troy and I using fraudulent means.

31. Payam has also been directly involved in holding his father out in this manner and in trying to interfere with 239. Payam has even shown up at court and purported to make submissions about how his father is the owner of 239 and attempting to derail court proceedings and otherwise subvert 239's rights in those court proceedings.

32. An injunction preventing Morteza and Payam from falsely holding themselves out as directors, officers or shareholders of 239 is necessary to put a stop to their unlawful and vindictive behaviour and to ensure that they cannot cause further harm to 239's interests.

33. On behalf of 239 and myself, I undertake to abide by any order concerning damages that the court may make if it ultimately appears that the granting of the order has caused damage to the respondents for which the moving party ought to compensate them.

AFFIRMED before me at the City )  
of Toronto, the Province of Ontario, )  
on the 10 day of August, 2018 )  
)  
)

  
\_\_\_\_\_  
A commissioner, etc.

  
\_\_\_\_\_  
Laila Alizadeh

COMFORT CAPITAL *et al.*

- and - ANNIE YERETSIAN *et al.*

Court File No. CV-18-592103-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceedings commenced at Toronto

**AFFIDAVIT OF NADINE CAMPBELL  
(Sworn October 15, 2018)**

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2399194 Ontario Inc.**

**COMFORT CAPITAL INC. et al.**  
Applicants

- and - **ANNIE YERETSIAN et al.**  
Respondent

**Court File No. CV-18-592103-00CL**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceedings commenced at **Toronto**

**RESPONDING MOTION RECORD  
OF 2399194 ONTARIO INC.  
(RE: Motion to Strike Returnable October 18, 2018)**

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