

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

THE HONOURABLE) FRIDAY, THE 29TH
MR. JUSTICE PENNY) DAY OF MARCH, 2019

BETWEEN:

BUDUCHNIST CREDIT UNION LIMITED

Applicant

- and -

**2321197 ONTARIO INC., CARLO DEMARIA, SANDRA DEMARIA,
2321198 ONTARIO INC., SASI MACH LIMITED and VICAR HOMES LTD.**

Respondents

APPROVAL AND VESTING ORDER

This motion, made by KSV Kofman Inc., in its capacity as court-appointed receiver and manager (the “**Receiver**”) of certain real property including the real property located at 87 Elm Grove, Richmond Hill, Ontario and legal described in **Schedule A** hereto (the “**Elm Grove Property**”), for an order approving the proposed transaction (the “**Transaction**”) for the sale of the Elm Grove Property to Sutharsanan Nageswaran and Sukanya Sutharsanan (collectively, the “**Purchasers**”) pursuant to an Agreement of Purchase and Sale (the “**Sale Agreement**”) and appended to the Fourth Report of the Receiver dated March 22, 2019 (the “**Report**”), and vesting in the Purchasers the Elm Grove Property, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Antoinette De Pinto sworn March 22, 2019, filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Elm Grove Property to the Purchasers.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule B** hereto (the "**Receiver's Certificate**"), all of the right, title and interest of 2321197 Ontario Inc. ("**197**") in and to the Elm Grove Property shall vest absolutely in the Purchasers free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**", including (i) any encumbrances or charges created by the Order of Justice Wilton-Siegel dated November 13, 2018; (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Ontario); and (iii) those Claims listed on **Schedule C** hereto (all of which are collectively referred to as the "**Encumbrances**"), and for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Elm Grove Property are hereby expunged and discharged as against the Elm Grove Property.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of York Region of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule A hereto in fee simple, and is hereby directed to delete and expunge from title to the real property all of the Claims listed in Schedule C hereto.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Elm Grove Property shall stand in the place and stead of the Elm Grove Property, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Elm

Grove Property with the same priority as they had with respect to the Elm Grove Property immediately prior to the sale, as if the Elm Grove Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of 198 and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 198;

the vesting of the Elm Grove Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 198 and shall not be void or voidable by creditors of 198, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada 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.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAR 29 2019



Schedule A – Elm Grove Property

PIN: 03199-0011 (LT)

Property Description: PCL 7-1 SEC M1563; LT 7 PL M1563; Town of Richmond Hill

Address: 87 Elm Grove Drive
Richmond Hill, ON L4E 2W8

Schedule B – Form of Receiver’s Certificate

Court File No. CV-18-00608356-00CL

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

BETWEEN:

BUDUCHNIST CREDIT UNION LIMITED

Applicant

- and -

**2321197 ONTARIO INC., CARLO DEMARIA, SANDRA DEMARIA,
2321198 ONTARIO INC., SASI MACH LIMITED and VICAR HOMES LTD.**

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Penny of the Ontario Superior Court of Justice (the “**Court**”) dated December 4, 2016, KSV Kofman Inc. was appointed as receiver of the real property located at 87 Elm Grove Drive, Richmond Hill, Ontario (the “**Elm Grove Property**”).

B. Pursuant to an Order of the Court dated March 29, 2019, the Court approved the Agreement of Purchase and Sale (the “**Sale Agreement**”) between the Receiver and Sutharsanan Nageswaran and Sukanya Sutharsanan (collectively, the “**Purchasers**”) and provided for the vesting in the Purchaser of all of the right, title and interest of 2321197 Ontario Inc. (“**197**”) in and to the Elm Grove Property, which vesting is to be effective with respect to the Elm Grove Property upon the delivery by the Receiver to the Purchasers of a certificate confirming (i) the payment by the Purchaser of the purchase price for the Elm Grove Property; and (ii) the transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchasers have paid and the Receiver has received the purchase price for the Elm Grove Property payable on the closing date pursuant to the Sale Agreement; and
2. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

KSV Kofman Inc., in its capacity as Court-Appointed Receiver

Per: _____

Name:

Title:

Schedule C – Claims to be deleted and expunged from title to Real Property

Instrument #	Registration Date	Instrument
YR2427027	2016/02/05	Charge (Buduchnist Credit Union Limited)
YR2897648	2018/11/15	Application to Register Court Order

BUDUCHNIST CREDIT UNION LIMITED

- and -

2321197 ONTARIO INC., CARLO DEMARIA, SANDRA
DEMARIA, 2321198 ONTARIO INC., SASI MACH LIMITED and
VICAR HOMES LTD.

Applicant

Respondents

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

PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

George Benchetrit
Tel: (416) 218-1141
Fax: (416) 222-8402
Email: george@chaitons.com

**Lawyers for KSV Kofman Inc., in its capacity as
Court-Appointed Receiver**